

# Lehigh County Reassessment

Northwestern Lehigh School District  
Finance Committee Presentation  
January 9, 2013

# County-Wide Reassessment

- **Redistribution** of current tax dollars to correct inequities caused by years of unequal market value changes
- Each taxing body (county/townships/school district) **must** adjust millage rates to arrive at a **revenue neutral** result (for NWL July 1, 2012 tax duplicate)
- **NOT** a general tax increase by the municipality, however an individual taxpayer's annual taxes may go up/down based on the change in value of his/her property as determined by the reassessment process

# Advantages of Reassessment

- PA Constitution requires all properties be taxed uniformly
- Over time, property values change and changes do not occur uniformly, resulting in taxing inequity
- Since the last Lehigh County Reassessment in 1991 (Lehigh County changes):
  - 21,500+ new residential homes
  - 1,600+ new commercial/industrial buildings
  - 11,500+ acres of vacant land have become new construction

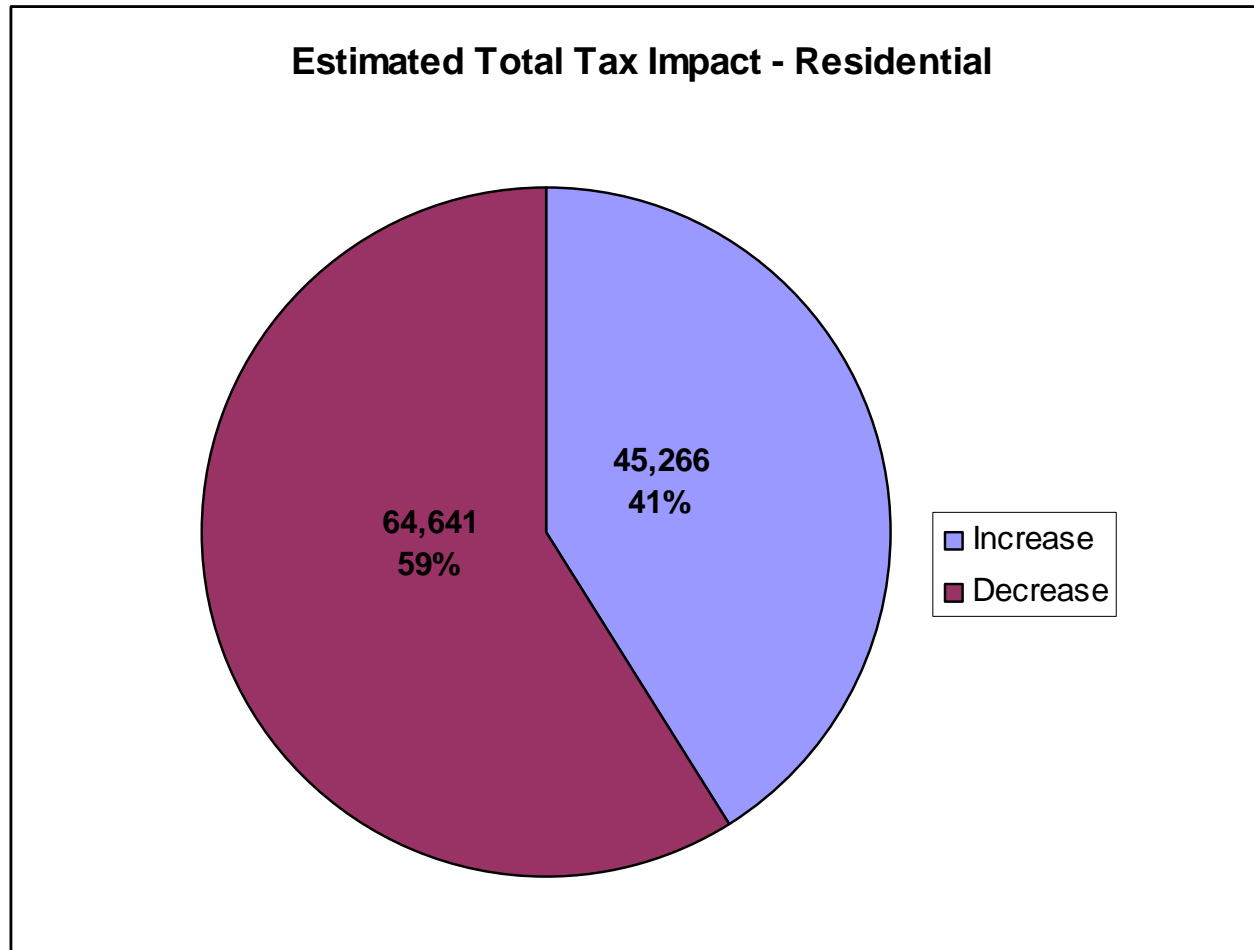
Source: Lehigh County Assessment Office

# Lehigh County Process

- Every property in the county was revalued from the existing (1991) value to a value at a fixed point in time (based on 2011 sales data)
- 16 assessors from Lehigh County's Assessment Office evaluated every property in the county using:
  - Aerial Photography
  - Computer Software programs
  - Street Views (vans with roof mounted cameras)

