



Assessed Values, Market Values, and Taxes

January 20, 2022

Billie Selby, Dubuque County Assessor
and
Troy Patzner, Dubuque City Assessor

Tax Cycle Timing

- 1/1/2021 Assessed value established
 - (Construction and changes made during 2020 calendar year)
- 9/24/2021 – Final equalization orders are issued
 - (Multi-Residential parcels outside DBQ +9%)
 - (Agricultural Land and Buildings outside DBQ -7%)
 - (Agricultural Land and Buildings in DBQ -10%)
- 10/27/2021 – Rollback established for each classification
 - Rollback is applied and Taxable Values are now known
- 7/1/2021 through 6/30/2022 – Ownership and accrual period
- Jan-Feb-March of 2022– Budget hearings determine revenue needs
 - Revenue needs will determine the levy rate
- July - August 2022 – tax bills are calculated and mailed to owners
- Tax bills are due in Sept 2022 and March 2023

Why do taxes increase on a property?

- Primary reasons:
 - Increase in governmental spending
 - Individual value change with a parcel(s)
 - Tax burden “shift” between different classes of property (Agricultural, Residential, Multi-Residential, Commercial, Industrial, Utilities and Railroads)
 - It will happen this year due to revaluation, equalization orders and rollback changes

Revaluation notes on Residential and Ag Dwellings

- 2021 was a reassessment year, and there were significant assessed value changes made in both the city and county.
 - Outside DBQ, the average increase in assessment is 7.3%. Inside DBQ the average increase is 8.9%.
 - These are only averages. Some individual changes will be much larger depending on the sales in each area of the city or county.
- The rollback will still play a roll in tax calculations. This year, Residential parcels will receive a 54.13% rollback factor. Last year the rollback was 56.41%.
 - Let's look at how this will affect taxable values....

Residential parcels (and agricultural dwellings)

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	100,000	0.564094	56,409
This year	108,100*	0.541302	58,515
% of change	+8.1%	-4.0%	+3.7%

*Avg. of City and County % Change

Revaluation notes on Agricultural parcels

(Based upon a productivity value: 2015 - 2019 crop years)

- Most counties in Iowa saw a reduction in agricultural assessed value. (The average decrease was 2.5%)
 - Assessed values throughout the city and county went down an average of -5.1%.
- Due to this statewide decrease in assessed values, and the requirement that the rollback factor must allow a 3% statewide growth, the Ag rollback will go to 89.04% (from 84.03%).
 - Let's look at how this will affect taxable values....

Agricultural parcels - (Based upon a productivity value – 2015 through 2019 crop years)

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	100,000	.840305	84,031
This year	94,900	.890412	84,500
% of change	-5.1%	+5.96%	+0.5%

Revaluation notes on Multi-Residential

Consists of apartment buildings, manufactured home parks, and nursing homes properties. It also includes areas in commercial buildings used for apartments (typically the second floor of a downtown retail building.)

- Inside DBQ assessed value increases averaged 3.4%.
- Outside DBQ assessed value was increased by 9.7%
- This year, Multi-Residential parcels will receive a 63.75% rollback factor. Last year the rollback was 67.5% which represents a 5.6% decrease in the taxable value for parcels with this classification.
- Multi-Residential properties will become Residential for 2022
- This reduction in taxable value is unreimbursed by the state.

Multi-Residential parcels

- Taxable value calculation example

	Assessed value	Rollback	Taxable value
Last year	100,000	.6750	67,500
This year	106,600	.6375	67,958
% of change	6.6%	- 5.6%	+0.7%

* Avg. of City and County % Change

Revaluation notes on Industrial parcels

- On industrial parcels, there were no widespread assessed value changes, only parcel specific changes.
- The rollback factor on this classification remains at 90%, with the state reimbursing **most** of the difference between the 90% and the historical 100% factor.
- Last year the county received \$ 767,873 in reimbursement from all classes, a decrease of \$40,000 from the previous year. This amount will continue to go down until it reaches due to new legislation passed last year.

