

Understanding ups and downs of property appraisals, taxes

Taxpayers on the Treasure Coast will receive their 2007 Notice of Proposed Property Taxes in mid to late August that shows 1) the assessed value of their property and 2) how much each government taxing authority is charging in property taxes in the coming year.

This time each year, my office gets hundreds of calls and visits from property owners with questions. For



Kelly

questions about property taxes or budgets set by the county, city school board and other taxing authorities on your notice, you should contact those taxing authorities. Each will hold budget hearings soon

and the date, time and place for each hearing is on the notice.

The property appraiser is not a taxing authority and doesn't set any tax rates. For questions about your assessed value, please call or visit your county property appraiser. Our offices are required by law to reassess property values every year based on conditions as of Jan. 1 of the tax year.

The annual assessment is done by analyzing sales of similar properties located in the vicinity and adjusting for differences between the properties to arrive at the value.

Property appraisers are prohibited by law from relying on sales that occur after the Jan. 1 assessment date. For example, the values shown on your 2007 notice are based on an assessment date of Jan. 1, 2007, and are based on the value in late 2006 and do not reflect today's 2007 sale prices.

Our region's property sale prices generally remained flat or dropped at

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CONTACT INFO

How to get in touch with your county's property appraiser:

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the end of 2006, though value increases or decreases vary between areas and property types. Some areas and commercial properties increased in value. Current market conditions, which generally reflect further drops in sale prices, will be reflected on next year's 2008 notice.

Currently, a homestead exemption limits the rise in assessed value to 3 percent per year or the annual change in the Consumer Price Index, whichever is less. The CPI change this year was 2.5 percent, so homestead property values will rise no more than 2.5 percent.

If you have a homestead exemption, it's possible that your 2007 market value decreased but your assessed value increased because state law requires assessed values continue to climb up to 3 percent each year, as long as it does not exceed your market value.

If your property is one of the many whose value increased greatly in recent years, your assessed value is likely less than your market value. In that case, your assessed value will increase 2.5 percent this year, even though your market value decreased. Your assessed value can never be greater than your market value.

What effect will the Florida Legislature have on your 2007 tax notice? It has no impact on the assessed values for the 2007 tax roll. The impact on assessed values could come in the future if voters approve homestead exemption changes in a January 2008 referendum.

The immediate effect of the Legislature's actions is to reduce taxes, which are set by the taxing authorities to generate funds for government program and services. The impact will vary from city to city and county to county.

Martin County budget officials estimate a tax reduction of \$175 per taxpayer on their part of the tax bill (based on a \$282,000 home, less \$25,000 homestead exemption). However, the state's tax rate increase for school districts will probably offset savings.

I know that the tax notice can be confusing and frustrating. Please contact your property appraiser if you have further questions.

Kelly is property appraiser for Martin County.