

February 2023

Assessor's Report

The assessing year is set by the General Property Tax Act of 1893 and the schedule is published annually by the State Tax Commission in the form of a bulletin titled **Property Tax and Equalization Calendar**. The schedule for 2023 has been set by Bulletin 11 of 2022, which was issued on October 4, 2022.

December 31, 2022: Tax Day for 2023 property taxes MCL 211.2(2). Ownership changes are determined as of 12/31 including the uncapping of taxable value, unless exempt. The taxable status of all real and personal parcels is determined as of 12/31 (either exempt or taxable); description changes due to land divisions or combinations; new construction (at what ever percentage of completion is estimated); demolition of any improvements all as of 12/31.

February 21, 2023: Form 632, 2023 Personal Property statements for commercial and industrial are due.

February 27, 2023: Deadline for the L-4400 Notice of Assessment, Taxable Valuation, and Property Classification (Assessment Change Notices) to be in the mail. This form is issued under the authority of P.A. 206 of 1893, Sec. 211.24 (c) and Sec.211.34c, as amended, and must be mailed no later than 14 days before the first meeting of the March Board of Review. The notice will give all the pertinent information concerning the parcel, tentative values for 2023 and details of the March Board of Review meetings.

March 6, 2023: The 2023 assessment roll shall be completed and certified by the assessor (on or before the first Monday in March). MCL. 211.24

March 7, 2023: The assessor/supervisor shall submit the 2023 certified assessment roll to the Township Board of Review (Tuesday after the first Monday in March). MCL 211.29(1). Organizational meeting of the Board of Review MCL 211.29.

March 13, 2023: The Board of Review must meet on the second Monday in March.

March 14, 2023: Required additional day of the Board of Review, with 3 hours to take place after 6 pm. MCL 211.30 The Board of Review will certify the assessment roll before adjourning and the roll will be delivered to County Equalization no later than 10 days after adjournment or the Wednesday following the first Monday in April, whichever date occurs first. MCL 211.205(2)

Michigan Tax Tribunal:

All previous cases have been disposed and there are no pending cases.

Assessment Roll Maintenance & Development:

Regular processing and data entry of: Deeds, Property Transfer Affidavits, Principal Residence Affidavits, Name and Address changes, Building/Land Use Permits and Sales Data.

Processing of land divisions and boundary line adjustments as they are received. This includes assigning new parcel numbers, updating descriptions, allocating taxable values, assigning new assessed values, and creating new parcel record cards.

Entering data collected from ongoing field inspections of new construction and attaching photos and drawings to create new record cards.

2023 Assessments:

The 24-month residential class sales ratio, based on 181 sales, comes in at 39.47%, requiring an increase of \$200,589,471 on the 2023 assessments in the residential class. Assessments are required to be set at 50% of true cash value each year. The acceptable range is between 49.1% and 50%. The tentative residential ratio for 2023 has been set at 49.26%. The capped taxable value formula* will limit taxable value increases to 5%. These ratios are developed by the Leelanau County Equalization Department. The residential class is a sales study; the agricultural, industrial, and commercial classes are appraisal studies. Leelanau County Equalization has published the countywide ratios on page 12, Section 1 of the January 26th edition of the Enterprise.

Michigan Department of Treasury
603 (Rev. 7-04)

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Analysis for Equalized Valuation - Real Property

STATE TAX COMMISSION

County 45 LEELANAU		City or Township LELAND 45-09				Year 2022/2023	
Assessment Roll Classification		Sample			% Ratio Assessments to Appraisals	True Cash Value	Remarks: Type of Study for Each Class
Class of Real Property	Assessed Value	No. of Parcels	True Cash Value	Assessed Value			
Agricultural	21,994,400	14	7,839,839	3,270,300	41.71	52,731,719	AS
Commercial	22,058,500	10	6,999,197	2,904,200	41.49	53,165,823	AS
Industrial	444,300	12	1,011,285	444,300	43.93	1,011,285	AS 100% Sample
Residential	721,805,700	181	0	0	39.47	1,828,745,123	SS

*Inflation Rate Multiplier (IRM) Used in the 2023 Capped Value Formula

The inflation rate, expressed as a multiplier, to be used in the 2023 Capped Value Formula is 1.05.

$$\mathbf{2023\ CAPPED\ VALUE = (2022\ Taxable\ Value - LOSSES) \times 1.05 + ADDITIONS}$$

- The formula above includes 1.05 because the inflation rate multiplier of 1.079 is higher than 1.05.

Inflation Rate Multiplier Used in 2023 "Headlee" Calculations:

The inflation rate multiplier of 1.079 must be used in the calculation of the 2023 "Headlee"

Millage Reduction Fraction required by Michigan Compiled Law (MCL) 211.34d.

The formula for calculating the 2023 "Headlee" Millage Reduction Fraction (MRF) is:

$$\mathbf{2023\ MRF = \frac{(2022\ Taxable\ Value - LOSSES) \times 1.079}{2023\ Taxable\ Value - ADDITIONS}}$$

Formulas and more details found in STC Bulletin 17 of 2022, Inflation Rate Multiplier, published November 15, 2022

Respectfully Submitted:
Julie Krombeen, MAAO (3)