

FOR IMMEDIATE RELEASE

### **Property valuations reflect current strong market**

March 15, 2022 – Otter Tail County, MN– Approximately 65,000 property valuation notices will be mailed to Otter Tail County property owners starting around March 24. Generally, property owners may see increases of 10-30% depending on the type of property they own. The increase in property values does not necessarily mean that taxes will rise 10-30%.

#### Background

The valuation notices provide the estimated market value and property classification for the 2022 assessment for property taxes payable in 2023. The estimated market values are based on property sales that occurred from October 1, 2020, to September 30, 2021. The real estate market has been extremely strong in Otter Tail County due to high demand, record low interest rates and a low inventory of properties. Homes are selling quickly and regularly for more than the listing price.

“The increases in property values are unprecedented,” said Kevin Scheidecker, County Assessor. “It is most likely not to happen again next year.”

#### What this means for property owners

The State of Minnesota is seeing estimated market value increases on most property types including recreational land, agricultural land, commercial/industrial and residential/seasonal. It is important to remember that increasing property values does not mean the taxing jurisdictions (cities, school districts, townships, counties) are collecting more revenue. The value is used to determine a parcel’s share of the total tax bill that needs to be collected based on the budgeting of those jurisdictions.

In other words, if the 2023 budgets of cities, townships, and the county stay the same or minimally increase for 2023 then taxes paid by property owners will not rise at the same rate as the value. Property taxes are decided based on the budget that needs to be met.

#### What action property owners may take

The valuation notice will explain how to appeal and whether your appeal will go before a Local Board of Appeal or directly to the Assessor’s Office. Local Boards of Appeal begin meeting on April 4 and run through April 21.

Scheidecker explains, “This is the time of year to appeal your value and classifications for taxes payable in 2023. Once you receive your tax statement in November it will be too late to appeal.”

If you have questions about your value and classification or wish to appeal, please call the Otter Tail County Assessor’s Office at 218-998-8010.

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