

# Many Iowa property valuations increase for 2021 assessments despite COVID-19 pandemic

It was believed by some that COVID-19 would have a negative effect on the value of real estate. However, this may not be the case. Due to low interest rates, reduced inventory and higher sales prices of property, some property owners across Iowa could see an estimated increase of 20% or more in their property tax assessments this year despite the COVID-19 pandemic. The question is, how did this pandemic and current market affect Harrison County values?

Assessment valuation is based on the market value of property, or an estimate of what it would sell for on the open market as of January 1<sup>st</sup> of the assigned year of assessment. An event like COVID-19 may or may not have an effect on value, and the Assessor's Office follows the market conditions appropriate to your area to determine what values should be.

Harrison County Assessor, Brenda Loftus, reports that residential value changes will vary based on location, but the average increase for the county will be approximately 13% (changes ranging from -11% to +20%). Based on the 901 residential sales that occurred in 2020, the median assessment level was 87.7% of market sales. The law requires assessors to maintain a 5% margin (from 95% - 105% median assessment level). The real estate market continues to trend upward with limited supply, overwhelming demand, and lower interest rates as confirmed by local real estate agents, appraisers, and lenders. Local builders have also experienced the trend of increase as they are seeing a continued rise in construction material costs. Land values have risen in response to individuals seeking rural living. One contributor could be the result of the increased ability to work remotely. All of these items have a direct affect on the market and consequentially, the assessed market value of properties in Harrison County.

The Harrison County Assessor's Office will be mailing assessment notices to all property classes on March 31<sup>st</sup> informing them of the January 1<sup>st</sup>, 2021 assessment. This new value will be the basis for property taxes payable in September of 2022 and March of 2023. These valuations will be used with tax levies set by the local taxing jurisdictions, such as the county, cities, townships, and schools, to determine property taxes.

To review assessment information, please visit the Assessor's website at <https://beacon.schneidercorp.com/?site=HarrisonCountyIA> and search for your property by name, address or parcel number. If property owners have questions or concerns about their assessment, they're encouraged to contact the Harrison County Assessor's Office at (712) 644-3101. Property owners can request an informal review with the Assessor from April 2 - 25, 2021. In addition, a formal petition to the Harrison County Board of Review can be made April 2 - 30, 2021. We highly recommend property owners contact the Assessor's Office as soon as possible to ensure timely processing of requests.

Paper form petitions to the Board of Review are available in the Assessor's Office at 111 N 2<sup>nd</sup> Ave, Logan; on the Harrison County Website at <http://harrisoncountyia.org/>; and on the Iowa Department of Revenue website at <https://tax.iowa.gov/iowa-property-tax-board-review>.

**New this year:** You now can submit an electronic petition and supporting documents directly to the Board of Review at <https://beacon.schneidercorp.com/?site=HarrisonCountyIA>. Search by name, address, or parcel number to find your property and access the electronic petition and demonstration video of completion process.

The Harrison County Assessor's office strives to have the most accurate and complete assessments for equitable distribution of taxes levied. If you feel there is an issue with information on your property, the Assessor's Office welcomes information updates. They continue to monitor the market changes as a result of the COVID-19 pandemic and any other positive or adverse factors.