

Commonly Asked Questions

Property values in my neighborhood have been decreasing. Will my property valuation be decreasing as well?

Your property's AV and TV are separately calculated. The AV changes with the real estate market and can go up or down without limitation. AV is tied to market value and reflects market changes.

TV changes are based on a formula involving the rate of inflation (positive or negative) and any physical changes to the property (new construction or demolition). Because they are separately calculated, TV may increase even when AV has decreased. Generally, residential property values increased for 2023.

Can my taxes go up if market values have gone down?

In 1994 voters adopted Proposal A. This limited increases in property taxes by how much taxable value can increase each year as opposed to being levied on SEV. Under Proposal A, annual property taxes can increase or decrease no more than the rate of inflation or 5%, whichever is less. (Exceptions include a transfer of ownership, omitted property, new construction, changes in millage rates, etc.)

Proposal A did not limit the growth of SEV. Over time, many properties SEV has become much greater than their TV. Even with recent economic downturns, many properties have an SEV greater than the TV. Since TV is the lesser of SEV and the prior year TV multiplied by the inflation rate multiplier, these properties TV increased by the rate of inflation (5.0%) for 2023. This is true even though those properties SEV may have decreased. In such cases, the mechanics of Proposal A may seem unfair. However, if Proposal A were not in place for these properties, their property taxes would be based on SEV and their property taxes would be higher. Generally, residential property values increased for 2023.

Can I contest my AV and TV?

Yes. Every property owner has the right to appeal their assessment to the March Board of Review. The opportunity only comes once per year and if missed, there is not another opportunity that tax year. Your Assessment Change Notice comes mid-February by US mail and provides you with the dates and times for the March Board of Review. In addition, an informal Assessor's Review is offered by the Township prior to the

March Board of Review as a time to discuss your property and ask questions with Assessing staff. For residential properties, an appeal to the March Board of Review is required to protect your right to further appeal to the Michigan Tax Tribunal. All other properties may appeal directly to the Michigan Tax Tribunal. Appeals to the March Board of Review can be made in person or by letter.

Note: This material is intended as general information and should not be construed as legal advice. If you have specific legal questions, you should always consult an attorney