



## **GENERAL INFORMATION AND INSTRUCTIONS FOR FILING AN APPEAL FOR ASSESSOR'S REVIEW AND/OR BOARD OF REVIEW**

1. Read through the appeal form and these instructions carefully, then please print or type.
2. Only the owner or his/her duly authorized agent may appeal the assessed or taxable value of any property. A land contract purchaser is considered to be the owner even though title by deed has not yet passed. An agent must bring a letter of authorization signed by the owner in order to file an appeal.
3. A separate appeal form must be completed for each property (each parcel number). Please do not attempt to use one form for multiple parcels.
4. Only those reasons stated or questions answered will be considered. Questions left unanswered may constitute an improper appeal and may be cause for denial. If something does not apply, please note that.
5. You may appeal the assessed value, the taxable value, or both. You may also appeal the property classification. If an assessed value change is made by the Assessor or Board of Review, the taxable value will automatically be recomputed even if you did not appeal it. Taxable values are a function of last year's taxable value, ownership transfers, additions to the property, demolitions, and the inflation adjustment multiplier (commonly called the CPI).
6. As a result of the 1994 constitutional amendment known as "Proposal A", you may no longer expect a taxable value or tax bill that is equitable as compared to similar properties. Not all properties are taxed based on fifty percent of True Cash Value unless they have recently had a transfer of ownership. It is inappropriate to use the tax equity argument as grounds for appealing your taxable value.
7. The General Property Tax Laws of the State of Michigan provide that property shall be assessed at fifty percent of its *true cash value* in accordance with the Michigan Constitution.
8. ***True cash value*** is usually defined as being what a buyer would reasonably expect to pay in money for a property if it were exposed to the market for a reasonable period of time, with a willing buyer and willing seller, neither being under any undue pressure to buy or sell, both buyer and seller knowledgeable of the market, and not at forced sale or auction. True cash value assumes the property to be free and clear of mortgages, liens, debts, special assessments, or other encumbrances. Sales commissions, discount points, etc. must be included in order to equate to usual selling price.
9. For new construction, the Assessor usually uses typical building costs as the best indicator of value. One builder's cost on any one particular project, however, should not be assumed to be typical or proof of true cash value in and of itself.

10. On older buildings, the Assessor attempts to use sales of similar properties within market neighborhoods as the best indicators of value. One sale, however, does not necessarily reflect or prove market value. Market price is not synonymous with market value. Usual selling price must be determined; thus, Michigan laws preclude assessors and boards of review from making a value determination based on only one property sale---even if the sale was that of the property being appealed.
11. On properties where the usual selling price would be predicated on the income stream the property is capable of producing under prudent management, financial data is analyzed for correlation to cost of construction less depreciation and sales of comparables as another indicator of value. Market rents, vacancies, expenses and capitalization rates must be derived from an analysis of the market. It is not sufficient to only provide data on the property which is the subject of the appeal.
12. Requests for exemption status (including the inability to meet one's just share of the cost of government due to poverty) must meet the test of law regarding ownership, use and occupancy as of the tax day. There are separate forms which must be completed and attached to the appeal form depending on the type of exemption sought. Poverty exemptions require full disclosure of financial information to be considered. Applicant households must fall beneath Federal poverty guidelines in the immediately preceding year and meet an asset test of less than 25% of the applicable poverty guideline.
13. Construction occurring after Tax Day may not be assessed for the ensuing year. Structures razed after Tax Day must be assessed for the entire tax year. Personal property removed on or after January 1 must be assessed and taxed for the entire year. Tax Day was December 31.
14. An assessed value must have been properly appealed to the Board of Review before an appeal may be filed with the Michigan Tax Tribunal if the property is classified as residential or agricultural. All classification appeals must be first decided by the Board of Review before an appeal may be filed with the State Tax Commission.
15. A senior citizen or his/her un-remarried spouse regardless of age may apply for a property tax credit against state income taxes or receive a refund from the state according to a schedule based upon household income. If household income is \$3,000 or less, the entire amount may be refunded. Disabled veterans, veterans' spouses, active servicepersons, blind persons, low income owners, and renters may also apply for property tax refunds or credits in a like manner, but according to different schedules. Forms are available on line at: [www.michigan.gov/taxes/0,1607,7-238-43513---,00.html](http://www.michigan.gov/taxes/0,1607,7-238-43513---,00.html) . These are filed with the Michigan Department of Treasury.
16. Tax bill amounts are paid to the City of Kentwood, Kent County, Kent Intermediate School District, one of four local school districts, Michigan education fund, Kent District Library, and the Interurban Transit Authority. Principle residences of owners may be eligible for a full or partial exemption from 18 mills of local school operating taxes. Tax rates are determined by budget requirements within the allowed millage rates as set by the voters. It is not appropriate to appeal based on the amount of taxes paid as the Board of Review has no control over millage rates.