Source: Lehigh County Assessment Office

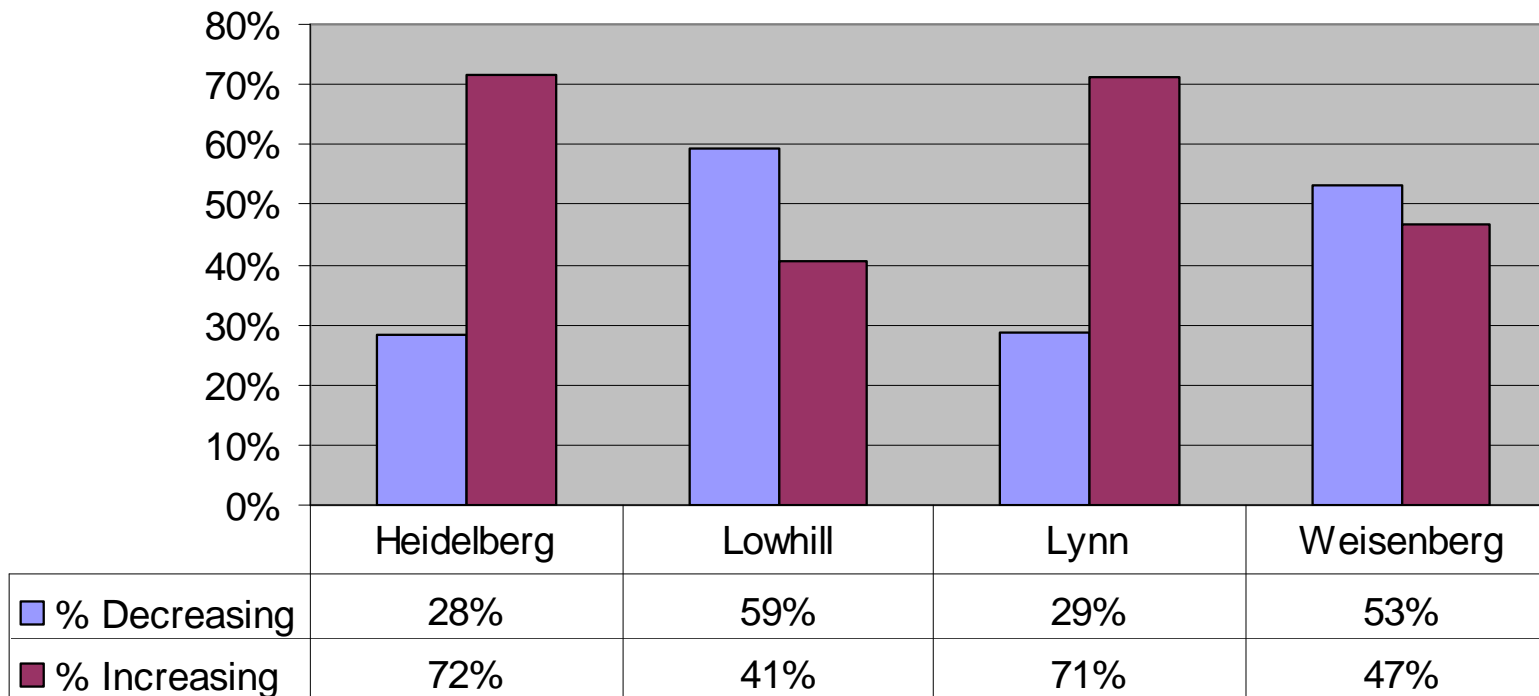
# Lehigh County Results- Residential Properties



Source: Lehigh County Assessment Office

# Northwestern Lehigh Results- Residential Properties

**Total Tax Impact**



Source: Lehigh County Assessment Office

# Timeline

- **Preliminary** assessment notices mailed February 2012
- **Informal Appeal Process** scheduled through June 2012
- **Final** assessment notices mailed by July 1<sup>st</sup>
- **Formal Appeal Process** through October 2012
- Appeal process to Court of Common Pleas – ongoing
- District notified by Assessment Office of taxable assessment as of November 15<sup>th</sup>
- Reassessment effective **January 1, 2013** (July 1, 2013 for school district tax bills)

# NWL Millage Reset

	Current Assessment @ 100% (1991 value)	2013 Assessment @100%
February 2012 Taxable Assessment	904,273,800	1,465,357,700
Reduction to Assessed Value Due to Appeals		<u>(26,066,900)</u>
November 2012 Taxable Assessment		1,439,290,800
Additional Reserve for Outstanding Appeals		<u>(3,474,800)</u>
Estimated Taxable Assessment-January 2013		1,435,816,000
Estimated Total Reduction from February 2012		(29,541,700)



