



PROPERTY REVALUATIONS



Cities use the value of properties to determine how much property tax an owner pays.

An accurate valuation ensures that all property owners pay a fair share of property taxes.



**Updating property values does not mean
the city receives more money overall,
only a change in levy will do that.**

Example 1 - Before Revaluation

Value = \$400K
Levy = \$10K



	A	B	C	D
Value	\$100K	\$100K	\$100K	\$100K
Share	25%	25%	25%	25%
Tax Owed	\$2,500	\$2,500	\$2,500	\$2,500

$\$100\text{K} / \$400\text{K} = 1/4 \text{ of } \10K due

Example 1 - After Revaluation

Value = ~~\$400~~
\$800K
Levy = \$10K



	A	B	C	D
Value	\$100K \$200K	\$100K \$200K	\$100K \$200K	\$100K \$200K
Share	25%	25%	25%	25%
Tax Owed	\$2,500	\$2,500	\$2,500	\$2,500

$$\text{\$200K} / \text{\$800K} = 1/4 \text{ of } \text{\$10K} \text{ due}$$



An increase in assessment value does not automatically mean a property owner will owe more in taxes



Whether an individual property value changes more or less percentage than the total assessed value, determines whether the tax share will go up or down.

Example 2 - Before Revaluation

Value = \$1M
Levy = \$10K



	A	B	C	D
Value	\$100K	\$200K	\$300K	\$400K
Share	10%	20%	30%	40%
Tax Owed	\$1,000	\$2,000	\$3,000	\$4,000

Share of taxes is the same as share of values

Example 2 - After Revaluation

50% Value
Increase

Value = ~~\$1M~~ **\$1.5M**

Levy = \$10K



	A	B	C	D
Value	\$100K \$145K	\$200K \$300K	\$300K \$480K	\$400K \$575K
Share	10% 9.7%	20% 20%	30% 32%	40% 38.3%
Tax Owed	\$1,000 \$967	\$2,000 \$2,000	\$3,000 \$3,200	\$4,000 \$3,833

NEW share of taxes is the same as the NEW share of values

Example 2 - After Revaluation

50% Value Increase

Value = ~~\$1M~~ \$1.5M

Levy = \$10K



	A	B	C	D
\$ Change	+\$45K	+\$100K	+\$180K	+\$175K
% Change	+45%	+50%	+60%	+44%
Tax Change	-\$33	+\$0	+\$200	-\$167

The change in individual tax bills is relative to the change in property values as a whole.
Did the property change more or less than the average?

Example 2 - After Revaluation

**Total
Assessment
Increased
by 50%**



	A	B	C	D
\$ Change	+\$45K	+\$100K	+\$180K	+\$175K
% Change	+45%	+50%	+60%	+44%
Tax Change	-\$33	+\$0	+\$200	-\$167

- Higher value is not an automatic tax increase
- The individual change is relative to the change as a whole.

SUMMARY



An increase in assessment value does not automatically mean a property owner will owe more in taxes.



Whether an individual property value changes more or less percentage than the total assessed value, determines whether the tax share will go up or down.



QUESTIONS?