



## Terms Used in Assessing

### **STATE EQUALIZED VALUE (SEV)**

State Equalized Value represents 50 percent of the current true cash value of your home. SEV goes up and down without limit based on market conditions.

### **TAXABLE VALUE (TV)**

Taxable Value is the number that your property taxes are calculated on. Because of Proposal A, Taxable Value may not go up more than the rate of inflation or 5 percent, whichever is less.

### **UNCAPPED**

The year after a property is transferred, its taxable value is uncapped. This causes the Taxable Value (TV) and Assessed Value (SEV) to be the same.

### **PRINCIPAL RESIDENCE EXEMPTION (PRE)** *Formerly known as "Homestead Exemption"*

If you own and occupy your principal residence by Nov. 1st of any given year, you may be exempt from a portion of your local school operating taxes.

### **RESCINDING YOUR EXEMPTION**

If you claim an exemption and then stop using it as a principal residence, you must notify your township assessor within 90 days of the change.

### **CONDITIONAL RESCISSION OF A PRE EXEMPTION**

This enables a person who has established a new principal residence to retain a PRE on a property previously exempt as the owner's principal residence. The conditional rescission allows an owner to receive a PRE on his or her current Michigan property and on previously exempted property simultaneously, for up to three years, if certain criteria are met.