



## The County Property Assessment and Appeal Process

# What's My Property Worth?

Let's begin by understanding where property assessment occurs in the property tax process.

*NOTE - Please be advised that this document is for general informational purposes only, is not legal advice, you should consult with your legal counsel regarding your specific rights or responsibilities.*

## Market Value



**First ... County assessor** – For assessment purposes, finds the market valuation for every property in each taxing district and throughout the county. Assessment notices are mailed out the end of May.

**Second ... Taxing districts establish their budgets** – There are about 44 taxing districts in Kootenai County and several special assessments. A typical property will lie within the boundaries of 4-10 of these taxing districts. Each of those taxing districts are made up of elected board members; these boards will develop their budget for the upcoming fiscal year. Each board will predict anticipated revenues versus expenses and the remaining balance becomes the

requested property tax levy (*budget \$ needed that must come from property taxes*) for each taxing district. This budget formation activity typically occurs during the months of April through August. All budget meetings are open to the public.

**Third ... The county auditor calculates a levy rate** – This is accomplished by dividing the total tax levy by the total valuation within the boundaries of each of the 44 taxing districts. This decimal property tax levy rate value (example .000346214) is then multiplied against the assessed valuation of your property after exemptions, to produce that property's fair share of the monies needed by each taxing district. If there are separate voter approved levies or bonds they are also calculated. This calculation activity occurs in the months of October and November and is computed for each of the over 90,000 properties in Kootenai County.

**Fourth ... On behalf of all the taxing districts the county treasurer creates each property tax bill.** – The property tax bills are mailed out at the end of November.

**Fifth ... Payments are received,** the treasurer and auditor distribute the tax levy dollars to each respective taxing district that they are due.

## You received your assessment notice now what?

Idaho's property tax system depends upon all properties being assessed accurately. Annual property assessment reviews are how each property owner can be assured each property is being assessed equally to reflect market conditions in your neighborhood. A property worth \$1-million should be assessed at \$1-million and a property worth \$100,000 should be assessed at \$100,000; in this manner, property owners can be assured that everyone is paying their fair share of the tax burden, no more, no less. Your property assessment value is a reflection of what your property would likely sell for if listed for sale as of January 1<sup>st</sup> of this current year.

# STEP #1

## Review the statement for accuracy:

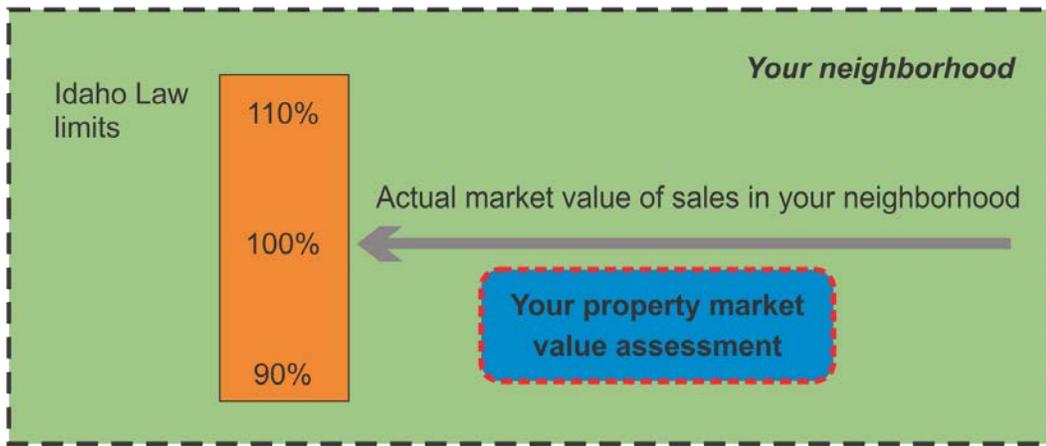
- Is the property size correct? (i.e. 5.0 acres),
- Do the valuations of the property and improvements to the property seem reasonable **based upon market sales in your neighborhood**?
- Did you make any improvements to your property in the last few years that may have caused the property value to increase?
- Is there something not typical about your home compared to other homes in the neighborhood that would make its market value significantly less than others in your neighborhood?
- Do you have other improvements (*shop, landscaping, paving, concrete, etc*) that might increase your value above others?
- If you decided to list your property for sale, and based upon sales in your neighborhood, would you list it for more or less than the value shown on your assessment notice?
- If you qualify for an exemption, is it reflected in your assessment notice? (*some exemptions must be applied for each year, and all exemptions require an application*)

