

## Property Values and Taxes

In general terms, the Appraiser's Office must value all real estate and taxable personal property (business equipment, mobile homes, trucks, trailers, non-highway vehicles, watercraft, ATVs, mopeds, golf carts, oil wells, etc.) in the county each year.

In Linn County, that means the Appraiser's Office was responsible for valuing 19,234 real estate parcels that totaled nearly \$724 million in appraised valuation for 2021. The resulting values of the real estate, along with state-assessed property and personal property are then used in the calculation of property taxes for each property.

The values the Appraiser's Office have chosen are the result of an annual appraisal cycle consisting of on-site property reviews, analysis of property sales, collection of market data, market studies, and statistical analysis.

Our cycle starts immediately after certification of the current year's values (May/June) and ends once we have held property appeals and certified values to the County Clerk's Office (May/June the next year).

The work we do is really just the starting point for the development of each year's property taxes. Once the Appraiser's Office certifies the values to the County Clerk's Office, they, in turn, calculate an assessed valuation for all taxing units, calculate mill levies and certify the tax roll to the Treasurer's Office.

The Treasurer's Office then mails property tax bills, processes payments of the property taxes and distributes the collected funds to the appropriate local units of government, school districts and state government.

While our work can be stressful and sometimes controversial, it is felt the values we provide are very important in maintaining fairness and equity in the property tax system.

Below is an illustration of 2020 taxable 'assessed values' Real and Personal Property Value and Tax Summary from Property Valuation Division's abstract website, which shows where the 2020 tax dollars were distributed in Linn County. *Which can be found here:* [Microsoft Word - Linn \(ksrevenue.org\)](https://ksrevenue.org)

# 2020 Real and Personal Property Value and Tax Summary

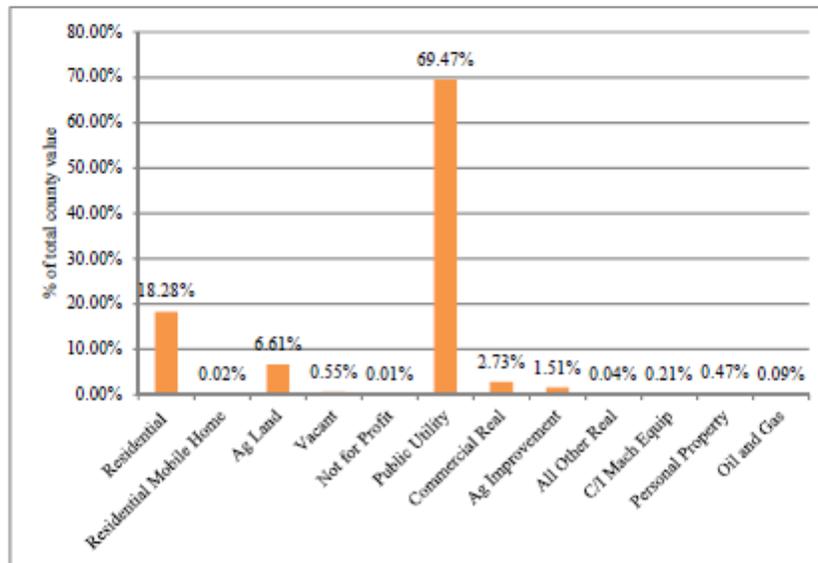
## 054 Linn County Value and Tax

Total Taxable Value	Value Per Capita	Total Ad Valorem Tax	Tax Per Capita	Mill Levy	2010 Population
\$276,189,551	\$28,603	\$31,685,120	\$3,281	0.1147	9,656

### Property Value by Type/Class

Property Type/Class	2020 Value	% of County
Residential	50,499,739	18.28%
Residential Mobile Home	66,688	0.02%
Ag Land	18,268,245	6.61%
Vacant	1,521,228	0.55%
Not for Profit	19,067	0.01%
Public Utility	191,879,684	69.47%
Commercial Real	7,542,465	2.73%
Ag Improvement	4,177,440	1.51%
All Other Real	101,439	0.04%
C/I Mach Equip	576,450	0.21%
Personal Property	1,288,327	0.47%
Oil and Gas	248,779	0.09%

