



# 2022: ANNUAL REPORT

City of Pottersville Assessing

# PERCENTAGE CHANGE IN ASSESSED VALUE

<b>Tax Year</b>	<b>Residential Class</b>	<b>Commercial Class</b>	<b>Industrial Class</b>
2022	7%	11%	7%
2021	7%	3%	0.5%
2020	7%	2%	-3%
2019	7%	3%	9%
2018	1%	-1%	8%

# TAXABLE VALUE CHANGE

Tax Year	Total Taxable Value Change
2022	2.3%
2021	1%
2020	1%

The overall increase in taxable value is lower than the CPI due to State legislation changes in recent years that resulted in a loss of personal property taxable value.

- 2022 CPI: 1.033 (3.3%)
- 2021 CPI: 1.014 (1.4%)
- 2020 CPI: 1.019 (1.9%)
- The CPI is the lesser of the CPI calculation, or 5%.
- Taxable increases other than the CPI include new construction, new homes, additions to existing structures, new personal property accounts, etc.

# 2022 RESIDENTIAL SALE STUDY

Analysis of the arms-length transactions that took place 4/1/20 – 3/31/22 indicate an average sales price for residential homes of \$179,842

Range of sales prices for arms-length transactions:  
\$77,000 - \$305,000

## **Various Assessing duties**

- ✓ Processed sales and transfers
- ✓ Verified changes in principal residence status
- ✓ Processed splits and combinations
- ✓ Printed and mailed personal property statements
- ✓ Prepared assessment roll
- ✓ Prepared and mailed assessment notices
- ✓ Continued working on computer aided mass appraisal (CAMA) standards recommended by the State Tax Commission

