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Just Value and Real Estate Taxes

If you own real or personal property in Florida you will or have received a notice of the proposed assessment and estimated property taxes for the year of 2004.

As citizens of this great country we are obligated to pay taxes to support our government. However, we only have to pay our fair share and in the case of property taxes our fair share is based on the assessed value or "Just Value" of the real estate.

In most countries there are four types of taxes, a sales or value added tax, use tax, income tax and ad-valorem (according to value) tax. Because the sales tax is based on the amount of the transaction, the use tax is based per item and the income tax is based on your income these are difficult to dispute or reduce.

However, because the ad-valorem tax is based on the assessed value of the property and is determined by government, it can be appealed. In Florida the Property Appraiser Office establishes the assessed value of real property each year. Although they do an outstanding job, if there are errors and differences of opinion, as to "Just Value" it is the responsibility of the taxpayer to bring them to the attention of the Property Appraiser Office.

You are lucky if you own your home because the annual increase in the assessment on single family/owner occupied homes is limited to the lower of 3% per year or the Cost of Living, but only if you have obtained a Homestead Exemption. To obtain the Homestead Exemption you must be an occupant and owner as of January 1st of the tax year. Then the following year the increase in the assessment is limited to a maximum of 3% per year.

Because of the limitation on the assessment increase in homestead property it is reasonable to expect the assessment of all other properties to bear an increasing burden of paying for government services. Real estate taxes can be the single largest expense of commercial property.

As a property owner or real estate agent you should make sure that you and all your clients have filed for Homestead Exemption on their homes. To check on the status of the Homestead Exemption go to:

http://www.miamidade.gov/pa/Property_Search/ASP/record.asp

If you find you do not have Homestead Exemption you can obtain an application on the 7th Floor of the Government Center Building 111 NW 1st Street, Miami, Florida or obtain an application on line go to:

<http://www.miamidade.gov/pa/Exemptions/Homestead/application.htm>

If you feel the assessment is above "Just Value" you can obtain a appeal petition on the 17th Floor of the Government Center Building or to find the answers to frequently asked questions "FAQs" go to the Value Adjustment Board Website at:

http://www.miami-dadeclerk.com/dadecoc/VAB_FAQs.asp

to obtain an appeal petition on line go to:

<http://www.miami-dadeclerk.com/dadecoc/Web-Forms/VAB/481-PETITION-2004.pdf>

Keep in mind that the deadline to line an appeal is the September 20th. Remember it is up to you the taxpayer to pay only your fair share based on the "Just Value" as of January 1st.

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