

FRANKENLUST TOWNSHIP



ASSESSOR - ANISSA ZAUCHA

Annually the Assessor shall prepare an Assessment Roll that describes all taxable real and personal property in the Township as of December 31st and its assessed and taxable values. The property tax is based on two elements; the value of the property, and the millage rate at which the values are taxed. The value of the property is determined through the assessing process. Millage rates are determined by authorized Government units and voter approved mileages. Property taxes are charges to taxpayers for the costs of Governmental programs and services that benefit the general public and to finance public improvements, such as road projects.

ASSESSOR HOURS:

- Thursday 9:00 AM - 1:00 PM
- Walk-ins are always welcomed within these hours OR appointments can be made in advance.

CONTACT INFORMATION:

Office: (989) 686-5300

Email: assessor@frankenlust.com

FRANKENLUST TOWNSHIP ASSESSING INFORMATION

PRINCIPLE RESIDENCE EXEMPTION:

The "Principle Resident Exemption" allows you to be "exempt" from the 18 mill "School Operating" tax on your summer tax bill. If you own and occupy the home as your "Principal" residence you should qualify. Look on your tax bill at the Tax Detail section. You'll see PRE/MBT%. If that is followed by a 0%, it means you're not getting the exemption. If you have a question or are unsure if you are eligible, please contact the assessor.

ASSESSING VALUATION CHANGE:

You may notice a substantial increase in your Assessed Value. The State Tax Commission has adopted a new valuation platform. Beginning with 2019 the Tax Commission has mandated that all assessing software vendors use MMSVP (Michigan Marshall Swift Valuation Platform). This program uses the raw data in our system and applies building costs by Marshall Swift, which is the leading provider of building cost throughout the USA. I've noticed a building previously valued at \$600,000 now being valued at \$730,000. This is scary when it first happens but realize that this effects only the Assessed Value, not the Taxable Value. The Taxable Value would change only if there is new construction on the parcel or if the property is sold and thereby uncapped. Assessed values are still adjusted to local Values by the Economic Condition Factor which should keep values reflective of true cash values



EQUALIZATION DEPARTMENT

If you would like to know more about how the Assessing and Equalization process affects you and your property taxes, please check out our brochure at: [Assessing & Property Tax Brochure](#)

The Inflation Rate Multiplier (IRM) for the State in 2022 is 3.3%. This is used in calculating your Capped Value for the year.

- Each property has a Capped Value. Capped Value is calculated by multiplying the prior year's Taxable Value, with adjustments for additions and losses, by the IRM as calculated by the State of Michigan and cannot increase by more than 5%.
- Taxable Value (TV), which property taxes are based on, is defined as the lower of State Equalized Value or Capped Value.
- Generally speaking, this means that unless the current year SEV is less than the previous year Taxable Value multiplied by the IRM, the current years Taxable Value will increase by the IRM.
 - $SEV = 50\% \text{ of True Cash Value}$
 - $Capped \text{ Value} = (\text{Prior TV} - \text{Losses}) \times (1 + \text{IRM}^*) + \text{Additions}$
 - Percent of change is the rate of inflation or 5%, whichever is less, expressed as a multiplier
 - $\text{Taxable Value} = \text{The lesser of State Equalized Value (SEV) or Capped Value unless there is a transfer of ownership.}$

New property owners:

1. In order to receive the Principal Residence Exemption, you will need to file the form with the local Assessor's Office. *A Principal Residence Exemption (PRE) exempts a residence from the tax levied by a local school district for school operating purposes up to 18 mills. To qualify for a PRE, a person must be a Michigan resident who owns and occupies the property as a principal residence.*
 - Michigan Department of Treasury Form No. 2368
 - [Form 2368](#)
2. It is the responsibility of the buyer in a transfer to file a Property Transfer Affidavit with the Assessor's Office within 45 days of the transfer.
 - Michigan Department of Treasury Form No. 2766
 - [Form 2766](#)
3. Changes of ownership may or may not affect your property taxes depending on whether the conveyance is considered a transfer of ownership.
 - If you purchased your property in 2021, the Taxable Value may have "uncapped" to the SEV for 2022.
 - Example: In 2021 Taxable Value of 18,402. SEV and Taxable Value for 2022 of 43,500.
 - Transfer of Ownership Guidelines
 - [Transfer of Ownership](#)

Bay County Equalization Department
515 Center Ave, Ste. 212
Bay City, MI 48708

(989) 895-4075

www.baycounty-mi.gov/Equalization