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Public Comment for 9/12/24

3 messages

CONNIE JOHNSON <iamconniejohnson@comcast.net>

Tue, Sep 10, 2024 at 5:05 PM

To: "supervisor@cohoctahtownship.org" <supervisor@cohoctahtownship.org>

Cc: "david, johnson" <daveyj01@gmail.com>, "bffearclerk@gmail.com" <bffearclerk@gmail.com>, "kbarlettrealty@gmail.com" <kbarlettrealty@gmail.com>

9/10/24

To the Cohoctah Township Board of Directors,

Please accept this email for public comment. Due to previous commitment I am unable to make a public comment at the board meeting.

My name is Connie Johnson. My husband and I have been looking at homes in Livingston County for close to 2 years now. We decided on a home which is located at [6426 Oak Grove Rd](#), Howell MI, in Cohoctah Township. We put in a purchase agreement.

As part of my due diligence, I noted that the assessed value and the SEV taxes levied upon this property were well above market value. As such, I called the tax assessor and had a conversation with her about it.

To give context, the purchase agreement price was \$575,000 <current list price is \$625,000>. The SEV for the year 2024 is \$345,192. Cindy, the township assessor, told me that *when* the property transfer occurred following the sale, the uncapped amount would be \$ 365,900. When I commented that this amount was well above market value, she responded that assessment values do not follow the market and quoted the "market chasing" portion of the statute. However, I pointed out that the SEV maximum and assessed value maximum for a property that sells for \$575 000 would be at 50% or lower. The uncapped \$365,900.00 would be excessive based on the statute and the state constitution.

I've read the [State Constitution on taxation](#), as well as the [statute on assessment](#). I've read The [1997 bulletin number 19 from December 12th](#) regarding "Chasing sales" and assessing over 50% of true cash <market> value. The statute requires the appraiser to appraise at market value and not automatically assess at the SEV IF the SEV exceeds the market value. This practice is illegal under the constitution and the statute and clearly spelled out in the Bulletin 19 from 1997 <attached>. Cindy told me that they don't do that < consider market value>, but rather use the state equalized valuation provided by the state. When I informed her that that would be illegal, to not take into consideration the market value required by the statute, and raise the AV to above market value, this would also be illegal. She stated that this is how the state requires her to do it. I do recognize that there are other multipliers and factors within the prescribed formula for assessing

value. None of them preclude the baseline approach of first assessing True Cash value <which is market value>.

I had a conversation today, 9.10.2024, with Tammy, the township clerk who reiterated her support of the information given by the assessor. To my dismay, Tammy said she wasn't familiar with the process of valuation. She recommended that I speak to the Twp. Supervisor. Tammy also asked that I call the Livingston county equalization office. I did that. They reiterated that their office requires a proper assessment of each property by the township assessor based on the requirements of the state constitution and the statute.

I recognize that this is an issue better left to the appeals board. However, based on the fact that you have an assessor that deems it appropriate to operate outside of the statute, we were alarmed enough to pull our purchase agreement. Who wants to buy a house being over taxed by hundreds of thousands of dollars, hoping that the appeals board will remedy the issue? And if not, face a tax tribunal at the state level?

Additionally, Cindy made the comment that higher priced homes have higher taxes, perhaps we should consider a \$200,000 home instead. This comment was not appropriate. And it was certainly a distortion of the fact that a \$500,000 home should not be taxed as a \$700,000 home.

While I understand that an assessor's job is to take into consideration the valuation of the entire township and put into place the equalization efforts at the county and state level, it does not preclude that an assessor may ignore market value and misrepresent taxes on a single home based on instruction from the state. The assessor has a fiduciary responsibility to The township for whom she serves.

There are currently under 3100 residents in Cohoctah township, down from 3,200 in 2020. The median sales price of a home is just about \$300,000. The township has an average of 1 to 2 home sales per month. In 2023, 67 homes sold in Cohoctah Twp. This year that number is at 13 thus far. While this may be due to less inventory, it may also be due to improperly taxed homes. The average tax rate for the township is 1.2%, or \$2400 for an AV of \$200,000. This home, and others that have been recently uncapped are about 3 times that average.

I just wanted the board to be aware that there are definitely some areas of concerns in the area of tax assessments, enough so to deter our family from considering Cohoctah Township as our next home. Thank you so much for your time and consideration. Please feel free to reach out to me with any follow up you may have.

Blessings & Kind Regards,

