

Now Is the Time to Manage Your Tax Assessments Proactively

To discuss an analysis of the opinions of value assigned by your county auditor, please contact your Vorys attorney or:

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The Ohio real estate market, like the market in the rest of the country, has been significantly challenged over the last several years. These challenges have generally affected both the residential markets and the commercial/industrial markets. While the decrease in residential values is headline news in Ohio's major newspapers, commercial and industrial properties have not received the same attention.

This has led one Ohio county auditor to comment in his newsletter that "it appears that property values will fall about 7 percent across the county. **The state has mandated that there will be no changes to commercial and industrial values.**" While we have not confirmed such "mandate" from the State, it is certainly a cause for concern. Rightly or wrongly, some county auditors may be reluctant to reduce commercial and industrial values to reflect market reality.

There are several potential benefits from proactively controlling your real property tax liability. Real estate taxes are frequently the largest non-productive expense incurred by property owners, and proactive management of this expense could lead to increased profitability. Reduction of real estate taxes will decrease occupancy costs and could help in securing or retaining tenants therefore leading to increased valuation of income-producing properties. Also, any improvement in operating results could also better position a property for re-financing of existing debt.

First half 2010 tax bills will be mailed shortly. Now is the time to start preparing to review those tax assessments to make sure that for each property you are paying your fair share, and only your fair share, of the property tax burden.

Vorys has significant experience in analyzing real property tax assessments and securing real property tax savings for property owners. To discuss an analysis of the opinions of value assigned by your county auditor, please contact your Vorys attorney or one of the attorneys listed to the left.

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