

ASSESSED VALUE FORMULA

ASSESSED VALUE = SEV (ASSESSED VALUE) – LOSS + NEW

CAPPED VALUE FORMULA

CAPPED VALUE = (PRIOR YEAR TV - LOSSES) X (INFLATION RATE MULTIPLIER OR 5% WHICHEVER IS LESS) + ADDITIONS

***ADDITIONS** – INCREASES IN THE CAPPED VALUE FORMULA. ADDITIONS DO NOT AFFECT ASSESSED VALUE/STATE EQUALIZED VALUE.

***LOSSES** – DECREASES IN CAPPED VALUE FORMULA. LOSSES DO NOT AFFECT ASSESSED VALUE/STATE EQUALIZED VALUE.

***NEW** – ADDED TRUE CASH VALUE FOR PROPERTY WHICH IS DESCRIBED FOR THE **FIRST TIME ON THE ROLL** OR WAS PREVIOUSLY EXEMPT FROM THE ROLL. NEW AFFECTS ASSESSED VALUE/STATE EQUALIZED VALUE BUT NOT CAPPED VALUE.

***LOSS** – REDUCED TRUE CASH VALUE BECAUSE **PROPERTY REMOVED FROM THE ROLL**. LOSS AFFECTS ASSESSED VALUE/STATE EQUALIZED VALUE BUT NOT CAPPED VALUE.

***ADJUSTMENT** – PLUS OR MINUS ADJUSTMENTS. AN ADJUSTMENT IS COMMONLY CONSIDERED TO BE A CHANGE IN VALUE TO SET ASSESSMENTS AT 50% OF TRUE CASH VALUE.

TAXABLE VALUE IS DETERMINED BY ASSESSED VALUE AND CAPPED VALUE (WHICHEVER IS LOWER)

**IF THERE IS AN INCREASE OR DECREASE IN THE SEV/ASSESSED VALUE AND THERE IS NO NEW OR LOSS, IT IS MORE THAN LIKELY AN EQUALIZATION ADJUSTMENT.*

ECONOMIC CONDITION FACTOR FORMULA (APPLIES TO BUILDINGS ONLY)

SALE PRICE OF BUILDING DIVIDED BY COST NEW (W/ COUNTY MULTIPLIER APPLIED) - DEPRECIATION OF THE BUILDING

ECONOMIC CONDITION FACTOR – AN ECF ADJUSTS THE ASSESSOR'S USE OF THE COST MANUAL TO THE LOCAL MARKET (COUNTY MULTIPLIERS ARE PROVIDED ANNUALLY BY THE STATE TAX COMMISSION TO REFLECT THE MARKET OF CONSTRUCTION COSTS. THIS BRINGS THE "COSTS" TO THE COUNTY LEVEL). ECF'S ARE ADJUSTED ANNUALLY TO FURTHER THESE COSTS TO THE LOCAL LEVEL. ECF'S MUST BE USED IN ALL COST APPRAISAL SITUATIONS WHERE THE ASSESSORS MANUAL IS USED.

***ASSESSMENTS ARE TO BE 50% OF THE TRUE CASH VALUE APPRAISAL OF THE PROPERTY.**

***BUILDING VALUE (ECF APPLIED)+ LAND VALUE + LAND IMPROVEMENT = TRUE CASH VALUE**