

Understanding Your Real Estate Taxes

When people think about the Auditor's Office they think about their real estate tax... the bill that is received each year if you own real estate. Do you find yourself wondering how that amount is calculated and where your money is going?

Your tax figure is the result of a complex computation used to fund the County, Township, School District, Fire Department, Rescue Squad, and certain other entities in your area, says Shelby County Auditor Amy Berning.

The State of Ohio calculates the amount of revenue which is owed to each taxing district based on "voted millage" and "inside millage" and then creates a unique adjusted tax rate to be applied to each taxing district's properties, prorated according to the amount of residential, agricultural and commercial value existing within that district.

Every 3 years the State of Ohio orders counties to adjust the market value of all properties to keep values in the system current with what is happening in the local real estate market. One of the two phases involved is a full Revaluation, including individual property visits, every 6 years. This occurred in 2017 for Shelby County. The updated values are reflected on real estate tax bills payable in 2018. The other phase is a process using only general local market trends and neighborhood analysis three years later. This will occur in 2020, payable in 2021.

We use a certified mass appraisal company to view each property to ensure our records are up to date and also to analyze sales data by neighborhood. If there is a trend in a neighborhood for homes to sell for less than the values in our records, we adjust the values in that neighborhood down because something in that area is causing the neighborhood to be less desirable. If the trend in a neighborhood is to sell higher than the values we have in our records, the values are adjusted up to match the appreciated values happening there.

Still another piece of the real estate tax calculation is how much of the tax collection will come from the agricultural parcels and how much will come from residential parcels. In 2014 the proportion was shifted more heavily onto agricultural parcels than it had been since the CAUV agricultural program began in 1974. Many farmers saw an increase in their real estate values, and therefore their taxes, of as much as 200%. Residential properties in turn paid a lesser proportion of the tax burden from 2014 to 2016. In conjunction with the 2017 Revaluation the CAUV formula was again altered by the state, resulting in a 15-25% decrease in values on agricultural parcels. This change shifted some of the tax burden back to residential parcels, contributing to moderate tax increases on many residential Shelby County parcels.

Commercial and Industrial properties are classed separately from Residential and Agricultural properties, and generally get less favorable treatment in determining the tax rates applied to them.

To view information about any parcel in Shelby County, you are encouraged to visit our website. The property record search was updated in 2017 and is now map-driven. The map can be dragged around, zoomed in or out, and you can select layers of information you would like to see overlaid such as school district lines, soil types, voting precincts, etc. if you use the "map & tools" selection.

We are here to serve you! Please feel free to email me at aberning@shelbycountyauditors.com, call us at 937-498-7202, or stop by for a visit at the Shelby County Annex Building in Sidney with any questions or concerns.