

**How to Understand the New Change of Assessment Notice.**

Taxes are computed on the Taxable Value, not the Assessed Value. The line with Taxable Value shows you the change in the value on which you will be taxed.

Example:

	Prior	Current	Change
Taxable Value	43,000	43,640	640

The number in the change space is multiplied by .031 (average principal residence millage rate) or by .049 (average non-principal residence millage rate).

Principal Residence –  $640 \times .031 = \$19.84$   
Non-Principal Residence –  $640 \times .049 = \$31.36$

640 is the change in Taxable Value but \$19.84 is the change in tax dollars this year.

The percentage of Principal Residence Exemption appears next on the notice. If your property is your principal residence the percentage should be 100% Principal Residence. If you believe that this information is incorrect, please contact the Assessing Office.

Proposal “A”, passed in 1994, provides for a Taxable Value to be “capped” at the rate of inflation until the year following a transfer of ownership. The next line states if there was, according to our records, a transfer of ownership in the previous year. A Transfer of Ownership would cause the State Equalized Value and the Taxable Value to be the SAME. If you believe the transfer information to be incorrect, please contact the Assessing Office.

By law, the State Equalized Value is to be at 50% of the True Cash Value. True Cash Value is defined as the “usual selling price” for a property. The law prohibits setting the Assessed Value of a property at one half of its sale price. The sale prices of all properties in the sales area are considered and then an Assessed Value is set. An Assessed Value becomes the State Equalized Value by applying an equalization factor. If the studies by the County and the State show that the Assessed Value is at an average of 50% of the total of the sales, the State factor is 1.000 and the Assessed Value and The State Equalized Value is the same.