NEW HOME BUYER TIMELINE - PLAN AHEAD!!

Property taxes may be affected with change in ownership. When buying real estate property, you should not assume that property taxes will remain the same. Whenever there is a change in ownership, the assessed value of the property may reset to full market value, which could result in higher property taxes. Please use our tax estimator to approximate your new property taxes. Homestead exemptions and agricultural classifications are not transferable to the new owner. You must apply for your own exemptions and agricultural classifications This flowchart illustrates the purchase cycle in relation to when a new buyer may first see a glimpse of their proposed taxes-- they are MONTHS apart! Please PLAN AHEAD for the financial impact.

2022

January

SALE OF PROPERTY

Current owner sells their home to a new

buyer and pays prorated 2022 taxes at closing to the new buyer. Will be referenced on your closing statement. No payment is made to the Tax Collectors office.

August

March



The Notice of Proposed Property Taxes is mailed to the new buyer, but displays the former owner's exemptions, value limitations and market values derived from 2021 home sale prices.

New buyer starts making mortgage payments based on the prior year tax bill which reflected the former owner's exemptions and value limitations.

November

December

The 2022 tax bill is mailed to the new buyer. The taxes are based on the former owner's exemptions and value limitations. New buyer is responsible for 2022 taxes

Mortgage company begins escrow review of the 2022 tax bill which is still based on the former owner's exemptions and value limitations, likely resulting in a minimal mortgage payment adjustment.

August

March

The Notice of Proposed Property Taxes is mailed to the new buyer. This is the FIRST glimpse of what the new buyer's estimate of taxes will be. This is based on their new exemptions, portability (if any) and new market value derived from 2022 home sale prices.

March 1, 2023: Deadline for new buyer to file for their own homestead exemption.

2023

November

December

The 2023 tax bill is mailed to the new buyer and mortgage company. The taxes are now based on new buyer's exemptions, portability (if any) and new market value derived from 2022 home sale prices.

The mortgage company begins escrow review of the 2023 tax bill which is now based on the new buyer's exemptions, portability (if any) and the new market value derived from 2022 home sale prices. Typically, your mortgage payment will increase due to: 1. having insufficient funds for the elapsed time since the sale

- that they were not collecting enough in escrow to pay the 2023 bill,
- 2. planning ahead for the next year's monthly payments to ensure they have sufficient funds collected to pay the 2024 bill.











