

APPEALING YOUR TAX ASSESSMENT TO A PROPERTY TAX BOARD OF REVIEW

Advice provided by Precise Tax Assessment LLC

Plan ahead by speaking with your local assessor about your Assessment

(We want to speak with you about your concerns)

- 1. Your tax amount is calculated on your taxable value which increases or decreases by the inflation rate. Your assessed value varies by the current market conditions. Assessed Values can change often and by a lot depending on the current market condition.*
- 2. Check your Principal Residence Exemption %, this is one of the greatest influences on your tax bill. This reduction is the same as Agriculture receives. To receive an Agriculture exemption 51% of the total land must be devoted to agriculture production. We can easily calculate this off GIS mappings. Exemptions can often times be fixed by a discussion directly with assessor*

If your value is too high, verify facts then pursue a correction

- 3. Compare your records and beliefs with the assessor's and understand differences. For example, discrepancies in the square footage, or in the number of rooms or any other item affecting value should be explained.*
- 4. Speak with the assessor about facts which you believe are either erroneous, missing or should be considered.*
- 5. Most assessors will automatically correct errors of fact when they are discovered, and you will not have to appear before the board of review.*
- 6. If you decide you want to appear before the local board of review, be prepared to document facts and any value you believe should be placed on your home.*

Documentation includes:

- *examining sales studies the assessor may offer as evidence of the value of your property.*
- *A professional opinion of value, maybe a recent appraisal or realtor opinion of value.*
- *Finding recent sales of properties comparable to yours*
- *Make a comparison of average selling prices per square foot for properties that have been used by either you or the assessor as comparables.*
- *Examine comparables for glaring differences between them and your property: this could be age, lot size, condition, number of bedrooms, pools, garages etc.*

What to do if your taxes are too high!

- 7. Check your Principal Residence Exemption %, this can be fixed usually by dealing directly with the assessor.*
- 8. When your taxes are too high for you to afford, you should first look to Michigan's "Circuit Breaker" law for help. This is the form 1040CR filed with your state income taxes. Any Michigan taxpayer who pays more than 3.5 percent of their household income in property taxes is eligible for benefits under the circuit breaker law. Household income means income from all sources.*
- 9. There is a "poverty exemption" in the state of Michigan. It is granted for only one year at a time. Under this law, the Board of Review may order your State Equalized Value to be reduced or even set a zero valuation (a complete exemption). Such a reduction forces the property's Taxable Value to be reduced and thereby causes a reduction in your annual tax burden.*
- 10. Ensure that the proper millage rates have been applied. Under Michigan law there is a "Homestead" millage rate which applies to qualified residential and agricultural properties. Qualified means you reside in the structure as your home to the extent required by law. The homestead rate is much lower than a "non-homestead" rate and often represents a tax reduction of more than 33 percent.*

Rules for appealing

- 11. You may appeal in person or by mail to the assessor's office. Be sure to have forms received before the first day of appeals.*
- 12. If you choose to use an agent, provide that person with a written document authorizing their right to appeal on your behalf*

Additional advice.

- You should always verify meeting dates, the method by which you may register for an appearance before a Board of Review and whether or not appointments for appearances can be made.*
- If your appeal involves complicated issues, it is wise to submit materials a week or more in advance of your appeal date so that the assessor will have a chance to review the information. For truly complicated reviews, it may be unreasonable to ask an assessor or the Board of Review to attempt to make a decision without giving them an appropriate time to analyze facts and digest relevant information.*
- You may want to check with the assessor to see if extra copies of any evidence or support materials for your appeal will be needed. This is not required by law before the Board of Review, but some Boards and Assessor's find it helpful.*
- Property tax valuations are based upon historic sales information. This is usually a two year study. Historic sales data will not properly reflect current market trends. During periods of inflation in real estate values, these studies lag and your State Equalized Values and Taxable Values will follow.*
- Provide a second professional OPINION from sources such as a realtor or submit appraisals often provided by banks and closing agents.*