

# WALTON COUNTY TAXPAYERS ASSOCIATION GUIDE TO YOUR 2010 TRIM NOTICE

## Guide To Explanations

### What's NEW On Your TRIM Notice?

In 2009, the Florida legislature passed a bill changing the format and content of the Notice of Proposed Property Taxes (TRIM Notice). The TRIM Notice was redesigned now two-sided and includes millage rates, among other changes. We have numbered the sections of the sample notice, below, to match the corresponding explanations.

### SAMPLE 2010 Walton County TRIM NOTICE

NOTICE OF PROPOSED PROPERTY TAXES AND  
PROPOSED OR ADOPTED NON-AD VALOREM ASSESSMENTS  
WALTON COUNTY TAXING AUTHORITIES

**DO NOT PAY**  
THIS IS NOT A BILL

Parcel ID: 25-3S-18-16999-AAA-BBBB

SAMPLE JOHN & MARY  
123 SAMPLE LN  
SAMPLE FL 32333-3333

Sec 25 TWN 3S RNG 18  
Lots 1 2 3 BLK A  
Sample S/D

TAXING AUTHORITY TAX INFORMATION									
TAXING AUTHORITY	PRIOR (2009) TAXABLE VALUE	YOUR FINAL TAX RATE AND TAXES LAST YEAR (2009)			CURRENT (2010) TAXABLE VALUE	YOUR TAX RATE AND TAXES THIS YEAR IF NO BUDGET CHANGE IS MADE		YOUR TAX RATE AND TAXES THIS YEAR IF PROPOSED BUDGET CHANGE IS MADE	
	COLUMN 1	COLUMN 2 RATE	COLUMN 3 TAXES	COLUMN 4	COLUMN 5 RATE	COLUMN 6 TAXES	COLUMN 7 RATE	COLUMN 8 TAXES	
Taxing District: 007									
BOARD COUNTY COMMISSION	111,589	3.4076	380.25	117,302	4.1458	486.31	4.1458	486.31	
SCHOOL-REQ LOCAL EFFORT	186,589	2.1830	407.32	192,302	2.6427	508.20	2.7490	528.64	
SCHOOL-DISCRETIONARY	186,589	2.4710	461.06	192,302	2.9913	575.23	2.3210	446.33	
NWFWMD	161,589	0.0450	7.27	167,302	0.0492	8.23	0.0450	7.53	
S WN MOSQ CNTRL	161,589	0.0986	15.93	167,302	0.1217	20.36	0.1138	19.04	
S WN FIRE	161,589	0.7600	122.81	167,302	0.9407	157.38	0.9297	155.54	
<b>TOTAL AD-VALOREM PROPERTY TAXES</b>		8.9652	1,394.64		10.8914	1,755.71	10.3043	1,643.39	

PROPRIETOR APPRAISER VALUE INFORMATION							
	MARKET VALUE	SCHOOL ASSESSED VALUE AND EXEMPTION		NON-SCHOOL ASSESSED VALUE AND EXEMPTIONS			
		ASSESSED VALUE	SCHOOL EXEM	ASSESSED VALUE	COUNTY EXEM	CITY EXEM	OTHER EXEM
PRIOR YEAR (2009)	451,274	211,589	25,000	211,589	100,000	-	50,000
CURRENT YEAR (2010)	350,620	217,302	25,000	217,302	100,000	-	50,000

APPLIED ASSESSMENT REDUCTION	APPLIES TO	CURRENT VALUE (2010)
SAVE OUR HOMES	ALL TAXES	133,318

EXEMPTIONS	APPLIES TO	CURRENT VALUE (2010)
FIRST HOMESTEAD	ALL TAXES	25,000
ADDITIONAL HOMESTEAD	ALL NON-SCHOOL TAXES	25,000
LOW INCOME SENIOR	COUNTY OPERATING TAXES	50,000

SEE REVERSE SIDE FOR PUBLIC HEARING DATES, NON-AD VALOREM ASSESSMENTS AND EXPLANATIONS OF THE COLUMNS ABOVE.

