Dear Property-Owner,

As mandated by Connecticut State Statutes, the Town of Guilford is starting work necessary for the Revaluation of all Real Estate in Town.

This Revaluation will be effective for the Grand List date of October 1, 2017 (and thus, for taxes due and payable in July, 2018).

Though much has been published about Revaluations, there is still a general misconception about what exactly a Revaluation is, why it has to be done and its effects.

To help educate and inform, we have compiled some of the most asked questions regarding Revaluation.

It is hoped that you will read the enclosed and save it for future reference.

Thank you,

Edmund A. Corapinski, C.C.M.A. II, C.C.A.
Assessor
1. **WHAT IS A REVALUATION?**

“REVALUATION: THE MASS APPRAISAL OF ALL PROPERTIES WITHIN AN ASSESSMENT JURISDICTION TO EQUALIZE ASSESSED VALUES.”

A Revaluation can also be defined as a complete re-inventorying of a Town’s taxable property. There are generally two types of Revaluations: A physical Revaluation and a non-physical Revaluation. A physical revaluation involves a complete re-inspection and re-measurement of all properties with new values for all properties being the final result. A non-physical Revaluation does not involve a re-inspection and re-measurement of all properties but does result in new values for all properties. However, some properties are inspected even under a non-physical Revaluation. Properties that may be re-inspected during a non-physical Revaluation may include (but are not necessarily limited to) properties that have sold, properties that are newly constructed, properties that have an outstanding building permit, etc. The 2017 Revaluation is a non-physical Revaluation. As we did in the 2013 Revaluation, to save money, Data Mailers will be used. Properties that have sold, properties that are newly constructed, properties that have an outstanding building permit, properties that are incomplete and properties where a Data Mailer was not returned will be re-inspected and re-measured.

For the Town of Guilford, this Revaluation will involve the re-appraisal of all real estate in town, in order to bring about uniformity in property values. Personal Property (i.e., business property) and motor vehicles are not revalued. Unlike real estate, whose basis for value is unchanged between Revaluations, personal property and motor vehicles are always currently valued.

2. **WHY CONDUCT A REVALUATION?**

A Revaluation is undertaken to: (1) secure a more equitable distribution of the tax burden, (2) to bring the assessment level up-to-date, (3) to modernize assessment procedures and (4) to comply with the State statute.

A Revaluation is not intended to artificially raise revenues; its purpose is to value all properties by the same standard at the same point in time.

Furthermore, Connecticut Statutes require that all property be re-valued every five years, (Section 12-62). The purpose of this requirement is to insure uniformity in real property valuations by eliminating inequities that have developed since the last Revaluation.

Property values obviously change over time.

2013 was the date of Guilford’s last Revaluation. The Board of Selectmen requested and received permission from the State of Connecticut to postpone the scheduled 2012 Revaluation for one year to 2013. Thus for four years, real estate assessments (in Guilford) have been deliberately set at a 2013 level. Meanwhile, constantly changing economic conditions have resulted in a change in the market value for most residential properties.

A Revaluation eliminates the inequities that the past four years may have created.

3. **WHAT DOES A REVALUATION DO?**

A Revaluation eliminates the value inequities that the past four years may have created.

This equalization is accomplished by estimating the current market value (as of October 1, 2017) of each and every parcel of real estate in the Town of Guilford.

4. **WHAT IS MARKET VALUE?**

“The most probable price in cash, terms equivalent to cash or in other precisely revealed terms, for which the appraised property will sell in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably and for self-interest and assuming that neither is under undue stress”.

2
5. **WHO DETERMINES MARKET VALUE?**

People. You and the person who sold the house to you or the person who is willing to buy it from you. People make the market. People determine value.

The Revaluation’s job is to research and estimate market values. It is not merely a guess. All legitimate sales from October 1, 2016 to October 1, 2017 are used to develop guidelines. Also, the Revaluation will take into account many factors in order to estimate market value.

A few of the other factors considered are: local market conditions including; size and quality of the construction; age of the building; condition of the improvements; access to schools, churches, recreation and shopping; quality of the school system; improving or deteriorating neighborhood; utilities; transportation; zoning regulations and so on. (Naturally, there are different sets of considerations for industrial and commercial property).

6. **ISN’T WHAT I PAID FOR MY PROPERTY MARKET VALUE?**

Not always. Some people have paid more than the market value for their property. Others may have bought their property at a bargain price (such as a short sale, foreclosure or other distressed sale) and still, others may have purchased years ago when prices were different. Even if you have purchased your home recently and paid the current market value, your property assessment and taxes were based upon 70% of its 2013 market value and thus, must be revalued to reflect its 2017 market value.

