

From the Office of the Assessor

July 2024

Village of Raymond Property Owners:

The Village of Raymond has undergone a revaluation of all residential and business property for 2024. Included with this letter is your official 2024 Notice of Assessment as prescribed by state law. This notice indicates the estimate of the full market value (100%) of your property. The average increase in total assessment value in the Village is 38%. The last revaluation of the Village was in 2020. The Assessor's duty and main concern is to assign an accurate and fair value to each property, ensure that the values reflect current market trends and are uniform with other similar properties. It is impossible to know what impact, if any, the new assessment will have on the tax bill for 2024, as the budget process does not take place until later in the year. Do not attempt to estimate your 2024 taxes using the 2023 mill rate (dollars per thousand of assessed value). The 2024 mill rate will be lower than the 2023 rate due to the increase in total assessed valuation of the Village. Property owners should be aware that the values represent the market conditions as of January 1, 2024.

#### OPEN BOOK and BOARD of REVIEW

The assessment staff will hold in person Open Book meetings at the Village Hall. The assessor's office will also be available to conduct Open Book meetings via telephone and email. The Open Book meetings will begin July 29<sup>th</sup> and continue through August 14<sup>th</sup>. At the Open Book meetings the assessor will provide property owners a copy of the property record information and a sales comparable report for their property. At these meetings a property owner may review individual assessment information, provide any additional information to the assessor regarding the assessment, make comparisons to similar properties and have any questions answered. The Open Book meetings are not a bartering session on the value of the property. The assessor will provide information supporting the assessed value. Please call the Assessor's office at 262 542-3332 if you would like to make an Open Book appointment.

Included with this letter is a reprint of an article from the Wisconsin Taxpayers Alliance that simplifies and explains the taxation process. Please take the time to read the included article. It is very helpful in understanding the assessment and taxation process.

Following the Open Book meetings the Village will hold the annual Board of Review. The Board of Review is scheduled for Thursday August 15th from 6:00 pm until adjournment. Property owners wishing to appear before the Board of Review must first file an objection form with the Village Clerk at least 48 hours before the meeting. The Board of Review is a quasi-judicial meeting where sworn oral testimony is heard. At the Board of Review the property owner must prove that their opinion of value is correct and that the assessor's valuation is incorrect. Property owners having concerns with their 2024 assessed values are strongly encouraged to attend the Open Book meetings before making an appearance before the Board of Review.

The most confusing tax issue of all

Hands-down, one tax issue confounds citizens more than any other. Few people including many in the media and government, correctly understand the relationship between property assessment and taxes.

A common misconception is that an assessment increase means a tax increase – or that, alternately, during a market downturn, a reduced assessment means a tax cut. Given the widespread confusion, it cannot be said often enough: A rising (or falling) assessment does not necessarily mean higher or lower taxes.

Value share, Tax share

Unfortunately, this reminder leaves the taxpayer unsure of how to interpret an assessment change. Perhaps eavesdropping on a conversation in Littleton will help. Clarice and David, the tiny village's only residents, recently received new assessment notices.

Clarice: G' morning, David, did you get your assessment notice in the mail yesterday? Mine doubled – from \$100,000 to \$200,000.

David: Yeah it came. My assessment doubled too. I don't know what I'll do when my property taxes double. I am already paying \$1,000.

Clarice: David, don't worry. Your taxes are not going up one cent. David: You've got to be kidding. My assessment skyrocketed. Surely my taxes are going through the roof.

C: No, Dear. The village is not increasing its tax levy for the coming year. Littleton's only expense is street plowing and maintenance, and those costs have remained the same.

David: Yes, Claire, but ... Seeing the confusion on her neighbors face, Clarice interrupted.

Claire: David think about Littleton. It has only two properties yours and mine. Last year, both were assessed at \$100,000.

David: So \$100,000 for your house and \$100,000 for my house adds up to \$200,000 for the village.

Clarice: That's right. I own half the village's value and so do you. Now you said your property taxes were \$1,000, right? That means the village's total property tax collections last year were \$2,000. I paid \$1,000 and you paid \$1,000.

David: Oh ... I own half of Littleton's total property value, and I paid half the taxes. Does it work like that everywhere, Claire?

Claire: Yep. No matter how many properties a community has, no matter what its total property value. You pay the same share of a municipality's tax levy as your share of its property value.

David: But Clarie, my assessment has doubled. What will happen to my taxes? Clarice: David our houses and yards are identical. My assessment doubled, too. Both our properties would now sell for \$200,000.

David: So, I'll pay half the property taxes ... like before? Clarice: That's right. And since the Village still needs only \$2,000 in taxes, I'll pay half - \$1,000 and you'll pay half \$ 1,000.

David: So, even though our assessment doubled our tax bills won't change. But ... what happens if the village starts garbage pickup? There's been talk, you know. That would cost Littleton another \$1,000.

Clarice: Then both our tax bills would go up. They'd increase because the village spending and taxes increased. The Village levy would grow to \$3,000-- \$2,000 for streets and \$1,000 for trash pickup. We'd both have to pay \$1,500 in taxes. Half the property value half the taxes, right?

David: Right! Property taxes would increase for budgetary reasons-- and not because our assessments grew. Different shares.... and taxes

David: Clarie, did I tell you my sister's husband died? She's thinking of moving into town and staying with me. The problem is that I would have to add another bedroom and bath. A contractor tells me it would cost \$100,000.

Clarice: Well, that would increase your taxes. Your assessment would jump from \$200,000 to \$300,000.

David: but my taxes didn't increase when my assessment rose from \$100,000 to \$200,000.

Clarice: That's different. My assessment would be \$200,000, but yours would be \$300,000. You would no longer own half of Littleton's property value. The village's value would be \$500,000--\$200,000 for me and \$300,000 for you. Your property would account for 60% of the village's total value.

David: So, if the village tax levy stayed at \$2,000, I'd have to pay \$1,200, rather than \$1,000.

Clarice: Yes David-- 60 % of the village's value, 60% of the taxes.

David: But what about your taxes?

Clarice: Because my \$200,000 property would account for only 40 % of Littleton's value, I'd pay 40 % of the taxes, or \$800. You know \$200,000 divided by \$500,000 is 40 %.

David admired the flowers that separated his yard from his neighbor's. Then he turned to Clarice.

David: Clarice, I was talking to my cousin, the real estate agent. She said that, with the weak housing market, homes are not selling and home prices could drop. Wouldn't that be good news? Lower assessments, lower property taxes right?

Clarice: David, Then we'd only get \$100,000 if we sold our homes. Besides, our tax bills wouldn't change at all. We'd each own half of the village's value. We'd each have to pay half the taxes-- \$1,000, just as before.  
Rule of Thumb

David: My brother lives in Big Ville, where they just reassessed all properties. He told me yesterday that his assessment jumped 15%. Clarice, what should I tell him about his taxes?

Clarice: Ask him how much the total assessed value of Big Ville changed. If the City doesn't increase its tax levy, there are three possibilities. First if the city's assessed value increase was more than 15%, his taxes would fall because his home's share of total city values would fall. Second, if Big Ville's values increased 15%, his share of both valuation and taxes would remain unchanged. Finally, if city values rose less than 15%, his taxes would be higher. His home would be a larger share of the city's valuation. Larger share of value, larger share of taxes, right.