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## **REVALUATION F.A.Q.**

### **1. What is a revaluation?**

A Revaluation is the comprehensive process of aligning property values in a municipality with market value as of a given date. A revaluation utilizes appraisal techniques to analyze data from existing real estate sales to arrive at standardized land and building base rates that, when applied properly, determine a reasonable prediction of the most likely sale price for properties as of the appraisal date. In New Hampshire that date is April 1 of the revaluation year by law.

### **2. Why is a revaluation performed?**

The New Hampshire Constitution and laws mandate that all municipalities bring their assessments to market value at most every five years. It is important to remember that the real estate market is rarely stable, or unchanging, and that changes in the real estate market over time have compounding consequences to the collective "fair share". Because all properties do not appreciate or depreciate at the same rate, it becomes very important to adjust assessments for each segment of the market. This can be visualized as leveling a see-saw: ideally all properties will be assessed at their fair market value (a level see saw) and all property will be contributing its fair share of taxes. Alton last revalued in 2017.

### **3. How do I make sense of my new assessment?**

Your assessment is only meaningful in how it relates to other assessments. By itself, your assessment is just a number. It is often shocking to property owners when they see their new assessments. If you were not following the real estate market or buying/selling property, you may be unaware of changes in the value of your property. **Please DO NOT apply the previous year's tax rate to your new assessment!** While we cannot say exactly what the new tax rate will be, there are many variables, we can say that the new tax rate will not be the same as the previous year. Some math is necessary to explain this: the tax rate is determined by calculating the dollars to be raised by taxes (Town+County+School budgets) and dividing that by the sum of all taxable assessments. As a result, if the budget remains unchanged and the value of the town increases, the resulting rate will be lower.

### **4. What are the components of an assessment?**

Assessments are a value appraisal of land and improvements on a given property. For a residentially developed property, the property record card will include a value for the home, a value for any given features (garages, pools, docks, sheds, etc.) and a value for the land. Building and feature values are determined by base rates (generally dollars per square foot or unit price per item). Land is valued as a site value (minimum lot size in the zoning district) plus residual (any acreage above the minimum site size). The reason for valuing land this way is that the Alton Zoning Ordinance prescribes that any single property may only have one dwelling. So regardless of the amount of land you own, you may only build one house. Therefore, any land in excess of the amount necessary to create a building lot is far less valuable, and adds less to the assessment.

**5. How do I know if my new assessment is accurate?**

An assessment is determined using appraisal techniques (Mass Appraisal). It is NOT a direct appraisal of your property. The very best way to know your property's value at any given time is to have it professionally appraised. A comparative analysis of similar properties is a good approach: look at your neighbor's assessments, and compare them with your own. A list of assessments is provided on the Town website at [www.alton.nh.gov](http://www.alton.nh.gov)

**6. Do I need to have an informal hearing?**

If you have questions about your assessment, or feel that you can provide information to the assessor as to why your assessment is not accurate, you should make an appointment to have an informal hearing. The assessing office wishes to ensure the equity and uniformity of all assessments, and wishes to work together with you to ensure that your assessment is fair. Please be prepared for your appointment, whether in person or by phone, with any information you have to demonstrate your property value. Please note that the office staff assigned to assist you are not able to answer questions about assessments, and are trying to help you. They understand that you may be frustrated or confused, but please try to maintain civility with the person trying to assist you, as they will with you. Please do not call other Town departments if it is difficult to reach the assessing office during the scheduling process. We will have many calls coming to our office, and can only work with one at a time. If you do not get a direct answer to your call, please leave a message, we will return your call as promptly as possible, and we thank you in advance for your patience.

**7. What do I do if I still disagree with my assessment?**

Any property owner who disagrees with their assessment has the right to apply for an abatement on or before March 1 following the final tax bill. While we strive to make corrections to property values where there is evidence that we need to, we do not always agree that a reduction needs to be made. Please understand that the assessing office has the obligation to maintain fair and proportional assessments, and we take that responsibility very seriously. Once we have determined the base land and building rates, they apply equally to all properties. We cannot change individual property values without a reason. If your property has a problem that we are not aware of, or has a miscalculation or error, we will fix it. If you simply feel that the property value is "too high", without evidence of why we cannot change it, assuming that the same methodology applies to all similar properties. Again, if you feel that the assessment is disproportionately high, and you issue was not addressed through the informal hearing process, you should file for abatement with the assessing office by March 1, 2022.

As always, the assessing office is open Monday – Friday 8:00 am to 4:30 pm. We understand that there will be more interest in assessment procedure and process during a revaluation, however we remain present to work with you any time of the year. Our goal is to maintain fair and proportional assessments, and wish to work with you to help you understand the process and resulting assessment in a friendly and courteous manner, and politely ask for the same respect in return.