

COUNTY of BLAIR

ASSESSMENT DEPARTMENT

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Date: Friday, June 12, 2009

To: All Tax Collectors, Municipal and School District Offices,

From: Mike Baldner, Chief Assessor

Re: Blair County Assessed Ratio Change

Today, Friday, June 12, Notices of Pre-determined Ratio Change are being mailed to all property owners in the County. Enclosed is information to help you answer any questions you may receive regarding these notices and the ratio change and how it effects real estate taxes in the County.

As noted on the notice the phone number for the Assessment Office to call for questions related to this change is 814-693-3291. For those in areas of the County for which this may be a toll call, 814-943-9946, extension 3291 can be used. The regular Assessment Office number will be available for other calls to the office.

The FAQ document is also on the Assessment webpage at www.blairco.org, select "Official Blair County Homepage" - "Departments" - then - "Assessment". You may also want to make some copies to be available in your office.

If you have any questions, please give me a call.

Thanks,

Mike Baldner

Mike Baldner
Chief Assessor
693-3109



**FREQUENTLY
ASKED QUESTIONS
(FAQ)
ABOUT
BLAIR
COUNTY'S
CHANGE OF
ASSESSMENT RATIO**

1. Why is Blair County changing the Assessment Ratio?

Blair County has reached its maximum General Fund Millage Rate established by the Pennsylvania Legislature. The Commissioners have a choice of either changing the assessment ratio or proceeding with the expense of a County-wide reassessment, which would cost more than \$3 million. Because of the cost of a reassessment project and the state-mandated programs over which the Commissioners have no cost-control, the Commissioners decided to change the Assessment Ratio.

2. How will the Assessment Ratio Change affect me as a property owner?

Your 2009 Assessed Value on your property was based on 75% of the 1958 Base Year Market Value of your property. Starting with the 2010 tax year, the Assessment Ratio will change from 75% to 100% of the 1958 Base Year Market Value of your property and your Assessed Value will change accordingly.

3. Will the Change of Assessment Ratio raise my taxes?

No. Pennsylvania law requires that a change in the Assessment Ratio must be tax revenue neutral to the County and all school districts and municipalities in the year after the change. Each taxing authority is required to reduce their 2010 Millage Rates by the same 25% increase in Assessed Value, so the Ratio Change itself does not result in a tax increase.

Pennsylvania law does permit Blair County and municipalities to increase their total real estate tax revenues by up to 5% and school districts by 10% in 2010, but, as with all tax increases, this can only be done if the school districts, the municipalities and the County actually vote later on to increase your taxes.

4. Why is the County announcing and sending notices about the Ratio Change now?

By law all notices of the change must be mailed on or before July 1 to meet notification deadlines.

5. What is meant by the term "Assessment Ratio"?

The Assessment Ratio is the percentage of Base Year Market Value used to compute the Assessed Value. This is sometimes referred to as the Predetermined Ratio.

6. What is Market Value?

"Market Value" is defined as "the price which a purchaser, willing but not obliged to buy, would pay an owner, willing but not obliged to sell, taking into consideration all uses to which the property is adapted and might in reason be applied."

7. What is the Assessment Ratio of Blair County?

The Assessment Ratio in Blair County is presently 75%. For the 2010 tax year the ratio will be changed to 100%.

8. How are Assessed Values calculated?

Presently, the Blair County Assessment Office multiplies the Base Year Market Value by 75% to obtain the Assessed Value. The Base Year Market Value is the 1958 Market Value, the year of the last County Re-Valuation Program.

9. What is meant by the term "millage rate"?

This term is derived from the word "mill", a mill is one one-thousandth, expressed in decimal form, one mill equals .001. (Another way to consider it is that it is one dollar tax per one thousand dollars of assessed value.) The amount of tax for a property is determined by multiplying the Assessed Value by the Millage Rate. Example: Assessed Value of \$8,500 x .035 (35 mills, Millage Rate) = \$297.50 Tax Amount.

10. Who sets the Millage Rate, which determines the amount of tax due for each property?

The County Commissioners set it for the County; the Borough Councils set it for the Boroughs, the City Council sets it for the City of Altoona; the Township Supervisors set it for the townships; and, the School Boards set it for the school districts. The millage rate set by each jurisdiction determines how much tax you will pay.

