
TAX - ILLINOIS

MB Financial Bank, N.A. v. Brophy

Supreme Court of Illinois - September 21, 2023 - N.E.3d - 2023 IL 128252 - 2023 WL 6153041

Taxpayers whose apartment-complex property had been taken by city in condemnation action brought declaratory judgment action against county treasurer seeking refund of property taxes paid between the date the city filed its condemnation complaint and the date it acquired taxpayers' property.

The Circuit Court dismissed action. Taxpayers appealed. The Appellate Court affirmed in part and reversed in part. Treasurer petitioned for leave to appeal, which was granted, and taxpayers sought cross-relief.

The Supreme Court held that city's title to property did not vest retroactively to date of filing of condemnation petition and thus did not relieve taxpayers from property tax liability for period between date of filing on condemnation complaint and date of payment of compensation; overruling *City of Chicago v. McCausland*, 379 Ill. 602, 41 N.E.2d 745.

Statute providing that property acquired for a use that is exempt from taxation shall be exempt on the date of the right of possession "except that property acquired by condemnation is exempt as of the date the condemnation petition is filed" does not render a condemning authority liable for property taxes from date a condemnation action is filed; rather, statute applies only if the relation-back rule is in effect to make the tax-exempt status of the property relate back to date condemnation action was filed.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com