# What do the terms “assessed value,” “state equalized value” and “taxable value” on my Notice of Assessment mean?

According to Michigan property tax law, these terms have the following meanings:

**Assessed Value (AV)** - The assessed value is determined by a property’s market value. Set by the assessor, the assessed value when multiplied by two will give an approximate market value of the property. The assessor is constitutionally required to set the assessed value at 50% of the usual selling price or true cash value of the property.

**State Equalized Value (SEV) -** SEV is the assessed value that has been adjusted following county and state equalization. The County Board of Commissioners and the Michigan State Tax Commission must review local assessments and adjust (equalize) them if they are above or below the constitutional 50% level of assessment.

**Taxable Value (TV) -** A property’s taxable value is the value used for determining the property owner’s tax liability. Multiplying the taxable value by the local millage rate will determine your tax liability. Taxable value increases from year to year by the rate of inflation or 5%, whichever is lower. Transfers of ownership and improvements to the property will increase the taxable value more than the rate of inflation but never more than the assessed value.

**True Cash Value (TCV)** - The fair market value or the usual selling price of property. For a more detailed definition see MCL 211.27. True Cash Value Contention - The value that the party believes is the property's fair market value or usual selling price as of December 31 of each tax year at issue.