



## What can I do to reduce my property taxes?

*By Christopher J. Thornton, Esq.*

Every year around August 24, the property appraiser sends to each property owner a TRIM notice advising the owner of the proposed property taxes for the year. Recent increases in property values have caused huge annual jumps in property tax liability. If you believe that your property taxes are too high, there is something that you can do about it.

One way to reduce your property taxes is to make sure you have obtained all of the available exemptions. One of the most important exemptions is the homestead exemption. To qualify, you must be a permanent resident of Florida on January 1st of the year you apply, and the application should be submitted in person prior to March 1st of the tax year. In limited circumstances it is possible to obtain approval of a "late filed" homestead application. One benefit of the homestead exemption is a \$25,000 reduction in the assessed value of the dwelling. In other words, if your property is assessed at \$500,000, you will only pay taxes on the first \$475,000. In practice, this usually results in tax savings of a few hundred dollars depending on the millage.

A more important benefit of the homestead exemption is the "Save Our Homes" cap. Under "Save Our Homes", the assessed value of a dwelling cannot be increased in one year more than the lower of 3% or the CPI. So, for example, if our \$500,000 homestead increases 30% in value in one year to \$650,000, then instead of paying property taxes on the full \$650,000, we will only pay taxes on about \$490,000 (\$500,000 plus 3% less \$25,000). The SOH cap can result in huge tax savings for Florida residents, and the earlier you establish homestead, the more you can save.

Another way to reduce your property taxes is to obtain a reduction in the appraiser's valuation of your property. The property appraiser has thousands of

parcels to appraise each year, and although the appraiser does a great job, it is possible for mistakes to occur. In our practice, the types of errors that we have discovered and that have been resolved in favor of the taxpayer have included non-waterfront property mistakenly appraised as waterfront, an unfinished building assessed as if complete, and an inflated non-arms length transaction included in the valuation analysis for a neighborhood.

If you believe that your appraised value is not correct, you can challenge it by meeting informally with employees in the appraiser's office or filing an appeal with the Value Adjustment Board (VAB), and the decision of the VAB can be further appealed in court. Because there are strict filing deadlines for property tax challenges, it is important that you review your TRIM notice immediately upon receipt and if you decide to appeal, get that process started immediately.

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