

Property Tax Bills Property taxes in Anytown consist of town, county, and school taxes. The town and county taxes are due in May. The school taxes are due in October. In Exercises 9–13, use the property tax bills shown. Assume that Clarice and Fred are subject to the same tax rates. (See Examples 3 and 4.)

ANYTOWN PROPERTY TAX BILL			May 15, 2012
<u>PROPERTY ADDRESS</u>			
Clarice Mason 27411 Route 8 Anytown, MN 01234			
<u>PROPERTY VALUATION</u>			
The assessor estimates the Assessed Value of this property as \$112,500 . If you feel your property is overvalued, please see the instructions in the booklet <i>How to File a Complaint on Your Assessment</i> . To obtain a copy of this booklet, contact your assessor's office.			
<u>PROPERTY TAXES</u>	<u>TAX RATE</u>	<u>TAX DOLLARS</u>	
Town	8.0 mills	\$900.00	
County	3.6 mills	\$405.00	
			TAX DUE \$1305.00

ANYTOWN PROPERTY TAX BILL			October 15, 2012
<u>PROPERTY ADDRESS</u>			
Fred Alum 3500 Yawkee Hill Rd Anytown, MN 01234			
<u>PROPERTY VALUATION</u>			
The assessor estimates the Assessed Value of this property as \$50,000 . If you feel your property is overvalued, please see the instructions in the booklet <i>How to File a Complaint on Your Assessment</i> . To obtain a copy of this booklet, contact your assessor's office.			
<u>PROPERTY TAXES</u>	<u>TAX RATE</u>	<u>TAX DOLLARS</u>	
School	18.4 mills	\$920.00	
			TAX DUE \$920.00

9. How much is Clarice’s school tax bill? How much more does she pay for town and county taxes than Fred?
10. Clarice plans to sell her home within the next 2 years. Her neighbor’s home is similar and has an assessed value of \$100,000. Is it worth Clarice’s time and effort to appeal the assessed value shown on the property tax bill? Explain.
11. Fred owns a home similar to three other homes on Yawkee Hill Road. The assessed values of the other 3 homes are \$47,000, \$49,000, and \$60,000. Should Fred appeal the assessed value shown on the property tax bill? Explain.
12. After an appeal, the assessed value of Clarice’s home decreases to \$100,000. She receives a homestead tax credit according to the graph on page 227. How much does she pay in property tax?
13. Fred does not appeal the assessment. He receives a homestead tax credit according to the graph on page 227. How much does he pay in property tax?
14. **Raising Taxes** A municipality can increase taxes by increasing the tax rate. Describe another method municipalities can use to raise property taxes.

