

VILLAGE OF COTTAGE GROVE

221 E. Cottage Grove Road Cottage Grove, WI 53527



July 31, 2020

Understanding Your Village Property Assessment Following Revaluation

We understand and empathize with you regarding the initial frustration or shock that may come from receiving a notice of increased property assessment. It is our hope that after we explain the context of how your increased assessment may impact you, that we hopefully calm any potential anxiety this caused during these already uncertain times.

For the 2020 tax assessment year, the Village of Cottage Grove has undergone a revaluation of all taxable property under Wisconsin Statutes 70.05.

Wisconsin laws require periodic revaluations to keep assessment levels at or very near actual market values. The village's last revaluation was 2008. Since the last revaluation in 2008, the Village of Cottage Grove assessment equity and uniformity have gradually eroded until they were out of compliance with the law's requirements. Since the last revaluation, values have been affected by changes in: supply and demand, interest rates, style preferences, component preferences, and many other economic and social factors. These changes resulted in assessments that no longer represented actual market value sales. **This revaluation has reestablished equitable and uniform values for all properties in the Village of Cottage Grove as of January 1, 2020.**

The market update (revaluation) will not have any effect on the total dollar amount of taxes collected by the Village of Cottage Grove. However, the review will re-distribute the tax burden in an equitable fashion according to the current market value of each property in the Village. The purpose for this is to ensure that all property owners in the Village are paying their fair share of taxes.

The Village-wide tax levy (total taxes collected) is capped by state law and cannot be increased simply due to a revaluation. Following a revaluation, the property tax burden is redistributed based on all properties being assessed at current market values. This means you will not automatically pay more in property taxes purely due to a higher assessment. The differences in taxes paid by property owners is the result of assessments that changed more or less than the average increase Village-wide. The average assessment increase in the Village is 23.71%. If your assessment increase is "average", you can expect to pay about the same amount towards property taxes as you did the previous year, provided the various taxing jurisdictions maintain their respective tax levies at existing amounts. In other words, if your assessment increase is "average", then any increase in taxes paid will NOT be due to your assessment, but rather the Village, School District, Madison College, or County increasing its tax levy (budget). The exact amount of your property tax bill will not be known until December and will be based upon the tax levy established by the various taxing jurisdictions (i.e. Village, School District, etc.).

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There are multiple opportunities over the next couple months to potentially have your assessment changed if you disagree with the assessment you were noticed with. The first step is to contact one of our Assessors at **Associated Appraisal (920.749.1995)**. This process is called “Open Book”, and it is planned to take place on **August 18th**. When talking with the Assessor, share any evidence you have gathered that could portray a different market value. Ask the Assessor questions that will help you understand how your assessment was determined. This informal discussion can often resolve a problem without the need for a formal hearing at the Board of Review (step 2).

If you remain in disagreement with your assessment following Open Book, you may request a formal hearing, which is held by the Board of Review. The Village’s Board of Review is set for **September 24th**. In order to have your case heard by the Board of Review, you must file an intent to appeal with the Village Clerk no later than 48 hours before the Board of Review meeting date.

What is the Board of Review? It is a quasi-judicial (i.e. court-like) body whose members are Village citizens. Its function is to decide the validity of the facts presented before it relative to the value of property. You or your representative must provide testimony to the Board as to your objection to your assessment and prove that your property is inequitably assessed when compared to the general level of assessment within the Village

The new value of your property is based on an analysis of what properties like yours are selling for in your neighborhood. Remember, the best evidence of value is a conventional arms-length sale of your property. The next best evidence is the conventional sale of a comparable property. If there is no recent sale of your property or a comparable property, then you should present evidence that indicates the value of your property. This could include, but is not limited to the cost, income, recent appraisal, amount of insurance, and sales of adjacent or nearby similar property. For your assessment to be changed, you must show that your property would not sell near the assessed value or that a mistake was made in the valuation of your property. A mistake would be something like showing a fireplace when you don’t have one or indicating a second bathroom when only one exists.

If you’re interested in reading or learning more about property assessments, the following is a link to the Wisconsin Department of Revenues Guide for Property Owners. <https://www.revenue.wi.gov/DOR%20Publications/pb060.pdf>