The true test of the Revaluation is whether the total estimated market value of your property, as of the October 1, 2017, is reasonable.

7. **WHEN WILL I FIND OUT WHAT MY NEW MARKET VALUE IS?**

Notices will be mailed in December 2017.

The estimated market value for your property will be clearly printed on the notice you receive.

Also on that notice will be your 2017 assessment (which is the 2017 market value multiplied by 70%) and the 2013 assessment (which is the 2013 market value multiplied by 70%).

Please do not multiply your new 2017 assessment times the July 2017 mill rate.

The mill rate for the new 2017 assessments will not be set until April or May, 2018.

8. **IF THE NOTICE THAT I RECEIVE DOES NOT TELL ME HOW MUCH MY TAXES WILL BE, WHAT GOOD IS IT?**

The purpose of the notice is to show you the estimated market value of your property. The Board of Finance is responsible for the setting of the mill rate. After reviewing budget requests and public input, that Board will set the mill rate in April or May 2018. Remember, a Revaluation addresses value not taxes.

9. **HOW DO I DECIDE IF MY NEW MARKET VALUE IS OK?**

a. Verify that the information that the Revaluation Company has regarding your property is correct. That information is only available on the Town’s website after December 1, 2017. The Assessor’s Office will not have the new values or the new property record cards available at that time. There is some general information on the Town’s website: www.ci.guilford.ct.us. The new values and new property record cards will be available in the Assessor’s Office after January 31, 2018.

b. Verify that the assessments for properties similar to yours are similar. Please remember that no two properties are identical. So there will be differences and these differences will result in differences in the assessments.
That information is only available on the Town’s website after December 1, 2017. The Assessor’s Office does not have the new values or the new property record cards. There is some general information on the Town’s website: www.ci.guilford.ct.us

c. Ask yourself if you can you sell your property for the market value indicated on your notice?

d. How much are properties similar to yours selling for? Are there recent sales (during the period of October 1, 2016 to October 1, 2017) of properties that are similar to yours on your street or in your general area or in similar areas in Guilford? Some general sales data is available in the Assessor’s Office. Please remember that your market value should be comparable to similar properties but it rarely will be exactly the same as another property.

10. WILL ALL PROPERTY VALUES CHANGE?

Probably. However, all property values will not change at the same rate. Property values may change greater in one neighborhood than another. There are differences in individual properties and differences in neighborhoods. Sales may show a greater change in one neighborhood than another. Within the same neighborhood, different types of properties may show different value changes. A one-story home in a neighborhood of two-story homes may change more than the two-story homes. A newer home may not change as much as an older home in the same neighborhood. A home built in the 1700’s or 1800’s may change greater than a new home. Remember, one of the purposes of a Revaluation is to ensure that your market value reflects the changes that have occurred over the past four years in the Guilford real estate market.

11. WHAT SALES DID YOU USE TO VALUE MY PROPERTY?

Most people are familiar with what is commonly called a “bank appraisal” especially if they have gone through a re-finance of their home. Most people also assume the Revaluation Company will use the same procedure. Although the basic appraisal concepts are the same and the results similar, the process is different. In a Revaluation, the value of your property is based on an analysis of the entire Guilford real estate market for the period of October 1, 2016 to and including October 1, 2017. A study is done of sales that occurred during this period, so that the Revaluation Company can establish valuation parameters such as construction tables, land rates, market adjustment tables etc. When these valuation parameters are applied to the properties that sold, the resulting value should be very close to its sales price. After testing these valuation parameters, the Revaluation Company will then apply these valuation parameters to all properties in Guilford. By doing so, the Revaluation Company is approximating the market value for every property in Guilford from information derived from all Guilford sales. Therefore, there are no three specific sales used to estimate the market value of your home. All recent sales were included in the analysis that established the valuation parameters.

12. WHAT IF I DON’T AGREE WITH MY NEW MARKET VALUE?

If you honestly believe that the new estimated market value does not accurately reflect the market value of your property for October 1, 2017, the first step is for you to contact the Revaluation Company.

Included with your notice will be instructions on how to make an appointment for an Informal Hearing to review your new market value. This is the proper way to correct any clerical errors or miscalculations. A member of the Revaluation Company will go over your property record card with you. No decisions will be made at the time of your Hearing. After review of your information, an adjustment will be made if you show that an error significantly affecting the description (and subsequent value) of your property was made. If there appears to be a major discrepancy between the information on your property record card and the factual state of your property, the Revaluation Company will re-schedule another inspection and review of your property.

