

How can my assessment go up when everything I see and read indicate they are going down?

It is the St Joseph County's Equalization Department's responsibility to determine what the economy and the market is doing by performing an Appraisal or Sales Study.

Usually, there are not enough sales in the Agricultural, Commercial or Industrial Properties, so an Appraisal Study is performed.

RESIDENTIAL

A Sales Study is used to measure the effect of the economy and market conditions for Residential Properties. The study simply lists all the residential sales in a given time period and acquiring a Total Sales Price for all the properties. The Total Sales Price is compared to the Total Assessed Value and a ratio between the two is developed. If the ratio is below 49% or over 50% the Assessor must increase or decrease assessments to achieve the ratio requirements for the following year.

The normal procedure for this purpose is to use a two year study with each year beginning on April 1 through March 31. This procedure usually results in the assessing values lagging two to three years behind the sales.

Due to those studies indicating a declining market The State Tax Commission has directed all Equalization Department's to utilize a one year Sales Study with a time period of October 1 to September 30.

This procedure uses the most recent sales to lower the assessment as soon as possible to decrease the lag time from sale to assessments.

The down side of this procedure is that it reduces the number of sales in the study. The Sales Study is based on Actual Sales, It does not use properties for sale.

If the study indicates the properties that sold - were sold for more than the assessed value indicted, then the assessor must raise assessed values.

Once the Equalization Department has determined the amount the assessor must raise or lower assessments, it is the Assessor's responsibility to assess each property on an individual basis as long as the assessor achieves the required amount.

Assessor, Jaime Hutson