

WHAT IS THE MARCH BOARD OF REVIEW

The Board is comprised of residents from the community that have knowledge of property values. They are not employees of the Township, the three residents that have been appointed by the supervisor, along with the Assessor, and have expressed an interest in serving the Township. **The Board is available, by appointment ONLY**, if you disagree with the values provided to you on your notice. Appointments are ten minutes long and provide you the opportunity to present evidence to support your value. Residents may protest in person or send someone to protest on their behalf. Nonresidents, and residents not available on the set days may appeal by letter which must be received by the last day the Board is scheduled to meet. The Board of Review does not make any decisions at that meeting. A decision will be mailed to you no later than the first Monday in June.

WHAT THE MARCH BOARD OF REVIEW CAN AND CANNOT DO

1. The Board cannot change the calculation (formula) for the Capped Value which generally becomes your Taxable Value.
2. The Board cannot discuss your tax bill.
3. The Board cannot discuss or change values from prior years.
4. The Board cannot hear appeals of Principal Residence Exemptions.
5. The Board cannot cut a sale price in half. It is against the law; MCL section 211.27 (5)
6. The Board cannot change the millage rates.
7. The Board cannot change any Tribunal decisions.
8. The Board cannot change the zoning of your property.
9. The Board CAN hear appeals on the classification of the property.
10. The Board CAN hear appeals and make changes to assessed value.
11. The Board CAN grant a Poverty Exemption. Poverty Exemption Policies & Guidelines have been adopted by the Township Board and are available in the Assessing Office.
12. The Board CAN change the Taxable Value, if there is a loss to the property or the Assessed Value becomes lower than the previous years Taxable Value multiplied by the current years CPI.

HOW SHOULD I PRESENT MY PROTEST?

The Board of review functions in many ways like a court, although the procedures are much more informal. You must be prepared to justify and bring evidence that your appeal is valid. You have the burden of proof. The sales you use should be between 10-01-07 and 9-30-08. Forced or stressed sales, unless verified, are not valid.

WHAT DO I BRING? WHAT DO I SAY?

BRING—appropriate sale data. (verified sales only)
photo's
estimates to fix home damages
supporting evidence to prove your value.

DON'T SAY— my taxes are too high
my property isn't worth anything
my taxes are more than the neighbors

Board of Review decisions are good for 1 Year only. Unless there is a physical loss to your property the assessment will go right back to where it was the next year. Poverty Hardships are also good for one year only.

How to prepare for the March Board of Review

Washington Township, Michigan



Please read this important information. If you still have questions, you may visit the Assessor's Office at 57900 Van Dyke Washington, MI 48094 (walk in the front doors and assessing is the first window on your left) You may call Monday through Friday, 8:00 am to 5:00 pm at 586-786-0010 ext 504.

The Basics

The constitutional amendment known as Proposal "A" was approved by the voters in 1994. This proposal was designed to limit the growth in property taxes to the rate of inflation until the property transferred. Regardless of the increases in your property value, your taxes could only go up the rate of inflation (unless you made changes to the property) thereby allowing homeowners to continue to afford the home they lived in. This proposal requires the Assessing Office to calculate three values for each property in the Township.

Assessed Value/State Equalized Value (SEV)

This value is calculated for each parcel in the Township each year. The value is set at 50% of True Cash Value for your property as determined by studies of the market (sales) that occur during a time frame outlined by the State Tax Commission. **Find this value in box 2 & 4 on the Assessment Notice.**

Capped Value

This value is calculated by a defined formula. The formula starts with last years Taxable Value, considers physical changes to the property and uses the "rate of inflation" or 5% (whichever is less). The "rate of inflation" percentage is provided by the State Tax Commission developed from the US Department of Labor Bureau of Labor Statistics Consumer Price Index. Assessors cannot develop or use another inflation rate multiplier. **This value does not appear on your Assessment Notice.**

Taxable Value

This is the value which your property taxes are based on. This value is the lower of your State Equalized Value or your Capped Value. For most property owners, this value only increases by the rate of inflation each year. **Find this value in box 1 on the Assessment Notice.**

HOW DOES THIS WORK NOW THAT THE MARKET IS DECLINING?

Assessor's may use a single year (12 month) sales study rather than the two year (24 month) study when there is significant evidence of a declining market. Our community used the single year study. For 2009 Assessments, sales occurring between October 1, 2008 through September 30, 2009 (period defined by the State Tax Commission for 12 month studies) were used to determine 50% of True Cash Value.

Some points to keep in mind when looking at your Assessment/State Equalized Value:

1. Actual Sale Price is not True Cash Value

The law defines True Cash Value as the *usual* selling price of a property. An Assessor must assess the property using the same valuation method used to value all other property of that same classification in the Township. Your sale price alone does not determine the True Cash Value. All sales of similar type properties are studied. Some sales are excluded in accordance with established guidelines set by the State Tax Commission. The remaining sales are used to determine the levels of assessment from similar type property in the Township.

2. Foreclosure Sales

Sales from financial institutions, after a foreclosure, are excluded from the sales study until the Assessing Office verifies the terms of the sale and the condition of the property. Guidelines were provided to Assessors this year by the State Tax Commission to make this determination. Forms were developed that require the financial institutions to provide detailed information. Our Assessing staff has followed these guidelines. Remember that regardless of whether the individual sale is used in the study, the actual sale price, by law, is not the true cash value (see number 1).



HOW CAN MY TAXABLE VALUE GO UP WHEN MY SEV GOES DOWN?

Remember that your Taxable Value is the lesser of SEV or Capped Value each year. If you have owned your property for several years, the SEV increased at a higher percentage than the Taxable Value which was "Capped" and only increased at the "rate of inflation". The difference between the two values has grown and created a gap. Even with a decrease in your SEV for 2010, the Taxable Value (which reflects a decrease of the "rate of inflation") may still be less than your 2010 SEV.

Year	CPI	SEV
1995	2.6%	10.5%
1996	2.8%	11.4%
1997	2.8%	10.8%
1998	2.7%	11.2%
1999	1.6%	9.7%
2000	1.9%	9.1%
2001	3.2%	7.3%
2002	3.2%	8.3%
2003	1.5%	6%
2004	2.3%	3%
2005	2.3%	3.1%
2006	3.3%	3.8%
2007	3.7%	3.7%
2008	2.3%	-3.7%
2009	4.4%	-18%
2010	-9.97%	-12%

Until your Assessment/SEV drops below the Taxable Value, your Taxable Value could decline only the CPI while your Assessment declines with the market. **THE ASSESSING STAFF HAS NO CONTROL OVER THIS SITUATION. THE CAPPED VALUE FORMULA (AS EXPLAINED PREVIOUSLY) DOES NOT ALLOW THE ASSESSING OFFICE TO CHANGE OR ALTER THE INFLATION RATE DETERMINED BY THE STATE TAX COMMISSION IN ACCORDANCE WITH THE LAW.**