

## **What is the current real estate tax rate?**

The current tax rate in Dinwiddie is .84 per \$100.

## **How often is the ownership data updated in the system?**

Deeds and Wills are reviewed and processed every work day by the commissioner of the revenue.

## **How was my real estate value determined?**

Most properties are valued using the sales comparison approach. This method compares your property to others that have sold recently. These sales must be verified by the assessor to determine that they are valid arm's length transactions, which is what a willing buyer is going to give a willing seller for the property.

## **Why did the value of my home change?**

The Assessor did not create the value of your home. People make value by their transactions in the market place. The assessor simply has the legal responsibility to study those transactions and appraise your property accordingly.

## **What is Market Value?**

The definition of "market value" provided by USPAP:

"The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- \* buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their best interests;
- \* a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- \* the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

† Uniform Standards of Professional Appraisal Practice, 1997 ed (Washington, D.C.: Appraisal Foundation 1997), p155

## **Why must Real Estate be taxed at Fair Market Value?**

Article X § 1 of the Constitution of Virginia requires that all property shall be taxed, except as provided. Article X § 2 of the Constitution of Virginia requires that all assessments of real estate and tangible personal property shall be at their fair market value. Using fair market value as the assessment spreads the total cost of government among all taxpayers, based on the market value of the property taxed.

## **How often is property reassessed?**

The County is required by State Code to reassess real property at least every six years to bring values back to fair market value (58.1-3252). Dinwiddie County's last reassessment was effective January 1, 2019. Failure to reassess real property as required will result in a significant decrease in the County's Public Service Corporation revenue.

## **If I add a new addition to my home, will it immediately increase the value?**

Values increase between general reassessments when the homeowner builds additions, decks, garages, etc. When the Commissioner of the Revenue gets the Building Permit, she visits the property and assesses a new value and a new notice of such value is sent to the owner.

## **How is real estate tax calculated?**

The 2024 tax rate is \$0.84 per \$100 of assessed value. To compute the real estate tax on a property assessed at \$100,000, divide the assessed value by 100 and multiply by the tax rate:  $(\$100,000 \div 100) \times \$0.84 = \$840.00$

## **If my taxes are paid through my mortgage escrow, do I have to do anything with this new assessment?**

Yes. You should notify your mortgage company of your new assessment. Ask that they adjust your escrow account accordingly. Otherwise, your mortgage company will not be notified of any change in your tax amount until they receive the next tax bill. This could create a shortfall in your escrow account balance, potentially affecting your mortgage payment.

## **How will this affect my taxes?**

General reassessments are not designed to be a county-wide tax increase. This process is intended to align each property's value with its current market value. Thus, the tax burden is more fairly and equally spread among all property owners. The law ensures that a general

reassessment cannot be blamed for an increase in taxes. Once the reassessment is complete, state law requires that the tax rate be adjusted and equalized to render the revenue-neutral. It is the responsibility of the Board of Supervisors to determine the budgetary needs of the County and the tax rate necessary to effectively meet those needs. If deemed necessary, the Board may propose a tax rate that generates more than 101% of the previous year's tax revenue by advertising and conducting a public hearing separate from the annual budget meeting.

## **Is it possible to view my neighbor's assessment?**

Yes, real estate books containing information on all taxable property will be available for public use on-site at the hearings location and the Commissioner of the Revenue's office.

## **Can I obtain a copy of my real estate assessment card?**

Yes, real estate records are public information and can be obtained through the office of the Commissioner of the Revenue.

## **If I no longer own this property, what should I do with the notice?**

§58.1-3330 (c) of the Code of Virginia requires you to forward the notice to the new property owner.

