Forewarned is Forearmed

By Kevin Baker, Atlanta

By definition, forewarned is forearmed means “those who know that something is coming are better prepared to face it than those who do not know.” Businesses routinely experience this in their dealings with property taxes.

For example, a company in Mecklenburg County that owns 30 acres of land was waiting for market conditions to improve before beginning a residential subdivision. The land was valued by the county at under $1 million.

Not anticipating any changes in their tax assessment, the company swapped less than a tenth of an acre with a residential neighbor to accommodate a setback issue. No money changed hands. However, the county revalued the property and raised the assessment by over $4.5 million.

To make matters worse, the owner procrastinated opening the Notice of Value, not knowing how important the letter was. It was finally opened two days after the deadline to appeal.

Had the owner consulted a tax professional before the land swap, they would have been advised that it would trigger a mid-cycle reassessment. Had the owner immediately opened the assessor’s notice, the higher valuation could have been appealed.