# DEEDS

- Total deeds processed in 2021: 102
- Deeds processed in 2022 so far: 27

# MICHIGAN TAX TRIBUNAL

- ❖ 0 New Cases
- ❖ 0 Pending Cases

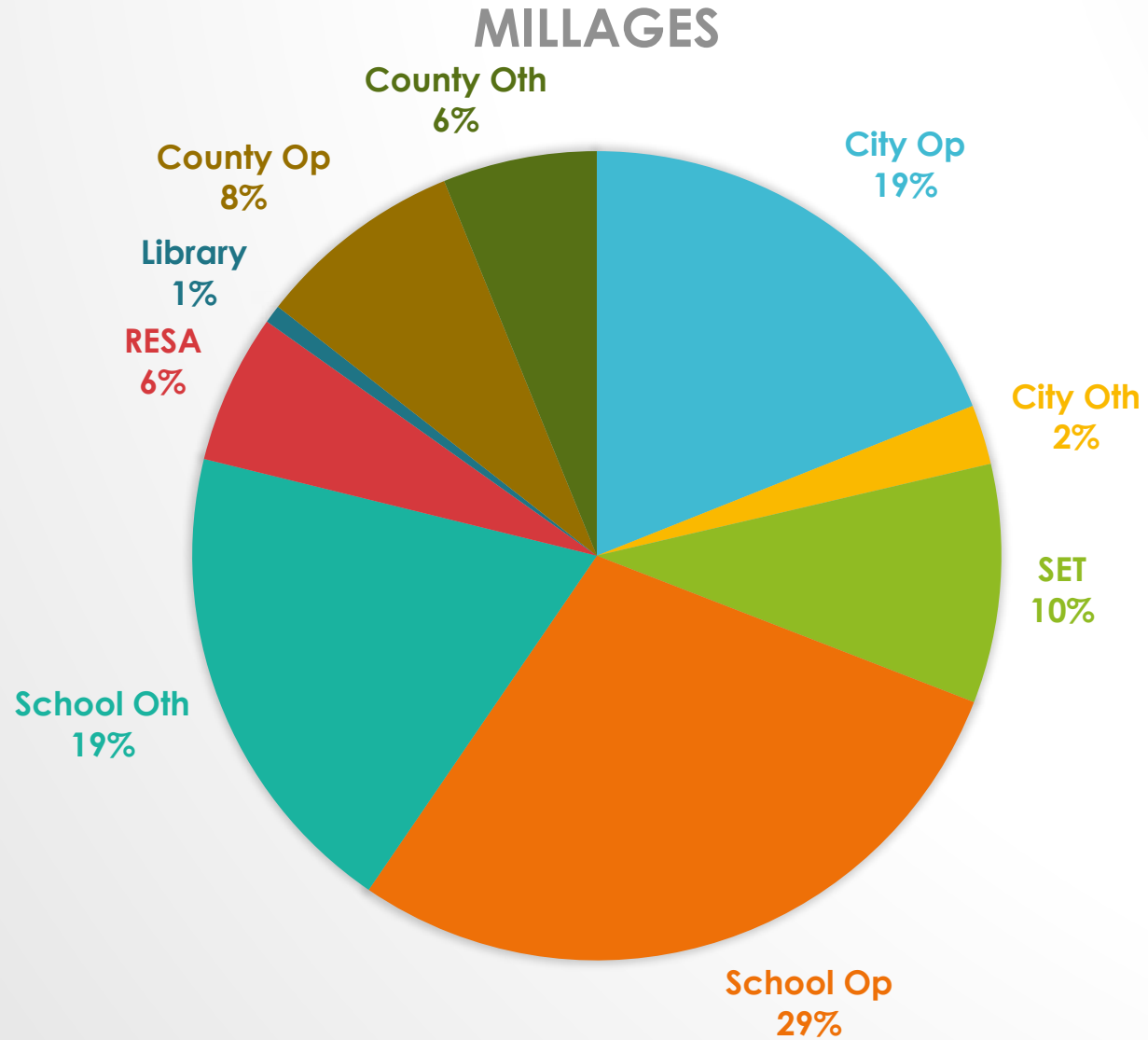
# MISC ASSESSING ACTIVITIES

Field Work: 140 parcels

Building Permit Inspections: 5, plus revisits from previous year

Personal Property: Added 4 accounts, deleted 2 accts

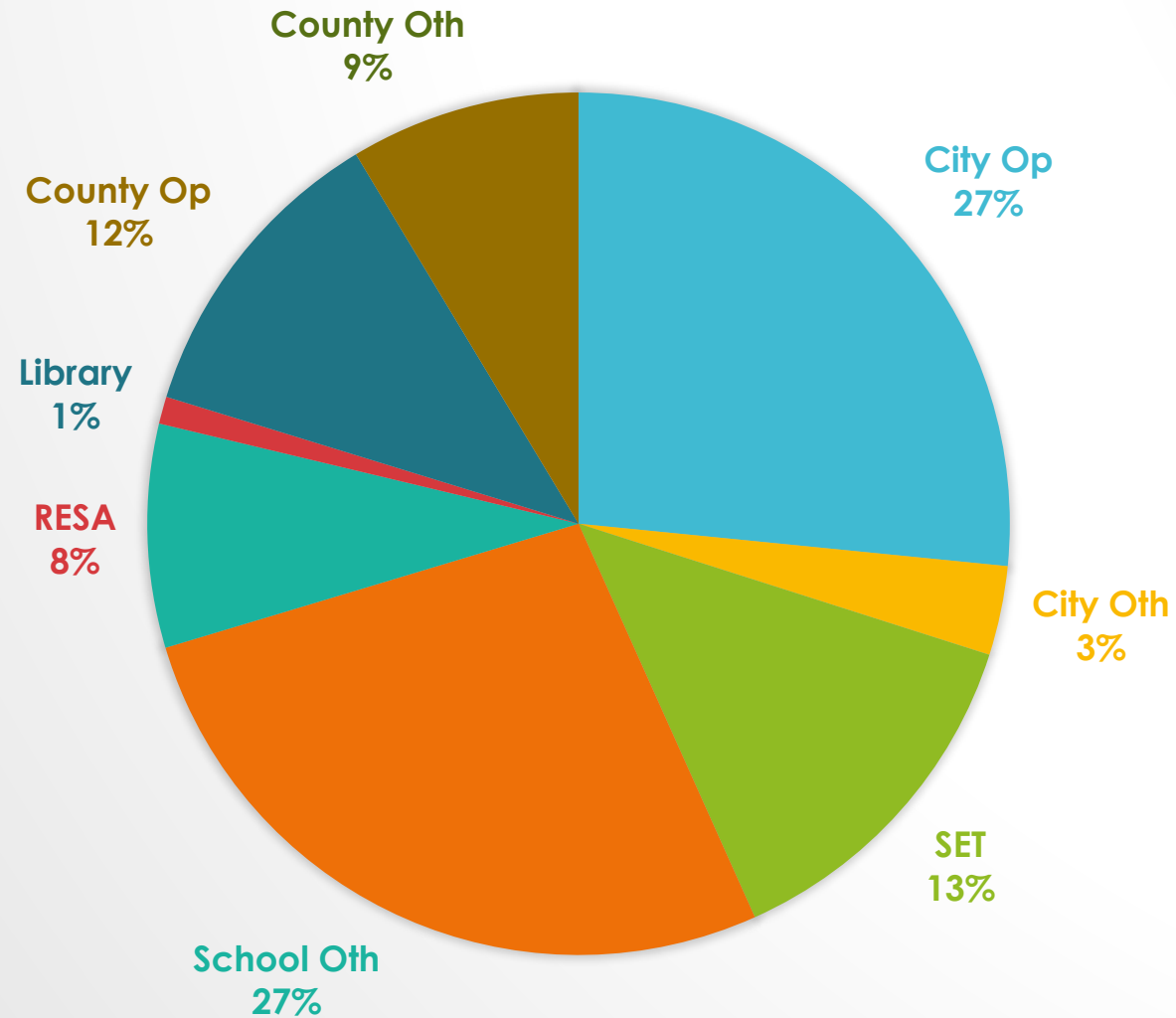
# HOW AN AVERAGE TAX DOLLAR IS ALLOCATED (NON-HOMESTEAD)





