

## **City Q&A: Property Taxes and Your Valuation Notice**

### **Why do we need property taxes?**

If you live in the City of Red Wing, your local property taxes go primarily toward three major entities: the City of Red Wing, Goodhue County, and the Red Wing School District. The City portion helps fund local services such as the fire and police departments, the library, snow plowing, and park maintenance, along with local infrastructure projects such as streets, sidewalks, and bridges. The County portion contributes to Goodhue County services like public health, county infrastructure projects, and social services. The school district portion goes toward funding staff, equipment, programs, buildings, and more for our schools.

### **I received a Valuation and Classification Notice with my property taxes recently. What is a Valuation and Classification Notice?**

The Goodhue County Assessor's Office mails an annual Valuation and Classification Notice to every property owner each March. This Notice shows your property's estimated market value that the county establishes each year in January. That dollar amount forms the basis for how much your property taxes will be the following year. For example, your property's value and classification amount shown on this year's notice will affect the amount of property taxes you will pay in 2022.

### **What exactly is an estimated market value?**

Your property's estimated market value is what that property would most likely sell for on the open market based on the sales of other properties in your area during a specific time period. For Minnesota in 2021, that time frame was between October 1, 2019, and September 30, 2020.

### **My house is valued much differently by my realtor. Why is that?**

When the Goodhue County Assessor's Office calculates the estimated market value of a property, the County is mandated by the state and federal government to use all sales in the same classification in the City of Red Wing from October 1, 2019 to September 30, 2020 in its estimate. A realtor or bank appraiser will use roughly only three to five property sales to determine the value. Often there is significant dollar difference between the two assessments.

### **What can I do if I do not agree with my property's estimated market value listed on the notice?**

*Step 1:* If you have questions or disagree with the classification or estimated market value of your property on the notice, first contact the Goodhue County Assessor's Office as soon as possible at 651-385-3040 to discuss your concerns. Often issues can be resolved at this level.

*Step 2: Contact your Local and County Boards of Appeal and Equalization*

If your concerns are not resolved by calling the Assessor's Office, you may appear before the

Local Board of Appeal and Equalization. The date, time, and location of this public meeting is listed on your Valuation and Classification Notice. This year, the meeting will be held virtually on Tuesday, May 11 at 5:30 p.m. You'll find information about the meeting here:

[www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization](http://www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization).

If that meeting does not resolve your concerns, you may then bring your case to the County Board of Appeal and Equalization. Call 651-385-3040 in advance to get on the agenda. You'll also find this date, time, and location on your Valuation Notice. This year, the meeting will be held virtually on Tuesday, June 15 at 6 p.m. Visit [www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization](http://www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization) for more details.

### *Step 3: Contact Minnesota Tax Court*

You can use this option to either bypass the Local and County Boards of Appeal or if you did not feel your concerns were resolved during those appeals. You must file a petition to the Minnesota Tax Court on or before April 30. For more information, visit the Minnesota Tax Court website at <https://mn.gov/tax-court/>.

### **When are my property taxes due?**

Most property taxes are due two times during the year, usually on May 15 and October 15.

### **What is a "Truth in Taxation" notice?**

This notice arrives in your mailbox every November and is often called the Notice of Proposed Taxes. The Goodhue County Office sends this notice to all property owners before local City Councils finalize their city budgets for the coming year. The notice is to help you understand how your property taxes are determined and also tells you about the meeting when the City of Red Wing budget will be finalized in December. The City of Red Wing highly recommends you contact the Red Wing City Council earlier in the budgeting process (during the spring and summer) so Council members have time to potentially incorporate your suggestions into the upcoming budget. If you wait until the December meeting, it will be too late.

### **What is the most important thing to remember?**

If you disagree with the amount listed for your property on your Valuation and Classification Notice that you recently received in the mail, or if you have questions or comments, please call the Goodhue County Assessor's Office at 651-385-3040 as soon as possible.

### **Resources:**

*For more information, including details on the homestead exclusion and taxable market value, visit [www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization](http://www.co.goodhue.mn.us/134/Board-of-Appeal-Equalization) or contact the Goodhue County Assessor's Office at 651-385-3040.*

*If you have questions or comments specifically about the City of Red Wing's budget, please contact Marshall Hallock, City of Red Wing Administrative Business Director, at 651-385-3602 / [marshall.hallock@ci.red-wing.mn.us](mailto:marshall.hallock@ci.red-wing.mn.us).*

*To give input into the City of Red Wing's budget, email your Council members and Mayor at [citycouncil@ci.red-wing.mn.us](mailto:citycouncil@ci.red-wing.mn.us).*

*To sign up for the City's free online bi-monthly newsletter City Beat, visit [www.ci.red-wing.org/citybeat](http://www.ci.red-wing.org/citybeat).*