



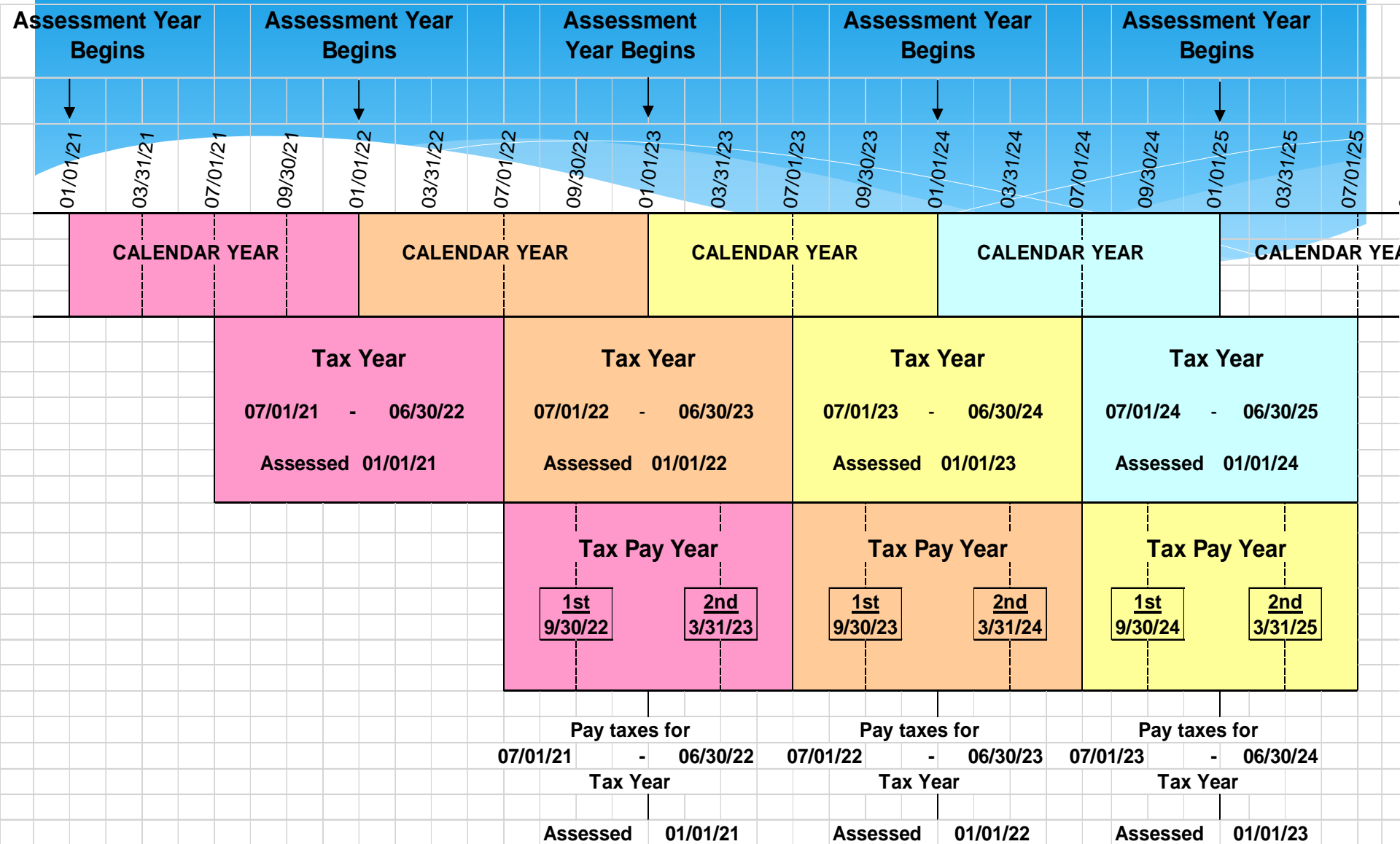
Polk County Assessor Update

January 2023

Topics

- * Property Tax Cycle Timeline
- * Basics of Assessed Values
- * Equalization
- * 2023 Revaluation Trends
- * Residential Rollback
- * Assessment Appeal Process