#### 1 YOUR PROPERTY IDENTIFIERS

At the top of the form is the parcel number or tangible personal property account number identifying your property, as well as the site address and legal description. The mailing address printed here is the address where your tax bill will be mailed; you should notify the Property Appraisers Office in writing of any address changes.

#### PROPERTY VALUES

The following values are listed for this year and last year:

**2 Market Value** - The 2010 market value is an estimate of the most probable Sell-ling price as of January 1, 2010, based on sales and other market data from 2009.

**3 Assessed/Capped Value** - This is the market value as limited by an assessment cap, such as the Save-Our-Homes cap or the 10% cap on non-homestead parcels, or by an assessment classification (such as agricultural classification). Because the 10% non-homestead cap does not apply to school millages, there may be a different value for school and non-school millages. The primary assessed value is in the center column. If your market value decreased from 2009 to 2010, but your assessed/capped value increased, it may be because of a change in exemption status (for example, if you bought a new home and the prior owner's exemptions were removed), or as a result of the Save-Our-Homes Cap "Recapture" rule (please see the graph on the reverse of this Guide for details).

#### 4 TAXING AUTHORITIES

These are the local government agencies with the power to levy taxes. Every taxing authority will hold a public hearing on their proposed budget for the coming year. The size of the budget determines the tax rate that will be applied to your property's taxable value, resulting in your annual tax amount.

#### 5 PRIOR YEAR TAXABLE VALUE & CURRENT YEAR TAXABLE VALUE

These two columns list your taxable value for last year and this year. The taxable value is the assessed value less any exemptions, such as the homestead exemption. Because certain exemptions only apply to the millage rate for specific taxing authorities, your TRIM notice will list different taxable values for different authorities. (See #10, Exemptions)

#### 6 YOUR FINAL TAX RATE AND TAXES LAST YEAR (2009)

These are the millage rates and taxes for each taxing authority for 2009. The 2009 tax roll has been certified and closed, but it is helpful to use this information for the purpose of comparing this year to last year. The 2010 TRIM notice is designed primarily to give you the opportunity to review or challenge your 2010 values and millage rates.

#### ON THE BACK OF THE TRIM NOTICE...

##### BUDGET HEARINGS

This section lists the budget hearing and contact information for each taxing authority levying taxes in your tax district. If you wish to voice an opinion about the amount or use of taxes you are encouraged to attend.

##### NON-AD VALOREM ASSESSMENTS

Non-Ad Valorem assessments are applicable in some taxing districts and are based on a rate schedule set by each governing body. They are NOT based on the value of your property. The Save-Our-Homes cap does not apply to these assessments. Please direct all questions regarding these assessments to the levying authorities.

##### EXPLANATIONS

Explanations for the columns and sections on the TRIM Notice are provided, with color-coding to help you quickly locate and understand the important information on your Notice.

#### 7 YOUR TAX RATE AND TAXES THIS YEAR IF NO BUDGET CHANGE IS MADE

This is a hypothetical column illustrating what your taxes would have been if the taxing authorities had elected to keep last year's budget. This column is for comparative purposes only.

#### 8 YOUR MILLAGE & TAXES THIS YEAR IF PROPOSED BUDGET IS ADOPTED

This is your 2010 proposed tax amount. This column includes the millage rate and resulting tax amount already proposed by your taxing authorities based on their new budgets. Your taxes this year cannot be more than this proposed amount. If, during the final budget hearings, millage rates are decreased, your taxes may decrease from this amount.

#### 9 ASSESSMENT REDUCTION APPLIED

This lists the value of any assessment reductions such as the Save-Our-Homes cap. If you applied for and received a Save-Our-Homes cap Portability benefit, it will be reflected here and in the current year assessed value.

