



Assessed Values, Market Values, and Taxes

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Tax Cycle Timing

- 1/1/2022 Assessed value established
 - (Construction and changes made during 2021 calendar year)
- 10/26/2022 – Rollback established for each classification by the State.
 - Rollback is applied and Taxable Values are now known
- 7/1/2022 through 6/30/2023 – Ownership and accrual period
- Jan-Feb-March of 2023– Budget hearings determine revenue needs
 - Revenue needs will determine the levy rate
- July - August 2023 – tax bills are calculated and mailed to owners
- Tax bills are due in Sept 2023 and March 2024

Why do taxes increase on a property?

- Primary reasons:
 - Increase in governmental spending
 - Change of funding for a credit or exemption
 - Individual value change with a parcel(s)
 - Tax burden “shift” between different classes of property (Agricultural, Residential/(Res3+), Commercial, Industrial, Utilities and Railroads)

Residential and Ag Dwellings

- 2022 was not a reassessment year, and there were no major value changes made in both the city and county.
 - New construction, demolitions and smaller revaluations changed some of the assessed values.
- The rollback will still play a roll in tax calculations. This year, Residential parcels will receive a 56.49% rollback factor. Last year the rollback was 54.13%.
 - Let's look at how this will affect taxable values....

Residential parcels (and agricultural dwellings)

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	150,000	0.541302	81,195
This year	150,000	0.564919	84,738
% of change	0%	+4.36%	+4.36%

Multi Residential Combined with Residential

- For 2022, **House File 418** combines multi residential with residential and renames these properties as Res 3+
- Res 3+ will receive the same rollback factor as residential, and the sales will be combined for when used for equalization purposes
- Multi residential received a rollback factor of 63.75% for 2021 and Res 3+ will now receive the residential factor 56.49%
- Let's look at how this will affect taxable values....

Residential 3+ (formerly Multi Residential)

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	325,000	0.63750	207,188
This year	325,000*	0.564919	183,599
% of change	0%	-8.86%	-8.86%

* average assessed value in both city and county

Revaluation notes on Agricultural parcels

(Based upon a productivity value: 2015 - 2019 crop years)

- Since this was not a reassessment year, there were no widespread value changes for 2022.
- The rollback factor on agriculture will go from 89.04% to 91.64
 - Let's look at how this will affect taxable values....

Agricultural land and outbuildings

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	100,000	.890412	89,041
This year	100,000	.916430	91,643
% of change	0%	+2.92%	+2.92%

Revaluation notes on Commercial and Industrial parcels

- There were no widespread assessed value changes, only parcel specific changes
- The rollback factor on this classification remains at 90%, with the state backfilling some of the difference between the 90% and the historical 100% factor
 - Last year the county received \$682,978 in reimbursement. This year it should receive \$585,410
- The backfill amount is reduced by 1/8 each year until it will be no more in FY 2029. [Senate File 619](#)

2022 Overall Assessed Value Changes...

- Agricultural – County & City: +.26%
- Residential, Res 3+ & Ag Dwlg. - Dubuque City: +1.0%
- Residential, Res 3+ & Ag Dwlg. – Rest of the County: +2.1%
- Commercial - Dubuque City: +0.6%
- Commercial – Rest of the County: +1.9%
- Industrial – Dubuque City: +3.7%
- Industrial – Rest of the County: +3.2%

Assessed Value added due to **new construction**

(Partially Exempt and properties in TIF Districts are included)

Year	Dubuque City	Other Cities	Rural
2022	\$33,210,380	\$26,224,050	\$52,872,183
2021	\$37,978,310	\$29,047,403	\$42,285,300
2020	\$40,100,710	\$21,508,112	\$37,254,987
2019	\$49,891,578	\$27,456,344	\$33,756,783
2018	\$41,313,252	\$31,252,831	\$46,583,332

10 Year review of taxable value changes

● 2013	4.564 billion	+4.9%
● 2014	4.619 billion	+1.2%
● 2015	4.875 billion	+5.5%
● 2016	4.998 billion	+2.5%
● 2017	5.253 billion	+5.1%
● 2018	5.405 billion	+2.9%
● 2019	5.580 billion	+3.2%
● 2020	5.728 billion	+2.7%
● 2021	5.938 billion	+3.7%
● 2022	6.069 billion	+2.2%

New Legislation

House File 418

- Reclassifies Multi-Residential as Residential beginning with 2022 valuations.

Senate File 619

- Reduction and eventual elimination of the Commercial and Industrial backfill.

Senate File 2388

- Exempts cable television and cellular transmission equipment beginning with 2022 valuations.
- Telecommunications land and buildings now locally assessed.

Looking Ahead

- **2023-** Most properties will see a valuation change since it is a revaluation year and updating to most current cost manual from the state.
- **Agricultural**
 - Agricultural land and outbuildings are assessed on a productivity approach and are not directly tied to market value changes (increases or decreases). They are reassessed using this method every odd numbered year using a 5 years of data.
 - 2023 assessments will remove the 2015 and 2016 crop years and will add the 2020 and 2021 years into the formula.
 - Until the data is released this February, we won't know what the changes will be. There will probably be double digit value increases, but the rollback will go into effect and limit statewide to 3%.

Looking Ahead

- **Residential and Res3+**

- The 2023 assessments will be based on 2022 residential and res 3+ normal arms length sales that transact in the assessment jurisdiction.
- Since our last revaluation in 2021, we are seeing a 25% average increase of sales prices as compared to our assessments throughout the whole county.
- It appears most of the state is seeing about the same increase in prices as compared to assessment. The 3% limited growth factor will change the rollback factor significantly to buffer the 2023 assessment increases.

Looking Ahead

- **Commercial**

- These properties have also been selling for quite a bit more than our assessed values. Depending on what sales the Department of Revenue finalize as normal arms length sales, we will be needing to increase values 20-25%. Some types of properties will see a larger increase as compared to others, because of their respective sales.
- Unlike residential, the rollback is locked in by state code and remains at 90%.

- **Industrial**

- Not part of equalization process. They will see some increase in value, because of updating to new cost manual.

Proposed Legislation

- **HF1**
 - Limits reassessment increase to 103% from previous assessment
- A property tax reform bill will also be proposed in Senate



Questions?