

## **TAX APPEALS: HAS YOUR TOWN OR CITY PROPERLY VALUED YOUR PROPERTY?**

**Prepared By: Thomas W. Beecher**

Every five years, each town and city in Connecticut must conduct a revaluation of all real estate. In short, this is known as the periodic “Reval.” In the revaluation process, the town or city determines the fair market value of each parcel of real estate and all buildings and improvements on each parcel. This value is used to determine the real estate taxes that each parcel owner must pay. This value is used, unless there is an improvement made to the parcel in the interim, to determine taxes for all five years until the next “Reval.”

Therefore, if the established fair market value is higher than it should be, you should consider appealing that value because, if the value of your property is too high, then you will pay more taxes than you should.

### **HOW ARE TAXES COMPUTED FROM THE PROPERTY VALUE?**

The tax assessor will compute the assessed value of each parcel of land, buildings and improvements, which is 70% of the gross or fair market value set by the “Reval” process. The assessed value is then multiplied by the annual mill rate set by the town or city. For example, assume a property with buildings and improvements has been given a gross or fair market value of \$1,000,000. The assessed value (70%) would be \$700,000. Assume the tax mill rate is 21.50. The annual real estate taxes for the \$1,000,000 property are  $\$700,000 \times .0215 = \$15,050$ .

An overvaluation of your property will result in an unfair increase in your taxes over the five year period until the next “Reval.”

The “Reval” date is the Grand List Date of October 1 of the year of the revaluation. For instance, the Town of Brookfield just completed a revaluation with a “Reval” date of October 1, 2011. The values used for determining real estate taxes are the values of all property on October 1, 2011. These new values will first be used for the determination of taxes for the tax year 2012-2013. The first affected tax payments are those due on July 2, 2012 and January 1, 2013.

Danbury, Bethel and Newtown are all going to be completing revaluations for the October 1, 2012 Grand List Date.

During the year of a “Reval,” such as in Brookfield, you will receive a notice of your new assessed value. Remember, the assessed value is only 70% of the gross or fair market value determined. Most towns and cities will offer an opportunity in December or January to review

and challenge informally the new valuation. This opportunity is generally only given in the first year.

If a property owner is not satisfied with the valuation of the property, in any year, the property owner can appeal to the town or city Board of Assessment Appeals, but these appeals must be filed by February 20 of the given year. If the property owner is not satisfied by the decision of the Board of Assessment Appeals, an appeal can be filed in the Connecticut Superior Court within two months of the decision of the Board.

You should consult with an experienced attorney in order to make an informed decision as to whether to pursue a tax appeal.

*Attorney Thomas W. Beecher has handled numerous tax appeals for commercial, as well as residential, property owners. He has also defended tax appeals on behalf of area municipalities and, therefore, has perspective from both sides of a tax appeal.*