



THE WATCHDOG

Keeping a watchful eye on taxation

A Publication of the Dickinson County Taxpayers Association

A 501 (C) (3) non-profit organization

April, 2019 VOLUME 17 ISSUE 1

Mark Your Calendar

Annual Meeting

June 14, 2019

Monthly Meetings

Second Thursdays

8 AM

April through

December

At Arnolds Park

City Hall

Public Invited!

Officers

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www.dctaxpayers.org

NEW PROPERTY TAX ASSESSMENT

Recently Dickinson County property taxpayers - along with Iowans across the state - were either shocked by the increase of their assessed property tax value or mildly pleased by their escape. Iowa law requires the City or County Assessor to review all property in their jurisdiction in odd number years (2019) to be sure assessments are proper. In our case the assessor is the Dickinson County Assessor located at the Spirit Lake courthouse.

The assessed value is one of the three pieces of information used to calculate a property owner's tax bill. The market value of a property is an estimate of the price that it would sell for on the open market on January First of the year of assessment. This is sometimes referred to as the "arms-length transaction" or "willing buyer/willing seller" concept.

Many residential properties saw an increase of 20% in land values including West Okoboji lakeshore and the bottom part of East Okoboji lakeshore. In 2018 there were 39 lakeshore properties sold on West Okoboji. Of those sales 36 sold for more than their assessed value by an average of 20 percent. A list of those 39 sales with the buyers name, assessed value, and sales price can be found on our website www.dctaxpayers.org under the tab **Property Tax**.

State law limits residential property value increases to 3% using a statewide average. If assessments grow by more than 3% in Iowa, the rollback is adjusted to reduce how much of a home's value is taxed. However, homeowners in areas where assessment increases outpace the statewide average could still exceed 3% and face higher tax bills.

The new property assessments will be used on the 2019-2020 tax bills mailed in August 2020 and paid in September 2020 and March 2021. More information about Iowa's property tax procedures can be found on the Dickinson County Assessor's website. Specific property information can be found on this website by using the owners name, property address, or parcel number. Included on each property page is a method to calculate the current year property tax. Check out: www.dickinson.iowaassessors.com

WHAT IS EQUALIZATION

Iowa law requires assessments to be within 95% to 105% of market value or the Iowa Department of Revenue will issue an equalization order that forces an across-the-board increase, rather than on individual properties.

Equalization helps maintain equitable assessments among classes of property and among assessing jurisdictions. That contributes to a more fair distribution of the tax burden and state aid, such as aid to schools.

The Iowa Department of Revenue compares county assessors' abstracts to a "sales assessment ratio study." If the assessment (by property class) is 5 percent or more above or below the sales ratio study, the department can increase or decrease the assessment.

Equalization occurs on an entire class of property, not on individual property. So local boards of review can only remove the amount of the increase related to the equalization if a property owner is successful upon appeal.

DETERMINING PROPERTY TAX

The assessed value of the property is only one of three factors that determine the amount of the property tax. The other two are the rollback and the levy rate. In the fall the Iowa Department of Revenue will determine the rollback factor. Each classification of property (residential, commercial, industrial, multiresidential, and agricultural) will receive a statewide rollback factor. For the last five years the residential property rollback number has hovered around 55 percent. For commercial property there is a 90 percent rollback.

During January, February, and March each taxing jurisdiction (city, county, school district, sewer system, community college, etc.) will determine its budget for fiscal year 2020 (begins July 1, 2019). In the spring of 2019 the County Auditor will apply the requested budget from each taxing jurisdiction to the property value for that entity. The result will be levy rate for that jurisdiction. The levy rate is the factor applied to each \$1,000 of taxable valuation.

The County Treasurer takes that tax levy for each taxing jurisdiction and applies it to your taxable property value (assessed value less the rollback factor). The total tax from each taxing jurisdiction becomes the property tax bill you receive in August.

WANT TO PROBE FURTHER

Assessors determine the value of a property by considering variables such as the value of your property compared to others like it that have sold recently and local market conditions.

If you have any questions about the assessment of your property, feel free to visit or call the Assessor's office to ask questions. That office is located in the Spirit Lake Courthouse (336-2687). Having your questions answered will help you to understand Iowa's property tax system. If you disagree with the assessor's estimate of value, it is most important to analyze whether appropriate comparable properties have been considered.

If you feel your Property assessment was made in error you may file a written protest with the five member Dickinson County Board of Review. The Board operates independently of the assessor's office, and has the power to confirm or to adjust either upward or downward any assessment. Normally your written protest must be filed between April 2nd and April 30th of the year.

This year, because of a presidential disaster declaration for Dickinson County (and other counties), the dates have been extended. The dates for written appeals are now April 2nd to June 5th. The Board of Review is in extended session, May 1st to June 15th.. The extended protest date is not due to damages caused by the disaster, but due to the taxpayer's possible limited access to their mail, their property etc. This year's disaster protest form with instructions can be found on the Internet at [https://dickinsoncountyiowa.org/assessor-board-of-review.](https://dickinsoncountyiowa.org/assessor-board-of-review)

The County Assessor and members of the Board of Review are appointed by the Conference Board. Members of the Conference Board are the five members of the Board of Supervisors, the ten mayors in Dickinson County, and a representative from each of the five school districts in the County.

Iowa law requires that at least one member of the Board of review be a farmer. Also, as nearly as possible, the membership should include a licensed real estate broker and either a registered architect or a person who is experienced in the construction field. Not more than two members of a board of review may be of the same profession or occupation.

Appeals from the Board of Review actions can be made to the Property Assessment Appeal Board (PAAB) within 20 days after the adjournment date of the Board of Review or May 31, whichever is later. You may bypass the Property Assessment Appeal Board and appeal directly to district court. (Sections 441.37A, 441.38, and 441.39 - Code of Iowa.

COMPUTING YOUR TAXES

If your residential property (land & dwelling) had a value of \$100,000 here is how property tax would be computed. To adjust for your property value change the appropriate Assessed Property Value.

Assessed Property Value	\$100,000
X Residential Rollback (most recent)	55.600%
Gross Taxable Value	\$56,600
X Combined Tax Levy	X \$20
(The combined tax levy rate of all taxing Jurisdictions where your property is located.)	
Gross Taxes Due (Annually)	\$1,132

JOIN DCTA

The Dickinson County Taxpayers Association (DCTA) is a non-profit, non partisan coalition of taxpaying individuals and businesses in Dickinson County.

DCTA WATCHDOG newsletter is a benefit of membership in DCTA.

To learn more about supporting DCTA, visit: www.DCtaxpayers.org

ADDRESS SERVICE REQUESTED

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