

Black Hawk County Assessor

Tami A. McFarland, ICA

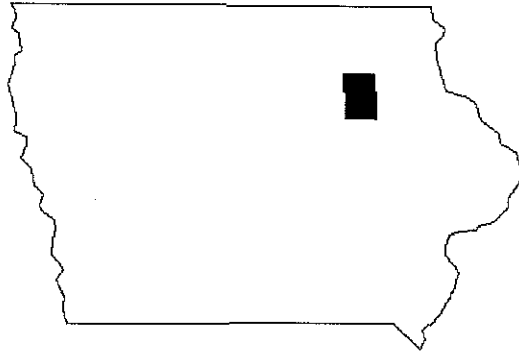
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Gary Heronimus, Deputy Assessor

OUR MISSION: To provide FAIR and EQUITABLE assessments to all property owners in Black Hawk County

April 10, 2009

Dear Property Owner:

We are in the process of sending out new assessment rolls for properties with a value adjustment made for the 2009 assessment year, which is for taxes payable in the fall of 2010 and the spring of 2011. This letter is to give an explanation of what has taken place to determine the new assessment on Agricultural properties within Black Hawk County for the 2009 assessment year.

The productivity value per acre, determined for 2009 (\$1,428.29/acre) is a 42% increase from last year's value. Iowa Code only allows the statewide taxable valuation to increase by 4% each year. In order to keep the statewide valuation from increasing by more than 4%, a percentage factor, called a rollback, is applied. With the 2009 statewide Agricultural valuation increase averaging about 50%, the projected rollback will be around 65%, down from the current 93.8568%. All 99 counties in Iowa are receiving an increase; they range from 21% to 71%.

The Ag formula is calculated by the Iowa Department of Revenue on a county-by-county basis using a five-year rolling average of expenses and income as determined by the USDA (currently 2003-07). Every two years the formula is recalculated to determine if an adjustment is needed. Once the productivity value per acre is determined, it is multiplied by the total number of taxable Agricultural acres in the county, which results in the countywide total value for all Agricultural land and buildings. Once the percentage of change has been determined, the assessor has options on how to apply it to the existing land and building values as long as the aggregate adjustment is equal to the amount determined by the formula. In Black Hawk County for 2009 the adjustments we made decrease the building values and increase the land values. This method is being applied under the direction of the Iowa Department of Revenue to comply with implementation of new rules for how Iowa Assessors value farm buildings. Either we make the adjustments now or the Iowa Department of Revenue will issue equalization orders later this year, which would have the same end result.

On some parcels a property owner may see a decrease of the total assessment. The actual impact on taxes you will pay in the fall of 2010 and the spring of 2011 will not be known until the actual rollback factor has been determined and applied and the local officials decide applicable levy rates.

I hope this information is helpful to you in understanding the changes in your 2009 assessment.

Tami McFarland
Black Hawk Co. Assessor