

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 Worksheet/Property Record, I have noted the following discrepancies:

A. I do not have a fireplace as indicated.

Estimated value..... \$1,800

B. I do not have a tile bath as indicated.

Estimated value..... \$1,200

C. According to my worksheet, I have 1,500 square feet of living space. I have 1,000 square feet.

Reduced value.....\$6,920

**This amount should be deducted from true cash value.....\$9,920**

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..... \$3,800

B. Cracked exterior wall..... \$2,200

**This amount should be deducted from true cash value.....\$6,000**

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..... \$3,000

**3a. Grand Total, add 1, 2, and 3 above..... \$18,920**

4. I wish to make the following comparisons:

231 Main Street, assessed value \_\_\_\_\_

(List all comparables and ask for an average reduction.

Also add all items you noted as discrepancies)

**Example:**

**True Cash Value.....\$60,000**

**Minus Discrepancy/Grand Total.....\$18,920**

**New True Cash Value.....\$41,080**

**One Half = Assessed Value (SEV).....\$20,540**

# how to effectively appeal

your property tax assessment

from the **Home Builders Association of Greater Kalamazoo**  
and the **Greater Kalamazoo Association of Realtors**

Dear Property Owner,

It is likely that you have recently received notice of your 2009 property tax assessment.

As you review this document, you should be aware that you have the right to appeal your home valuation to your local board of review if you believe it is not accurate. Your board of review is a small independent panel made up of private citizens. This panel is meeting the second week of March, and has the ability to change your assessment if they believe it contains errors or is inaccurate.

Despite the weak economy, some neighborhoods may see State Equalized Value (SEV) increases that exceed the rate of inflation. This is true because state law requires the SEV to reflect 50 percent of True Cash Value for your home. Fortunately, these increases do not necessarily affect your taxes. Instead, your property taxes are calculated using "Taxable Value," and those increases are limited to 4.4 percent this year because of Proposal A.

This is a step-by-step guide to help you review your assessment to ensure accuracy and educate you in the appeals process. We have included the website of the Michigan Assessors Association if you want to contact them to arrange an appointment. You should be prepared to make your case to the board using about five minutes or less.

Please feel free to contact us if we can provide you any further information.



# sample letter

## Key Definitions

### Board of Review

A panel of local independent citizens appointed to review assessments of taxpayers who believe their valuation is inaccurate or contains errors.

### Assessing Department

The local government entity charged with creating and adjusting assessments for every parcel of property in your community.

### 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.

### Taxable Value

The capped value of your home. By law, increases in your taxable value are limited to the inflation rate or 5 percent, whichever is less.

## step 1

### You may appeal either your taxable value, SEV or both to the March Board of Review in 2009.

Go to your local assessor's office and obtain a copy of your worksheet or appraisal card for your property. This should list the size of your house, the type of construction, special features, etc. The worksheet contains other information such as style (ranch, colonial, contemporary, etc.) of your home, utilities, construction date, number of baths, fireplaces, and kitchen range hoods. Ask the assessing department to explain the document until you completely understand the abbreviations and numbers. You can also obtain worksheets of similar properties which recently sold in the area which the assessor is using to determine the value of your property.

## step 5

### Location is the single most important feature which determines the value of your home.

If you live near a major road, landfill, business, or industry, your home may be less desirable than the same home located in a purely residential neighborhood. You may live in a mixed zoning area which includes commercial, industrial, and residential property. You may have a well, septic system, or dirt road. Obtain copies of citizen complaints about area drug houses, rowdy party homes, and neighborhood eyesores. Tape record factory, truck, or party noise. If these characteristics have changed, they may contribute to a deteriorating value of your home and you should be able to show this to the board.



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## step 2

### Carefully check the worksheet for errors.

The assessor may agree to change some of the information or figures at that time, or you may have to make your case with the local Board of Review. There should be a "percent good" calculation on your worksheet which shows you how much your house has depreciated. Usually the Michigan Assessor's Manual requires that every property have a "percent good" calculation. If your house is ten years old, it will be about 90% good. Percent good is another factor to use when comparing your home with other homes (see #4)

## step 6

### If you recently purchased or refinanced your home, determine whether your purchase price or your appraisal is lower than your assessment.

Providing this documentation to the Board of Review is not a guarantee, but will help strengthen your case.

## step 8

### Comparable property assessments are one of the most important tools for a property tax assessment appeal.

If comparable properties are assessed lower than yours, you may argue that your property is overassessed. Make your comparable study by asking for the worksheets of similar homes which have recently sold in your area. Check the assessed value, the state equalized value, taxable value, type of house, and zoning. Compare the TCV per square foot for these homes. Keep in mind that these comparisons should be made between similar homes (i.e., compare two stories with two stories, or ranches with ranches.)

## step 3

### If your tentative taxable value increased by more than 4.4% above your 2008 taxable value and you did not improve your home with additions, there may be an error.

Call your assessor immediately and inquire as to why your taxable value increased by more than the rate of inflation. Remember, increases in taxable value that are not attributable to additions are capped at the rate of inflation or 5%, whichever is less, until the property transfers. SEV is not capped, but must reflect 50% of your property's true cash value (TCV). Either taxable value or SEV may be appealed to the Board of Review. Make sure that a Homestead (principal residence) Affidavit has been filed for your homestead. If you filed a Homestead Affidavit last year, you do not need to file a new affidavit this year unless you moved. Call your assessor if you have specific questions.

## step 7

### One of the most common mistakes home buyers can make is that they fail to inform the assessor of personal property and other valuable items which were included in the sale.

Personal property items often included in a home's sale price, such as furniture, curtains, washer, dryer, etc., are exempt from assessment. If you do not inform your assessor in writing about these items, your assessment may erroneously include this value.

## step 9

### The last step in the process is to put all your information into letter form.

See the Sample Appeal letter on the back page of this guide. Please note: this sample letter indicates many of the grounds for a reduced assessment. It is very unlikely that an assessment could be reduced by nearly one-third, as illustrated by the Sample Letter, but every reduction is important.

To get the contact information for your municipality's assessor, please visit the Michigan Assessors Association website: [www.maa-usa.org](http://www.maa-usa.org) or contact your local municipality's office.

## step 4

### As noted in Step 2, the "percent good" is the way an assessor depreciates the value of a home based on its age.

For this reason, normal issues common to all homes of that age are not considered in the specifics on the assessment. However, many homes have problems that are not associated with general aging. Examples might be cracked foundations, wall construction problems, or poor masonry work. The impact of these problems on the value of the home should be specifically addressed. Therefore, it is necessary to perform a complete inside inspection of your home. Written repair estimates and photographs of structural damage are very good evidence of defects which could affect property value.



## not satisfied?

If you are not satisfied with the decision of your local Board of Review, you may want to continue your appeal.

In order to appeal the decision, you must send a letter to the Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909, on or before June 30. They will mail you the necessary forms.

You must appeal to the local Board of Review before you can contest your case to the Michigan Tax Tribunal.



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