

## **Property Taxes & Ag Valuation: Looking Ahead**

### **What is an Assessment Roll?**

The property value for January 1<sup>st</sup>, 2017, is sent out to property owners as an Assessment Roll. Adams County property owners will begin receiving their 2017 Assessment Rolls around the beginning of April. An assessment roll is a notice of value, this value will be used to calculate taxes payable for 2018-2019. It's important for an owner to review these documents to see if their property has changed in value from 2016 to 2017. The left side of the notice shows the 2016 values, while the right side shows the 2017 value. Each notice can have 1 to 4 parcel values listed.

### **Why does a property value change?**

There are a number of reasons why property values change. New construction, demolition, condition, depreciation, market changes, and property classification; all can affect the assessed value of a property. Agricultural land received significant value changes for 2017 that will be explained later in this article.

### **I've reviewed my Assessment Roll, now what?**

Assessments are required to be the 100% fair market value of the property (Residential and Commercial), or how much the property could sell for as of Jan 1<sup>st</sup>. Ag values are calculated on the basis of productivity and net earning capacity. If you believe the assessed value is fair & correct, you don't need to do anything. However, if you feel the assessed value for 2017 is incorrect, you can contact the Adams County Assessor for more information. The deadline to appeal a 2017 valuation is April 30<sup>th</sup>.

### **What happened to Ag Values?**

Several major changes affected Ag land values for 2017, as part of a process required to rebalance our Ag land values, redistribute those values based on current use, and allow digitization of Ag land data for use online. The Assessor updated to the current CSR2 soils as required by the Iowa Department of Revenue. Also, per Agricultural Adjustment Rule 71.3, Assessor offices across Iowa have been implementing an "Ag Land Use Layer" in our GIS mapping system. This map identifies crop/non-crop land and makes adjustments based on current use. For example, building sites or timber with high CSR values would be adjusted downward. Prior to this rule, there were no clear state-wide guidelines for Ag valuation, thus a rule was implemented to create uniformity across county lines. Additionally, the assessor recalculated all Ag land values in accordance to the most recent five year productivity values reported by the Iowa Department of Revenue.

Overall, Ag land value for Adams County decreased nearly \$800,000, however, many individual parcels saw a drastic increase or decrease in value. The final figures are far more balanced than previous years, and I encourage owners of multiple parcels to look at the overall figures for their farm land changes. As always, our office is available to answer questions pertaining to value changes.

### **Final Words**

The 2017 values will be used to calculate taxes for 2018-2019. Often taxpayers wait until they receive their property tax statements to ask questions regarding a value that was calculated 18 months prior. By understanding an Assessment Roll, you can better predict the future taxes for property.

Reminder: The deadlines for Homestead Exemption, Military Exemption, and Business Property Tax Credit are July 1<sup>st</sup>. If you have relocated to a new home or purchased a business, a new application will be necessary to continue to receive tax credit. Contact our office for more information.

Ben Mullen  
Assessor, Adams County  
(641)322-4312  
assessor@adamscountyia.com