

COMMERCIAL PROPERTY ASSESSMENT FORUM

March 8, 2012

**City of Portage
Portage City Hall**

David C. Maturen, SR/WA

ISSUES

- True Cash Value (TCV) = Market Value for Assessment Purposes.
- Assessed Value (AV) = 50% of True Cash Value.
- State Equalized Value (SEV) = Different from AV if AV is not at 50% of TCV.
- Capped Value (CV) = Prior Year's Taxable Value – Losses x Inflation Rate Multiplier (1 + CPI) + Additions. (2012 CPI = 2.7%) (2011 CPI = 1.7%) (2010 CPI = -0.3%) (2009 CPI = 4.4%)

- Taxable Value (TV) = Lower of CV or SEV.
- Board of Review (BOR): Sits in Judgment of Assessor's Assessment Roll and Hears Assessment Appeals Locally.
- Michigan Tax Tribunal (MTT): Hears Appeals not Settled at the BOR. Small Claims (heard locally) and Full MTT (heard in Lansing).
- Small Claims include residential, agricultural, any other property where the value in contention is \$100,000 or less, special assessment if amount in dispute is \$20,000 or less.

- MTT Appeal Dates: Commercial, Industrial or Developmental directly (no BOR) to MTT by May 31. Appeals from BOR (all classes) July 31.
- State Tax Commission (STC) Oversees Assessors, Assessment and Equalization Process. Merged SAB Assessor licensing duties in 2009.
- Proposal “A” of 1994 made TV the Basis for Taxation (TV x Millage Rate) rather than the SEV.
- Tax Day: December 31, 2011 for 2012 Assessments.

- STC Bulletin #5 of 2007 Defined a Single Year Sales Study (October 1, 2010 to September 30, 2011).
- STC Bulletin #6 of 2007 Defined Inclusion of Lender Sales in a Sales Study
- STC Bulletin #9 of 2009 Refers to Two Year Study (October 1, 2009 to September 30, 2011).

- Principle Residence Exemption (PRE).
- Poverty Exemption.
(STC Bulletin #5 of 1995 and Ferraro vs. Walton Twp. COA No. 302221 – 2012)
- Transfer of Property Defined by Statute Triggers Change in TV to = the SEV.

- Klooster vs Charlevoix Joint Tenants
(December 2010 in State Supreme Court)
- Assessment Appeal Downside: Omitted Property.

- 2012 Capped Value (CV) =
(2011 Taxable Value – Losses
x 1.027 + Additions
- 2012 TV = Lesser of 2012 CV or SEV.
- Mathieu-Gast Home Improvement Act, 1976
PA 283 as amended
Nonconsideration of TCV for normal repairs,
replacements & maintenance
Form 865 (formerly L-4293)

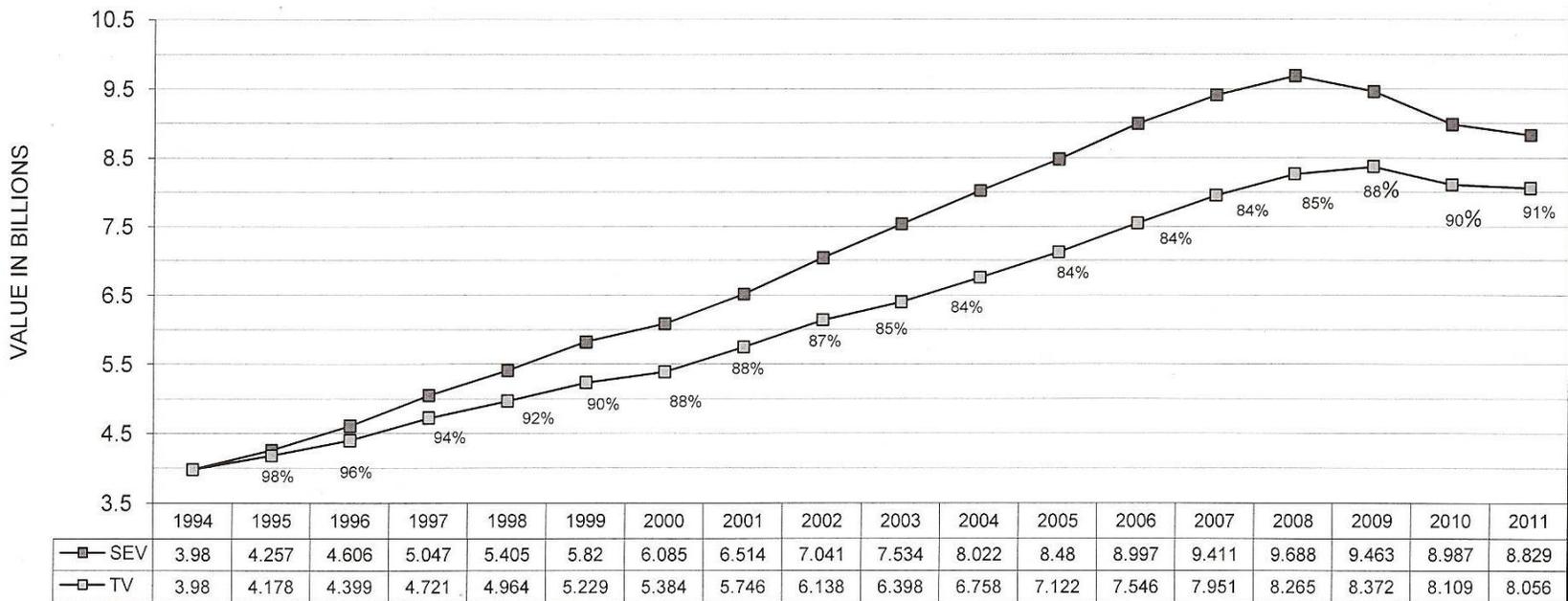
**KALAMAZOO COUNTY
2011 TAXABLE VALUES BY UNIT AND CLASS**

