

NOTICE

This Order was filed under Supreme Court Rule 23 and is not precedent except in the limited circumstances allowed under Rule 23(e)(1).

2026 IL App (4th) 250911-U

NO. 4-25-0911

IN THE APPELLATE COURT

OF ILLINOIS

FOURTH DISTRICT

FILED

October 16, 2026

Carla Bender

4th District Appellate
Court, IL

COE COMMONS, LLC,	)	Appeal from the
Plaintiff-Appellant,	)	Circuit Court of
v.	)	Sangamon County
THE STATE OF ILLINOIS PROPERTY TAX APPEAL	)	No. 24MR167
BOARD and THE SANGAMON COUNTY BOARD OF	)	
REVIEW,	)	Honorable
Defendants-Appellees.	)	Adam Giganti,
	)	Judge Presiding.

JUSTICE DeARMOND delivered the judgment of the court.
Justices Grischow and Cavanagh concurred in the judgment.

ORDER

¶ 1 *Held:* The appellate court reversed and remanded with directions because the record on appeal was insufficient to allow a determination of whether the State of Illinois Property Tax Appeal Board clearly erred in upholding the assessments of certain billboards as taxable property.

¶ 2 Plaintiff, Coe Commons, LLC, seeks administrative review of the decision of the Illinois Property Tax Appeal Board (PTAB) (1) upholding the assessments of billboards located on three parcels of land belonging to plaintiff as real property and (2) determining that section 24-5 of the Property Tax Code (Code) (35 ILCS 200/24-5 (West 2022)) did not require the billboards to be classified as personal property.

¶ 3 I. BACKGROUND

¶ 4 Plaintiff owns three 0.02-acre parcels of land located “along Route 29 in Rochester, Sangamon County, Illinois.” Each parcel contains a steel 12-foot by 24-foot “double

faced billboard.” For the year 2022, the Sangamon County Board of Review (Board) determined the value of each parcel was \$14,698 (\$128 for “Non-Farm Land” and \$14,570 for “Non-Farm Building”). Plaintiff challenged the assessments before the PTAB, arguing that article IX, section 5(b)-(c), of the Illinois Constitution of 1970 (Ill. Const. 1970, art. IX, § 5(b)-(c)) abolished personal property taxes as of January 1, 1979. Plaintiff further argued the leases for the properties evinced “the intention of the parties” that the billboards would remain the tenant’s personal property. Plaintiff also provided the affidavits of Michael Baietto and Larry Bielfeldt in support of its argument. Both affidavits were certified under section 1-109 of the Code of Civil Procedure (735 ILCS 5/1-109 (West 2022)).

¶ 5 Bielfeldt, plaintiff’s manager, stated the three 0.02-acre parcels were leased to Lamar Advertising Company of Decatur-Springfield (Lamar) which obtained the leases through assignment. According to Bielfeldt, plaintiff made no improvements to the parcels and made “no claim to any of the signage or signage fixtures.”

¶ 6 Bielfeldt attached the leases, photographs of the billboards, tax assessment notices, and current assessments to his affidavit. The leases were executed in 2013 by plaintiff’s and Lamar’s predecessors in interest, and their provisions are substantially identical, aside from the description of the properties. The leases provide that all structures, equipment, and materials placed on the parcels by the lessee remain the lessee’s personal property. They grant the lessee a right-of-way to obtain electrical service. The leases also authorized the construction and maintenance of the 12-foot by 24-foot, double-faced billboards. The duration of the leases was for 20 years, with options for an additional 10-year term and, thereafter, year-to-year renewals for up to 10 years. The leases structured rental payment as follows: \$250 per month for the first 10 years, \$300 per month for the following 10 years, and \$350 per month for the optional third

decade. In the event of termination, the leases required the lessee to remove the billboard structures and restore the premises to their prior condition within three months.

