



Freeborn County 2022 Assessment Summary

2022 ASSESSMENT FOR TAX PAYABLE IN 2023

DECEMBER 8, 2022

Appealing Value and/or Classification

Informal Appeal

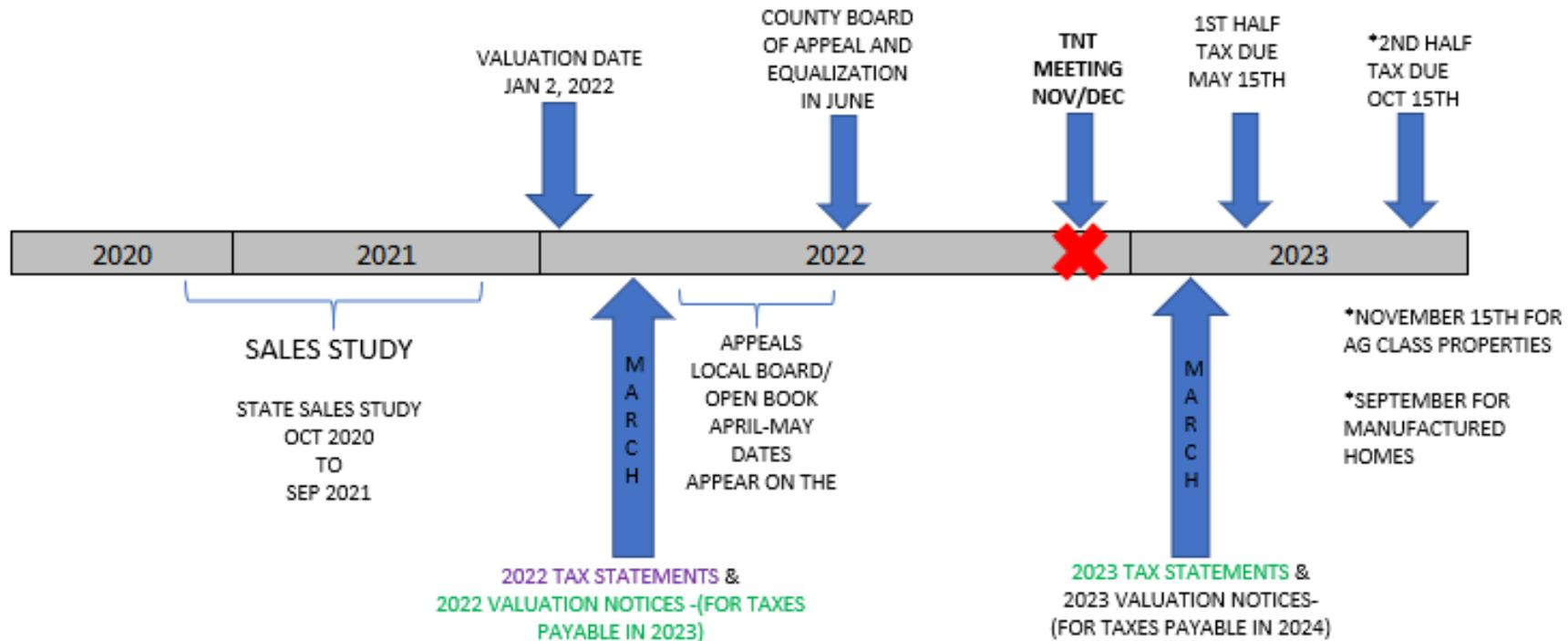
- ▶ Contacting the assessor or open book meeting: April-June 2022

Formal Appeal

- ▶ Local Boards of Appeal and Equalization: April 2022
- ▶ County Board of Appeal and Equalization: June 2022
 - Must first attend the Local Board of Appeal and Equalization meeting if one is held.
- ▶ Minnesota Tax Court
 - Must file by April 30 of the year in which the tax is due

Property Tax Timeline

TIMELINE FOR PROPERTY TAXES PAYABLE IN 2023



Estimated Market Value (EMV)

<u>Property Type</u>	<u>2021 Assessment</u>	<u>2022 Assessment</u>	<u>%Change</u>
Residential	1,417,483,400	1,767,449,500	24.69%
Apartment	55,237,200	79,715,600	44.32%
Agricultural	2,489,963,600	3,033,901,200	21.85%
Commercial/Industrial	273,996,900	311,210,700	13.58%
Public Utility	55,193,600	53,915,200	-2.32%
Railroad	27,490,700	31,575,500	14.86%
Personal Property	116,994,100	138,808,800	18.65%
Total EMV	4,436,359,500	5,416,576,500	22.10%

Taxable Market Value (TMV)