TOWNSHIPS	AG	COMM	IND	RES	PERSONAL	2011 TV TOTAL UNIT	2010 TV TOTAL UNIT	PERCENT CHANGE
Alamo	5,700,864	9,359,764	2,026,321	103,879,328	6,285,061	127,251,338	125,990,507	1.00%
Brady	9,937,917	2,834,968	1,280,461	126,223,316	5,786,033	146,062,695	146,349,734	-0.20%
Charleston	5,361,868	19,652,401	8,265,505	53,890,710	18,605,150	105,775,634	104,590,563	1.13%
Climax	15,435,203	2,493,931	4,191	44,164,847	2,035,790	64,133,962	62,524,175	2.57%
Comstock	3,711,167	115,387,850	26,871,363	312,508,442	98,045,067	556,523,889	518,891,341	7.25%
Cooper	3,143,953	18,727,487	5,028,006	234,974,124	11,628,086	273,501,656	274,494,387	-0.36%
Kalamazoo	0	75,458,457	10,529,465	318,369,298	34,112,400	438,469,620	454,003,763	-3.42%
Oshtemo	2,281,596	235,292,578	12,880,692	437,056,543	46,218,247	733,729,656	738,313,996	-0.62%
Pavilion	8,991,782	11,193,018	6,735,379	147,954,944	11,227,500	186,102,623	188,136,839	-1.08%
Prairie Ronde	18,949,878	636,708	596,228	70,061,645	3,201,000	93,445,459	92,152,549	1.40%
Richland	7,252,954	26,374,916	8,001,855	289,437,079	23,504,550	354,571,354	351,024,630	1.01%
Ross	4,495,277	13,565,964	1,748,409	266,448,997	9,146,400	295,405,047	292,209,957	1.09%
Schoolcraft	11,878,026	26,977,024	15,062,545	200,499,369	21,766,400	276,183,364	271,846,094	1.60%
Texas	4,705,486	57,927,758	1,742,792	622,730,885	19,350,300	706,457,221	692,210,647	2.06%
Wakeshma	16,598,892	313,284	3,175	20,060,172	4,382,684	41,358,207	44,159,820	-6.34%
TOWNSHIP TOTALS	118,444,863	616,196,108	100,776,387	3,248,259,699	315,294,668	4,398,971,725	4,356,899,002	0.97%
CITIES								
Galesburg	0	6,988,376	999,543	17,465,929	2,374,200	27,828,048	28,623,012	-2.78%
Kalamazoo	0	457,879,019	115,839,995	820,051,440	226,970,000	1,620,740,454	1,662,260,139	-2.50%
Parchment	0	9,833,495	3,745,371	28,211,935	5,084,800	46,875,601	47,762,503	-1.86%
Portage	0	389,056,048	129,438,555	1,088,020,660	355,714,200	1,962,229,463	2,013,993,665	-2.57%
CITY TOTALS	0	863,756,938	250,023,464	1,953,749,964	590,143,200	3,657,673,566	3,752,639,319	-2.53%
2011 TOTAL COUNTY	118,444,863	1,479,953,046	350,799,851	5,202,009,663	905,437,868	8,056,645,291	8,109,538,321	-0.65%
2010 TV BY CLASS	116,928,129	1,550,931,709	369,289,877	5,197,581,832	874,806,774			
Percent Change by Class	1.30%	-4.58%	-5.01%	0.09%	3.50%			

**KALAMAZOO COUNTY AND STATE OF MICHIGAN
PERCENT OF STATE EQUALIZED VALUE TO
TAXABLE VALUE
AND PERCENT OF ANNUAL TAXABLE VALUE CHANGE**