|   |  |  |                               |   |  |
|---|--|--|-------------------------------|---|--|
| MIKE McDOWELL<br>KOOTENAI COUNTY ASSESSOR<br>PO Box 9000<br>451 Government Way<br>Coeur d'Alene, ID 83816-9000                      |  | <b>ASSESSMENT NOTICE</b><br>BUDGET HEARING INFORMATION<br>2018 Annual - Real Property<br>Neighborhood: 2508        |                               | THIS IS NOT A BILL<br>DO NOT PAY.<br>05/29/2018 |  |
| 3 4" 200 .63 7 1/4 *****AU 36-D T 8 11<br>COEUR D'ALENE ID 83814-3045   |  | For any questions, please notify the Assessor's Office immediately.<br>Assessor's Telephone Number: (208)-446-1500 |                               |   |  |
| Parcel Address: 11 0<br>Parcel Description: 1   |  | Appeals of your property value must be filed in writing on a form provided by the County by: 06/29/2018 5:00 PM    |                               |   |  |
|   |  | AIN: [REDACTED]<br>Parcel: [REDACTED]<br>Tax Code Area: 011000   |                               |   |  |
| Go paperless next year!<br>Go to <a href="http://eNoticesOnline.com">eNoticesOnline.com</a> and register with this code: [REDACTED] |  |  |                               |   |  |
| ASSESSED VALUE OF YOUR PROPERTY   |  |  |                               |   |  |
| CURRENT CATEGORY AND DESCRIPTION  |  | LOTS/ACRES   | LAST YEAR'S VALUE             | CURRENT YEAR'S VALUE                            |  |
| 20H City res lot/ac<br>41H Res imp on 20  |  | 0.1570<br>0.0000   | 48,000<br>99,090              | 65,000<br>101,410                               |  |
| Sub Total:  |  | 0.1570   | 147,000                       | 166,410   |  |
| Less Exemptions:  |  |  | 0                             | 0   |  |
| Net Taxable Property Value:   |  | 0.1570   | 147,000                       | 166,410   |  |
| BUDGET HEARING INFORMATION  |  |  |                               |   |  |
| TAXING DISTRICTS  |  | PHONE NUMBER   | DATE OF PUBLIC BUDGET HEARING |   |  |
| 1-KOOTENAI CO   |  | 208-446-1600   | 08/29/2018 6:00pm             |   |  |
| 210-CITY POST FALLS   |  | 208-773-3511   | 08/21/2018 6:00pm             |   |  |
| 225-PF HIGHWAY # 1-POST FALLS   |  | 208-765-3717   | 08/15/2018 6:00pm             |   |  |
| 232-SCHOOL DIST #273-BOND   |  | 208-773-1658   | 06/11/2018 6:00pm             |   |  |
| 232-SCHOOL DIST #273-SUPP   |  | 208-773-1658   | 06/11/2018 6:00pm             |   |  |
| 232-SCHOOL DIST#273-OTHER   |  | 208-773-1658   | 06/11/2018 6:00pm             |   |  |
| 255-KC FIRE & RESCUE  |  | 208-777-8500   | 08/29/2018 5:30pm             |   |  |
| 271-COMM LIBRARY NET J  |  | 208-773-1506   | 08/09/2018 6:00pm             |   |  |
| 351-N ID COLLEGE  |  | 208-768-3340   | 04/16 & 5/23/2018 6:00pm      |   |  |
| 354-KOOTENAI-EMS  |  | 208-930-4224   | 07/26/2018 3:00pm             |   |  |
| THIS IS NOT A BILL. DO NOT PAY.<br>See the back of this Notice for details.   |  |  |                               |   |  |

## Step #2

### A few points about the property assessment

- The assessor is required to follow Idaho law regarding the assessment on your property and while a mistake can sometimes occur, the assessor's team is generally very accurate and follows the requirements of law.
- The assessor must appraise your property and all other properties in Kootenai County at fair market value. (a)
- There are over 90,000 properties inside Kootenai County that are assessed by the assessor's office each year.
- Your assessment notice reflects the market value of your property as of January 1<sup>st</sup> of the year you receive your assessment notice, so it reflects the valuation of the prior calendar year.
- By law, the value established by the assessor must be within 90%-110% of fair market value (*based upon property sales information*).
- The assessor must make, or attempt to make, a physical inspection once in a 5-year cycle. It is not uncommon that the assessor finds significant improvements made to properties based upon these 5-year physical inspection visits. If your property jumped significantly this year, it may be related to either: (a) the physical inspection revealed improvements not known by the assessor before, or; (b) your neighborhood is a "hot market" neighborhood, with sellers selling at high prices resulting in higher market sales data for your neighborhood.
- The Kootenai County assessment process and assessed valuations generated by it are reviewed by the State Tax Commission, to insure they fall within the 90-110% range. Traditionally our assessor sets values that are nearer the lower limit threshold.
  - (a) "Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment



**Contact info:**

**Assessor's office**  
208-446-1500  
M-F 9am – 5pm

**Board of County Commissioners (BOCC)**  
208-446-1600  
M-F 8am – 5pm  
451 Government Way, Cda

- It is not uncommon for homes in very desirable neighborhoods to increase in market value by double-digit amounts each year. If you live in a very desirable neighborhood, people seeking to move to that neighborhood may be willing to pay higher prices than in other areas of the county. Generally, in 2017 Kootenai County properties appreciated roughly 9% in value. However, in Kootenai County neighborhoods in the southern and eastern areas of the county generally appreciated at rates less than areas in the western and northern areas of the county. Hot real estate market cities such as; Coeur d Alene, Post Falls, and Hayden generally experience greater levels of appreciation.

