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Calculating a Homeowner's Tax Bill When Market Values are Reduced

These two tax appeals reduce this home's market value by 31% over 3 years, but tax rates and exemptions also decreased or increased. Over the 3 years, the tax bill increased 19%. However, if no appeals reduced market values in 2010 and 2011, and the market value remained \$140,000, taxes would have been \$2,248 and not \$1,509 – a 48% increase to be paid in 2012!

	2011	% Chng	2010	% Chng	2009
Estimated Market Value	\$100,000	(-17%)	\$120,000	(-14%)	\$140,000
Residential Assessment Level (10%)	X .10		X .10		X .10
Assessed Valuation	\$10,000		\$12,000		\$14,000
State Equalizer/Multiplier	X 3.3000	(-2%)	X 3.3701	(+13%)	X 2.9786
Equalized Assessed Value	\$33,000		\$40,441		\$41,700
Tax Rate	X .05590	(+5%)	X .05302	(+8%)	X .04931
Total Taxes BEFORE Exemptions	\$1,844		\$2,144		\$2,056
Homeowner Exemption (EAV)	-6,000	(-50%)	-12,000	(-25%)	-16,000
Homeowner's Exemption	(-\$335)		(-\$636)		(-\$789)
Tax Bill	\$1,509	(0%)	\$1,508	(+19%)	\$1,267