YEAR		STATE EQUALIZED VALUE	TAXABLE VALUE	PERCENT TV TO S.E.V.	C.P.I.	TAXABLE VALUE % CHANGE
2011	County	8,829,083,907	8,056,645,291	91.25%	1.017	-0.65%
	State	8,829,083,907	323,605,289,078			-3.90%
2010	County	8,987,753,185	8,109,538,321	90.23%	0.997	-3.14%
	State	385,050,244,105	336,744,266,499	87.45%		-6.57%
2009	County	9,463,789,245	8,372,294,102	88.47%	1.044	1.29%
	State	423,901,291,288	360,437,106,515	85.03%		-0.76%
2008	County	9,688,818,821	8,265,432,248	85.31%	1.023	3.96%
	State	448,139,540,701	363,195,672,141	81.05%		1.65%
2007	County	9,411,054,325	7,950,674,219	84.48%	1.037	5.35%
	State	453,108,709,674	357,297,813,947	78.85%		4.98%
2006	County	8,997,222,049	7,546,721,917	83.88%	1.033	5.96%
	State	436,421,254,945	340,334,442,504	77.98%		5.81%
2005	County	8,480,400,646	7,121,900,777	83.98%	1.023	5.39%
	State	415,796,891,405	321,653,083,189	77.36%		5.56%
2004	County	8,022,206,352	6,757,516,459	84.24%	1.023	5.62%
	State	392,622,129,163	304,715,983,822	77.61%		5.45%
2003	County	7,534,009,202	6,398,020,818	84.92%	1.015	4.23%
	State	369,525,297,327	288,957,166,455	78.20%		5.21%
2002	County	7,041,241,892	6,138,162,085	87.17%	1.032	6.82%
	State	343,715,251,740	274,652,176,219	79.91%		6.57%
2001	County	6,514,825,076	5,746,338,033	88.20%	1.032	6.74%
	State	3.12896E+11	257,712,098,757	82.36%		7.09%
2000	County	6,085,319,646	5,383,527,193	88.47%	1.019	2.94%
	State	284,426,837,615	240,647,489,503	84.61%		5.50%
1999	County	5,820,431,591	5,229,558,268	89.85%	1.016	5.34%
	State	261,002,159,463	228,096,396,729	87.39%		6.00%
1998	County	5,405,457,238	4,964,423,900	91.84%	1.027	5.19%
	State	237,415,970,682	215,179,107,793	90.63%		6.20%
1997	County	5,046,814,588	4,719,375,172	93.51%	1.028	7.28%
	State	216,745,336,185	202,615,531,697	93.48%		5.70%
1996	County	4,605,798,743	4,399,095,216	95.51%	1.028	5.27%
	State	200,341,062,819	191,680,558,613	95.68%		5.25%
1995	County	4,257,042,892	4,178,784,364	98.16%	1.026	4.99%
	State	186,394,884,829	182,125,152,894	97.71%		3.96%
1994	County	3,980,287,211	3,980,287,211	100.00%	Base Year	
	State	175,195,104,210	175,195,104,210			

KALAMAZOO COUNTY SEV TO TV COMPARISON (1994-2011)



**KALAMAZOO COUNTY
RESIDENTIAL TAXABLE VALUE TO SEV COMPARISON**

TOWNSHIPS	2011 Residential Taxable Value	2011 Residential S.E.V.	Percent TV to SEV
Alamo	103,879,328	111,345,200	93.29%
Brady	126,223,316	150,364,600	83.94%
Charleston	53,890,710	61,894,200	87.07%
Climax	44,164,847	50,134,700	88.09%
Comstock	312,508,442	330,985,682	94.42%
Cooper	234,974,124	247,503,377	94.94%
Kalamazoo	318,369,298	328,089,300	97.04%
Oshtemo	437,056,543	481,697,250	90.73%
Pavilion	147,954,944	160,345,800	92.27%
Prairie Ronde	70,061,645	75,503,200	92.79%
Richland	289,437,079	326,639,850	88.61%
Ross	266,448,997	355,025,600	75.05%
Schoolcraft	200,499,369	219,030,404	91.54%
Texas	622,730,885	679,875,500	91.59%
Wakeshma	20,060,172	21,526,400	93.19%
TOWNSHIP TOTAL	3,248,259,699	3,599,961,063	90.23%
<u>CITIES</u>			
Galesburg	17,465,929	18,378,900	95.03%
Kalamazoo	820,051,440	878,862,109	93.31%
Parchment	28,211,935	28,574,256	98.73%
Portage	1,088,020,660	1,151,156,050	94.52%
CITY TOTALS	1,953,749,964	2,076,971,315	94.07%
TOTAL COUNTY	5,202,009,663	5,676,932,378	91.63%