**Step #3**

**You believe something is wrong with your assessment**

**The first place to go with questions about your assessed valuation is to the assessor's office.**

- As the property owner, you may have some information that the assessor does not possess, i.e., some particulars about your property that makes its valuation worth less than the value the assessor established.
- Begin by writing down details about your property/home that you feel make your home/property worth less than what homes in your neighborhood sold for in the prior year.
- If you have direct knowledge about prior home sales that occurred in your neighborhood that are not representative to your home or others in your neighborhood, (*perhaps several of those homes had much higher quality of construction*) write those differences out and bring with you when you come in to talk with the assessor.
- To support your case for a lower valuation request, the assessor will generally agree to meet with you on your property to walk through the home and other structures.

**Step #4**

**No luck after visiting the assessor? Appeal to the BOE**

Please reconsider that the assessor and his team are highly qualified, it is rare that they over assess a property. If you did not provide very specific information that persuaded them to lower your valuation, your chances of convincing others may likewise not be successful. Please understand that the steps that follow could result in; (1) no change in value, (2) the value being lowered, or (3) the value being raised higher than the value calculated by the assessor.



However, if you believe you would like to appeal the valuation there are a series of other steps you can proceed through. They are (in order): **A)** Appeal to the Board of Equalization, (BOE); **B)** if you still do not get the results you desire, you may then appeal to Idaho State Board of Tax Appeals; **C)** you could pursue legal relief in district court.

### BOE Appeal

- You can appeal the assessment to the “Board of Equalization” (BOE) which is the Kootenai County Board of Commissioners. The 4<sup>th</sup> Monday in June is the deadline to apply for appeal.
- The BOE is a “hearing” and operated very much like a court and serves in a quasi-judicial capacity.
- Please realize that the assessor will be in the appeal hearing arguing to keep the value where it was and the assessor will have supporting evidence for their valuation determination.
- This will be a legal proceeding, anyone testifying will be sworn in under oath. You may hire an attorney to represent you however; you will need to provide an “Affidavit of Property Owner” for someone to represent you. Attorney’s representing owners must be licensed to practice law in Idaho. Please be aware that because these hearings are public hearings, they are a matter of public record; citizens may sit in and/or request records of your testimony.
- If you plan to appear in person, you must provide at least 5 copies of all evidence you desire to be considered.
- The BOE can only lower your valuation **on solid credible evidence** that your property value should be reduced. Your personal opinion of value, by itself and without supporting evidence of market value, is unlikely to present a compelling case such that your property value will be altered by the BOE. Making changes to any single property can create inequities to other properties. To keep the assessment system and process sound and fair to everyone, the BOE cannot make arbitrary adjustments to individual property valuations.
- Please consider that you will have approximately 10 minutes to make a **compelling case** that your assessment was incorrect. The assessor’s appraisers will also present their case and you both will be allowed to rebut the other. The BOE board may ask you questions and then they will deliberate to reach a decision.
- Even if the BOE were to decide to lower the value of your property, the Assessor may appeal the BOE decision to the Idaho State Board of Tax Appeals.

### Idaho State Tax Board

- If you do not like the BOE ruling, you can appeal the assessment valuation to the “Idaho State Board of Tax Appeals” <https://bta.idaho.gov/> the form is located [<here>](#)

### Lawsuit

- The final option available

## IDAHO STATE LAW

**63-502. FUNCTION OF BOARD OF EQUALIZATION ON ASSESSMENTS.** The function of the board of equalization shall be **confined strictly** to assuring that the market value for assessment purposes of property has been found by the assessor, and to the functions provided for in chapter 6, title 63, Idaho Code, relating to exemptions from taxation.

It is hereby made the duty of the board of equalization **to enforce and compel a proper classification and assessment of all property** required under the provisions of this title to be entered on the property rolls, and in so doing, the board of equalization shall examine the rolls and shall raise or cause to be raised, or lower or cause to be lowered, the assessment of any property which in the judgment of the board has not been properly assessed.

The board of equalization must examine and act upon all complaints filed with the board in regard to the assessed value of any property entered on the property rolls and must correct any assessment improperly made. **The taxpayer shall have the burden of proof in seeking affirmative relief to establish that the determination of the assessor is erroneous,** including any determination of assessed value. **A preponderance of the evidence** shall suffice to sustain the burden of proof.