Dear Homeowner,

Please be on the lookout for your 2016 property tax assessment if you have not already received it by mail.

I’ve prepared this newsletter to help you understand the appeals process for your property tax assessment. Included is a step-by-step guide to help you review the accuracy of your assessment and direct you through the appeals process if necessary.

Based on current law, your home’s taxable value can increase each year by either the rate of inflation or five percent, whichever is lower.

The hard-working people of our community deserve tax relief whenever possible, and we are always looking at ways to help homeowners reduce this burden by finding a solution that makes sense.

It is my privilege to serve as your state representative. Please feel free to contact me if you ever have any questions or concerns.

Sincerely,

STATE REPRESENTATIVE AARON MILLER
HOUSE DISTRICT 59
HOW TO EFFECTIVELY APPEAL YOUR PROPERTY ASSESSMENT

Before deciding to appeal, you may find it helpful to call your local assessor to discuss your assessment and the appeals process.

**STEP 1**

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.

**STEP 2**

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 may 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 (see Step 4).

**STEP 3**

MAKE SURE YOUR TAXABLE VALUE HAS NOT INCREASED BY MORE THAN 0.3 PERCENT

Because of a slight increase in the national inflation rate, your home’s taxable value may increase by a maximum of 0.3 percent from last year (assuming you did not make any modifications to your home). Taxable value should not be confused with state equalized value, which generally equals 50 percent of your property’s true cash value.

**STEP 4**

INSPECT THE INSIDE OF YOUR HOME

As noted in Step 2, 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.

**STEP 5**

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.

**STEP 6**

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.

**STEP 7**

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. 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.

**STEP 8**

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 tax 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 be made only between similar types of homes (compare two stories with two stories, ranch houses with other ranch houses).

**STEP 9**

SUBMIT YOUR APPEAL TO THE LOCAL BOARD

Put all your information into a letter. See sample appeal letter to the right. In addition to your letter, you may have to present your case to the Local Board of Review in-person. If necessary, remember to bring several copies of your presentation. You may have only a few minutes, so while presenting your appeal make your arguments concise and to the point, show photographs, and be professional.

**QUESTIONS OR CONCERNS?**

CONTACT STATE REP. AARON MILLER

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www.RepAaronMiller.com
NOT SATISFIED?

If you are not satisfied with the decision of your local board of review, you may continue your appeal.

In order to appeal the decision, you must send a letter or formal petition to the Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909, on or before July 31*. Petition forms are available on the tax tribunal’s website (www.michigan.gov/taxtrib). If you send a letter, the tribunal will mail you the necessary forms to fill out. You should contact the tribunal at (517) 636-7551 for additional information regarding letter and petition requirements.

* Homeowners and agricultural property owners must appeal to the local board of review before contesting a case with the Michigan Tax Tribunal.

DEFINITIONS

TAXABLE VALUE
The value on which your taxes are based. By law, increases in your taxable value that are not due to home improvements are limited to the rate of inflation or 5 percent, whichever is less. Taxable value cannot exceed SEV.

TRUE CASH VALUE (TCV)
The actual value of your home, as determined by the local assessor.

STATE EQUALIZED VALUE (SEV)
50 percent of the actual value of your home.

ASSESSOR’S OFFICE
The department within the local unit of government that establishes and adjusts assessments for every parcel of property in your community.

BOARD OF REVIEW
A panel of local citizens appointed to review, correct and approve the assessment roll.

SAMPLE APPEAL LETTER

Date
Name
Address
Telephone

To the Board of Review/Tax Tribunal:

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

1. According to my property tax worksheet, I have noted the following discrepancies. They reduce the value of the property by the following amounts:
   A. I do not have a fireplace as indicated $________
   B. I do not have a tile bath as indicated $________
   C. According to my worksheet, I have _______ square feet of living space. I actually have _______ square feet $________
   This amount should be deducted from my 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 my 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 from above): $________

4. I wish to make the following comparisons:
   231 Main Street, assessed value $________
   (List all comparable, recent sales and ask for an average reduction. Also add all items you noted as discrepancies, comparable features, etc. Make sure you have documentation.)
   Your letter should clearly state the following:
   Assessor’s True Cash Value $________
   Minus Discrepancies $________
   New True Cash Value $________
   One Half = Assessed Value (SEV) $________

NOTE: This sample letter indicates many of the grounds for a reduced assessment. While all of these may not be relevant to you, every reduction is important. You may also have other reductions not shown in this sample.
In 2015, the Michigan House of Representatives passed House Bill 4370, now Public Act 179, which allows more homeowners to qualify for the Homestead Property Tax Credit starting with the 2018 tax year. The Homestead Property Tax Credit can help residents reduce property tax costs if they are a qualified Michigan homeowner or renter and meet such requirements.

We are committed to help you and your family save money by reducing tax burdens.

SAVING YOU MONEY