# HOW AN AVERAGE TAX DOLLAR IS ALLOCATED (HOMESTEAD)

## MILLAGES



# 2022 ASSESSMENT NOTICES

- Mailed 2/25/22
- Notices were sent for every parcel in the City including personal property parcels

# 2022 BOARDS OF REVIEW

- ❖ March BOR
  - ❖ Organizational meeting was held 3/7/22
  - ❖ Hearings were held 3/14/22 & 3/15/22
  - ❖ 5 cases were heard (All were Veteran Exemptions)
  
- ❖ July BOR
  - ❖ Will be held 7/19/22
  
- ❖ December BOR
  - ❖ Will be held 12/13/22

*\*July and December Board of Review meetings are held to hear appeals of Principal Residence Exemptions, Qualified Agricultural Property Exemption, Poverty Exemptions, Disabled Veterans Exemptions, and Qualified Errors including clerical errors and mutual mistakes of fact. Either the assessor or a taxpayer may petition for consideration.*

# DISABLED VETERANS EXEMPTION

- MCL 211.7b
- An exemption from property taxes is available to qualified disabled veterans or their unmarried, surviving spouse who claims the home as their homestead.
- The disabled veteran or the surviving spouse must be a Michigan resident.
- The Act requires an Affidavit to be filed annually, along with qualifying proof from the Department of Veteran Affairs.
- All disabled veteran exemptions are granted by the Board of Review.
- In 2022, the City had 5 taxpayers that qualified (so far).
- Approximate total amount of City tax revenue lost due to this exemption in 2022: \$3,321.

# SMALL BUSINESS TAXPAYER EXEMPTION

- MCL 211.9o
- The Affidavit (form 5076) provides an exemption from personal property for commercial/industrial entities with a personal property true cash value of less than \$80,000. This exemption no longer needs to be filed annually and will now carry forward for qualified businesses.
- Number of exemptions claimed in 2022: 72

# ELIGIBLE MANUFACTURING PERSONAL PROPERTY EXEMPTION (EMPP)

- Phase out of EMPP until fully implemented in 2023
- Starting in 2016 equipment placed into service after 2012 and 2005 or earlier is reported to the State and taxpayers pay an Essential Services Assessment which is to be used to reimburse municipalities for emergency services.
- All equipment that does not meet the above criteria is reported to the City.
- The City will continue to monitor updates or changes to the EMPP program to ensure compliance.

# AUDIT OF MINIMUM ASSESSING REQUIREMENTS (AMAR)

- The State of Michigan AMAR audit is a continuous audit of assessing practices on a county rotation. Eaton County was reviewed in April 2019.
- After state inspection, the City of Potterville was found in compliance.
- It is projected that Potterville will go through this process again in 2024.