

Frequently Asked Questions

If any of these answers do not fully answer your questions, please contact the Aitkin County Assessor's Office.

What is an Estimated Market Value?

The Estimated Market Value is the price of a property as of a certain date in cash or equivalent terms in a competitive and open market under conditions required for a fair sale with both parties acting knowledgeably and in self-interest and each not under any unusual pressure to sell. This value may be more simply stated as the price paid in an arm's length transaction. This value represents the full bundle of rights that are commonly transferred in a warranty deed.

What is a Limited Market Value?

The Limited Market Value is the market value subject to state mandated limits to the increase in the value from one year to the next. For the 2008 assessment, the Limited Market Value was the greater of a 15% increase or 50% of the difference between the 2008 assessment Estimated Market Value and the 2007 assessment Taxable Market Value.

For the 2009 assessment, the State Legislature discontinued Limited Market Value. Most of the market values for this year will be taxed at the Estimated Market Value amount.

What do appraisers look at when they inspect a house?

Appraisers from an assessor's office will look at many things on an inspection since anything that affects value is important to note. They may ask to view the interior of the home. Homeowners are encouraged to allow appraisers to view the interior since assessors may make value assumptions on items they cannot see.

On a residential inspection, appraisers look at items including square footage of the exterior, exterior wall and roof condition and type, foundation type, window type and condition, interior wall and floor finish and type, number of bedrooms and bathrooms, basement finish, sidewall heights, presence of mold or water damage, floorplan of the house, heating/cooling system, and other items. The items that contribute to value can change over time. Valuation adjustments can be made based on certain items when sales have shown that those items affect value.

How can my value change every year?

The market values can and often do change every year. We conduct reassessments and inspections at least once every five years. The state requires that we conduct a sales ratio study every year in every area of the county. These studies show if our market values are too high or too low. We then are often required to adjust our values to comply with the findings of the study. If the county chooses to ignore the study's results, the county may be

forced by the state to increase or decrease values after the appeal meetings. State increases or decreases may not be appealed by the property owner.

Why does my financing appraisal show a lower value than the Estimated Market Value?

Appraisals prepared by a private fee appraiser are often limited to a specific end use such as mortgage financing or settlement of an estate. They are different in nature and subject to different rules than appraisals done by the County Assessor's Office. The Assessor's Office does not prepare narrative appraisals with specific comparable sales for every single property in the county.

The effective date of assessor's appraisals are January 2 of each year and the supporting sales information is taken from the sales study period during part of the two years prior to January 2. To clarify, the 2008 assessment Estimated Market Values have an effective date of January 2, 2008. The sales to support this Value are taken from October 2006 to September 2007.

If your financing appraisal has an effective date of June 2008, it may reflect a market change that the assessor's value does not reflect since it's an older appraisal.

Does my Estimated Market Value include the value of timber?

Our appraisals do not include the value of timber or any crops. As of the 2009 assessment, we don't value timberland differently from open land. A timber classification reflects the use of the property and not that there are trees valued on the property.

What is a Classification?

The Classification of the property usually means the use of the property as of the assessment date. In the case of vacant property that doesn't have a clear use, the classification typically is the highest and best use of the property. This may mean that a vacant lot that has central business district zoning is commercial classification. Classification for property tax purposes can and may be different than a zoning classification.

If my value goes up does that mean the county collects more in taxes?

Not necessarily. The amount of tax collected is determined by the State Legislature, County Board, School Board, Township Board, City Council, and other elected officials. The County Board has the key role in setting the property tax levy at the county level. Your Taxable Market Value determines what share of the tax burden or what size of piece of the pie you will be responsible for as a taxpayer. It is possible and not uncommon for a person with an increasing market value to have a decreasing property tax bill.

What do I have to do to claim homestead?

To receive the homestead classification, you need to fill out an application with the County Assessor's Office. The property needs to be your principal and primary residence. If there is a question about your residency, the office staff

may ask to see and verify items such as a driver's license, utility bills, voter's registration, or other documents and a property inspection may be made. Your Social Security Number is also required on all applications.

Usually, only one homestead is allowed per property owner. A second homestead can be obtained for qualifying relatives and spouses under special circumstances. Contact the County Assessor's Office for more information on relative, spousal, and special agricultural homesteads.

Homestead classification can provide a significant reduction in the property tax bill on a parcel, especially when the property is agricultural. State Law provides for substantial penalties for misleading or lying to government officials to reduce tax obligations.

Who oversees the assessor's work?

The Minnesota Department of Revenue and the Commissioner of Revenue oversees and audits the operations of each County Assessor's Office. As mentioned above, sales ratio studies are conducted to check sales against our current Estimated Market Values. If the median sales ratio is high or if properties are consistently overvalued, the state will expect the assessors to reduce values in an area. The opposite is true for low ratios and the undervaluing of properties.

The County Assessor also reports to the County Board. The County Board funds the operation of the office, approves staffing levels, and sets policies that affect the how the office runs.