#### 10 EXEMPTION AMOUNTS

This lists the amount of all your exemptions. Some exemptions apply only to specific taxing authorities, which can result in different taxable values for different taxing authorities. For example: - The additional \$25,000 Homestead Exemption applies only to the assessed value between \$50,000 and \$75,000, and does not apply to the school millage.

#### 11 APPRAISER CONTACT NUMBER

If you have any questions or concerns about your property value, you can contact your area appraiser by calling this number.

#### 12 VAB FILING DEADLINE

The deadline for filing a petition to the Value Adjustment Board to appeal your property value or exemption status is listed here. More information on how to appeal your property value is listed on the back of this Guide.

# EXEMPTIONS & ASSESSMENT CAPS

## HOMESTEAD EXEMPTION

Homestead exemption is a \$50,000 reduction in the assessed value of your home. It is granted to property owners who:

- 1) possess title to real property;
- 2) are bona fide Florida residents living in the dwelling and making it their permanent home on January 1;
- 3) file an application by March 1.

The first \$25,000 of value is entirely exempt from taxes. The additional \$25,000 exemption applies only to the assessed value between \$50,000 and \$75,000, and is not exempt from school taxes. If your assessed value is between \$50,000 and \$75,000, a pro-rated exemption amount applies. The exemption reduces the property tax bill by approximately \$500-\$800.

A homestead exemption is not transferable. You must file a new application any time you establish a new residence.

If you moved during 2010, you must file a new application in one of our offices by March 1, 2011 to qualify for the 2011 exemption on your new home.

## THE SAVE-OUR-HOMES CAP & CAP PORTABILITY

The Save-Our-Homes cap limits the annual increase in the assessed value (not taxes) of a homesteaded property to 3% or the percent change in the Consumer Price Index, whichever is lower, beginning the second year of the exemption. For 2010, the rate of increase is 2.7%.

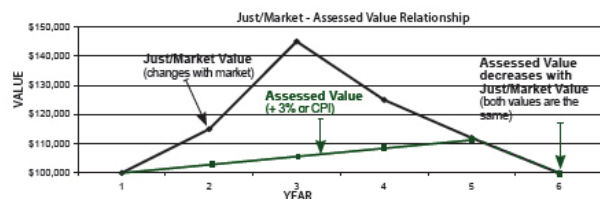
When ownership of a property changes or the property is no longer the owner's permanent residence, the cap and exemption are removed at the end of the year. Cap portability allows homestead property owners to transfer up to \$500,000 of their accrued Save-Our-Homes benefit (just/market value minus assessed value) to a new homestead within 2 years of relinquishing their previous Florida homestead exemption. The amount transferred depends on the just value of the new home.

An application for portability is required by March 1 of the year of application for homestead exemption. Both applications can be made at the same time at any County Property Appraiser office.

### THE SAVE-OUR-HOMES CAP "RECAPTURE" RULE

If you have the Save-Our-Homes cap on your property and your just/market value decreases, your assessed value **will still increase** by the annual cap rate until it reaches the just/market value. If the just/market value decreases below the assessed value, the assessed value will decrease so the two values are the same. This does not mean, however, that you have lost your Save-Our-Homes cap. The cap is still on the property, and will limit future increases of the assessed value.

The chart below illustrates the relationship between the just/market value and assessed value for a hypothetical property over several years.



## ALERT TO NEW HOMEOWNERS

By law, when a property sells or transfers, the cap and all exemptions are removed at the end of the calendar year. If you purchased your home during 2009, your assessed value this year may be substantially higher than last year due to the removal of the previous owner's cap.

## PROPERTY VALUES

### HOW IS VALUE DETERMINED?

The ad valorem appraisal process is governed by Florida law, including Florida Statutes section 193.011. There are three primary approaches used to establish values: cost, sales comparison, and income.

Appraisers may reconcile two or more of the value indications into a final reconciled value based on the appropriateness, accuracy, and quantity of market information from the three approaches. For residential real property, the sale prices of properties similar to yours represent some of the best evidence of market value.

