

MAILING OF TAX BILLS PRESS RELEASE

Lake County Auditor Edward H. Zupancic announced that tax bills will be mailed on Friday January 11, 2013 and are due February 19, 2013.

In the State of Ohio, real estate property owners pay real estate property taxes one year in arrears. What that means is that the taxes paid in calendar year 2013 are for the status of the property as of January 1, 2012 (the lien date); therefore the tax year is for 2012 and collected in calendar year 2013 (TY2012/CY2013).

Depending on the community (notwithstanding other changes, such as new construction), countywide, residential valuations are dropping an average of 8.8% while commercial valuations are dropping an average of 15.2%.

The percentage of change in a property owner's valuation does not correlate to the same percentage of increase or decrease in property taxes. Tax levies that have been passed throughout the calendar year could have an impact on the final percentage of change in taxes.

Three changes will affect ALL taxing districts in the county due to the fact that the Lake County inside millage was decreased by 1.1 mills, while two additional levies were passed by the voters that increased by .6 mills. Additionally, there were numerous new levies passed in 2011 and 2012 that will be on the tax duplicate for the first half tax bill for collection year 2013. It is also imperative to know that School Emergency and certain debt service levies will fluctuate with the value of property. When these emergency levies were passed, they were for a specific amount of revenue and as values have declined, the tax rates have increased to provide for a consistent revenue stream.

Additionally, in 1976 the legislature enacted property tax reform known as House Bill 920. HB 920 was designed to protect the property owner from un-voted tax increases. When voters approve a tax levy, they are agreeing to pay a certain amount of money for a specific purpose over a given period of time. Each property owner pays their share, in proportion to the value of their property.

You will find that some tax bills increased and some may have decreased and it all depends on how significant the change in value was. Reduction factors change from year to year due to HB920. In the past, when values were increasing, these levies could not generate a windfall of additional revenue, the stream had to be level and in order to do that, the HB 920 credits were increasing. When a value went up, the effective rate decreased. Now Lake County is in the opposite situation and the same principle applies, values are decreasing and the level revenue stream has to be maintained by law. The HB 920 credits decrease and the effective rate increases to make up for the loss of value, thus maintaining the level stream of revenue.

Disputing Your Market Value

It is imperative that each taxpayer understands that you can only dispute the market value of your property; you can not dispute the amount of taxes that you pay. Levies are voted by individuals and majority rules.

In the later part of November of 2012 property owners received a mailer that indicated the new market values and some chose to participate in an informal hearing process to discuss their new valuations.

If, after their hearing, or even if they chose not to have an informal hearing, the property owner can file a formal complaint with the County Board of Revision (BOR). The BOR is an independent three-member panel who reviews all formal valuation complaints. An important note is that BOR complaints can only be filed between January 1st and April 1st for tax year 2012, collection year 2013.

Lastly remember that any property owner who owns and occupies their home and is at least 65 years old or if under 65 and permanently disabled, may be eligible for the Homestead Exemption regardless of income. This program reduces the taxable value of property, thereby reducing the taxes owed. Applications are available on line and through our office. The application may be filed between the first Monday in January and the first Monday in June in the Auditor's office and can be submitted in the year you are turning 65.

Please feel free to visit <http://www.lakecountyohio.gov/auditor/AuditorHome.aspx> for forms, tax rates, and announcements of the Lake County Auditor's office.