

Are you paying too much in property taxes?

By Kerry Defler, Partner

When it comes to property taxes, most homeowners believe they are paying too much. What can you do about it? This article will provide you with the information needed to reduce your property tax bill.

By now, most homeowners should have received their assessment notice from the county in which they live. This notice provides each homeowner with the county's estimate of the home's value. Unless the homeowner files an appeal, this is the value upon which the tax bill (typically issued late summer) will be based. If you believe the county is overassessing the value of your property, you should file an appeal.

In many cases, 2011 assessment values show the same market value as 2010. Does this seem correct? Most would think not based on continuing declines in the real estate market, especially with short-sales and bank-owned properties further depressing values in some areas. The assessment by the county should equal the fair market value (FMV) of the property. In other words, how much would you receive if you sold the party to an unrelated buyer? Could you sell your property for the value listed on your assessment notice?

Taxpayers have 45 days from the date of the assessment notice to file an appeal. For most taxpayers, the middle of June is the deadline, but read your notice carefully for the exact date. The simplest way to file the appeal is by completing the standardized form that has been created by the state of Georgia. A copy of the form can be found at:

https://etax.dor.ga.gov/ptd/adm/forms/PT311A/LGS_Appeal_of_Assessment_Revised_2010_PT311A.pdf

In filing the appeal form, taxpayers are not required to indicate their estimate of FMV or provide supporting documentation. Taxpayers simply need to fill in the form with the information requested. Filing the appeal form will trigger an automatic review by the respective County Tax Assessor's Office. Taxpayers are typically contacted by the assessor and have an opportunity to provide their estimate of the value and any supporting documentation. For those that hit a roadblock with the assessor, an option is given to continue with the appeals process. Most taxpayers will want to appeal to the Board of Equalization. This does not cost anything and there is no need to hire an attorney. But, it allows the taxpayer's voice to be heard and to provide evidence supporting a lower value for the home. Taxpayers also have the option of appealing to

Superior Court or having an arbitrator handle the dispute. The facts of the situation will determine which method of appeal is best.

If you are considering filing an appeal based on the value of the property, there are two things you should do to prepare:

- **Do your homework.** Property records are public documents and most counties have them available online. You can access the county site, find out how much your neighbor paid for their home and research recent sales of homes similar to yours. Keep in mind the assessment date was January 1, 2011. Real estate transactions that took place after January 1, although they may give an accurate representation of current market conditions, would bear less weight than ones that took place in the latter part of 2010.
- **Reach out to friends or contacts you have that are real estate agents.** Real estate values are extremely localized and can vary significantly from one neighborhood to another. If you know an agent that sells in your area, they would be a great source for information. Depending on the disparity in value between you and the assessor, a full appraisal of the property may be warranted. This would provide further documentation supporting your claim.

At HA&W, we are ready to help you lower your property taxes. We can assist you with filing the appeal and gathering data to support a lower value. As you proceed through the appeals process, you will need to have documentation supporting your claim. The more information you have and the better organized you are, the more likely you are to have your assessment lowered. Are you too busy to handle the appeal or research property values yourself? We can put you in touch with professionals who can handle the entire process, including meeting with the Board of Equalization. Please contact your trusted HA&W tax representative or contact me at 770-353-5355 or kerry.defler@hawcpa.com for more information.