



From the office of Jenny Fields, CFA
Martin County Property Appraiser

April 6, 2023

RE: Important Property Tax Information (Acct #)

Dear New Homeowner,

We are contacting you for the purpose of providing important information about your upcoming property taxes. We see a concerning trend where the seller's property taxes are used to estimate what the buyer's taxes will be.

Due to Florida's complicated property valuation and tax laws, a transfer in property ownership may cause a significant change in ad valorem taxes for the new buyer. If the property is mortgaged, this can lead to an underfunded escrow balance in the first year of ownership. When this occurs, the lender will rebalance the escrow payment which can be a significant increase in the overall monthly mortgage payment. **If you have a mortgage, we recommend that you review your lender's escrow estimate to ensure that it was not based on the previous owner's taxes.**

This letter is provided to you because our analysis found that the previous owner of your newly purchased property received a significant ad valorem assessment benefit last year. Their benefit has been removed, and now your upcoming taxes will be based on the 2022 sale prices. Several factors that impact your taxes will not be known until mid-August when you receive your first formal notice called the Notice of Proposed Property Taxes. Our goal is to provide you early notification so that you have time to prepare and make any necessary adjustments to avoid an underfunded escrow.

To help you understand the complex purchase cycle and tax impact in relation to when a new buyer may first see a glimpse of their proposed taxes, we offer the attached educational handout, a new homebuyer video, and an easy-to-use calculator called the *Property Tax Estimator*. This calculator will generate an estimate using your purchase price. While your purchase price may not represent the exact market value of the property, it will provide the best available estimate of taxes at this time. All three tools are available under the "Tools & Resources" section of our website at www.pa.martin.fl.us.

If you have any questions or need any assistance with any of our website tools and resources, please do not hesitate to contact our Office at (772) 288-5608 to speak with one of our professionals.

Sincerely,

Jenny Fields, CFA
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"We VALUE Martin!"

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