

TAXATION TERMS TO KNOW

1. **REAL PROPERTY:** This term refers to the land and the improvements on that land.
2. **PERSONAL PROPERTY:** This term refers to items such as machinery, furniture, and fixtures used to operate a business. It also refers to buildings on leased land when the lessee owns the buildings.
3. **PARCEL NUMBER, I.C. NUMBER, PIN, OR TAX KEY NUMBER:** Refers to the unique number that is assigned to each parcel of land in the county.
4. **TAX BILL:** The original bill for property taxes that is sent to the property owners' mailing address in December of each year.
5. **TAX ROLL:** A listing of information that appears on tax bills for every property in the county. (Also may be used to refer to one page of the entire roll.)
6. **BASE TAXES:** The amount of property taxes billed on the original property tax bill.
7. **LOTTERY AND GAMING CREDIT:** A credit that is given on a property tax bill. This credit is only allowed on the parcel that contains the owner's primary residence as of January 1st of the current year.
8. **TAX SUMMARY:** This is a summary that shows the status of unpaid taxes on a specific parcel for a specific year. The summary shows separate lines for base taxes, base specials, and the interest/penalty charges if incurred. Interest/penalty charges are calculated monthly and added to the summary on the first day of every month. The summary also shows any Tax Deed Fees that may have been incurred.
9. **SPECIALS OR SPECIAL ASSESSMENTS:** These are charges added to the tax bill for services provided by the municipality. They may be in a different amount for each parcel. Some examples are: unpaid sewer or water bills, recycling charges, sidewalks, razing charges, weed or grass cutting charges, etc.
10. **CURRENT TAXES:** Current year taxes. (After January 1st and until mid-December this is the prior calendar year.)

11. **POSTPONED TAXES:** The balance due of current year taxes when prior installment(s) is/are paid on or before the due date.
12. **DELINQUENT TAXES:** Property taxes that have not been paid on or before the due date. Once taxes become delinquent, interest and penalty accrue on the unpaid balance until paid in full.
13. **TIMELY PAYMENT:** A tax payment that has been paid on or before the due date, and therefore has not accrued any interest and penalty.
14. **INTEREST:** Extra charge that is added to a delinquent property tax bill. The amount is 1% per month on the unpaid base tax and specials. It is added to the statement on the first of each month. This accrues as simple interest not compounded interest.
15. **PENALTY:** Extra charge that is added to a delinquent property tax bill. The amount is ½% per month on the unpaid base tax and specials. It is added to the statement on the first of each month. This accrues as simple interest not compounded interest.
16. **ASSESSMENT OR ASSESSED VALUE:** The value that is placed on a property by the local Assessor. The assessed value is used to determine the property tax amount.
17. **TAX DEED PROCESS:** The legal process that is used by the county to take ownership of tax delinquent properties.
18. **TAX DEED FEE:** Fees that are incurred during the tax deed process. The owner must pay all taxes, specials, interest, penalties, and tax deed fees to redeem a property once the tax deed process has begun.
19. **TAX CERTIFICATE:** A tax certificate is issued annually on September 1st for all properties that have unpaid current year taxes. It represents a lien on the property on behalf of the county.
20. **EXEMPT:** This is a term that refers to parcels that are not required to pay property taxes. They are still responsible to pay any and all specials and special assessments on the property.