<u>Property Type</u>	<u>2021 Assessment</u>	<u>2022 Assessment</u>	<u>%Change</u>
Residential	1,201,866,300	1,565,110,900	30.2%
Apartment	55,237,200	79,715,600	44.3%
Agricultural	2,470,590,600	3,019,832,700	22.2%
Commercial/Industrial	271,915,300	309,037,100	13.7%
Public Utility	55,193,600	53,915,200	-2.3%
Railroad	27,490,700	31,575,500	14.9%
Personal Property	116,994,100	138,808,800	18.6%
Total TMV	4,199,287,800	5,197,995,800	23.8%

Preliminary Tax Capacity

<u>Property Type</u>	<u>2021/Pay 2022</u>	<u>2022/Pay 2023</u>	<u>%Change</u>
Residential	12,064,276	15,724,897	30.3%
Apartment	612,353	876,110	43.1%
Agricultural	19,149,997	24,519,345	28.0%
Commercial/Industrial	5,027,581	5,752,394	14.4%
Public Utility	1,101,840	1,076,427	-2.3%
Railroad	547,270	628,966	14.9%
Personal Property	2,335,047	2,771,081	18.7%
Total NTC	40,838,364	51,349,220	25.7%

How Market Value is Estimated

Mass Appraisal

- ▶ The process of valuing a group of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.

Review sales and adjust for market trends (Annual Assessment)

- ▶ Certificates of Real Estate Value (eCRV)
- ▶ Sales Ratio Analysis

Required to physically inspect properties at least once every five years
(Quintile Reassessments)

Inspect property for new construction or demolition

Annual Assessment

- ▶ Required to classify and value property as of January 2nd of each year for the taxes payable in the following year.
- ▶ Annual sales study: October – September
 - January 2, 2022 assessment: Sales study includes sale from October 2020 through September 2021
 - Sales Ratio = $EMV / \text{Sale Price}$
 - Median Ratio needs to be between 90-105% for a jurisdiction
 - DOR Market Trends

Annual Assessment - Adjustments

Make adjustment to the assessment based on sales ratio analysis

► Examples:

- Property Type
- Neighborhood/Location
- Type of home
- Age
- Condition
- Values
- Land
- Tillable/Non-tillable

Sales Ratios

Sales Ratios

<u>Property Type</u>	<u># Sales</u>	<u>Median Ratio</u>	
Apartments	9	86.18%	
Commercial	23	81.75%	
Residential	437	75.41%	<i>Market Condition Trends Applied</i>
Agricultural Land	60	76.70%	<i>Market Condition Trends Applied</i>

Sales Ratios

Final Sales Ratios

<u>Property Type</u>	<u># Sales</u>	<u>Median Ratio</u>	
Apartments	9	100.03%	
Commercial	23	95.28%	
Residential	437	94.66%	<i>Market Trends Applied</i>
Agricultural Land	60	92.95%	<i>Market Trends Applied</i>

Property Tax Refund

<https://www.revenue.state.mn.us/property-tax-refund>

▶ Homestead Credit Refund

▶ Regular

- Own and live in your home on January 2, 2023
- Meet household income requirements for 2022. For 2021 was less than \$119,790

▶ Special

- You owned and lived in the same home on January 2, 2022, and on January 2, 2023
- Your home's net property tax increased by more than 12% from 2022 to 2023
- The net property tax increase was at least \$100
- The increase was not because of improvements you made to the property

Property Tax Refund

<https://www.revenue.state.mn.us/property-tax-refund>

Renter's Property Tax Refund

- ▶ To qualify, all of these must be true:
 - You have a valid Social Security Number or Individual Tax Identification Number
 - You are a Minnesota resident or spent at least 183 days in the state
 - You lived in and paid rent on a Minnesota building where the owner was assessed property tax or made payments in lieu of property tax
 - Your household income for 2022 was less than a certain amount. For 2021 was less than \$64,920
 - You cannot be claimed as a dependent on someone else's tax return
 - Need a Certificate of Rent Paid (CRP) from your landlord, or request a Rent Paid Affidavit (RPA) from the Minnesota Department of Revenue

Useful Resources

Freeborn County

- ▶ <https://www.co.freeborn.mn.us/>

Minnesota Department of Revenue

- ▶ <https://www.revenue.state.mn.us/>
- ▶ <https://www.revenue.state.mn.us/understanding-property-tax>
- ▶ <https://www.revenue.state.mn.us/property-tax-refund>

Association of Minnesota Counties (AMC)

- ▶ <https://www.mncounties.org/>

Minnesota Tax Court

- ▶ <https://mn.gov/tax-court/>