

2023 Assessment Notices Reflect Market Value Changes

Iowa law requires all property to be revalued every two years to reflect changes in market value and to keep up with market trends. The assessed value represents the value as the property sits on January 1, 2023.

- **Revaluations are set by market trends and done on a mass scale.**

All sales information for Guthrie County is sent to the Iowa Department of Revenue (IDR) every year. Sales ratio studies, analysis of local conditions, and current construction costs are used in determining assessments for the classes of Residential & Multi-residential properties combined and Commercial properties. In the case of Agricultural land & buildings, the value is determined according to productivity and CSR2's (Corn Suitability Ratings). For the January 1, 2023 assessment, the most recent Iowa Cost Manual provided by the IDR was utilized to estimate valuations, based on various factors including square foot, quality of construction and other amenities. The Iowa Cost Manual had not been updated since 2008 and replacement costs for most types of construction have increased around 30%-40% from 2008 to current.

This year, many residential property owners may see a change in their property value due to the median of all residential sales not being at 100% of market value, 95-105% is the acceptable range. The easiest way to explain this change is because many of the sales from 2022 were properties that sold for significantly higher prices than the last assessed value. Simply put, these high sale prices in the 2022 market are driving up the 2023 assessed values across Guthrie County. The median of 217 normal sales in Guthrie County for 2022, is approximately 73.19%. Those properties located in a market area with higher sales will see a different change than those in a market area with lower sales, keeping values equitable within map areas.

Agricultural land & buildings will be seeing an increase in value for 2023. Ag land values are calculated using averages over five-year increments reflected by production, prices, & expenses. Commercial will see an increase in their property value due to the median of all commercial sales and IDR appraisals not being within tolerance.

If the Assessor does not increase or decrease property values as indicated by the market, then the IDR will make these changes by issuing an equalization order in an odd year and direct the County Auditor to apply the order. Equalization orders are given in lump percentages straight across the board, countywide. That could mean some towns, townships or neighborhoods could increase or decrease at an inequitable rate compared to others.

- **Appeal period -see bottom of assessment notice for additional information:**

Every property owner has the right to appeal an assessment. The Informal assessment review within the Assessor's office is between April 2 and April 25. The formal petition period is between April 2 and April 30 (May 1 this year as April 30th falls on a weekend) and that petition is to be reviewed by the Board of Review beginning May 1. Details regarding the protest periods are on the assessment notice and forms will be available at our office, at <https://guthriecounty.gov/government/county-offices/assessor> or the IDR website at <https://tax.iowa.gov>

- **Where can I find more information on my property?**

You may access your property information by going to www.guthriecounty.gov and clicking on Beacon – Guthrie County Parcel & GIS Data. From there you can search by deed holder, address or parcel ID number.

- **“Does the Assessor raise my value according to the amount of taxes needed?”**

The simple answer is **NO**. The Assessor raises or lowers property values according to the market value of real estate, or in the case of agricultural land & buildings, according to a 5-year average of productivity & net earning capacity. The Assessor does not calculate taxes or know what the taxes will be based on the new valuation. The new values are the first step in the calculation for property taxes payable fall of 2024 & spring of 2025. The valuation is used with the state's rollback factor & tax levies set by the recipients of property tax revenue: schools, cities, rural improvement zones (RIZ), county, hospital, debt service for the county jail, townships, community college, assessor, agricultural extension districts, as well as miscellaneous entities. Also, view www.guthriecounty.gov, click on the drop down How do I...and view “How are my property taxes calculated?”