

The Purpose of a Revaluation

The purpose of a revaluation is to provide equalization among all real and personal property owners, as well as among all classes of property. North Carolina law requires each county to conduct a revaluation at least once every eight years. Iredell County uses a four year revaluation cycle to better reflect changes in market conditions and to better maintain equity among property owners due to growth and changes in real property values in recent years. This revaluation program is not intended to increase revenue, but only to insure that each property owner pays only their fair share of the cost of services rendered by local government.

The Revaluation Process

Iredell County's last revaluation was 4 years ago on January 1, 2007. If no changes to the property have been made since that time, the taxable value, which was estimated on January 1, 2007 has remained the same. **On January 1, 2011 the new Schedules of Values became effective.** Every property in the county has been reappraised. If no changes are made to the property after January 1, 2011, this updated value will remain the same until the next revaluation. These 2011 values will be applied to all new structures and land added to the county tax roll in the years following the revaluation.

Revaluation Means Equalization

Why Reappraise Property?

Taxable values in North Carolina counties reflect market conditions as they existed on January 1st of the revaluation year. While the appraisal process and procedures are frozen as of that date, the changing nature of the real estate market over time creates a condition of inequity. Historically, the value of individual properties typically changes over time. More importantly, with the amount of change from location to location and the economic fluctuations, property values are affected. These fluctuations may cause groups of properties to be under or over valued. The goal and intent of the revaluation process is to appraise all property at its current market value. The term "Fair Share Taxation" is based on the concept that if all property is appraised at its current market value, then each property owner pays only their fair share of the tax burden.

Taxpayers should remember that real estate value is local. Factors affecting Florida, California and Nevada may not be the same as Iredell County. Our market did not experience the dramatic increases seen in those areas over the last several years or the dramatic decreases seen in other parts of the country. The county tax office continues to monitor the local market conditions.

The Appraisal Process

The value of each property is determined by comparing what similar properties in the same local area have sold for, what it would cost to

replace structures and improvements, less normal wear and tear, potential income that a property may produce and many other factors that influence value. Additional data analysis is considered including real estate market trends, the age, size, quality, condition and location of the property.

Who Conducted the Revaluation?

The revaluation has been conducted by the full time appraisal staff of the Iredell County Assessor's Office. All of the appraisers are certified by the N.C. Department of Revenue. In addition seven appraisers are N.C. Appraisal Board Certified and four are licensed real estate brokers.

Notification

A notice of the County Wide Revaluation was mailed to all property owners in February of 2011. The notice showed the 2011 property tax assessment value that took effect on January 1, 2011. This value represents 100% of the market value as of the effective date of the appraisal, January 1, 2011. These new values will be reflected on the tax bills to be mailed in the late summer.

Market Value

Market value as defined by the "Machinery Act of North Carolina" under G.S. 105-283 Uniform Appraisal Standards is "the price estimated in terms of money at which a property would change hands between a willing and financially able buyer and a willing seller, neither being under any

compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used."

Market Value is NOT:

- Foreclosure/Short Sale Value
- Construction Cost
- Sale between Related Parties
- Value Paid at Auction
- Present Use Value
- Depreciated Asset/Book Value
- Insured Value
- Salvage/Condemnation Value

Appeals

If you believe the new value exceeds or is below what the property could reasonably have sold for on January 1, 2011, you may appeal using the appeal form that is attached to the Revaluation Notice or request an appeal form by contacting the Assessor's Office.

All appeals must be filed within the timeframe specified on the Revaluation Notice. It is critical that all appropriate documentation be included with the written appeal.

Samples of appropriate documentation include:

- Recent appraisals, market analysis, sales contracts or listings
- Copies of surveys or other pertinent land data
- Photographs of any major structural damage or needed repairs
- Data on recent sales of comparable properties in the same area

*Lack of sufficient documentation or stating invalid reasons for the appeal will result in a decision of **NO CHANGE**.*

Valid Reasons to Appeal

- Value exceeds or is below market value as of January 1, 2011
- Inequitable assessment with comparable properties
- Errors on the tax card

Invalid Reasons to Appeal

- Taxes are too high
- Inability to pay
- Services are too low
- Amount or percent of change in value

The Appeal Process

An appeal will be considered based on written documentation provided with the appeal form. An appraiser may visit the property or make telephone contact if they have questions concerning the appeal. The goal in these proceedings is to make sure the tax office has sufficient data to be able to make an accurate appraisal. The appeal review will result in one of three possible conclusions:

1. A Lower Value
2. A Higher Value
3. No Change in Value

Appeal Notification

A new notice will be mailed stating the results of the appeal. Taxpayers who are not satisfied with the results may proceed to a more formal appeal process with the Iredell County Board of Equalization and Review. Taxpayers can appeal to the Board of Equalization and Review by completing the form attached to the new notice of value, or by a written request to the County Assessor. The Board of Equalization and Review is composed of Iredell County citizens, appointed by the Board of Commissioners, to review and equalize the valuations of property in the county. If, after appealing to the Board of Equalization and Review the taxpayer is still dissatisfied with the property value, they may appeal to the North Carolina Property Tax Commission in Raleigh N.C. and then to the N.C. Court of Appeals.

Property Tax Relief Programs

Homestead Exclusion

This program excludes from property taxes the greater of twenty-five thousand dollars (\$25,000) or fifty percent (50%) of the appraised value of a permanent residence owned and occupied by a qualifying owner. To apply applicants must be 65 years or older and/or totally and permanently disabled with an income not exceeding \$27,100 on or before January 1. Applications should be filed during the regular listing period, January 1 through January 31, and accepted through June 1.

Homestead Circuit Breaker

This program allows taxes billed each year to be limited to a percentage of the qualifying owner's income. However, taxes in excess of the limitation are deferred and remain a lien on the property. The three most current years of deferred taxes will become due and payable, with interest, when a disqualifying event occurs. Applicants must be age 65 or older or totally and permanently disabled with an income not exceeding \$40,650, and owned and occupied the residence for at least the last five calendar years prior to January 1 of the year for which this application is made. A new application must be filed each year prior to June 1.

Disabled Veterans Exclusion

This program excludes the first forty-five thousand dollars (\$45,000) of the appraised value of a permanent residence owned and occupied by:

A veteran receiving benefits under 38 USC 2101, or
An honorable discharged disabled veteran who is totally and permanently disabled, or
The unmarried surviving spouse of an honorable discharged totally and permanently disabled veteran

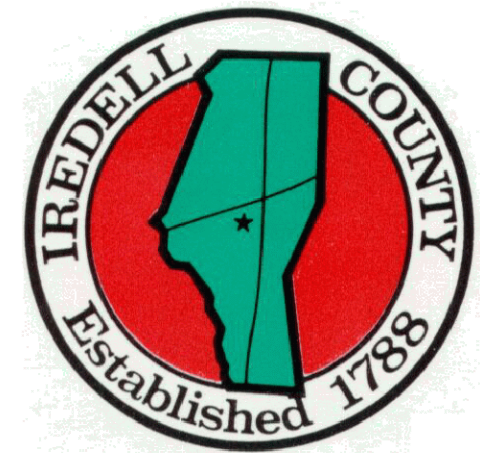
Agricultural, Horticultural and Forestland

Property coming within one of the classes defined in G.S. 105-277.3 is eligible for taxation on the basis of the value of the property in its present use if a timely and proper application is filed with the assessor. **Applications must be filed during the regular listing period, January 1 through January 31.**

2011

Iredell County

Revaluation



Iredell County

Assessor's Office

P. O. Box 1027

Statesville N.C. 28687-1027

704 878-5368

www.co.iredell.nc.us