Iowa Property Tax Cycle – Timeline Diagram



PROPERTY TAX CYCLE

January–June 2022

STEP	DATE	ACTIVITY
1	January 1	Assessment date.
2	April 1	Assessors complete assessments and notify taxpayers.
3	April 2–25	Taxpayers may request informal review of assessment by Assessor.
4	On or before April 25	Following informal review, Assessor may enter into a signed written agreement with the property owner or aggrieved taxpayer authorizing the Assessor to correct or modify the assessment according to the agreement of the parties.
5	April 2–30	Taxpayers may appeal assessments to local boards of review.
6	May 1–31	Local boards of review consider appeals. This time may be extended to July 15 by the Iowa Department of Revenue Director.
7	June 15	Local boards of review submit reports to the Director.
8	July 1	Assessors submit abstracts of the assessments to the Director.
9	August 15	The Department issues tentative equalization notices to assessors.
10	September	The Department holds equalization hearings, which are held for public input.

July–December 2022	11	October 1	The Department issues final equalization orders to county auditors.
	12	October 2–12	Assessing jurisdictions may apply for alternative methods of implementing equalization orders.
	13	By October 8	The county auditor must publish notice of the final equalization order by this date, and must provide notice by mail to the taxpayers if the equalization order results in an increase in valuation.
	14	October 9–31	Taxpayers may protest the final equalization order to local boards of review.
	15	October 10–November 15	Local boards of review meet to hear equalization protests.
	16	November 1	The Director certifies assessment limitation percentages to county auditors.
	17	November 15	Local boards of review submit a report about the equalization protests to the Department.
2023	18	December 1–February 28	The taxing authorities adopt the budgets based on the valuations.
	19	March 1	The county board of supervisors levies the taxes.
2024	20	July 1	The county treasurer receives authorization to collect taxes.
	21	September 30	First half of taxes are due.
	22	March 31	Second half of taxes are due.

Basics of Assessed Values

*** Chapter 428.4** – “The assessment of real estate shall be the value of the real estate as of January 1 of the year of the assessment. The year 1981 and each odd-numbered year thereafter shall be a reassessment year.”

Basics of Assessed Values

- * Reassessment means we revalue all real property within our jurisdiction
- * Impact of the biennial reassessment cycle
 - assessment remains ‘frozen’ while market fluctuates within reassessment cycles

Basics of Assessed Values

- * Market Value Standard

- * ***Code of Iowa Chapter 441.21:*** All property... shall be assessed at ***one hundred percent of its actual value...***

- *The ***actual value*** of all property subject to assessment and taxation shall be the ***fair and reasonable market value*** of such property ...

Basics of Assessed Values

- * Market Value Standard

- * ***Market value***....the fair and reasonable exchange in the year in which the property is listed and valued between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and each being familiar with all the facts relating to the particular property...

Basics of Assessed Values

- * Market Value Standard
 - * Sale prices of the property or comparable property in **normal transactions reflecting market value**... shall be taken into consideration in arriving at its market value.

Basics of Assessed Values

- * Market Value Standard
 - * ... sale prices of property in *abnormal transactions* not reflecting market value shall not be taken into account... including but not limited to... foreclosure or other forced sales...

Basics of Assessed Values

*Single Property Appraisal: The valuation of a particular property as of a given date

*Mass Appraisal: The valuation of a universe of properties as of a specific date using common data, standardized procedures, and statistical testing

Basics of Assessed Values

Purpose of Models

- *Replicate the local real estate market behavior
- *Predict probable sale prices

Basics of Assessed Values

* Basic cost model (no location):

$$\mathbf{MV = LV + BV}$$

MV = Market Value

LV = Land Value

BV = Building Value = Replacement cost
new less any accrued depreciation
(RCNLD)

