

Charlotte County's annual TRIM notices were mailed last Thursday, August 20, and if not already, should begin arriving in mailboxes shortly. Please note, the TRIM notice is not a bill. No payment is due. It is a notice of proposed property taxes, non-ad valorem assessments, and property values. The Tax Collector will mail 2009 Tax Notices in late October or early November.

Each year, on behalf of local taxing authorities, the Property Appraiser mails a "Notice of Proposed Property Taxes and Proposed or Adopted Non-Ad Valorem Assessments", also known as the TRIM notice, to each property owner. Examples of local taxing authorities levying ad valorem property taxes within the county are the Board of County Commissioners (BOCC), School Board, and Punta Gorda City Council (PGCC). TRIM is an acronym for "Truth In Millage". Non-ad valorem assessments levied by authorities also appear on the notice. They are "flat rate" fees not associated with a property's value, charged in addition to property taxes.

The Property Appraiser's role in this process is limited to annual determination of each property's just and assessed values, its classified use value when required, and administration of ad valorem exemptions, in accordance with Florida's constitution and relevant law. After determining just and assessed values, applicable exemptions are deducted, yielding each property's taxable value. Years ago, Florida's supreme court declared that "just value" is legally synonymous to 100% of fair market value.

Once the taxable value of all property is calculated, local taxing authorities (BOCC, School Board, PGCC, etc.) utilize the total amount within their jurisdiction, to set the level of property taxes necessary to fund their budgets. For example, if a taxing authority determines \$1,000,000 is required from property taxes to fund its budget and the taxable value of all property within its jurisdiction is \$100,000,000, dividing the revenue requirement, \$1,000,000, by the taxable value, \$100,000,000, indicates that 10 mills, or \$10 for each \$1,000 of taxable value, is the required property tax levy. If the taxable value of all property was lowered to \$50,000,000, a higher property tax rate of 20 mills would be required to generate the same \$1,000,000 needed.

January 1 is Florida's annual valuation date. Therefore, this year's just (market) value listed on the 2009 TRIM notice reflects an estimate of your property's market value on January 1, 2009, based on 2008 calendar year market data. Consequently, 2009 Tax Roll values are almost eight (8) months old at this point, so may differ from market indications now, in August 2009. Sales during the current 2009 calendar year, will be part of the market data analyzed when determining values as of January 1, 2010, for next year's tax roll.

Although "just value" reflects an estimate of fair market value determined according to Florida law, a property's assessed value can be lower due to statutory requirements governing "classified use" values, the Save Our Homes (SOH) limitation applicable to properties granted homestead exemption, and effective this year, the 10% limitation relative to non-homestead properties. Surprisingly though, SOH legislation also requires that assessed value be increased by the annual "limitation", even when a property's market value decreases, as long as assessed value does not exceed market value.

Accordingly, the assessed value of many properties in Charlotte County had to be increased by 0.1%, the 2009 SOH limitation, even though their market values decreased. Exemptions granted pursuant to Florida law are then deducted from assessed value to determine a property's taxable value. Consequently, due to the SOH "recapture rule", even though their market value decreased, school taxable value increased for over 22,000 homestead properties and non-school taxable value increased for about 18,000.

You may be wondering, what's this about "school" and "non-school" taxable values? As you know, Florida voters approved Amendment 1 to the state constitution in January 2008. One of the provisions created an additional homestead exemption of up to \$25,000. However, the additional amount applies only to assessed value in excess of \$50,000 and does not apply to school taxes. Thus, there can now be two different taxable values for homestead properties, school and non-school. In addition, beginning this year, there can also be two different taxable values for non-homestead properties since the 10% limitation mentioned earlier also applies only to non-school values.

Other Amendment 1 changes effective last year are an exemption on tangible personal property (TPP) and SOH portability. Individuals and businesses that timely filed a tangible personal property tax return receive an exemption of up to \$25,000, which is reflected on the notice. If the TRIM notice concerns TPP, the account number begins with a three-letter prefix (CNT, PUG, etc.). Portability of a prior homestead's SOH differential can occur when a new homestead exemption is established within a specific timeframe. Please direct portability questions to the Property Appraiser's Records/Exemptions Department at (941) 743-1593.

The final Amendment 1 change, first effective for this year's tax roll, is a 10% cap on the assessed value of non-homestead property. Similar to the SOH limitation, any increase in a qualifying property's "assessed value" is limited to a maximum of 10%. The limitation is automatic. No application is required. However, as stated previously, the limitation applies only to non-school value.

Again this year, original TRIM notices can be viewed and printed at the office website, www.ccappraiser.com, and remember, real property parcel identification numbers (PIN) were changed last year. To view and print original notices, access the parcel record by its PIN, owner's name, or property address. Then, scroll down and "click" on "Original Notice of Proposed Property Taxes" below the "Preliminary Value Summary" box. New for this year, is a Frequently Asked Questions (FAQ) link on the office website's home page.

Concerning the new PIN's created last year, a detailed discussion can be found at the office website. Although the new PIN is now a parcel's primary identifier, the old PIN will still appear on property records for some time. Either can be utilized to access parcel information. The old PIN is displayed in the TRIM notice's lower right hand corner.

Columns in the "2009 Proposed Ad Valorem Taxes" section are explained on the back of the notice. Non-ad valorem assessments, listed at the bottom of the notice, are additional "flat rate" fees levied by the BOCC and other taxing authorities, independent of a property's taxable value. Tax bills mailed by the collector will reflect the total of both ad valorem property taxes and non-ad valorem assessments.

Due to market conditions during 2008, the 2009 Tax Roll reflects lower market values for 93% of Charlotte County properties. In many cases, the reduction is considerable. However, due to some taxing authorities currently adopting tax rates higher than those levied last year and the recapture rule mentioned earlier, proposed taxes (third column) for many properties are higher than those levied last year (second column), even though market value decreased. For those with proposed taxes lower than last year's, the difference may be less than expected for similar reasons.

The typical proposed aggregate tax rate, 16-17 mills, is about 7% higher than the 15–16 mills levied last year. Please take time to review the notice’s important information and direct questions concerning taxes and non ad-valorem assessments to the appropriate taxing authority listed. The Property Appraiser is not involved with setting tax rates or non-ad valorem assessments.

Information on a property’s market, assessed, and taxable values, for both this year (2009) and last (2008), is located about mid-way down the left side of the TRIM notice. As mentioned previously, there are now separate “non-school” and “school” values, which may differ. Accordingly, each year’s data appears in two columns. If you have questions concerning your property’s market value or exemptions, contact the Property Appraiser’s office at the address or telephone numbers on the notice, or www.ccappraiser.com. The process for petitioning a property’s market value is explained on the back of the notice.

However, please keep in mind, values are estimated as of this past January 1, 2009, almost eight (8) months ago, and reflect market activity during 2008. Property sales during the current calendar year, 2009, are not relevant to this year’s valuation date, January 1, 2009. They will be analyzed and considered when determining 2010 Tax Roll values. In addition, taxing authorities, not the Property Appraiser, set the level of tax rates and non-ad valorem assessments.

Over 235,000 notices were mailed, so I ask for your patience if it is difficult to contact the office during the next several weeks. If concerns relate to the proposed level of property taxes, citizens should make an effort to become involved by attending taxing authority budget hearings at times and places listed on the TRIM notice.