Revaluation notes on Commercial parcels

- Inside DBQ assessed values were increased an average of 0.5%.
- Outside DBQ, parcels in this class had an overall 0.7% increase in the assessed value due to revaluation.
- Like last year, the rollback factor remains at 90%, with the state reimbursing most of the difference between the 90% and the historical 100% factor.
- The reimbursement discussion/concerns for this classification is the same as Industrial.

2021 Overall Assessed Value Changes...

- Agricultural – County & City: -5.2%
- Residential & Ag Dwellings - Dubuque City: +10.3%
- Residential & Ag Dwellings – Rest of the County: +8.7%
- Multi-Residential – Dubuque City: +2.9%
- Multi-Residential – Rest of the County: +19.9%
- Commercial - Dubuque City: +2.2%
- Commercial – Rest of the County: +4.1%
- Industrial – Dubuque City: no change
- Industrial – Rest of the County: +2.2%

Assessed Value added for 2021 due to **new construction**

(Partially Exempt and properties in TIF Districts are included)

	Dubuque City	Other Cities	Rural
Agricultural	138,890	9770	731,580
Ag Dwellings	0	160,240	5,091,730
Residential	17,862,870	24,781,660	18,143,947
Multi-Res	845,790	6,441,711	28,540
Commercial	19,062,880	7,587,599	5,051,606
Industrial	67,880	3,304,320	0

2021 Total = \$109,311,243

2020 Total= \$98,405,109

10 Year review of taxable value changes

● 2012	4.352 billion	
● 2013	4.564 billion	+4.9%
● 2014	4.619 billion	+1.2%
● 2015	4.875 billion	+5.5%
● 2016	4.998 billion	+2.5%
● 2017	5.253 billion	+5.1%
● 2018	5.405 billion	+2.9%
● 2019	5.580 billion	+3.2%
● 2020	5.728 billion	+2.7%
● 2021	5.938 billion	+3.7%