11. Are mobile homes taxable?

Mobile homes, occupied or unoccupied, except those held by dealers for sale, are taxable as real estate if they are in any way connected to utilities.

12. If the Assessed Value of my property is changed, am I notified?

Yes, if the Assessment Office changes your Assessed Value, you are notified at your last known address.

13. If I think I am over-assessed, what can I do about it?

You must file a written request to appeal. Forms are available at the Assessment Office and also on the Assessment Office webpage. Go to www.blairco.org, select "Official Blair County Homepage" – "Departments" – then – "Assessment".

14. I am paying more taxes this year than last year, does this mean my Assessed Value was changed?

No. Not unless you made a capital improvement. Most increased tax bills are the result of an increased Millage Rate. When a taxing body increases the Millage Rate, your taxes go up even though the Assessed Value of your property has not changed.

15. I own property in the City of Altoona? How does this Ratio Change affect my Assessed Value?

The City of Altoona has already been using 100% of the 1958 Base Year Market Value as the Assessed Value for properties in the city. This Ratio Change does not affect how the City taxes property within the City. However, the County and the Altoona Area School District will now be using 100% of the 1958 Base Year Market Value instead of 75% for the Assessed Value on properties in the City of Altoona in 2010. You will still receive separate bills from the City, County and School District.

16. Does this Ratio Change affect the School Tax bill I will receive in July of this year?

No. The Ratio Change goes into effect for 2010. It will be applicable for the 2010 County and Municipal Tax Bills to be mailed in February 2010 and the 2010 School Tax Bills to be mailed in July 2010.

17. I own a property that is exempt from real estate taxes. Why have I received a notice for this property? Does this affect the tax exempt status?

Anytime there is a change to the Assessed Value of a property Pennsylvania assessment law requires change of assessment notification, whether the property is taxable or not. The tax exempt status of the property is not affected by the Ratio Change.

COMPARISON OF 2009 AND 2010 COUNTY TAXES

EXAMPLE:

2009

1958 Base Year Market Value	= \$10,000.00
2009 Assessed Value (75%)	= \$ 7,500.00
2009 Millage Rate x Assessed Value	
.030 x 7,500	= \$ 225.00 (General Fund)
.007423 x 7,500	= \$ 55.67 (Debt service)
.0002 x 7,500	= \$ 1.50 (Parks & Rec)
.0003 x 7,500	= \$ 2.25 (Library)
2009 County Tax (37.923 mills total)	= \$ 284.42

2010

1958 Base Year Market Value	= \$10,000.00
2010 Assessed Value (100%)	= \$10,000.00
2010 Millage Rate x Assessed Value	
.0225 x 10,000	= \$ 225.00 (General Fund)
.005567 x 10,000	= \$ 55.67 (Debt service)
.00015 x 10,000	= \$ 1.50 (Parks & Rec)
.000225 x 10,000	= \$ 2.25 (Library)
2010 County Tax (28.4425 mills total)	= \$ 284.42

The 2010 Millage Rate will be reduced by 9.4805 mills. (From 37.923 mills in 2009 to 28.4425 mills in 2010). The 28.4425 mills does not include the 5% increase limitation. This equates to a dollar for dollar rollback. (See Question 3)

The example illustrates that only the Assessment Ratio is being changed. Your 1958 Base Year Market Value remains the same. Instead of using 75% of the Base Year Market Value, the County in 2010 will be using 100% to compute your Assessed Value.

Comparison of 2009 and 2010 School District Taxes

EXAMPLE

2009

1958 Base Year Market Value	=	10,000.00
2009 Assessed Value (75%)	=	7,500.00
2009 Millage Rate x Assessed Value		
.10194 x 7,500	=	764.55

2010

1958 Base Year Market Value	=	10,000.00
2010 Assessed Value (100%)	=	10,000.00
2010 Millage Rate* x Assessed Value		
.076455* x 10,000	=	764.55

** Estimated - actual final millage rate will be determined during 2010-2011 budget preparation (January 2010) and will be a function of required rebalancing between Blair and Cambria counties since taxable properties exist in both counties for Penn Cambria School District.*

This example does not include any allowable increase as provided by the Act 1 index.

As with the County example, this example illustrates that only the Assessment Ratio is being changed. Your 1958 Base Year Market Value remains the same. Instead of using 75% of the Base Year Market Value, the School District in 2010 will be using 100% to compute your Assessed Value.