As a result of your Hearing, a Change or No Change notice will be mailed January 31, 2018.
When trying to determine if your new market value is reasonable, remember to compare your property with similar properties in your neighborhood. Do not compare your colonial with a ranch type home or your 2,500 square foot home with a 1,600 square foot home, etc.

Although a small percentage of property owners actually go through the appeal process, (if you honestly believe a mistake has been made) you are encouraged to schedule an informal hearing with the Revaluation Company, and then, if necessary, a formal hearing (with the Board of Assessment Appeals), to insure that your assessment is fair and equitable.

Remember, what you are appealing is the total market value of your property.

13. IF I STILL DON’T AGREE, CAN THIS BE RESOLVED WITHOUT THE EXPENSE OF GOING TO COURT?

There are three appeal steps available to all property owners, including the right to appeal in court.

The first two steps offer you an opportunity to resolve your disagreement at no cost to you.

These are:

1. An Informal Hearing with the Revaluation Company (See Question 12).
2. A Formal Hearing before the Board of Assessment Appeals. You are not required to be represented by legal counsel at this meeting. It is recommended (as you did in the Informal Hearing) that when you present your case, include any and all information you have that you think may affect the estimated market value of your property. The Board of Assessment Appeals will meet in March, 2018. A prescribed form must be physically filed in the Assessor’s Office by February 20, 2018. The forms and instructions will be available in the Assessor’s Office after January 1, 2018 and also on the Town’s website www.ci.guilford.ct.us.

14. AND IF I’M NOT SATISFIED WITH THE DECISION OF THE BOARD OF ASSESSMENT APPEALS?

You can appeal to the courts as provided under Section 12-117a and 12-119 of the Connecticut General Statutes. Under Section 12-117a, you are still required by that Statute to pay at least 75% of your taxes as billed if your assessment is less than $500,000 or 90% if your assessment is $500,000 or more, even if you appeal. Otherwise, you will incur penalties and interest on the unpaid tax bill. Under Section 12-119, you are still required by that Statute to pay 100% of your taxes as billed, even if you appeal. Otherwise, you will incur penalties and interest on the unpaid tax bill. However, any judgment in your favor will require a refund for taxes paid in excess of any reduced assessment.

15. WHAT ABOUT THE ELDERLY AND OTHER HARDSHIP CASES?

The law requires that the Revaluation Company (and the Assessor) assess/appraise property and not the people who own it. As sympathetic as we may be, State Law does not permit us to take matters of hardship into consideration. Under Connecticut State Statutes, all property is assessed at 70% of its estimated market value. However, there are Connecticut State Statutes that provide tax relief for qualifying persons who are disabled and/or over 65 years of age. Other Statutes provide exemptions for veterans, disabled persons and the blind. The State of Connecticut also makes special provisions (for reducing the assessment) of land that may be classified as Farmland, Forestland, or Open Space Land.

If you now have an exemption, it will automatically be deducted from your assessment for the July, 2018 tax bill.

If you have any questions regarding these programs, please call the Assessor’s Office at 203-453-8010. There is also information available on the Town’s website at www.ci.guilford.ct.us
16. IS THERE ANYTHING I CAN DO TO HELP DURING THE REVALUATION?

**COOPERATE:** A Revaluation is only as good as the information it is based upon. When the Listers come to inspect your property, please (after they have been properly identified) let them in. Each person working for the revaluation will have been issued a photo ID card and will be registered with the Guilford Police Department. A true and complete description of your property will result in an accurate assessment.

**BE REASONABLE:** All our efforts are made to be fair and equitable. Connecticut State Statutes require this Revaluation. Most communities, if they had an option, would choose not to revalue, but, it is the law. We will make every humanly possible effort to conform to the requirement of the laws and to treat with fairness and equality, all property owners.

**QUESTION SINCERELY:** If you understand and are satisfied with the results of the Revaluation, please allow other people the time they may need to get their questions answered. Needless questions or appointments reduce the time we have to spend with your neighbors and friends.

**AFTER REVALUATION:** Stay involved and attend the Board of Finance Meetings that will set the mill rate which will determine the taxes you must pay. Taxes are driven by municipal spending, not by your assessment. It is the need to generate revenue to pay for the cost of providing Town services (including education) that controls the mill rate and your taxes.

Please visit the Town of Guilford’s website at [www.ci.guilford.ct.us](http://www.ci.guilford.ct.us)