Taxable Values by Class 2020 & 2021

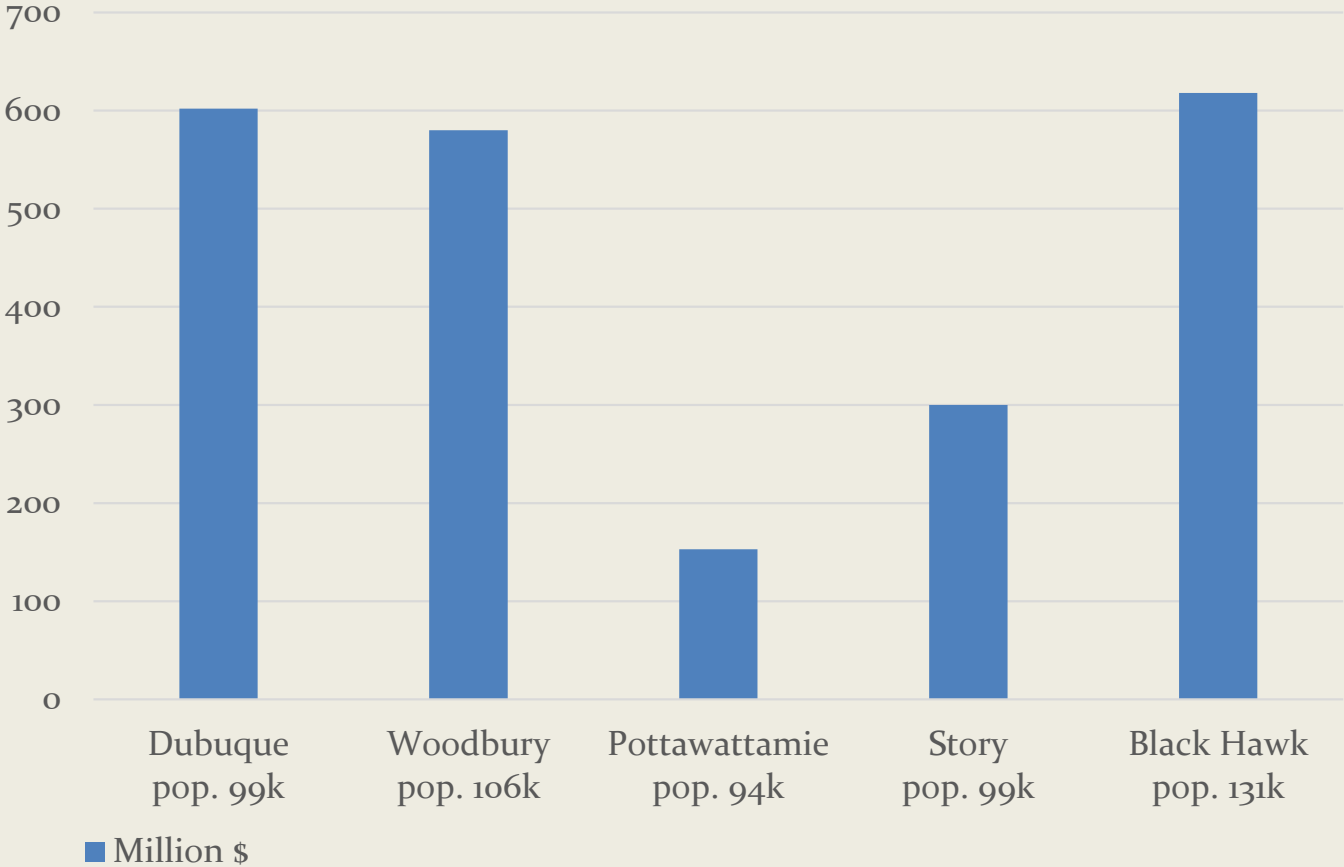
Year	Agricultural Land & Outbuildings	Residential (Includes Ag Dwellings)	Multi-Residential	Commercial	Industrial
2020	\$385,755,960	\$3,279,612,795	\$161,758,991	\$1,009,054,545	\$179,653,811
2021	\$388,988,095	\$3,412,164,623	\$161,369,618	\$1,033,147,841	\$182,512,098
Diff.	\$3,232,135	\$132,551,828	-\$389,373	\$24,093,296	\$2,858,287
% Change	+0.8%	+4.0%	-0.2%	+2.4%	+1.6%

How much is re-directed to TIF?

● 2012	428 million	
● 2013	496 million	+15.9%
● 2014	475 million	-4.2%
● 2015	519 million	+9.3%
● 2016	527 million	+1.5%
● 2017	443 million	- 15.9%
● 2018	488 million	+10.2%
● 2019	538 million	+10.2%
● 2020	550 million	+2.3%
● 2021	602 million	+9.4%

Comparison to other counties

Value re-directed to TIF



New Legislation

House File 418

- Reclassifies Multi-Residential as Residential beginning with January 1, 2022 valuations.

Senate File 619

- Reduction and eventual elimination of the Commercial and Industrial backfill.

Looking Ahead

- **2022-** Most properties will not see a valuation change since it is not a revaluation year.
- Agricultural
 - Agricultural land and outbuildings are assessed on a productivity approach and are not directly tied to market value changes (increases or decreases). They are reassessed using this method every odd numbered year.
 - 2022 assessments will keep the existing 2015 through 2019 crop years, so the only major change will be the rollback adjustment which should increase the taxable value about 3%.

Looking Ahead

- Residential:
 - During 2021 home sale prices have been on a steady increase.
 - In Dubuque, assessed value are 17.2% below sale prices.
 - Outside Dubuque, assessed values are 12.5% below sales
 - The East Central Iowa Association of REALTORS® have reported similar findings. The number of homes sold in the Dubuque and surrounding area was up 7% from the prior year. The average sale price increased 8% during 2021 .

Looking Ahead

- Commercial and Industrial:
 - Backfill rates will continue to drop until eliminated completely (FY 2029 in Dubuque)
- Multi-Residential
 - For 2022 Multi-Residential now becomes part of the Residential classed properties. The rollback will now match other Residentially classed properties.



Questions??