

## Transcript Season 1: Episode 22 – Assessing Your Taxes – What to Know

### Podcast Opener:

Adulting – Thinking of all the things adults have to do can be intimidating. Maybe you are realizing just how much you don't know about living on your own.

If this sounds familiar, join us today to learn the skills you need and take some of the stress out of being an adult.

This is Grown Up U, an adulting podcast to help you navigate the twists and turns of adult life. Listen and get life skills you didn't learn in school.

### Podcast Script:

**Julie Goings:** Have you ever gotten to the DMV to renew your car tags only to be told you need proof of your taxes being assessed? Or need to register a new vehicle purchase only to be told you need proof of your purchase on your property taxes. Did you even have a clue as to what they were asking for?

On this episode of Grown Up U we will discuss what it means to have your 'taxes assessed' as well as what you as a property owner need for tax assessment.

I'm Julie Goings, Family and Consumer Sciences Agent from Phillips County.

If you own a vehicle, a house, land, or property of any nature, then you will have personal property taxes to pay and must have them assessed and paid for yearly.

Today, we have a special guest, Mr. Shawn Payne, county agent for agriculture.

So welcome, Shawn. We're glad to have you here. And like so many of us, I'm willing to bet you too have gone to the assessor's office or the revenue office and encountered some form of frustration.

**Shawn Payne:** Thank you for having me. You're right, I never seem to have all that I need.

**Julie Goings:** What does it mean to "assess your taxes"?

**Shawn Payne:** Property taxes are a primary source of revenue for local government. For local governments to have money to pay for police, fire, school, so forth. there has to be a source of income. By assessing and paying taxes on certain items it brings money in for those units.

**Julie Goings:** What are property taxes? What is considered as property taxes?

**Shawn Payne:** Property taxes are paid on items such as vehicles, boats, utility trailers and even farm equipment. Anything that you will be putting on the roads. Buildings and land are also assessed with taxes. Houses you live in, farm sheds and anything sitting on your property.

**Julie Goings:** When do you assess your taxes?

**Shawn Payne:** Taxes in Arkansas must be assessed by May 31<sup>st</sup> of every year. If you do not assess before that date, there is a 10% penalty added to your taxes.

**Julie Goings:** Where do you go to assess your taxes?

**Shawn Payne:** Taxes are assessed in the county assessor's office. You may come in the office or call on the phone and we will mail or email you a copy of your assessment.

**Julie Goings:** Shawn, what do you need to take when you have your taxes assessed?

**Shawn Payne:** If you are assessing for the first time you will need to bring any paperwork for the items you are adding to your assessment. If you are not adding anything new to your assessment, then all we need is your name and to confirm what you still have.

**Julie Goings:** What would a person need to have with them when they go to assess their taxes for the first time or even any time?

**Shawn Payne:** When setting up a new account we will need your name, address and whether you live inside the city limits and VIN numbers you have for your items and other paperwork. If you are doing your 'yearly' assessment you need to have name or names listed for the property, address listed under and knowledge of everything that should be listed from the previous year.

**Julie Goings:** From the previous year. OK, well, what would be considered as "paperwork" needed? I think of that as title to any motor vehicle or do you just need the VIN number. Is a deed needed to any property owned or just the address? And what proof is required for a house or shed on said property?

**Shawn Payne:** Paperwork is title, bill of sale, we really only need the VIN to put it in our system. sometimes the VIN will not be in the system so we value by the amount the vehicle listed for (that's when we might need the bill of sale). When deeds are made, they are filed in the Circuit Clerk's office, and they email us copies and we change the names. Property can also be changed by a will, but it must be probated first. Appraisers go out to the properties and add any improvements to our records.

**Julie Goings:** Ok. When will my taxes be due?

**Shawn Payne:** When you assess your property in 2022 you will not pay taxes on it until the following year. Around May of every year the collector's office sends the statements out with the amount of your property taxes. The taxes have to be paid by October 15<sup>th</sup> of each year or you get a penalty added.

**Julie Goings:** How are my taxes calculated then?

**Shawn Payne:** When you assess an item, a value is placed on the item. The values are put in the system by the ACD (Assessment Coordination Division). You only pay taxes on 20% of what the state says your vehicle is worth. That goes the same for real property. Multiplying that 20% value by the millage rate, which is voted on by the district you live in, is what determines the tax amount you pay.

**Julie Goings:** Well, why do I need to assess my property?

**Shawn Payne:** In order for you to get license on your vehicle, it must be assessed. You can't legally drive your vehicle on the roads without license.

**Julie Goings:** What is my tax money being spent on?

**Shawn Payne:** Most of the tax dollars collected go to the local schools. City police, fire, streets and the library are also paid for with tax dollars.

**Julie Goings:** Well, there you have it. All you need to know about property taxes, how to get them assessed, where to go and what you need to have with you. We hope this will help you be prepared they next time you are in the DMV and asked for proof of your taxes being assessed. Thank you for joining us today to help explain all about assessing your taxes.

#### Podcast Closer:

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