¶ 7 Baietto, in his affidavit, stated he worked as a general manager for Lamar, whose business was “installing and maintaining roadside billboard advertising throughout central Illinois.” According to Baietto, Lamar maintains over 1,000 billboards, owns all the poles and attached signage associated with its billboards, and leases the real estate upon which the billboards are placed. When Lamar paid to acquire the leases for plaintiff’s property, Lamar also paid “for the structures (poles), signage, and all the structures on which the signage was erected.” Baietto averred that, “[i]n each instance, the structures, equipment, signage[,] and all improvements could be removed from the leasehold without injury to the real estate.” He further claimed that Sangamon County’s efforts “to tax billboards/personal property as real estate [were] the only instances known to [him] of all the signage maintained by Lamar” across central Illinois.

¶ 8 In March 2024, the PTAB entered its final administrative decision, effectively affirming the Board’s determinations of the assessed value of the three parcels belonging to plaintiff. In doing so, the PTAB noted plaintiff’s argument challenging the Board’s “classification of the billboards as real property.” The PTAB then recited the language of section 1-130(a) of the Code (35 ILCS 200/1-130(a) (West 2022)), which defines taxable real property as “[t]he land itself, with all things contained therein, and also all buildings, structures and improvements, and other permanent fixtures thereon, *** and all rights and privileges belonging or pertaining thereto, except where otherwise specified by this Code.” The PTAB also recited the language of section 24-5 of the Code (35 ILCS 200/24-5 (West 2022)). Under that section, property lawfully assessed as personal property before January 1, 1979, cannot be reclassified as

real property after that date, and vice versa. 35 ILCS 200/24-5 (West 2022). Ultimately, the PTAB found plaintiff failed to present any evidence demonstrating (1) how billboards were assessed in Sangamon County prior to January 1, 1979 and (2) that like-kind property in Sangamon County had been reclassified from personal property to real property after that date. Because plaintiff failed to demonstrate that the assessments were incorrect, the PTAB determined “no reduction in the [parcels’] assessment [was] warranted.”

¶ 9 Plaintiff filed a complaint for administrative review in April 2024. Plaintiff also filed a brief in support of reversal of the PTAB’s decision, contending the billboards were “personal property and not a part of the realty” and that throughout “the tax process and proceedings there was no genuine issue of dispute as to the facts, or law.” However, plaintiff asserted, “the PTAB injected a new requirement,” effectively shifting the burden to plaintiff “to prove a universal negative, *i.e.* that no billboards were taxed as real estate prior to January 1, 1979.”

¶ 10 The PTAB filed a response, arguing the billboards met the definition of real property under section 1-130 of the Code, and they were not exempt under section 24-5. The PTAB also asserted that even though plaintiff claimed the billboards remained personal property, plaintiff provided no evidence of “whether the reality of how the billboards were used matches the writing.” The circuit court thereafter entered an order upholding the PTAB’s determination.

¶ 11 This appeal followed.

¶ 12 II. ANALYSIS

¶ 13 A. Standard of Review

¶ 14 The parties disagree as to the appropriate standard of review. Plaintiff contends the instant case presents “only a question of law,” which it claims we should review *de novo*.

The PTAB counters that the appropriate standard of review is clearly erroneous, as the issue is whether the PTAB correctly applied relevant sections of the Code to undisputed facts.

¶ 15 In cases involving administrative review, the appellate court reviews the decision of the administrative agency—in this case, the PTAB—not the determination of the circuit court. *Marconi v. Chicago Heights Police Pension Board*, 225 Ill. 2d 497, 531 (2006). With questions of law, the PTAB’s decision is not binding on this court, and thus our review is *de novo*. *Illini Country Club v. Property Tax Appeal Board*, 263 Ill. App. 3d 410, 416 (1994), *overruled on other grounds*, *Peacock v. Illinois Property Tax Appeal Board*, 339 Ill. App. 3d 1060, 1071 (2003). If a case presents a mixed question of law and fact, we review the PTAB’s ruling under a clearly erroneous standard. *Lake Point Tower Garage Ass’n v. Property Tax Appeal Board*, 346 Ill. App. 3d 389, 392 (2004). Under that standard, a reviewing court will not reverse the PTAB’s decision unless the court has a definite and firm conviction the agency was mistaken. *Lake Point Tower Garage Ass’n*, 346 Ill. App. 3d at 392-93.