Property values are based on January 1 of each year, so your 2010 value is based in part on sales of comparable properties that occurred during 2009.

You can review sales in your neighborhood by calling the phone number on your TRIM Notice to speak to your appraiser.

## AVOID THE TRAP OF HOMESTEAD FRAUD

You no longer qualify for homestead exemption if, as of January 1, 2010 you: Have moved;

- Rented out the home;
- Applied for an exemption elsewhere;

or

- If you inherited homesteaded property during 2009.

## 10% NON-HOMESTEAD CAP

The 10% cap limits annual increases in the assessed value of non-homestead property to no more than 10%. This benefit is automatically applied to qualifying properties. The cap is removed when a property changes ownership or changes use. When a property changes ownership through any means other than a recorded deed, the owner must file a Change of Ownership or Control Form (DR-430), available online.

## ADDING AN OWNER

For estate planning purposes, many property owners opt to add a family member or other person (other than a spouse) to the title of their homesteaded property. Florida law allows you to retain your Save-Our-Homes cap when adding a new owner to the title to your home, with some conditions. However, if the new owner files for homestead exemption, the Save-Our-Homes cap will be removed and the assessed value will be reset to market value. If the new owner intends to make the property his or her permanent residence, filing for Homestead Exemption immediately may save a more costly loss of the cap in the future. Before making any changes to your title, you are encouraged to contact an attorney or estate planning professional.

# Challenging Your Appraisal or Exemption Status

If you disagree with your property value or exemption status, three options are available to you:

### 1 Informal Conference with your Appraiser or Exemption Specialist

If you believe your 2010 value is higher or lower than market value on **January 1, 2010**, we encourage you to speak to your area appraiser. Our goal is not to arbitrarily increase or decrease property values, but to assure that your property is appraised equitably and accurately. We are happy to speak with you about the valuation of your property.

Our Exemptions Specialists can help you if you have questions about your exemptions.

If you are considering filing a petition or lawsuit, please call us first -- we may be able to answer your concerns directly.

### 2 Petition to the Value Adjustment Board (VAB)

You have the option to file a petition with the Value Adjustment Board by the date listed at the bottom of your TRIM Notice.

The Value Adjustment Board does not set millage rates and has no jurisdiction over taxes. The Special Magistrates can only address issues concerning values, including: values, classifications, exemptions, and portability.

You can prevail before the VAB in a value dispute if you prove that your appraisal does not reflect market value as of January 1. The best way to prepare for a VAB hearing is to produce market evidence such as sales of comparable properties that sold before January 1, 2010.

There is a \$15 non-refundable fee to file a petition.

### 3 Circuit Court Complaint (Lawsuit)

Your third option is to file a Civil Action in the Circuit Court under section 194.171 of Florida Statutes. You can do this whether or not you file a petition, but please be sure to read the statutes or contact an attorney to determine the appropriate filing deadline and other important information.

## TPP ACCOUNTS

### TANGIBLE PERSONAL PROPERTY

Tangible Personal Property (TPP) consists of every kind of property other than real property, such as business equipment. When valuing tangible personal property, all three approaches to value are considered but the cost approach is generally given the most weight. This method considers the depreciated historical acquisition cost of an item including freight and installation. Owners of tangible personal property qualify for an exemption of up to \$25,000.

Filing the annual TPP Return by April 1 automatically qualifies an owner for the exemption. Manufactured home owners who returned their yellow TPP return card or filed a DR-405EZ form in 2009 have qualified for the TPP exemption and will not receive a tax bill this year. Business Returns (DR-405 forms) are mailed to owners of tangible personal property around the first of each year. These returns are to be received by our office by April 1 to prevent the statutory imposition of penalties. Please check your records to ensure compliance. Call (850) 892-8123 with questions.



This guide was developed in cooperation with Patrick Pilcher - Walton County Property Appraiser. We wish to express our **Thanks** for his assistance.

For more information contact:

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8:00am to 4:30pm Monday - Friday - Central Time