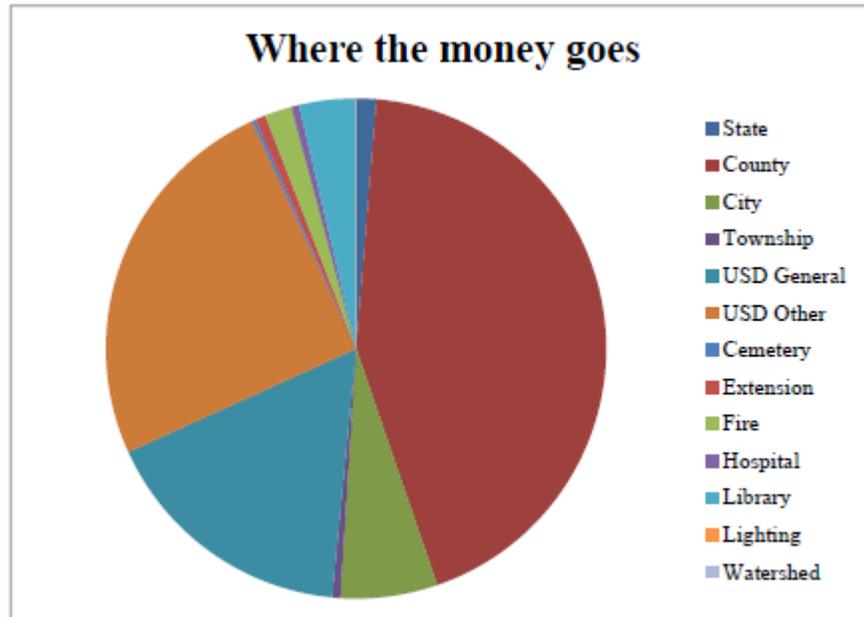
Chart Displaying Percent of Property Value by Type/Class



### *Linn County Distribution*

Taxing Districts	Total	% of Total
State	414,285.22	1.31%
County	13,762,831.45	43.44%
City	1,986,418.72	6.27%
Township	164,529.71	0.52%
USD General	5,289,719.78	16.69%
USD Other	7,906,456.88	24.95%
Cemetery	72,639.83	0.23%
Extension	213,494.99	0.67%
Fire	557,051.36	1.76%
Hospital	156,876.83	0.50%
Library	1,160,481.31	3.66%
Lighting	357.04	0.00%
Watershed	53.32	0.00%

*Chart Displaying How the Property Tax Dollars Are Distributed*



## Real Estate Values... Housing Market:

- The Appraiser's Office is required to value property at a fair market value as of January 1<sup>st</sup> of each year with exception of agricultural land, which is valued by its agricultural use.
- Despite the pandemic, the housing market has remained strong, and the county has experienced a continuation of increasing home sale prices.
  - Factors include:
    - Inventory – limited availability
    - Bidding wars drive up sale prices/homes selling within days
    - Record low-interest rates
- Valuing at a fair market value means that value should reflect what's happening in the real estate market, and it is difficult to keep up with the market, as witnessed over the last several years.
  - *An important thing to remember... Appraisers do not create value. People determine value by their transactions in the marketplace. The appraiser simply has the legal responsibility to analyze those transactions and appraise properties based upon what is happening in the marketplace.*
- An increase in the value of a home or property you own is typically viewed as a positive, as it means that when/if you sell, you will receive more in return for your property.
- Taxable values in Linn County rose about 8% overall for 2021, with home values increasing about 11% from the prior year.
- We are not in a recession any longer... due to a shortage of housing supply and low-interest rates - most property owners should have expected to see an increase in their valuation back in March when they received their 2021 valuations. Residential values did vary across the county, depending on numerous factors, including market trends, area demand, and/or changes made to a property.
- According to the Kansas City Regional Association of Realtors, the average sales price in July 2021 in Linn County was up over 30% from last July. (See below.) [Market Statistics - Kansas City Regional Association of REALTORS® \(kcrar.com\)](#)

## Local Market Update for July 2021



# Linn, KS

Key Metrics	July			Year to Date		
	2020	2021	Percent Change	Thru 7-2020	Thru 7-2021	Percent Change
Closed Sales	17	20	+ 17.6%	84	72	- 14.3%
Average Sales Price*	\$140,368	\$182,835	+ 30.3%	\$151,719	\$167,020	+ 10.1%
Median Sales Price*	\$86,500	\$164,500	+ 90.2%	\$107,500	\$138,000	+ 28.4%
Days on Market Until Sale	45	33	- 26.7%	74	29	- 60.8%
Percentage of Original List Price Received*	93.2%	97.1%	+ 4.2%	93.3%	93.8%	+ 0.5%
Pending Sales	16	19	+ 18.8%	90	84	- 6.7%
Inventory	21	31	+ 47.6%	--	--	--
Supply	1.8	2.9	+ 61.1%	--	--	--

\* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

### July



- As prices continue to soar due to low inventory, demand should slow. Here in Linn County, according to MLS, the inventory numbers have shown that the supply of housing availability has increased, but remains under a 3-month supply, whereas this time last year, the supply was less than a 2-month supply.
- Lumber supplies and prices are also still a concern and have driven up the cost to build.

## Why is property taxed in Kansas?

Property tax dollars are used by city and county governments to provide funding for items such as roads, parks, fire protection, police protection, public schools and many other local services. The amount of taxes you pay depends on the budgets set in August by your city and county governments.

**How does the County's appraisal affect my taxes?** The Appraiser's Office estimates only the value of your property. If your property value goes up, it does not necessarily mean you will pay more taxes. Likewise, if your property value goes down or does not change, it does not automatically mean you will pay less or the same amount of taxes. Changes in property values do not change the amount of tax dollars needed for local public services.

**Will the value of my property change every year?** The Appraiser's Office is tasked with valuing property as it sits January 1 every year. The value of your property may change each year – and it depends on several things. *(See image below)*. If you make improvements to your home, such as adding a garage, the value may go up. The value may also go up or down because of recent sales in your neighborhood. The County Appraiser's Office continually updates sales prices and other information on homes all over the county.

## Why would a Value change from last year?

Several things to keep in mind...

The infographic is a 2x5 grid of colored boxes, each with an icon and text explaining a reason for a change in property value. The top row includes: 'Re-inspections' (magnifying glass icon), 'Index Indications' (line graph icon), and 'Sale of Subject' (house icon). The bottom row includes: 'Real Estate Market' (house icon), 'Data Changes' (question mark icon), 'Permits' (hammer icon), and a fourth box with a bar chart icon. The right side of the grid features background images: a 'HOUSING MARKET' graphic, a 'BUILDING PERMIT' document, and a 'FOR SOLD' sign.

<b>Re-inspections</b> Many changes have occurred to parcel data due to re-inspections	<b>'Index' Indications</b> Prior year values are compared to sales prices in neighborhoods.	<b>Sale of Subject</b> Recent sale or recent physical changes after last sale of property.
<b>Real Estate Market</b> The market has continued to be positive in many areas and neighborhoods	<b>Data Changes</b> Information from other sources, MLS or field inspection	<b>Permits</b> New construction, remodeling, additions, decks, demos, etc.

## When will I be notified of the value of my property?

Back in March 2021, property owners were mailed their 2021 "notice of value" on their property.

## **What can I do if I believe the value of my home is too high?**

There are two opportunities to have the value of your home reviewed:

1. The first option has expired, as a property owner may appeal the "notice of value" of their home that is mailed to you in the spring by contacting the County Appraiser's Office by phone or in writing within 30 days of the mailing date of the notice, or
2. The second opportunity is you may file a "payment under protest" form with the County Treasurer at the time you pay your taxes. If an escrow or tax service agent pays the property taxes, then protest no later than January 31 of the following year. More information is available by contacting the Appraiser's Office.

Per Kansas law, a property owner cannot appeal twice using both methods for the same property in the same tax year. So, if you start an appeal be sure that you follow through with the appeal, as once it is initiated, then you will not be allowed to "pay under protest" later for the same year.

## **Who We Are?**

While we're employed by Linn County, the Appraiser's Office must answer to the Kansas Department of Revenue's Property Valuation Division (PVD). PVD provides the rules, regulations, appraisal methods and educational standards for our work. In addition, they monitor, audit and test our work throughout the year.

At the end of each annual appraisal cycle, PVD issues the results of their findings. Their findings result in scores for Procedural Compliance and the Sales Ratio Study. The County is graded and scored in both areas. The outcome of these two reports determines whether our office meets compliance or not, which Linn County is happy to report that we meet that compliance. If compliance is not met, then PVD mandates the needed changes and can take over the administration of the Appraiser's Office if deemed necessary.