## **What are my rights and responsibilities?**

If there is a question about the property value after you receive a notice of general reassessment, you may call the telephone number listed on the notice and schedule a time to review the valuation. There are three steps available in the appeals process. The first step is to appeal to the Assessors. The Assessors are the individuals who originally placed the value on your property. The Assessors are responsible for reviewing assessment questions relating to accuracy, fairness, and equability. Most issues are resolved at this stage. If you are unable to resolve your issue with the Assessors, another step is an appeal to the Board of Equalization. Dinwiddie County's Board of Equalization (BOE) consists of three or four (3-4) members who are appointed by the Circuit Court of Dinwiddie County to determine if the assessed value is true to market value and equitable to similar properties. When filing a formal appeal the burden of proof is on the property owner to show that the assessor has erred by providing evidence that the appraised value does not reflect market value and/or uniformity. Evidence should consist of sales of comparable properties in the area or information on conditions of the property not previously known to the assessor. If the appeal is based on conditions of which the appraiser was not aware, adequate documentation is required to support the claim. The final level of appeal is to the Circuit Court of Dinwiddie County. The taxpayer can apply directly to

the Circuit Court of Dinwiddie County without appealing to the Assessor or Board of Equalization.

## **I just had my property appraised. Will that help me in the hearings process?**

Any materials that may assist the assessors in gaining an accurate portrait of your property may be used to support your position at the hearings. For an appraisal to accurately reflect market conditions, however, it must have been conducted within 6 months of the reassessment notice.

## **What can I do if I need more information, or if I disagree with my assessment?**

We encourage you to contact Wampler-Eanes at 1-800-213-7314 to discuss your assessment questions. You may also appeal to the BOARD OF EQUALIZATION concerning the reassessment.

## **What is the difference between sale price, appraisal, and assessment?**

Sale price is the actual price a buyer pays for a particular property.

An appraisal is a detailed single property valuation, and may be obtained any time throughout the year. Appraisals can have a variety of purposes, e.g. mortgage loan, sale, home equity loan, and estate valuations. The County does not do individual appraisals of this type.

## **My house is under construction and only partially complete. Why are you not waiting until it is complete to assess me?**

New construction that is not fit for occupancy can be assessed at its value reflecting the percentage of completion (e.g. 50%, 75%, etc.) effective January 1st of the tax year. When the new construction is substantially completed and/or fit for use it is picked up at 100% assessment for the remaining months of the year

## **How can you tax an outbuilding that has no electricity and is not livable?**

The assessed improvement value is the sum of the value of all the structures on your property. Outbuildings such as sheds, barns, and detached garages add functionality and utility to your property, thereby increasing the market value of your parcel.

Additionally, the Virginia State Code section, §58.1-3281, requires *the commissioner, before making out his land book, shall assess the value of any building and enclosure not previously*

*assessed, found to be of the value of \$100 and upwards. The value shall be added to the value at which the land was previously charged.*

## **I live in a manufactured home, what is the “Improvement Value” that I am taxed for?**

Manufactured homes are taxed as personal property unless they have been converted over to real estate through a formal application process that begins with the Clerk of the Court and concludes with the Commissioner of the Revenue. Prior to conversion, anyone who owns their own land and places a manufactured home on it will receive a real estate bill for the assessed value of the land and any improvements i.e. porches, decks, paved driveways, outbuildings, etc. The land and improvements are taxed as real estate, and the manufactured home is billed separately as personal property at the real estate tax rate.

## **How can my land value increase at a faster rate than my house?**

As more and more land is developed, the supply of available vacant land decreases, driving the sales prices of land higher. As sales prices of land increase, so does the subsequent value of all land, improved or unimproved.

## **How can a property be assessed for more than its purchase price?**

Real Estate may be assessed for more than the purchase price because the assessment reflects “fair market value”. Fair market value is not necessarily the price paid for a piece of real estate, but rather, what it is worth on the real estate market at the date of measurement. Since the market value is determined at a place in time, market value continues to change after a sale takes place. Values also change, and the property value may have gone up since the purchase. This is especially true if a piece of real estate was purchased several years ago, or if a person happened to get a good buy because of a distress sale condition. Assessed value should represent fair market value at the time of the reassessment, which may or may not be the same as the purchase price or a real estate sales price.

## **Is there a law that prevents assessments from changing more than a certain amount?**

The Constitution of Virginia requires real estate assessments to represent fair market value. There is no provision to limit the amount of change from one reassessment cycle to the next reassessment cycle.

