

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 432

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**Version:** As introduced

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**Subject:** Extending limited market value

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### Overview

Extends limited market value for two years, through assessment year 2010, taxes payable in 2011. Beginning with taxes payable in 2012 all property will be taxed at its full estimated market value.

### Section

- 1 Limited market value.** Extends limited market value (LMV) by two additional years. LMV is currently scheduled to be completely phased out by the 2009 assessment, so that beginning with taxes payable in 2010, all property will be valued at its estimated market value for property tax purposes.

H.F. 432 extends the phase-out by two years, providing that the amount of increase for assessment years 2007 and 2008 shall not exceed the greater of: (1) 15 percent of the value in the preceding assessment, or (2) 25 percent of the difference between the current assessment and the preceding assessment. That is the same formula limiting increases for the 2006 assessment (taxes payable in 2007).

Effective for assessment year 2007, taxes payable in 2008, and thereafter.