¶ 16 At issue is whether the PTAB correctly found that (1) the billboards on plaintiff’s three parcels of land met the definition of real property under section 1-130 of the Code, and (2) section 24-5 of the Code did not require the billboards to be classified as personal property. Resolution of these issues involves an examination of the legal effect of a given set of facts, which presents a mixed question of law and fact that is reviewed under the clearly erroneous standard. *Lake Point Tower Garage Ass’n*, 346 Ill. App. 3d at 392; see *Onwentsia Club v. Illinois Property Tax Appeal Board*, 2011 IL App (2d) 100388, ¶ 8; *Boone County Board of Review v. Property Tax Appeal Board*, 276 Ill. App. 3d 989, 994 (1995).

¶ 17 B. The Insufficient Record

¶ 18 In every proceeding before the PTAB, the PTAB “will consider only the

evidence, exhibits and briefs submitted to it, and will not give any weight or consideration to any prior actions by a local board of review or to any submissions not timely filed or not specifically made a part of the record.” 86 Ill. Adm. Code 1910.50(a) (2019). “[T]he [PTAB] shall not presume the action of the board of review or the assessment of any local assessing officer to be correct. However, any contesting party shall have the burden of going forward.” 86 Ill. Adm. Code 1910.63(a) (2000). “Under the burden of going forward, the contesting party must provide substantive, documentary evidence or legal argument sufficient to challenge the correctness of the assessment of the subject property.” 86 Ill. Adm. Code 1910.63(b) (2000). Once a contesting party has done so, “[t]he board of review must provide substantive, documentary evidence or legal argument sufficient to support its assessment of the subject property or some other, alternate valuation. Failure to do so will result in a decision by the [PTAB] based upon the information submitted by the contesting party.” 86 Ill. Adm. Code 1910.63(c) (2000).

¶ 19 In this case, our ability to ascertain whether the PTAB’s findings that resulted in upholding the Board’s assessments of plaintiff’s properties were clearly erroneous is constrained because the PTAB made no findings as to the basis of its decision. The PTAB simply summarized the evidence and arguments presented by the parties and recited the language of pertinent sections of the Code. As stated, section 1-130 of the Code defines “real property” as “[t]he land itself, with all things contained therein, and also all buildings, structures and improvements, and other permanent fixtures thereon, *** and all rights and privileges belonging or pertaining thereto, except where otherwise specified by this Code.” 35 ILCS 200/1-130(a) (West 2022). Although the statute provides a definition of “real property,” that definition uses, but does not define, the terms “buildings,” “structures and improvements,” or “fixtures.”

¶ 20 The evidence submitted to the PTAB was meager at best. Notably, plaintiff failed

to produce any previous tax assessments for the properties prior to 2022. In addition, plaintiff provided nothing as to the condition of the premises prior to the commencement of the leases or whether the properties could be returned to that condition upon removal of the billboards. Plaintiff also failed to present any information regarding how often the billboards are maintained or replaced due to their prolonged exposure to the elements. Further, plaintiff provided nothing in terms of the actual removability of the billboards, *i.e.*, whether the billboards were designed to be removeable, the difficulty in removing them, or what, if anything, would remain in the ground once the billboards were removed. See *Beeler v. Boylan*, 106 Ill. App. 3d 667, 671 (1982) (pointing out the “permanent nature” of an installation was relevant to the determination of whether it is “taxable realty”). On the other hand, the only evidence the Board submitted in support of its assessments were the first pages of each lease and its “Notes on Appeal,” which merely indicated the properties’ assessed valuations and that plaintiff received \$250 in monthly rental income. The Board, however, failed to submit any evidence pertaining to the billboards’ construction, their foundations or footing, their supporting structures, and their electrical equipment. The Board also provided nothing regarding what modifications or alterations were necessary to accommodate the billboards or how they were attached to the land. See *Ayrshire Coal Co. v. Property Tax Appeal Board*, 19 Ill. App. 3d 41, 46 (1974) (finding the way in which an item is annexed to the real estate and its adaptation to the realty’s use as strong evidence of intent to make it part of the freehold).