## **Why is my assessment changing?**

There are many reasons for a change in property value. The most obvious reason is that real property usually appreciates in value over time and the purpose of a general reassessment is to measure that change and update the fair market value. Value changes can also be created by additions, alterations, or demolitions. The real estate market is in constant change. In 2023, the commissioners' real estate staff recorded 1,142 transfers from one owner to another; 544 assessments due to new construction and/or additions; and 123 parcel map changes. All of this activity defines the market. Every sale, parcel map change, or structural improvement is recorded and used to determine a change in the fair market value of the real estate market. Even though market value changes all the time, the rates used to arrive at assessed value are not changed until the next general reassessment. It is important to note that the assessor in charge of analyzing data for a general reassessment does not create the value. Citizens establish value by buying and selling real estate in the open market. The assessor's legal responsibility is to determine the fair market value of the property and to ensure uniformity and equity among all properties.

## **Why have I received a notice of assessment change?**

In accordance with Section 58.1-3330 of the Code of Virginia, you are provided this notice as an official statement of the assessed value of your real property for local tax purposes. The real estate assessment represents the estimated fair market value of your property. This notice is not a tax bill. The assessed value provides the basis for your real estate taxes that will be due on June 5 and December 5 annually.

## **Why was an outside firm hired to perform the reassessment?**

The general reassessment process is very labor and time intensive. The entire process takes between 18 and 24 months to perform and requires that an assessor physically visit and assess every parcel in the county. To perform this task internally, additional full time staff and resources would be required. Using economies of scale, an outside firm that specializes in such work can perform the reassessment at a greatly reduced cost to the county.

## **When are assessments effective?**

Property is assessed as of January 1, each year. The tax rate is set by the Board of Supervisors as part of the budget process during the 1st Quarter of the year. This occurs after the County's budgetary needs are reviewed and after public hearings are conducted. The real property tax is part of a well-balanced revenue system that enables county residents to share in the cost of police and fire protection, public education, parks and recreation, and other services.

## **What Real Property is taxable?**

All real property in Dinwiddie County is subject to taxation except properties that are specifically exempt under Article X § 6 of the Constitution of Virginia; or property classified or designated as exempt under Section 58.1-3600 of the Code of Virginia; property owned by the county, state or federal governments; and property used for religious, charitable, educational, cultural or recreational uses which are considered non-taxable. Properties may also be subject to exemption by county designation.

## **Why tax Real Property?**

When you call the police or fire department, play in a park, send your children to public school, check out a book at the library, you are using services paid for by your property taxes, and much more. Property taxes are the largest source of revenue to fund these services that you count on every day. For more information about Dinwiddie County's budget and the services funded by your property taxes, visit [www.dinwiddieva.us](http://www.dinwiddieva.us).

## **Why is Real Property assessed and reassessed?**

The Office of the Commissioner of the Revenue is responsible for administering all the county ad valorem taxes. An ad valorem tax is a tax based on the value of the taxable item. Real Estate is the best example of an ad valorem tax. Article X, § 4 of the Virginia Constitution sets aside real estate for local taxation only.

Virginia Code §58.1-3201 states: All real estate, except that exempted by law, shall be subject to such annual taxation as may be prescribed by law. All general reassessments or annual assessments, in those localities which have annual assessments of real estate, shall be made at 100% fair market value.

## **What if I see a factual error on my property record card?**

Please let the Commissioner of the Revenue's office know. Inaccuracies with the property records are not intentional and are typically the result of clerical error or unknown changes made to the property. Please note that the taxpayer's opinion of a high assessment does not constitute a factual error. Factual errors can include, but are not limited to, inaccurate information regarding square footage, construction details, special conditions on land, etc.

## **Do all assessments change at the same rate?**

No. There are many factors that determine the fair market value of a home. Assessments in one area can rise while assessments in another area can remain the same or even decline even within a single jurisdiction such as Dinwiddie County. There are numerous factors within an

area that can determine the rate at which an assessment will change. These factors can include, but are not limited to: location, condition, size, quality, bed and bath count, etc.

### **Do assessors go inside the home during an inspection?**

No. Reassessments are based upon finding each property's equitable and fair share of the real estate tax burden. That is to say every taxpayer is assessed on an equal basis. The time and resources are not available for every home to have an interior inspection. Invasion of privacy is also a consideration. Certain exceptions apply if the assessor is invited into the home to review abnormal depreciation or other factors that could influence the assessment. An assessor obtains interior information through taxpayer correspondence and available historical data.