

Proposal A's Impact on 2024 Property Taxes

Property owners, with property that is unaltered and without a transfer in ownership, can expect their 2024 taxable value to rise by 5% from their 2023 taxable value. The Michigan Department of Treasury released Bulletin 2023-16 which calculates the Inflation Rate Multiplier (IRM) and shows how it is used to determine the 2024 capped value in properties which have not changed ownership. This is only the second time since Proposal A's enactment in 1994 that properties have been capped at a 5% increase. Last year was the first time this occurred. The formula for a property's 2024 taxable value is:

2024 Capped Value = (2023 Taxable Value – Losses) x Capped IRM + Additions

An example of a “loss” is a demolition of an existing structure. An example of an “addition” is new construction. Thus, if a property's structure (s) are unchanged, the property owner can expect to see their 2024 taxable value rise by 5% from their 2023 taxable value. For questions related to assessing, contact Laurie Spencer at assessor@presqueisletwp.org or call (231) 357-9548.