

INTERESTED TAXPAYERS

ASSESSED VALUE INCREASE:

HOW DOES MY ASSESSED VALUE RISE WHEN I MADE NO IMPROVEMENTS TO MY PROPERTY?

1. The assessed value of a parcel will increase when market rates go up. The demand for housing or vacant land will drive the market up in costs. Basically, the assessed valuation of any particular parcel should be 50% of the Market Value. (The amount you should be able to get if you sold the property.)

I THOUGHT MY ASSESSED VALUE COULDN'T CHANGE SINCE PROPOSAL A

1. The assessed value of any parcel can change due to market increases, sales, and new construction.
2. Proposal A "capped" Taxable Value. Your taxable value can only increase by 5% or the Consumer Price Index (which is 1.9% this year); whichever is lower. So, for the year 2000 your taxable value will increase by 1.9% unless you have new construction or you purchased your home in 1999.

TAXABLE VALUE INCREASE

SINCE ADOPTION OF PROPOSAL A MY TAXES CONTINUE TO RISE, WHY??

1. Again, your taxable value can rise by 5% or the CPI, whichever is lower. But, taxable value does not mean tax dollars. For example:

A 1999 taxable value of \$58,000 increased 1.9% for the year 2000 to \$59,102.
The homestead millage rate is 30 mills.
For 1999 the tax bill was \$1,740. For the 2000 bill it would be \$1,773.06.
So, the taxable value went up by \$1,102. But, the tax dollars only increased by \$33.06.
2. Your taxes may also increase due to millage rate elections.

WHAT DO YOU MEAN "CAPPED"?? I BOUGHT MY HOME IN 1999 AND MY TAXABLE VALUE FOR 2000 IS A LOT HIGHER THAN IT WAS FOR THE PREVIOUS OWNER LAST YEAR!!

1. The law states that in the year after a transfer of property the ASSESSED VALUE will be the same as the TAXABLE VALUE. (If you bought your property in 1999 the assessed and taxable values will be the same on your Assessment Change Notice in the year 2000). This is referred to as "uncapping". The 2000 tax base will be the year in which your property will now be "capped" for the following years until you sell that property.

IF I BUILD AN ADDITION TO MY HOME WILL MY TAXABLE VALUE INCREASE?

1. Yes, but only for the addition, which is new, the rest of the home did not change so it continues on the old TAXABLE VALUE, which changes only as described above.