

Property Assessments and Taxes: Common Questions and Answers for Property Owners

As a property owner and taxpayer, Associated Appraisal Consultants, Inc. (AAC) and Village of Albany want to help you better understand the assessment process and Wisconsin's property tax system.

Why is my property being reassessed?

Assessors are required by law to update assessments and assessment records annually. State law also requires that each municipality update assessed values to reflect changes in market conditions as often as possible to maintain fair and equitable property taxation. A reassessment has no impact on the total amount of tax revenue collected but it might change the amount you owe.

How are property taxes calculated?

There are four components to your property tax.

- The **tax levy** is the amount of revenue needed to support entities such as your municipality, school district, county, and technical college.
- The **tax base** is the total assessed value of all the area's properties and is the role of the assessor.
- The tax levy is divided by the tax base to get the **tax rate** (aka "mill rate").
- This tax rate is then multiplied by **your property's assessed value**. This calculation results in the amount of property taxes you owe.

Does a change in my assessed value impact my property taxes?

A change in assessed value doesn't always mean an increase or decrease in property taxes. During a year when all assessed values in your municipality are being increased to full market value, the tax rates will generally decrease proportionally. What matters is whether your assessment (on a percentage basis) has increased or decreased more than the municipality's overall percentage change.

What do assessors look at when determining my property's value?

Assessors will consider all factors that may affect the value of your property, including size, construction type, age, amenities, location, and condition. They also must consider fair market value (which is what a typical buyer would pay for the property), as well as historical property data, home inspection findings and market trends. The best indication of your property's value is a comparison to similar properties in your area that have been recently sold on the open market.

Do all assessments change at the same rate?

No, not all assessments change at the same rate. The recent activity of buyers and sellers in the community will dictate which types of property values are increasing more quickly than others. In one area, sales may have increased substantially while in another neighborhood, there may not be any change or even a decrease in property values. Different types of properties within the same

neighborhood may also show different value changes. For example, one-story homes may be in more demand than two-story homes or vice versa, or older homes may be selling at a much higher rate.

What is mass appraisal or mass assessment?

Municipalities hire AAC to perform mass appraisal or mass assessment services on their behalf. We use consistent processes to collect property data and analyze local real estate sales. Mass appraisal is the process of appraising all properties in a municipality using a valuation model that is based on actual sales data, customized to fit local market conditions, and applied to individual properties based on each property's unique attributes. The advantage of the mass appraisal process is that it produces uniform and consistent appraisal values, which helps to ensure fair and equitable tax distribution.

What is the role of the assessor as it relates to property taxes?

It's important to understand that assessors don't determine tax rates or collect property taxes. An assessor also doesn't create the assessed value of a property, but rather interprets what is happening in the marketplace through real estate sales.

Does the assessment process include an interior inspection?

In many cases, interior inspections aren't needed. If your municipality has requested an interior inspection and you don't allow access, the assessor will base your valuation on the next best information available, such as existing property records, building permits, etc. It's generally in your best interest to allow the assessor to view the interior to make sure that your assessment is based on current and complete information about your home.

What rights do I have as a property owner?

You have several rights as a Wisconsin property owner, including receiving notice of an inspection during a revaluation year, the right to say "no" to an inspection or speak with us, and the right to appeal an assessment. However, agreeing to speak with assessors when requested, and allowing them to view the property, will ensure that they are using current and complete information when making a valuation.

I am uncomfortable allowing someone I do not know onto my property. Is it safe to do so?

Safety is a concern taken seriously; please know that AAC takes several precautions before entering your home.

- AAC sends a written notice to property owners of an inspection.
- The AAC logo is clearly shown on our vehicles, the apparel the team wears, and their name tags.
- When they arrive, AAC team members will identify themselves as working on assessments for your municipality and carry written identification.
- All AAC's field appraisers are certified by the Wisconsin Department of Revenue to perform assessment work and have undergone thorough background checks.

You'll find answers to more questions about the assessment process on our website www.apraz.com.