

Facts and Frequently Asked Questions

What is an appraisal?

In simplest terms, an appraisal is an opinion of value. When that opinion is formed by a trained, certified and qualified appraiser/assessor it is based on a systematic process which includes gathering and analyzing all necessary information, applying the approaches to value, and reconciling all the analysis and data into the opinion of value. This opinion is stated in the form of a single value or value range.

Shouldn't my property value be a percentage of the market value?

NO, your property value that you receive every March shows your full and true market value and should be at or near 100%.

I've done nothing to my property so why did the value increase?

Property values are based on market sales. The full and true value of property is "market driven", meaning what the property will bring in a competitive market under all conditions requisite to a fair sale between a willing buyer and a willing seller, each acting prudently and with full knowledge of the relevant facts, and assuming the price is not affected by any undue stimulus.

Why do you need to get inside my home to value it?

Assessors are required to value the property based on three approaches to value, they are:
Cost Approach – based on the principle of substitution that no rational person will pay more for a property than they would pay to construct the same. The cost approach combines an estimate of the land with the depreciated reproduction or replacement cost of the improvement.

Market or Sales Comparison approach – this approach involves a process of comparing market data such as property sale prices, asking prices and offers of prospective buyers and tenants willing to purchase or lease. Usually a comparison grid is used to adjust comparable sales for differences from the subject property for things like location, building size, lot size, condition, construction quality, number of baths, bedrooms, fireplaces, garage stalls, etc. In the market approach the appraiser/assessor attempts to measure and reflect the reactions that typical potential purchaser would have to the property being appraised.

Income approach – The income approach to value is based on an estimate of net income derived from the operation of an income producing property and selecting a capitalization rate from the market indications of similar properties to convert that income to an estimate of present worth for the property. This is based on the principle of anticipation and affirms that value is created by the expectation of financial benefits to be derived from the possession, operation and/or capital gain from selling a property.

With the approach's as denoted above, information is needed to value property as accurately as possible. The more accurate we as assessors are, the more fairly the tax burden is spread.

Would you purchase your next home only having an outside view?

I'm busy during the day, how long will an inspection take?

Typically, about 15 minutes for the inside of a typical home

Is there a fee to have an assessor review my property?

There is no fee

I don't think the value of my home is correct, what are my options?

You can contact the Department of Equalization any time of the year by calling 605-995-8613 or emailing equalization@davisoncounty.org . The director's direct email is kathyg@davisoncounty.org . An assessor will be assigned to your property and we can go over every aspect of the process with you to determine the market value of the property in question.

Depending on the time of year, you may need to appeal the value of your home –

Just after you receive your assessment notice (March) there is a time when assessor's may still visit your home and may recommend a different value, but the property owner must appeal for the value to take effect. By contacting the DOE, you will be given the proper process to follow and assistance in doing so by the office.

My neighbors are paying less in taxes than I am, why?

Remember, the Equalization office does not calculate taxes, but for your valuations;

Some things to question would be "Is your neighbor's house identical to yours?"

If so, are you both within the same taxing entity?

Do both your homes have identical physical characteristics, same quality/condition, same basement area and finish, same number of bath fixtures, same garage and same amount of land. If your answer was yes to these questions, contact the DOE office so that an assessor may visit your home and review the value.

I just received my tax bill and want to appeal it, what are my options?

Taxpayers may appeal their assessment notice (from the Department of Equalization) they receive in MARCH of each year, (process noted on the assessment notice).

But the Tax Bill can NOT be appealed, by that time, the legal time frame for appealing has passed.

I just had a Fee Appraiser value my property so I don't need an appraisal/assessment done on my home

Fee appraisers typically are hired by banks for financing purposes, or mergers etc. They value the one property as of the date they are on site to the property. The actual title of the County Assessor is a Certified Assessor/Appraiser and we all work under a Department entitled

Equalization, our duty is to Equalize assessments because they are gathered for taxing purposes. Even though our field of work is somewhat parallel, our objectives are very different.

I just bought my home and paid \$125,000 does that mean that you're going to value the house at \$125,000?

No, South Dakota Laws do not allow us to simply place the value you paid on your property. Assessor/Appraisers are required to use the three approaches to value (that are applicable to your property) to determine a reconciled value.

Can I look up my neighbors property information and they look up mine?

Yes, all property card information is open to the public

We also have a website at www.davison.gisworkshop.com/ where you can look properties within Davison County up on-line for property information.

I'm tearing down some buildings on site, do you need to know that?

Regardless if a building permit is required or not, the Equalization Office needs to know that information so that they can take that building off of your property card and your property's valuation.

I'm not sure what government office to visit for my property question?

The Director of Equalizations office (605-995-8613) kathyg@davisoncounty.org is responsible for the appraisal and the assessment of property. They can answer questions for: Owner occupied status, classification of property i.e. Commercial/residential/Agricultural; Discretionary credits; renewable resource credits, Ag exemptions, Exempt property valuations; property splits, mailing address changes, etc.

The Treasurer Office- The treasurer is responsible for the billing and collection of taxes.

The Auditor's office – calculates the taxes by determining budgets set by the taxing entities and developing the mill levy (price paid per thousand of value).