Basics of Assessed Values

* Location

* Location

* Location



Basics of Assessed Values

- * Group properties into contiguous areas called neighborhoods
- * Location adjustment for each property is based on the typical property in the neighborhood
- * Each property in the neighborhood receives the same location adjustment

Basics of Assessed Values

* Basic cost model (with location):

$$MV = (LV + BV) * \text{Location}$$

MV = Market Value

LV = Land Value

BV = Building Value = Replacement cost
new less any accrued depreciation
(RCNLD)

Location = Adjustment based on
neighborhood

Basics of Assessed Values

Polk County Assessor Year 2021

111 Court Avenue #195
Des Moines, IA 50309-0904

(515) 286-3014 Fax (515) 286-3386
polkweb@assess.co.polk.ia.us

3012 MARY LYNN DR (Urbandale)

312/2553 (7925-27-177-15)

Current Cost for 312/02553-000-000 (Residential)

Land	Square Feet = 12880, Acres = 0.296, Neighborhood = UR01, Pocket = G																	
Residential Land	Square Feet = 12880, Nbhd = UR01, Pocket = G													60,972				
Market Adjusted Land	Nbhd = UR01, Pocket = G, GeoBlock = 792527177										60,972		*		0.980		59,753	
Residence 1	Single Family, Residence Type = 1 Story, Style = Ranch, Total Square Feet Living Area = 1612																	
	Year Built = 1959, Effective Year Built = 1975, Grade = 3-10, Condition = Very Good																	
Grade Factor	Grade = 3-10															1.49		
Main Living Area	Main Living Area = 1612										1,612		*		92.08		148,433	
Basement Area	Basement Area = 1612										1,612		*		19.45		31,353	
Finished Basement Area 1	Basement Finish = 868, Quality = Average Plus										868		*		29.80		25,866	
Brick	Brick % = 100, Brick Area = 1612										1,612		*		9.98		16,088	
TOTAL BASE COST																221,740		
Heating	Heat Type = Gas Forced Air										1,612		*		4.28		6,899	
Air Conditioning	Air Condition % = 100, Area = 1612										1,612		*		2.59		4,175	
Extra Bathrooms	Extra Bathrooms = 1										1		*		3,576		3,576	
Toilet Rooms	Toilet Rooms = 1										1		*		1,937		1,937	
Fireplace	Fireplaces = 1										1		*		6,556		6,556	
Attached Garage	Attached Garage Area = 616										616		*		35.27		21,726	
Brick Attached Garage Add	Garage Brick % = 100, Area = 616										616		*		11.36		6,998	
Patio Area	Patio Area = 380										380		*		4.84		1,839	
TOTAL COST ADDITIONS																53,706		
TOTAL RCN																275,446		
Physical Depreciation Tabled	Effective Year Built = 1975, Condition = VG										14		/		100		0.14	
RCNLD	Percent Good = 0.86										275,446		*		0.86		236,884	
Nbhd Adjusted RCNLD	Nbhd = UR01, Pocket = G										236,884		*		0.980		232,146	
RCN/SQFT											275,446		/		1,612		170.87	
Structure	Id	Occupancy	Grade	RCN	Age	Condition	Phys	Func	Econ	Good	Fact	All	RCNLD	MktAdj	OAdj			
Residence	1	Single Family	3-10	275,446	45	Very Good	0.14	0.00	0.00	0.86	0.00	0.86	236,884	232,146				

Cost Totals

Land Total	59,800
Building Total	232,100
Ag Building Total	0
Parcel Total	291,900

Equalization

Chapter 441.47 – “The director of revenue ... 1977, and every two years thereafter shall order the equalization of the levels of assessment of each class of property in the several assessing jurisdictions....”

Equalization

Chapter 441.47 – “The director shall adjust to *actual value* the valuation of any class of property as set out in the abstract of assessment *when the valuation is at least five percent above or below actual value* as determined by the director.”

