

Understanding Your 2026 Property Assessment: What Oakland County Property Owners Need to Know

Key Takeaways

■ How the Assessment System Works

- Your local city, village or township assessor determines your property's assessment.
- Oakland County Equalization reviews assessment data to ensure uniformity across communities.
- The State Tax Commission provides statewide oversight.
- The Michigan Tax Tribunal serves as the state's tax court.
- Questions about your specific parcel should be directed to your local assessor.

■ The Assessment Change Notice

- This Assessment Change notice is not a tax bill and will be mailed each February.
- Reports proposed changes to:

Assessed value: The assessor's estimate of 50 percent of the property's market value for assessment purposes.

Taxable value: The value used to calculate property taxes, subject to inflation caps and other legal limits.

Property classification: How the property is categorized for tax purposes, such as residential, commercial or agricultural.

Exemptions: Any tax reductions applied to the property, such as a Principal Residence, poverty or veteran exemption.

Transfer of ownership status: Whether a sale or ownership change occurred that may cause the Taxable Value to reset.

- Review it every year. Errors must be addressed early.

■ Property Values You Will See

- Actual Cash Value (TCV)

An estimate of market value based on market trends.

A sale price does not automatically determine TCV.

- State Equalized Value (SEV)

Approximately 50 percent of TCV.

May change as market conditions change.

- Taxable Value (TV)

The value used to calculate property taxes.

Taxes are based on TV, not TCV or SEV.

TV is the lower of SEV or Capped Value.

▪ Why Assessments and Taxes Can Change Differently

- Annual growth in Taxable Value is limited by inflation or 5 percent, whichever is less.
- SEV may increase faster than the Taxable Value in a rising market.
- A higher assessment does not automatically result in higher taxes.
- Millage rates and exemptions also affect the final tax bill.

▪ How Properties Are Valued

- Assessors use **mass appraisal** methods.
- Valuations rely on:
 - Recent arm's-length sales
 - Property characteristics
 - Neighborhood market trends
- Properties are grouped into **Economic Condition Factor (ECF) neighborhoods**.
- Sales studies and ratio studies support consistency and fairness.

▪ Changes That Affect Taxable Value

- **Additions**
New construction or improvements increase the Taxable Value.
- **Losses**
Removal or destruction of improvements may reduce value.
- **Transfer of ownership**
May cause the Taxable Value to uncap and reset to SEV the following year.
- These changes often explain noticeable differences from one year to the next.

▪ Review Your Property Information

- Request your property record card and building sketch.
- **Verify:**
 - Square footage
 - Garages, basements and amenities
 - Year built and condition
 - Decks, porches and outbuildings
- Contact your local assessor if corrections are needed.

▪ Key Dates to Remember

- **February:** Assessment Change Notices mailed.
- **March Board of Review:**
Hears valuation appeals.

Reviews poverty exemptions and classification requests.
- **July and December Boards of Review:**
Limited to qualified errors and specific exemptions.

Do not hear valuation appeals.
- **Michigan Tax Tribunal deadlines** depend on property classification.

▪ Common Property Tax Exemptions

Principal Residence Exemption

Reduces local school operating taxes.

Requires filing with the local assessor.

Poverty Exemption

Based on income and assets.

Application required annually.

Disabled Veteran Exemption

Available to qualifying veterans or surviving spouses.

Requires VA documentation and local filing.

Business Personal Property Tax Exemptions

Filing deadlines and form requirements apply.

Eligibility depends on property value and classification.

Final Reminders

- Review your Assessment Change Notice every year.
- Start with your local assessor if you have questions.
- Deadlines are set by law and cannot be extended.
- Understanding the process helps you respond appropriately.

Additional resources and publications are available at oakgov.com/equal and <https://www.michigan.gov/taxtrib>.