



Lake County Illinois

Legislation Text

File #: 11-0026, Version: 1

Tax Abatement Ordinance for the 2010 General Obligation Bonds.

- When the County issued these bonds, they were issued as alternative revenue bonds, which means that the taxes are paid from revenue other than property taxes.
- If the County has insufficient alternative revenue, it must pay for the debt service with tax levy funds. For that reason, there is actually a tax levy in the County Clerk's records for payment of principal and interest on these bonds.
- Each year the County must determine that it has sufficient funds to pay for the debt service and file a resolution with the County Clerk that there is no need of a tax levy to pay debt service. This is called tax abatement and this resolution authorizes the abatement.

Ordinance abating the tax hereto levied for the year 2010 to pay the principal of and interest on \$31,410,000 Taxable General Obligation Bonds (Sales Tax Alternate Revenue Source), Series 2010A, of The County of Lake, Illinois.

WHEREAS, the County Board of Lake County, Illinois by ordinance, adopted on the 12th day of October 2010 (as supplemented by the Bond Order executed in connection therewith, the "*Ordinance*"), did provide for the issue of \$31,410,000 Taxable General Obligation Bonds (Sales Tax Alternate Revenue Source), Series 2010A (the "*Bonds*"), and the levy of a direct annual tax sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the Sales Taxes (as defined in the Ordinance) have been determined by the Treasurer to provide an amount not less than 1.25 times debt service of all outstanding Bonds (as defined in the Ordinance) in the next succeeding bond year (May 30 and November 30); and

WHEREAS, the Sales Taxes have been deposited in the 2010A Alternate Bond Fund (as created in the Ordinance) in an amount sufficient to pay debt service on all outstanding Bonds in the next succeeding bond year; and

WHEREAS, it is necessary and in the best interests of the County that the tax heretofore levied for the year 2010 to pay the principal of and interest on the Bonds be abated;

NOW, THEREFORE, BE IT ORDAINED, by the County Board of The County of Lake, Illinois, as follows:

Section 1. Abatement of Tax. The tax heretofore levied for the year 2010 in the Ordinance is hereby abated in its entirety.

Section 2. Filing of Ordinance. Forthwith upon the adoption of this ordinance, there shall be filed a copy hereof with the County Clerk (the "*County Clerk*") of the County, and it shall be the duty of the County Clerk to abate said tax levied for the year 2010 in accordance with the provisions hereof.

Section 3. Effective Date. This ordinance shall be in full force and effect forthwith upon its passage by the Board and signing and approval by the President.

DATED, at Waukegan, Illinois, on this 8th, day of February, A.D., 2011.