

Kent County Taxpayers Alliance

Tips for appealing your 2014 property tax assessment

Overview

Homeowners have the right to appeal their assessments to the local board of review if they feel the assessment is incorrect. It is important to note that many review boards meet in March, but dates vary by each municipality, so be sure to contact your local assessor. Newly-enacted legislation requires the assessment notice to be mailed out at least 14 days before your local board of review meets. Below is a step-by-step guide for homeowners to utilize when preparing to appeal their property tax assessment, courtesy of the Michigan House of Representatives Caucus Services.

The property tax appeal process has a very tight window and each municipality does things slightly differently. For instance, in the City of Grand Rapids, you must first submit the attached form to the Assessor's Office for an Assessor's Review. The deadline this year is **February 14, 2014**. The Assessor may accept or reject your appeal, at which time you can request a meeting with the March Board of Review. If you're not happy with the March Board of Review result, you may appeal to the Michigan Tax Tribunal.

Steps for Appealing

1. **Immediately contact your city, village, or township assessor's office and ask about their assessment appeal process.** They may have a form for you to fill out and they will tell you their submission deadlines. These deadlines are very strict, so you must have your form submitted before the deadline. Mailing before the deadline does not count.
2. **Obtain a copy of your property tax worksheet or appraisal card.** This is available from the local assessor's office. The worksheet lists information such as size of house, style, number of baths, etc. Ask the assessing department to fully explain how to read the document. You may also obtain worksheets for similar properties which recently sold in the area to help determine the value of your property. Many cities put this information online.
3. **Carefully check the worksheet for errors.** If you notice any errors, the assessor may agree to change some of the information or figures at that time. If not, you will have to make your case with the board of review. Your worksheet may include a "percent good" calculation which shows how much your home has depreciated. For example, a 10-year-old house may be listed as 90 percent good. Percent good is another factor to use when comparing your home to other homes.
4. **Check with your local assessor regarding your home's taxable value.** For property tax year 2011, the inflation rate multiplier is equal to the ratio of fiscal year 2010 average consumer price index divided by the fiscal year 2009 average consumer price index. Again,

as a result of Proposal A (and therefore under the State Constitution), a property's taxable value cannot increase by more than the increase in the U.S. consumer price index or 5 percent, whichever is less. In addition, a property's taxable value cannot exceed its state equalized value.

5. **Inspect the inside of your home.** As noted in Step 3, the “percent good” is the way an assessor depreciates the value of a home based on its age, meaning normal issues common to older homes are not considered in the specifics of the assessment. However, problems not associated with general aging, such as a cracked foundation or wall construction problems, should be specifically addressed in your appeal. Written repair estimates and photographs of structural damage are good evidence of defects which could affect property value.
6. **Note changes to your neighborhood.** Realtors say location is the single most important feature in determining the value of your home. If you live near a major road or in a mixed-use zoning area, for example, your home may be less desirable than the same home in a purely residential neighborhood. If the characteristics of your neighborhood have changed, obtain copies of citizen complaints about excessive noise or eyesores and show this evidence to the board.
7. **If you recently purchased or refinanced your home, determine whether your purchase price or your appraisal is lower than two times your SEV.** Providing this documentation to the board of review does not guarantee a lower assessment, but it will help strengthen your case.
8. **Inform your assessor about personal property included in the sale price of your home and detailed on the purchase agreement.** One of the most common mistakes home buyers can make is to fail to inform the assessor of personal property and other valuable items included in the sale and detailed on the purchase agreement. Personal property items often included in a home’s sale price, such as furniture, curtains, a washer or dryer, etc., are exempt from assessment. If you did not inform your assessor in writing about these items, your assessment may erroneously include this value.
9. **Compare your property to similar homes in the area, especially those that recently sold.** Comparable property assessments are one of the most important tools when appealing your property assessment. If comparable properties are assessed lower than yours, your home may be over-assessed. Check the assessed value, type of house, and zoning. Compare the true cash value per square foot. Keep in mind that comparisons should only be made between similar types of homes. (Compare two stories with two stories, ranch houses with other ranch houses, etc). An excellent online tool for looking at homes that recently sold in your area is available on the Grand Rapids Association of Realtors web site at www.grar.com and click on “Find Prices of Recently Sold Homes!”
10. **Either write a letter to the assessor or use the form they provide.** A sample appeal letter is attached.

Sample Property Tax Appeal Letter

Date

Name, Address, Telephone

To the Board of review

I wish to appeal my property assessment for the following reasons:

1. According to my Worksheet/Property Record, I have noted the following discrepancies:
 - a. I do not have a fireplace as indicated. Estimated value \$_____
 - b. I do not have a tile bath as indicated. Estimated value \$_____
 - c. According to my worksheet, I have _____ square feet of living space. I actually have _____ square feet. Reduced value \$_____

This amount should be deducted from true cash value \$_____

2. I have noted the following structural defects on my property. They reduce the value of the property by the following amounts:
 - a. Cracked foundation \$_____
 - b. Cracked exterior wall \$_____

This amount should be deducted from true cash value \$_____

3. I live in an area that has mixed zoning and next door there is a new junkyard which emits loud noises and noxious odors. This affects the value of my property. I feel my true cash value has been reduced by \$_____

Grand total, add 1, 2, and 3 above \$_____

4. I wish to make the following comparisons:
 - a. 231 Main Street, assessed value _____
 - b. (List all comparables and ask for an average reduction. Also add all items you noted as discrepancies.)

Summary:

True Cash Value \$_____

Minus discrepancy/grand total \$_____

New true Cash Value \$_____

One half = assessed Value (SEV) \$_____

Note: This sample letter indicates many of the grounds for a reduced assessment. While these may not all be relevant to you, every reduction is important. You may also have other reductions not shown in this sample.