



THE WATCHDOG

Keeping a watchful eye on taxation

A Publication of the Dickinson County Taxpayers Association

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

April, 2017 VOLUME 15 ISSUE 1

Mark Your Calendar

Annual Meeting
June 9, 2017

Monthly Meetings
Second Thursdays
8 AM
April through
December
At Arnolds Park
City Hall
Public Invited!

Officers

President
Phil Petersen

Vice-President
Darrell Mergen

Treasurer
Jack Holzauer

Executive Director
Lissa Potter

Board of Directors

Bill Carmichael
Jack Holzauer
Darrell Mergen
Phil Petersen
Owen Primavera
Rosemary Sackett
John Shanafelt
Robert Zylstra

P.O. Box 598
Spirit Lake, IA 51360
www.dctaxpayers.org

HOW TAXES ARE CALCULATED

The assessor determines the assessed value of each piece of property in the County. 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.

This assessed value is reduced by a “rollback factor” determined each year by the Iowa Department of Revenue. For residential property - in recent years - this factor has been about fifty percent. After the calculated roll-backed value is applied the new value is termed the “Taxable Value”.

Taxing jurisdictions such as schools, cities, and townships, adopt spending budgets after public hearings at the beginning of each year. By March 15th each taxing jurisdiction is required to submit their budget to the County Auditor for the coming fiscal year – in this case, beginning July 1, 2017 – called the FY18 budget. (Schools have until April 15th to submit their budgets.)

The FY18 budget for each taxing jurisdiction is applied to the taxable value in each taxing jurisdiction to determine the total property tax levy for each piece of property in the county. The County Treasurer takes the tax levy for each taxing jurisdiction and applies it to each piece of property in Dickinson County to create the property tax bill you receive in the mail. The levy rate is the factor applied to each \$1,000 of taxable valuation.

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 property tax. Check out: www.dickinson.iowaassessors.com

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THE ROLE OF THE COUNTY ASSESSOR

The role of the Dickinson County Assessor is to assess the market value of all taxable property in Dickinson County for the purpose of determining its value for paying property tax. There are 28,000 parcels in Dickinson County. Church groups and government agencies that own property do not pay Iowa property tax.

The Assessor is appointed by the Conference Board consisting of the members of the Board of Supervisors, ten city Mayors and a member from each of the four school districts within the County. The County Assessor is Stephanie Sohn whose office along with two deputy assessors, an appraiser and clerk is located on the first floor of the Dickinson County courthouse. Telephone 336-2687.

The Conference Board also appoints a five member Board of Review selected from county residents. The function of the Board of Review is to evaluate the written protests filed between April 2nd through April 30th by taxpayers seeking a review of their assessed values.

DICKINSON COUNTY FY18 BUDGET

The Dickinson County budget is managed by a five member Board of Supervisors. The elected board members are Mardi Allen, Tim Fairchild, Bill Leopold, Paul Johnson, and Pam Jordan. Tim Fairchild was elected in November to represent the Milford area (District 3) to replace long time board member David Gottsche who passed away in August. The BOS usually meets every Tuesday at 9:30 AM in the Court House Community Room. The meeting is open to the public.

The Dickinson County FY18 budget was approved at the March 7th meeting of the Board of Supervisors meeting. To our knowledge only Linn and Dickinson County prepare a detailed PowerPoint presentation with charts and graphs to explain the source of county revenue and how the county funds are spent. A copy of the approved County FY18 budget is available for review at this website www.dctaxpayers.org/financialinformation.

DETERMINING MARKET VALUE

State law requires that all real property be reassessed every two years. Under the law the assessed value is to be based on the reasonable market value of the property. "Market value" is defined as the fair and reasonable exchange 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. In determining market value, the assessor first looks to comparable sales. In the unusual case where no comparable sales are available, the assessor then considers the cost of the property and/or, in the case of income property, a valuation based on the income production from the property.

The assessor will further review the comparable sales result for consistency with sales ratio studies, analysis of local conditions, and economic trends both in and outside the construction industry. Determining the market value in this way is commonly referred to as the MARKET APPROACH.

The COST APPROACH is an estimate of how many dollars at current labor and material prices it would take to replace your property with one similar to it. In the event improvement is not new appropriate adjustments for depreciation and obsolescence would be deducted from replacement value. Value of the land then would be added to arrive to the total estimate of value.

The INCOME APPROACH is used only for income producing property, such as an apartment or office building. In that case, your property could be valued according to its ability to produce income under prudent management; in other words, what another investor would give for a property in order to gain its income. The income approach is the most complex of the three approaches because of the research, information and analysis necessary for an accurate estimate of value. This method requires thorough knowledge of local and national financial conditions, as well as any developmental trends in the area of the subject property.

If you have any questions about the assessment of your property, feel free to visit or call the Assessor's office to ask questions. 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.

You have the option of filing a written protest with the 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.

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)

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51360

The Watchdog
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ADDRESS SERVICE REQUESTED

PROPERTY TAX CALENDAR

- January 1st – effective date of current assessment.
- March – second half of property taxes are paid.
- March – notice of new assessment mailed.
- April – request an informal review of assessment.
- April – a written protest must be filed with the Board of Review.
- May - Board of Review meets each year until adjournment to review written protests.
- August – property tax bills for coming September and March are mailed.
- September – first half of property taxes are paid.

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