¶ 21 It seems reasonable to conclude that evidence of this type existed at the time the PTAB rendered its decision and could have been presented through the exercise of reasonable diligence. Yet the deficiencies of this record are such that we do not know what the PTAB relied on to make its decision. The PTAB’s arguments on appeal essentially suggest that explicit

findings are unnecessary so long as the path of its decision provides enough detail that the full course may be discerned. But the PTAB provided no details. In fact, we cannot discern if the PTAB engaged in any analysis because its two-sentence conclusion expressed only that plaintiff failed to show (1) that the assessments were incorrect, (2) how billboards were assessed in Sangamon County prior to January 1, 1979, and (3) that like-kind property in Sangamon County had been reclassified from personal property to real property after that date. The record is silent as to what weight, if any, the PTAB gave to the evidence presented. See 86 Ill. Adm. Code 1910.50(c) (2019). Worse still, we cannot determine if the PTAB did anything besides presume the assessments were correct. See 86 Ill. Adm. Code 1910.63(a) (2000). For instance, the PTAB made no effort to articulate (1) what value or utility the billboards added to plaintiff's properties, (2) whether the billboards were, in fact, meant to be temporary, or (3) how the billboards enhanced the use of plaintiff's properties. See *St. Louis v. Rockwell Graphic Systems, Inc.*, 153 Ill. 2d 1, 4-5 (1992) (identifying the relevant criteria for determining whether an item is an improvement). We also do not know what single factor or combination of factors the PTAB considered fatal to plaintiff's argument that the leases evinced the intent that the billboards would always remain the lessee's personal property. See *Cherry Bowl, Inc. v. Property Tax Appeal Board*, 100 Ill. App. 3d 326, 330 (1981) (noting the intent to permanently improve the real estate, rather than the equipment's use in business, is crucial in determining whether personal property becomes a fixture). The PTAB's approach effectively puts this court in the position of doing what the PTAB was obligated to do—identify the reasons that justify its decision and sufficiently articulate them. The PTAB's rote recitations do not explain *why* the PTAB came to its decision, and we will not make assumptions on the PTAB's behalf.

¶ 22 The PTAB, like any other administrative agency, is obligated to create and

provide a record sufficient to permit judicial review of its decisions. *Miles v. Housing Authority*, 2015 IL App (1st) 141292, ¶ 23. We can hold the absence of a complete record against such an agency, even when the agency is not the party appealing. *Miles*, 2015 IL App (1st) 141292, ¶ 23. Given the state of this record, “our ability to conduct a meaningful judicial review has been thwarted.” *Miles*, 2015 IL App (1st) 141292, ¶ 29. In matters such as this one, it is appropriate for a reviewing court to reverse and remand to the administrative agency to detail its findings supporting its conclusions. *Soto v. Board of Fire & Police Commissioners*, 2013 IL App (2d) 120677, ¶ 32. The issues presented in this case are important and carry potentially far-reaching consequences. Our decision should be based upon a full and accurate record. We therefore reverse the judgment and remand the cause to the PTAB, as we simply cannot determine whether the PTAB’s findings were clearly erroneous because we do not know the basis for its conclusions.

¶ 23

III. CONCLUSION

¶ 24 For the reasons stated, we reverse the PTAB’s decision and remand for further proceedings. On remand, the PTAB is directed to (1) make appropriate findings regarding its ultimate decision; (2) redetermine plaintiff’s claim for a reduction in the assessments of its properties, if necessary; (3) conduct a hearing, if it deems one is necessary to accomplish the foregoing; (4) detail the basis for its conclusions; and (5) create a record of the foregoing.

¶ 25 Reversed and remanded with directions.