

GLOSSARY OF TERMS

Apportionment- A proportional distribution of the levy of a taxing jurisdiction among municipalities based upon the value of the municipalities or parts of municipalities.

Assessed Value – A dollar amount assigned to the taxable property, both real (by parcel) and personal (by owner), by the assessor for the purpose of taxation. This amount may be above or below the current market value of most of the locally assessed property, or above or below the use value for agricultural land. It is the market value for the state-assessed manufacturing property.

Assessment Level – The relationship between the total assessed value and the equalized value of all locally assessed property in the district (after adjusting from prior year's errors). This represents the average percent of value the assessments are at. For example, if the assessments total \$8,400,000 in Town "A" and the equalized value is \$9,000,000, then the "assessment level" is said to be 93% (8,400,000 divided by 9,000,000). Manufacturing value is submitted at 100%--but adjusted to local level before entry onto tax roll.

Assessment Ratio – The relationship between the assessed value and the market value on a particular parcel. For example, if the assessment of a parcel which sold for \$150,000 (market value) was \$140,000, the assessment ratio is said to be 93% (140,000 divided by 150,000). The difference in the assessment level and the assessment ratio is that the level typically refers to the taxation district; the ratio refers to the individual parcel.

Assessor's Final Report – This report gives the same summary of the Statement of Assessment, but analyzes the reason for changes. It is a preliminary report to the Statement of Assessment because it is prepared before the Board of Review changes.

Equalized Value – The estimated value of all taxable real and personal property in each taxation district, by class, as of January 1 and certified by DOR by August 15 of each year. The value represents market value, except for agricultural property, which is based on its use.

Equalization – The process of establishing the January 1 market value (or use value for agricultural land) by class of real property and item of personal property for each taxation district.

Estimated Fair Market Value – The assessed value of each locally assessed parcel (except those including agricultural land) divided by the entire taxation district's level of assessment (titled average assessment ratio on the tax bill). This estimate gives the property owner a basis for comparison of their perception of the market vs. what is being used to base their share of taxes on. Since the level of assessment is an average for the taxation district, there is naturally going to be some variance in the local assessor's accuracy on every parcel. Minor differences between the estimated fair market value and the property owner's opinion of value shouldn't raise concern. Large differences require further investigation.

Full Value – (1) The value reflected as market value when used in reference to the valuation of real property under s 70.32(1) WI Stats (this does not include agricultural property defined in s 70.32 (2)1. WI Stats). (2) The same as equalized value, however is often used when referring to the value of school and special districts.

Levy – The amount of tax imposed by a taxing jurisdiction.

Real Estate Transfer Return – The form is required to be filed with the register of deeds by the grantor when recording real estate, which has been conveyed to a different

entity. The form's primary use is for the assessor to use in implementing the uniformity provision Article VIII of the State Constitution. Among other things, the form documents the property transferred, the grantor, grantee and the value placed on the property.

Statement of Assessment – This report summarizes the final values on the local assessment roll and breaks down the values by each school district and by special districts. Part one summarizes values according to classes, and the other summarizes by school districts and special districts.

Taxation District – A town, village, or city. If a city or village lies in more than one county, that portion of the city or or village which lies in each county.

Taxation Jurisdiction – An entity, which is authorized by law to levy taxes on general property, which is located within its boundaries. In addition to towns, villages and cities, this includes school districts, sewerage districts and lake rehabilitation districts, for example.

Uniformity – The constitution requirement that the taxable property must bear its burden equally on an valorem basis. As applied to assessing, a condition wherein all properties are assessed at the same ratio to market value, or other standard of value depending upon the particular assessing practices followed. Since a 1974 amendment to the constitution, agricultural land may be non-uniform with other property, but must be uniform within its class. The standard for value for agricultural property is its value in use.

Use Value – The value a specific property has for a specific use. Beginning in 2000, agricultural property is assessed according to its use as farmland instead of its market

value as indicated by sales. The guideline values are based on 5-year average income and expense data modified by the tax rate in each taxation district in the state.

Use Value Assessment – An assessment based on the value of the property as it is currently used, not its market value. This only applies to agricultural land.

Value Standard – The basis for the methods used in estimating values for the equalized or assessed values. There are two basic values used in the process, the market value (‘full value’ for real property and ‘true cash value’ for personal property), which is the basis for value of all property except agricultural land. The market value is based on the most probably selling price of the property. Agricultural land, as defined by administrative rule, is based on a valuation standard, which analyzes the ability to generate income, as it is currently being used, hence ‘use value’.

Tax Rate – Levy Dollars divided by the Equalized Value of the District

Mill Rate – Levy Dollars divided by Assessed Value of the District