

Board of Appeal and Equalization

ASSESSOR AND TOWN CLERK PERSPECTIVE

This one-hour seminar does not count for the
Department of Revenue Board of Equalization and Appeal training.

David Armstrong
Clerk of Meriden Township, Steele County

- 26 years as Township Clerk
- 22 years as Appraiser of Steele County
- 16 years as Le Sueur County Assessor

Main Point

The local Board of Appeal and Equalization meeting belongs to the Town Board.

→ It is not the County Assessors meeting.

→ The Assessor is there to answer questions and explain the assessment.

Information to be Made Available by County Assessor

- Copy of sales to you before BOE&A meeting
- CD or data stick with all Township assessment information
- GIS
- List of value increases or decreases by taxing district and county-wide value information
- By Feb 1st: board signed certification that at least one board member is trained

How to Have an Orderly BOE&A Meeting

- Have all property owners sign in
- Listen to one property owner at a time
- Do not let other property owners interrupt; everyone will have time to express their concerns
- A decision does not need to be made following each property owner's opportunity to speak
- Meetings can be adjourned and reconvened at a later date. *Keep in mind this must be within 20 days.
- If you do not feel comfortable making a decision, you can defer to the County Board of Equalization and Appeal.

What Can you do as a Board?

Lower value

Raise value

Change Class of property

Make no change

View property

Ask Assessor to review property and report back or report information to County BOE&A

Lower values raise everyone else's taxes

Example:

☐ Budget \$10,000

- Total Taxable Value \$1,000,000 (10 Houses at 100,000 ea.)
- Class Rate 1 % (tax set by legislature)
- Taxable Value X Class Rate = 10,000 =
- Tax Capacity (1,000,000 X 1%)
- 10,000 Budget/ 10,000 TC = 1.00 Tax Rate

Lower values raise everyone else's taxes

□ House valued at \$100,000

➤ $\$100,000 \times \text{Class rate} = 1,000 = \text{Tax Capacity for this house}$

➤ $1,000 \times \text{tax rate} = \1000 tax

Lower values raise everyone else's taxes

□ You lower value on 5 houses by \$10,000 ea.

➤ Budget \$10,000

Total taxable value \$950,000

Class rate 1%

$950,000 \times 1\% = 9500$ Tax Capacity

$10,000$ Budget/ 9500 TC = 1.0526 Tax Rate

$100,000 \times 1\% = 1,000$ Tax Capacity

$90,000 \times 1\% = 900$ Tax Capacity

$1000 \times 1.0526 = 1056.60$

$900 \times 1.0526 = 947.34$

Assessors Sale Study and Sales Ratio

Copy of CRV

Copy of Sale Verification

Sales Ratio

~10 Sales~

	<u>Sale Price</u>	<u>Assessors EMV</u>	<u>Ratio</u>
1.	\$345,900	\$342,000	.988
2.	\$236,800	\$239,300	1.01
3.	\$95,000	\$108,000	1.14
4.	\$947,325	\$712,400	.752
5.	\$898,650	\$635,600	.707
6.	\$125,490	\$136,100	1.085
7.	\$487,900	\$435,300	.892
8.	\$299,900	\$287,500	.959
9.	\$397,900	\$385,100	.968
10.	\$199,900	\$204,300	1.02

Ratio highest to lowest

1.14

1.085

1.02

1.01

.988

.968

.959

.892

.752

.707

❖ Mean Ratio or midpoint = .978

$$.988 + .968 = 1.956 / 2 = .978$$

 GIS

 Drive by?

Refused Entry State Statute 273.20

- ❖ Any assessor authorized by law to assess property for taxation may, when necessary to the proper performance of duties, enter any dwelling-house, building, or structure, and view the same and the property therein.
- ❖ Any officer authorized by law to assess property for ad valorem tax purposes shall have reasonable access to land and structures necessary for the proper performance of their duties. A property owner may refuse to allow an assessor to inspect their property. This refusal by the property owner must be either verbal or expressly stated in a letter to the county assessor. If the assessor is denied access to view a property, the assessor is authorized to estimate the property's estimated market value by making assumptions believed appropriate concerning the property's finish and condition.
- ❖ The board may not make an individual market adjustment or classification change that would benefit the property if the owner or person
- ❖ Having control over the property has refused the assessor access to inspect the property and the interior of any buildings or structures as provided in section 273.20

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Questions?

❖ Remember: This one-hour seminar does not count for the Department of Revenue Board of Equalization and Appeal training