

**EXPLANATION FOR
ESTIMATES OF FAIR MARKET VALUE
(FOR TAX BILL)**

1. Assessed values will continue to be shown on tax bills. The estimate of fair market value is in addition to the assessed value. The estimate of fair market value need not be shown for parcels that have agricultural classified land.
2. The estimated fair market value is calculated individually for land and improvements. Estimated fair market value for personal property will continue to have a total only.
3. Estimated fair market value **must** also be calculated for **private forest cropland** and **managed forest land** parcels.
4. The prescribed explanation (see reverse side) **must** be included with the tax bill. It can be printed on the reverse side of the bill or may be a separate insert.
5. State prescribed tax bills have a designated space for the estimated fair market value, and the average assessment ratio ("aggregate ratio"). The ratio need only be carried out 4 places.
6. Tax bills for property **omitted** from taxation in previous years (Omitted Property Roll) will not show an estimated fair market value. The assessment ratio is to be used for **current year** values only.
7. **DO NOT USE THE ESTIMATED FAIR MARKET VALUE IN TAX CALCULATIONS.** Tax rates and all individual taxes will be calculated using **assessed** values in the same manner as in the past.

TAX ROLLS/BILLS PREPARED BY COMPUTER

You must provide the assessment ratio shown on the notice to the person in charge of producing your rolls/bills on the computer. It will then be entered into the computer which will automatically divide land improvements and total assessed value of each parcel of real estate and the total assessed value of each personal property account by the assessment ratio. The resulting estimated fair market values are then rounded by the computer to the nearest \$100 for real estate and personal property and automatically printed on the tax bills. The estimated fair market values do not have to be printed in tax rolls.

PRESCRIBED EXPLANATION

ESTIMATED FAIR MARKET VALUE. In addition to the assessed value, Wisconsin law requires that your taxation district show the estimated fair market value of taxable property on property tax bills. This estimated fair market value reflects the approximate market value of your property as of January 1 of the year shown.

(SEE EXAMPLE ON BACK)

EXAMPLE

REAL ESTATE

DIVIDE the total assessed value of each parcel of real estate in the roll by the assessment ratio shown on the enclosed notice. Round the answer to the nearest \$100.

EXAMPLE

| | | | | |
|-----------------------------|---|--------------------------|---|-------------------------------------|
| Assessed Value Land | = | $\frac{\$15,500}{.9489}$ | = | \$16,300 (Rounded to nearest \$100) |
| Assessed Value Improvements | = | $\frac{\$30,200}{.9489}$ | = | \$31,800 (Rounded to nearest \$100) |
| Total | = | \$16,300 + \$31,800 | = | \$48,100 (Rounded to nearest \$100) |

The estimated fair market value to enter on the tax bill would be \$16,300 land; \$31,800 improvements; \$48,100 total.

PERSONAL PROPERTY

DIVIDE the total assessed value of each account of personal property in the roll by the assessment ratio shown on the enclosed notice. Round the answer to the nearest \$100.

EXAMPLE

| | | | | |
|-------------------------------------|---|-----------------------|---|--|
| Assessed Value Personal Property | = | $\frac{\$875}{.9489}$ | = | \$900 (Rounded to nearest \$100 = \$900) |
|-------------------------------------|---|-----------------------|---|--|

The estimated fair market value to enter on the tax bill would be \$900.