

There are two sets of checks and balances in the assessment structure. The first check is at the County level. The County performs sales and appraisal studies to determine the level of assessment. It actually dictates to the assessing department the amount of increase to be spread across the Township, by class, annually.

The last check is by the State Tax Commission. The State periodically performs sales and appraisal studies to check the County studies for accuracy.

### **THE ASSESSMENT FUNCTION**

The assessor's office is responsible for discovering, listing and assigning assessed values to every property in the Township. We are required by law to reassess each property in the Township annually. Our office monitors all sales and analyzes the local real estate market relative to economic conditions, supply and demand factors, and other influences that affect value.

We have a property record card that shows ownership and sale information as well as property characteristics. We use the characteristics of your property in connection with our analysis

of the real estate market to estimate a market value and then Assessed and Taxable Value for your property. Our two major goals are to arrive at an accurate market value estimate of your property, and to assure that similar properties have similar assessed values.

### **WHAT CAN YOU DO?**

Look at the assessed value of your property. Be as objective as possible. If you believe that the market would not support our estimate of value for your property or that your assessment is not equitable with others, please call us.

We may ask you to support your position by offering some evidence of the value you believe to be correct or by indicating the values of similar (comparable) properties. We may also ask to schedule an interior inspection to aid us in our review.

### **WHAT WILL WE DO?**

When you call, we will explain how we arrived at your value, what the values are on comparable properties, and offer you whatever assistance we can. The only issue we can address with you is the value of your property; the issue of the amount of your tax bill is outside of our control. We will work with you to ensure the fair and equitable assessment of your property.



## *PROPERTY ASSESSMENTS*

As a taxpayer in Oshtemo Township, you are concerned about paying only your fair share of taxes for services received.

In the Assessor's office, we are responsible for estimating the market value of every property in the Township. As we estimate the value of your property, we also make every effort to assure that your assessment is equitable to similar properties. Please feel free to contact the Assessor's Office if you need assistance.

Cathy Harrell, Assessor

7275 West Main Street  
Kalamazoo MI 49009

Phone: 269-375-4260  
Fax: 26-375-7180

Assessment change notices are Issued at the end of February each year. If you would like to change your mailing address for that month please let us know.

Let's look at how your concern and our responsibility interact:

It is a common misconception that our office alone determines your tax bill. This is not so. There are several different elements that enter into that formula and our office is responsible for only one of those elements:

**Assessed Value:** By State statute, this is 50 percent of market value.

**Market Value:** This is the price an informed buyer would pay and an informed seller would accept in terms of cash for property exposed to the open market without undue pressure on either party. Valuation day is December 31 of the previous year.

**State Equalized Value or S.E.V.** This is your Assessed Value times the State Equalization Factor. This factor is typically 1.0000.

**Mill:** \$1 per thousand of Taxable Value.

The formula to arrive at your tax bill is as follows:

**Taxable Value X Millage Rate = Tax Bill**

**Taxable Value (TV):** By State statute, the Taxable Value is to be calculated based on the prior year Taxable Value. It is last year's Taxable Value times the Consumer Price Index (CPI). In 2003, this number is 1.5 percent or a factor of 1.015.

Example: 2002 Taxable Value = \$50,000

2003 Taxable Value = \$50,000 X 1.015 or \$50,750

Like everything, there are exceptions to this rule. For example, there could be a sale that occurred during 2002, or the property might have experienced new construction, or perhaps, demolition of some buildings.

**Millage Rate:** The millage rate is the total of all mills requested by various governmental entities and approved by voters. They consist of Kalamazoo County, the Intermediate School District, Kvcc (except for Otsego Schools) any school debt, Kalamazoo Public Library, Fire Dept., and the Township. Example:

\$50,750 Taxable Value X 30 mills  
=\$1,522 (30 divided by 1,000= .03)

**Homestead Exemption:** This can exempt you from the school operating

tax. To qualify, you need to be a Michigan Resident who owns and occupies your residence. A form must be filled out by you and filed with our office. The Homestead Exemption will stay in effect until you no longer qualify (for example, if you move). You are responsible for filling out this form and filing it with our office. You are also responsible for filing a Rescind Form if you no longer own or occupy your home. Vacant property may also qualify for this exemption if it is contiguous to the owner-occupied property.

**Qualified Agricultural Exemption:** This is also known as the Farm Exemption. It also exempts those who qualify from school operating millage. It is available to those who primarily use the property and buildings for agricultural use.

These are part of Proposal A which was approved by Michigan voters in 1994. In exchange for an increase to 6 percent in the sales tax, we received a reduction in our property taxes.