Special Service Area  
Implementation Steps & Requirements

**What is a Special Service Area?**

A special service area (SSA) is a taxing mechanism that can be used to fund a wide range of special or additional services and/or physical improvements in a defined geographic area within a municipality or jurisdiction. This type of district allows local governments to establish such areas without incurring debt or levying a tax on the entire municipality. In short, an SSA allows local governments to tax for and deliver services to limited geographic areas within their jurisdictions.

**What is the legal authority for an SSA?**

The 1970 Illinois Constitutional Convention granted municipalities and counties the authority:

> "to levy or impose additional taxes upon areas within their boundaries in the manner provided by law for the provision of special services to those area and for the payment of debt incurred in order to provide those special services."

The process for establishing an SSA is outlined in the "Special Service Area Tax Law" (Article 27, 35 ILCS 200/27). This process and subsequent case law form the basis for SSA implementation in Illinois.

SSAs appear to be excluded from tax cap legislation, and are still available for home rule and non-home rule municipalities in "capped" counties.

**What can an SSA do?**

SSAs are unique financing tools used to support and implement a wide array of services, physical improvements, and other activities. Among the list of common services and activities provided by SSAs:

- Downtown Marketing
- Downtown Promotion/Advertising
- Special Events
- Seasonal Decorations
- Tenant Search/Leasing Support
- Transportation (e.g. Downtown Trolleys)
- Improved Snow Removal Services
- Improved Trash Removal Services
- Program Administration
- Improved Parking Enforcement
- Services Planning/Marketing
- Consulting
- Public Relations Activities
- Downtown Maintenance Staff/Activities
- Membership Services
- Store Window Display Assistance
- Security Improvements/Services
- Infrastructure Improvements
- Parking Lots or Garages
- Storm Sewers
- Street Improvements
- Curbs
- Alley Repaving
- Trash Receptacles
- Benches
- Lighting
- Streetscaping/Landscaping
- Sidewalk Paving

**How Have Other Communities Used SSAs?**

The Illinois Department of Revenue has documented more than 600 SSAs in Illinois, with many communities having ten or more active SSAs. These SSAs included real estate valued at almost $ 10.4 billion (EAV), covering all types of new and existing residential, commercial, and industrial land uses. The number of SSAs has continued to increase each year.

SSAs are largely used to support retail districts, especially central business districts. A survey of communities with SSAs covering central business districts indicated high community satisfaction with the SSA's ability to provide essential services and improvements. Additionally, in some communities, SSAs are used for improvements such as infrastructure in newly developing areas.