LEGAL NOTICE

To: ALL OWNERS OF REAL OR PERSONAL PROPERTY IN KALAMAZOO COUNTY, MICHIGAN												
Michigan Compiled Law (MCL) Section 211.34(1) requires all property to be equalized separately by classification and MCL 211.32a(1) requires each Equalization Director to publish the tentative ratios and estimated multipliers to compute the equalized value of each class of property on or before the third Monday in February.												
Assessment Jurisdiction	Agricultural Tentative		Commercial Tentative		Industrial Tentative		Residential Tentative		Developmental Tentative		Personal Property Tentative	
<u>TOWNSHIPS:</u>												
Alamo	44.37%	1.12689	47.36%	1.05575	50.08%	0.99841	55.28%	0.90449	-0-	-0-	50.00%	1.00000
Brady	48.44%	1.03221	50.49%	0.99030	50.17%	0.99662	53.11%	0.94145	-0-	-0-	50.00%	1.00000
Charleston	48.99%	1.02062	50.88%	0.98264	49.17%	1.00000	53.43%	0.93581	-0-	-0-	50.00%	1.00000
Climax	51.50%	0.97088	48.89%	1.02271	50.78%	0.98461	49.64%	1.00000	-0-	-0-	50.00%	1.00000
Comstock	46.05%	1.08578	50.96%	0.98117	52.45%	0.95329	52.63%	0.95003	-0-	-0-	50.00%	1.00000
Cooper	45.28%	1.10425	50.42%	0.99167	48.58%	1.02924	53.59%	0.93301	-0-	-0-	50.00%	1.00000
Kalamazoo	0.00%	NA	50.11%	0.99781	50.35%	0.99305	54.08%	0.92456	-0-	-0-	50.00%	1.00000
Oshtemo	51.87%	0.96395	49.64%	1.00000	47.78%	1.04647	53.28%	0.93844	-0-	-0-	50.00%	1.00000
Pavilion	50.97%	0.98097	52.02%	0.96117	50.34%	0.99325	48.76%	1.02544	-0-	-0-	50.00%	1.00000
Prairie Ronde	49.56%	1.00000	50.04%	0.99921	51.64%	0.96825	49.93%	1.00000	-0-	-0-	50.00%	1.00000
Richland	48.34%	1.03435	49.29%	1.00000	48.66%	1.02754	51.18%	0.97695	-0-	-0-	50.00%	1.00000
Ross	51.77%	0.96582	49.60%	1.00000	48.27%	1.03583	56.06%	0.89191	-0-	-0-	50.00%	1.00000
Schoolcraft	50.33%	0.99345	52.29%	0.95621	49.63%	1.00000	49.83%	1.00000	-0-	-0-	50.00%	1.00000
Texas	48.60%	1.02881	52.95%	0.94429	49.16%	1.00000	52.53%	0.95184	-0-	-0-	50.00%	1.00000
Wakeshma	49.80%	1.00000	56.29%	0.88826	49.36%	1.00000	48.99%	1.02062	-0-	-0-	50.00%	1.00000
<u>CITIES:</u>												
Galesburg	0.00%	NA	51.53%	0.97031	50.90%	0.98232	52.24%	0.95713	-0-	-0-	50.00%	1.00000
Kalamazoo	0.00%	NA	54.78%	0.91275	51.78%	0.96563	55.32%	0.90384	-0-	-0-	50.00%	1.00000
Parchment	0.00%	NA	48.15%	1.03843	49.23%	1.00000	50.58%	0.98854	-0-	-0-	50.00%	1.00000
Portage	0.00%	NA	52.72%	0.94841	51.55%	0.96994	49.24%	1.00000	-0-	-0-	50.00%	1.00000

The above tentative ratios and estimated multipliers are subject to change by action of the assessors, local Boards of Review, the County Board of Commissioners, and the State Tax Commission.

Bonnie L. Payton, Director

Kalamazoo County Equalization Department

Date: February 20, 2012

The following home repairs and improvements cannot be considered for assessment purposes while you own your home*:

- Outside painting
- Repairing or replacing siding, roof, porches, steps, sidewalks and drives
- Repainting, repairing or replacing existing masonry
- Replacement of awnings
- Adding or replacing gutters and downspouts
- Replacing storm windows or doors
- Insulation or weather-stripping
- Complete rewiring
- Replacing plumbing and light fixtures
- New furnace, replacing a furnace of the same type or replacing oil or gas burner
- Plaster repairs, inside painting or other redecorating
- New ceiling, wall or floor surfacing
- Removing partitions to enlarge rooms
- Replacing automatic hot water heater
- Replacing dated interior woodwork.

*Structural additions are not considered to be normal repairs or maintenance.