

MADISON

Madison County holds town halls to explain 1st post-COVID home revaluation process



Johnny Casey

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HOT SPRINGS - Madison County commissioners and the county management team are hosting five town halls to inform homeowners on the process involving the 2024 home property revaluation, the first post-COVID.

The last revaluation occurred in 2020.

County Manager Rod Honeycutt and County Tax Assessor Diana Norton joined with the five county commissioners –Chair Matt Wechtel, Vice Chair Michael Garrison, Bill Briggs, Jeremy Hensley and Alan Wyatt – to meet residents in Spring Creek, Laurel and Marshall, with additional meetings scheduled for Beech Glen and Ebbs Chapel Community Centers on Feb. 6 and Feb. 15, respectively.

The News-Record & Sentinel was on hand at the Jan. 31 town hall at Laurel Community Center in Marshall.

"The reason we're here, the state came in and had found our home values were below market value, and we were selling them higher," Honeycutt said.

"Home prices, property prices are going to increase. The mill rate will be reduced. We have to remain revenue neutral by statute. That means that we're pretty much locked in to the \$32 million budget that we had last year. The property taxes last year were \$12.6 million, so we'll be right around the same."

In its 2023-24 budget, the county's property tax rate is 50 cents per \$100.

Roger Kelley is a program manager with Tyler Technologies, the organization that has been contracted by the county to perform the appraisals.

"We've taken a look at the market and the costs, calibrated the computer system appraisal systems that the tax office has used in order to value the properties, and now we're just going through and looking for anomalies," Kelley said.

Kelley said one of the anomalies was an error in the system that led to a carport being valued at more than \$50,000.

"We're trying to figure out why this number's jumping out there. There's something in the scheme of things that we have to find, and it's a matter of just breaking it down, step by step through the process. So, we're looking for those anomalies.

"Once we finish and we send out the notices, at that point in time, it's up to you to make a decision as to whether that value represents fair market value."

Kelley said Tyler Technologies, in collaboration with the county tax office, is using data from 2022-23.

"We've analyzed the sales, and we've made market adjustments for those," Kelley said.

The team use available data and property types in three appraisal methods, the most common of which is the sales comparison approach, which compares similar properties. The cost approach determines how much it would cost to replace a homeowner's property with a similar one, minus any depreciation.

Lastly, the income approach determines the value of income producing properties, such as apartments, based upon the amount of income the property generates.

While the county revaluation team makes its determinations, there are some properties where the team is unable to make a "physical touch" to appraise the property. In these cases, the team leaves a form for the property owner to fill out, detailing the number of bathrooms, type of heat, basements, fireplaces, or other "parts of the home that would attribute more value to the home," according to Kelley.

"Naturally, we get what we need from the property owner, but if nobody's at home, we leave a door hanger," Kelley said. "We give out a lot of them, but I was amazed at the number that are getting returned. I'm surprised. I'd venture to say we've given out 2,000 or 3,000, and we're getting about 12% returned. Typically they're either (discarded) or people bring them when they appeal."

The next step is notifying taxpayers of the values.

According to North Carolina General Statutes, the state defines market value as "the price estimated in terms of money at which a property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used."

Board of Commissioners Chair Matt Wechtel told The News-Record the county had previously performed property appraisals every eight years, but because the ratio of the county's home sales compared to property valuations skyrocketed post-COVID, the state strongly suggested the county perform a revaluation in 2024.

"So, we assume that we'll go back to the eight-year cycle, but a lot of that will be dictated by the sales ratios that we continue to see in the future. It's an expensive undertaking to do this. It costs a lot of money for the county, so we'd like to do it every eight years if we can, just from a money saving standpoint.

"But the flip side of it is, there would probably be a lot less 'sticker shock' if it were done more frequently, as compared to every eight years. The swing wouldn't be as dramatic, in theory."

According to Kelley County Tax Assessor Diana Norton, in 2023, there were more than 200 qualified sales in the county, which does not include sales among related people.

Appeal process

The Madison County Tax Office will mail revaluation notices to parcel owners in mid-March, according to Honeycutt.

The revaluation notice will contain specific details regarding when and who to contact to schedule an appeal, if warranted. If an appeal is requested by the property owner, the first step is to appeal to the County Tax Assessor, Diana Norton.

If the appeal is unable to be resolved by Norton, an appeal to the Madison County Board of Equalization and Review would then be made.

According to Honeycutt, the county Equalization and Review Board is composed of the county commissioners.

If the appeal is not resolved by the Madison County Board of Equalization and Review, it would go to the North Carolina Property Tax Commission.

A change in value can only be considered if the real property owner can provide appropriate documentation or evidence that the appraised value is substantially higher or lower than market value.

Supported appeal justifications include:

The new value is significantly higher or lower than the actual fair market value.

The new value is inconsistent with the values of similar properties.

Unsupported appeal justifications include:

A percentage increase or decrease from previous assessed value.

A percentage increase or decrease as compared to any area's average increase or decrease.

One's financial ability to pay any anticipated tax.

Kelley told The News-Record & Sentinel he hopes to have the appeals completed by the end of March.

Kelley encouraged property owners to ask questions about the process and a revaluation by emailing taxreval@madisoncountync.gov or calling 828-649-0765, or visiting the county tax office at 5707 U.S. Highway 25/70, Room 25 in Marshall.