Equalization

- Iowa law mandates the assessment level of 100% market value
- Allowance of +/-5%, thus the overall assessment level must fall between 95%-105% to be in compliance
- Outside this range – Director will adjust the assessments to the 100% level through an equalization order

2023 Revaluation Trends

Jurisdiction	Number	Median	% Change - 2023
ALLEMAN	4	77.1	27.1%
ALTOONA	318	82.2	19.2%
ANKENY	1282	80.7	21.4%
BONDURANT	159	80.6	21.6%
CLIVE	140	80.5	21.7%
DES MOINES	3651	80.2	22.2%
ELKHART	23	80.4	21.9%
GRANGER	9	83.8	16.9%
GRIMES	294	79.2	23.7%
JOHNSTON	307	81.9	19.7%
MITCHELLVILLE	38	74.4	31.7%
PLEASANT HILL	183	79.7	23.0%
POLK CITY	89	81.5	20.2%
RUNNELLS	10	81.9	19.7%
SHELDAHL	3	83.7	17.1%
URBANDALE	519	79.1	23.9%
WEST DES MOINES	640	79.8	22.8%
WINDSOR HEIGHTS	98	79.9	22.7%

2023 Revaluation Trends

Jurisdiction	Number	Median	% Change - 2023
ALLEN TOWNSHIP	5	68.9	42.2%
BEAVER TOWNSHIP	5	68.6	42.9%
CAMP TOWNSHIP	13	79.4	23.4%
CLAY TOWNSHIP	8	73.3	33.7%
CROCKER TOWNSHIP	54	77.2	26.9%
DELAWARE TOWNSHIP	44	77.7	26.1%
DOUGLAS TOWNSHIP	17	68.7	42.6%
ELKHART TOWNSHIP	5	61.7	58.8%
FOURMILE TOWNSHIP	22	70.2	39.6%
FRANKLIN TOWNSHIP	12	78.2	25.3%
JEFFERSON TOWNSHIP	19	74.6	31.4%
LINCOLN TOWNSHIP	3	41.3	137.3%
SAYLOR TOWNSHIP	79	80.6	21.6%
UNION TOWNSHIP	6	73.0	34.2%
WASHINGTON TOWN	1	50.0	96.0%
WEBSTER TOWNSHIP	5	77.8	26.0%

Residential Rollback

- Chapter 441.21 provides for the reduction of property tax valuations by applying assessment limitations to cushion the impact of inflation

Residential Rollback

- Annually, the Department of Revenue computes the assessment limitation percentages and county auditors multiply the assessed valuations by them to determine taxable valuations

Residential Rollback

- Iowa law limits statewide growth in taxable value due to revaluation of existing property to no more than 3% per year for residential and agricultural property

Residential Rollback

- The rollback calculation determines the percentage of a property's actual value that will be taxable that year

Residential Rollback

Assessed Value

X

Rollback %

=

Taxable Value

2023 Revaluation

- Odd-numbered year –county-wide reassessment of all properties
- Approximately 185,000 assessment notices will be mailed on or before April 1st

Assessment Appeal Process

- Informal review requests – April 2nd – 25th
- Assessor and Taxpayer agree on valuation or adjustment in writing
- Both parties must sign the agreement
- Change based on one or more of the five grounds for protest

Assessment Appeal Process

- Formal appeals – April 2nd – April 30th (May 1st next year) to the Board of Review
- Must be in writing, signed, and timely filed with the Assessor's office
- Can appeal on one or more of the five grounds

Grounds for Protest

1. Assessment is not equitable with other similar properties

Compare to like properties

List similar properties on petition

2. Assessed value more than value authorized by law

State actual value & fair assessment

Grounds for Protest

3. Not assessable – request exemption or misclassified

4. Error in the assessment

Math errors & listing errors

Current year - previous years only if taxes not fully paid

Grounds for Protest

5. Fraud in assessment

Board determines the validity of allegation

If supported, correct assessment and report to Director of Revenue

Assessment Appeal Process

- Board of Review meets in person during the month of May to hear the protests
- Can request an extension for the Director of Revenue to July 15
- Board decision provided to taxpayer in writing
- Taxpayer can appeal to PAAB or District Court