# NWL Millage Reset Continued

	<b>Assessed Value</b>	<b>Millage</b>
July 1, 2012 Tax Duplicate	452,431,900	50.66
November 15, 2012 Taxable Assessed Value	1,439,290,800	
Reserve for Appeals (50% of appealed reduction)	3,474,800	
Revised Taxable Assessed Value	1,435,816,000	15.9631

- Additional reserve based on 17 properties (3 large commercial) that have filed with the Court of Common Pleas
  - Potential reduction of assessed value of \$6,949,600
- 50% reserve of the total potential reduction (\$3,474,800)

# Revenue Neutral

PRE- REASSESSMENT	
July 2012 Tax Duplicate	\$ 452,431,900
1213 Millage Rate	50.66
Total Tax Levy	\$ <b>22,920,200</b>

REASSESSMENT	
January 2013 Assessed Value	\$ 1,435,816,000
1213 Reset Millage Rate	15.9631
Total Tax Levy	\$ <b>22,920,200</b>

- The 12-13 millage rate (50.66 mills) was reset to be revenue neutral based on the July 1, 2012 tax duplicate, thus generating the same total tax levy

# What does this mean to a taxpayer?

- All taxpayers received a Preliminary Notice of Property Assessment from Lehigh County
  - Contained a CONTROL ID # to access the county's reassessment records
  - Website will provide an ***estimated*** 2013 projection for county, school and municipality taxes based on the new millage rates (currently website contains February 2012 data)

- If the assessment was ***not appealed***:
  - Final assessment notice sent to the taxpayer
- If the assessment was ***appealed***:
  - Property value may have changed and a revised final assessment notice was sent by the county
  - Taxpayer could formally challenge the assessment to the Board of Assessment Appeals

# July 1, 2013 Tax Bill 2013-2014 School Year

Effective ***July 1, 2013*** the reset millage rate plus a millage increase ranging from 0% to 2%, as determined through the 2013-14 budget process, will be used to generate the July 2013 school tax bills

# Preliminary Notice from Lehigh County

**\$75,500** New Assessed  
Value  
**.0159631** Reset Millage Rate  
**\$1,205.21** Estimated Tax Bill

County of Lehigh  
Department of Administration  
Office of Assessment  
17 South Seventh Street, RM 517  
Allentown, PA 18101-2401

## PRELIMINARY NOTICE OF PROPERTY ASSESSMENT



**THIS IS NOT A BILL  
PLEASE RETAIN FOR YOUR RECORDS**

February 24, 2012

66433-1022

PIN:

PARNUM: 1



**CONTROL ID:**

The Lehigh County Board of Commissioners has directed that all properties in the County be reassessed and given a new property value. The bottom of this page shows the **preliminary** new value given to your property. **It is important for you to review this new value and to understand the following points:**

- Pennsylvania law requires that all taxes be uniform, which requires that real estate be valued fairly. The last time Lehigh County revalued all real estate was in 1991. Real estate values have changed dramatically and unevenly during the last 21 years.
- A reassessment itself does not generate additional revenue for the taxing bodies. Taxing authorities are required to adjust their millage rates after a reassessment to reflect the change in total tax base. Existing laws limit the amount of a tax increase that a school district, county or municipality can add during a reassessment year.
- The assessed value of your property determines the amount that you pay in real estate taxes to the county, school district and municipality. Your new value may raise or lower what you pay in real estate taxes. Fifty-five percent of the properties in Lehigh County will pay less in taxes. Forty-five percent of properties will pay more.
- The Lehigh County Board of Commissioners has also changed how the assessed value of property is presented. It is now shown as 100 percent of the value instead of the previous 50 percent.
- The Preliminary valuation for your property is set forth here, with the current value and the change to 100 percent for the current value for your reference.

Current 1991 Assessed Value (50%)	Current 1991 Assessed Value (100%)	2013 Preliminary Assessed Value (100%)
16,250	32,500	75,500

Based on this Preliminary value, your projected real estate taxes (County, Municipality and School District) should increase due to reassessment.

For more information on reassessment, to view your property record, and to see what the projected tax changes are for your property, go to [www.mylehighcountyproperty.com](http://www.mylehighcountyproperty.com) and enter the CONTROL ID listed above.

Your new property value will not be effective until 2013. You will have the right to question and appeal the new value of your property. Informal reviews will occur from March to mid-June. For more information or to request an informal review, please follow the instructions on the next page. Results of the informal review will be sent to you as a Final Notice of Property Assessment on or before July 1, 2012. If you do not wish to request an informal review, you will be sent a Final Notice of Property Assessment on or before July 1, 2012. You will have the right to appeal to the Board of Assessment Appeals following your receipt of the Final Notice.

