

# FRANCZEK

## New Reports Shine Light On Increased Use Of TIF Districts

April 7, 2026 [Ares Dalianis](#)

Two reports issued in the past week illuminate the explosive growth in the use of tax increment financing (TIF) districts throughout Illinois and how those TIF districts are affecting the property tax burden for local taxpayers. Last week the Civic Federation released a 55-page report titled 'Tax Increment Financing: A Primer' that examines how TIF districts operate in Illinois, the fiscal impact on taxpayers and other taxing bodies, key policy debates, and controversies in the use of TIF districts. The Civic Federation primer can be found [here](#). This week Cook County Treasurer Maria Pappas issued a 23-page report that includes an analysis on the dramatic increase in the number of TIF districts and the revenue generated from those TIF districts over the past 30 years. The Pappas study can be found [here](#).

The Civic Federation primer provides a detailed history on TIF districts nationally and in Illinois highlighting that there are approximately 1,488 active TIF districts in 511 municipalities statewide including 108 in Chicago, 284 in suburban Cook County, 233 in the five collar counties, and the remaining 863 in the State's other 96 counties. The report examines alternatives to TIF districts such as property tax abatements, incentive assessments, enterprise zones, and other development incentives but concludes that Illinois municipalities prefer TIF districts due to local control, flexibility of operation, and that they generally generate more property tax revenue than other incentives. The report also lays out best practices including having a formal TIF policy to help evaluate TIF district proposals, providing for a thoughtful evaluation to determine if TIF is appropriate, and for ongoing monitoring and accountability. The primer takes a careful look at TIF eligibility, and the 13 factors used to designate a TIF district.

The Pappas study focuses on Cook County and looks at cost drivers in addition to TIF districts including the role of the Property Tax Extension Limitation Law (a/k/a the Tax Cap), referenda, and ideas for reform. The dramatic growth in the number of TIF districts is a focus of the Pappas report. In the past 30 years, she reports that TIF district property tax collections have increased by 1034% from \$160 million to over \$1.8 billion in 2024. For 2024 taxes, collected in 2025,

9.4% of all Cook County property taxes are paid to one of the +/-400 TIF districts in Cook County. Pappas' reform solutions include eliminating loopholes in the PTELL, enacting an income-based circuit breaker for lower income taxpayers, consolidation of local government, reducing pension obligations, and increasing State funding to reduce the reliance on the local property tax.

Both reports summarize valuable information and highlight the dramatic increase in the use of tax increment financing Statewide, along with the cost of that growth to local taxpayers. Illinois school districts are regularly faced with evaluating proposals for new TIF districts as part of the joint review board process. New TIF districts are often controversial and occasionally lead to litigation. For school Board members, administrators, and interested citizens, these reports are worth reading.