

Assessment Appeal Process

Property owners are justified in being concerned about their rising property taxes. Other than being able to vote for certain millages, the only other recourse you have is to appeal your assessed property value.

Taxpayers need to be able to separate taxes from assessments. School Board and other taxing authorities establish the millage rates which calculate the tax bill. The assessor estimates the value of your property.

It is important to be prepared when appealing your assessment. You need to understand how the value was arrived at. This will assist you when constructing your case. Try and find some properties that are similar to yours and which might have sold recently. You will need to find out what their assessed values are, the prices they sold for and any other additional information.

Try and remember that the assessor is not the enemy. They are following the State constitution and laws to perform their jobs. Their office can and will be able to provide you with information needed to file your appeal. Make sure you follow all instructions carefully. If the steps outlined by the March Board of Review and Michigan Tribunal are not followed, your case could be dismissed.

DETERMINING VALUE

Properties are estimated on the fair market value which is the price most people would pay for it in its condition on the assessment date. The best indicator of fair market value are sales of similar properties for appeals. Even if your property recently sold, other factors are used in determining market value. Other sales in the area, sales that would be considered as qualified, and adjustments for special circumstances that could decrease or increase prices.

A popular misconception on assessed values is that property values do not increase and the values should go down because of depreciation. Physical change is not the only reason for a change in value. The market has a lot to do with property values. If a neighborhood is decaying or has a deterrent factor such as a new factory being built – this could cause property values to decrease. Conversely, if a neighborhood becomes “fashionable” – this would cause property values to increase. A shortage of homes in a desirable area can send sale prices to outrageous levels. The Assessor and homebuyers all need to pay attention to the same market factors when valuing property.

The Assessor’s office collects the data necessary for valuation of property. This information is recorded on the property assessment card which may be reviewed for accuracy by any taxpayer. The cost figures used on the assessment card are provided by the State Tax Commission and updated yearly.

By State law, the burden of proof for a claim that the assessment is incorrect and should be changed is on the person making the appeal. The taxpayer or representative needs to present a well documented case to achieve a lower assessment.

HOW TO APPEAL

The appeals process is determined through State law. An optional first step is to have an informal meeting with the Assessor. Otherwise, property owners are notified yearly in February for that year's assessment. On this "change of assessment notice" will be the new SEV, taxable value and dates the Board of Review will meet in March. Before appearing before the Board of Review, it is helpful to review your property card for accurateness. More information is provided under Board of Review.

If the only changes to be made to the property card are corrections, the Assessor prefers to settle these problems at the informal meeting. If after the changes are made and the taxpayer is still not satisfied with the new assessed value, they may still petition the Board of Review at the March meetings.

If the taxpayer disagrees with the Board of Review's decision, the next and highest level of administrative review is the Michigan Tax Tribunal. Information on how to contact the Tribunal is printed on the answer that is mailed by the Board of Review. Usually, additional information is necessary to present to the Tribunal. This might include more comparables, sales, differences in property cards that are similar, etc. The Assessor's office can be a great help in locating this information. Sometimes, after reviewing this information with the taxpayer, a settlement can be reached by the Assessor and taxpayer. In this case, the taxpayer's petition with the Tribunal is settled and no meetings with the Tribunal are scheduled. Meetings with the Tribunal are scheduled and set up by the Tribunal in a location of their choice.

Try to view the Assessor's Office as an ally, not an enemy. Employees are trained to be helpful. If the taxpayer requests information in a polite manner, information needed for a successful appeal can be obtained easier and faster.

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