Frequently Asked Questions

MY NEIGHBOR AND I HAVE VERY SIMILAR HOMES. WHY IS MY TAX BILL HIGHER THAN THEIRS?

If you have a home that is truly similar to your neighbor's home, your SEV should be about equal to theirs; however, the Taxable Values would probably not be the same. Since the passage of Proposal A in 1994 the Taxable Value is used to calculate tax bills. Each Taxable Value will depend on when the property was capped and the Taxable Value is also subject to any additions/and or losses to the property. SEV and Taxable Value are not the same and should not be compared when evaluating a tax bill.

I JUST PURCHASED MY HOME. SHOULDN'T THE ASSESSED VALUE BE HALF OF WHAT I PAID?

No. By state law, a home's Assessed Value is not half of the purchase price, but half of its market value. The purchase price may or may not be the same as the market value.

WHO QUALIFIES FOR THE PRINCIPAL RESIDENCE EXEMPTION?

If you own and occupy your principal residence, it may be exempt from a portion of your local school operating taxes. To claim an exemption, you must complete the Principal Residence Exemption Affidavit and file it with the Assessor's office by May 1st of the year of the claim. You may have only one principal residence at a time. Vacation homes and income property which you do not occupy as your principal residence may not be claimed.

WHO ARE THE MEMBERS OF THE BOARD OF REVIEW?

The Board is comprised of three Township residents.

WHEN DOES THE BOARD MEET?

The Board of Review meets in March. It is best to contact the township for exact dates and times.

WHO MAY FILE AN APPEAL?

Any person may file an appeal regarding the assessment of their property within the Board's jurisdiction. This appeal can be done by letter or by making an appointment with the Board of Review while they are in session.

HOW DO I MAKE AN APPEAL?

The taxpayer must give evidence to show that the assessment is incorrect. The Board of Review needs good reasons to alter an assessment. It is imperative to be able to answer the questions "What do you think your property is worth?" and "What are you basing that opinion on?".

All assessments are to be based on the sale of similar properties. You may hire a professional appraiser, or you can look at the sales in your neighborhood and compare them to your home. Don't forget to bring your documentation!

To dispute the Board of Review's decision, you may appeal to the Michigan Tax Tribunal. Their appeal deadline is May 31st for Commercial/ Industrial and July 30th for Residential classifications.

Property Assessments

Resident's Guide to Understanding Assessments

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Proposal A

On March 15, 1994, Michigan voters approved the constitutional amendment known as Proposal A. It was designed to limit the growth in property taxes by the Consumer Price Index until ownership in the property was transferred.

Before Proposal A, property taxes were based on the State Equalized Value (SEV), which can fluctuate from year to year. With the implementation of Proposal A, property taxes are now based on the Taxable Value.

Taxable Value

In 1994, all properties became 'capped'. The property's SEV then became the new Taxable Value. From that point forward, Taxable Value can increase only three ways.

- Transfer of ownership
- Physical changes to the property
- Change in Consumer Price Index (CPI) not to exceed 5%.

Transfer of Ownership

When a transfer of ownership takes place on a property, the Taxable Value is uncapped to match the Assessed Value for the following year. From that point forward, it is recapped.

Physical Changes

Any change in Assessed Value due to a physical change will also affect the Taxable Value. Any loss in value would be subtracted, and any new value would be added after applying the CPI. All assessments are based on what is physically on the property as of December 31st. Most maintenance items such as roof, siding, windows, landscaping, etc. are not considered for physical additions to the property.

Consumer Price Index

Every year the State of Michigan calculates the Consumer Price Index. The CPI is a statistic that tracks the cost of living in Michigan. The CPI is based on data released by the US Department of Labor for a 12 month period, using the State of Michigan's fiscal year. Every property in Michigan will have an annual increase on their Taxable Value based on the CPI or 5% (whichever is lower). The 2011 CPI is 1.7%.

Market Value

The Assessed Value represents 50% of the Market Value. The figure is calculated through a study of sales in the township over a two-year period. The State regulated dates for this year are **10/1/2008 thru 9/30/2009.**

The township is divided into different areas and further divided into different styles of homes. The sales in each category are evaluated to establish the percentage by which values will change.

Foreclosures

The State Tax Commission has issued guidelines regarding foreclosure sales and, generally speaking, these guidelines prevent the Assessor from considering these sales in the annual sale study.

For this reason, sales involving mortgage foreclosure or transfers to or from relocation companies are not considered typical sales and are not a reliable indicator of market value when making market comparisons for current assessed values.