

# **Common Assessment Questions**

## **Why does our community have to update our assessed values?**

As property values change, the assessor must maintain a consistent relationship between your property's actual market value and the corresponding assessed value. When assessments are not frequently adjusted as market value changes occur, the assessments rapidly become inequitable causing unfair tax distributions. Whitewater is maintaining annual 100% market value assessments to improve the fairness of tax distributions. In addition, annual updates of the assessed values avoid the problems/costs associated with the inevitable major periodic revaluations required by state law when communities do not update annually.

## **I have heard that the only reason for the update is to raise taxes. Is this true?**

Absolutely not. Updating the assessed values has no impact on the total amount of taxes collected by the community. However, it may change your property's percentage share of total taxes collected up, down, or have a minimal effect. The real reason for the update is to improve the fairness of the tax distribution between property owners based on the current market values.

## **But if my assessed value goes up, won't my taxes go up accordingly?**

Not necessarily. Because property values are generally rising, you can usually expect some increase in your assessed value. However:

- If your percent change in value is less than the average, your percentage share of the total municipal taxes will actually go down. This is because your percent share of the community value is less than the prior year.
- If your percent change in value is greater than the average, your percentage share of taxes will rise, but usually less than the direct percent increase in value. This is because the mill rate used to calculate the tax bill will fall by the same proportionate change as the average increase in assessment.

Of course, the budgeting process may require an additional tax levy due to increases in municipal, school, county, or other taxing district costs. However, that increase would not be a result of valuation changes and would affect your tax bill even if the valuation changes did not occur.

## **Is there a way to predict the impact of any value changes on my property tax bill?**

Not to an exact degree. However, you can get some idea of the general effect on your property's assessment by checking the "Fair Market Value" on your last tax statement.

- If that value is considerably above the selling price of similar homes in your area, your percentage share of taxes will probably fall.
- If the indicated "Fair Market Value" is close to the sale price of similar homes that have sold, the valuation update will probably have little, if any, effect on your property.
- If the "Fair Market Value" is considerably below the price of similar homes that have sold, you can probably anticipate some increase in your tax share.

## **Can the Assessor's Office change the assessed value of my home without inspecting my property during the current year?**

Yes. Wisconsin law requires assessed values to be "at the value that could ordinarily be obtained, therefore, at private sale" -- In other words, at the property's market value. The Assessor's Office has a record of your property and its characteristics retained from the last inspection. These characteristics are compared to the characteristics of recent sales to determine how your home compares to the sales. Each property is inspected on a rotating cycle to insure records are maintained in an accurate condition. However, most homes do not change in size, condition, and features in a short period of time without the assessor being notified through the building permits or other community records.

It is important to understand that *all* properties are revalued annually. The rotating inspections merely verify the information in our current property record file. Therefore, the order of inspection will not affect your valuation, up or down, unless errors are discovered in the existing record data. If you believe the current data on your property is incorrect, contact the Assessor for a review inspection to correct any errors that may exist.

## **What happens if I refuse to allow the appraiser into my property when an inspection is requested?**

If the assessor's office is unable to visit and inspect the property, there is a chance that the value will not be as accurate as an assessment based on more current and detailed information.

The Wisconsin Legislature recognizes the conflict between the right of privacy and the need for accurate information when establishing assessments. If an owner refuses entry, the assessor sends a certified letter requesting a reasonable time for viewing the property.

- If no response is received, or entry is refused, the assessor is required by law to estimate the value based on the best available information. *The property owner maintains their right of privacy, but loses all rights of appeal to the Board of Review or any other appeal route.*

## **I want to compare my assessment with my neighbor's to gather information for an appeal to the Board of Review. Where can I find the assessed values?**

Assessed value information is available in the Office of the City Clerk, 2<sup>nd</sup> floor of the Municipal Building at 312 W. Whitewater Street, Whitewater, from 8:00 a.m. – 5:00 p.m.

Appealing your assessed value based on comparisons to other assessments is not a valid appeal under Wisconsin law. Boards of Review cannot legally consider the assessment of other properties when making their decision regarding your appeal.

Assessment appeals are required to be based on market value, supported by related market value sale evidence.

- Comparisons to other assessments will not determine the market value of either your property or the market value of the other assessments. In other words, an assessment comparison will not prove to the Board of Review that your property's value is too high – it is possible the other assessments you selected for comparison are too low. Wisconsin courts have ruled that an assessment comparison of a few selected properties does not illustrate how your assessment compares to the average level of assessment for *all* the properties in the municipality.
- If you are concerned about the validity of your assessment, compare your assessment to the sale price of similar properties that have sold. Information is available on recent sales. Please contact either the Assessor or the City Clerk for sales information.

***NOTE: BOARD OF REVIEW APPEALS MUST BE FILED WITH THE CITY CLERK AND NOT WITH THE ASSESSOR. PLEASE CONTACT THE CLERK AT 262-473-0500 TO APPEAL.***

## **What does the appraiser use to value my property?**

The appraiser analyzes sales within our community to determine what factors affect the value. These factors are then used to select sales as similar to your home as possible. Adjustments are made for the differences between your home and the sales. The resultant value becomes your assessment. Additional other approaches are used to verify the value and a final review is made to minimize possible errors.

## **I want to file an official appeal before the Board of Review. Who do I contact?**

If you have market value evidence that you believe supports a lower assessment, you can present your case before the Board of Review. Contact the municipal clerk's office (262-473-0500) to obtain Board of Review appeal forms. The appeal forms need to be filed with the clerk at least 48 hours prior to the 1<sup>st</sup> meeting of the Board of Review.

## **What is the bottom line?**

Frequent updates in assessed values are required by state law and help insure the fairest assessment for everyone. The real issue is whether your property is assessed at its statutory required market value.

Look at your final assessment on your notice of assessment. If your value appears to be in line with prices of similar property that have sold then it probably is a fair assessment. If the assessment does not reflect the market value of your property when compared to sale prices of similar properties please talk to our assessment staff. They may be able to provide information or take further actions to resolve your concerns.