

## THE SILVER LINING OF A ROCKY COMMERCIAL MARKET: LOWER PROPERTY TAXES

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The commercial real estate market is, to put it mildly, in a state of transition. Although vacancy rates are coming down as post-COVID America returns to the office, permanent work-from-home policies continue to negatively impact office square footage demand. Meanwhile, tech companies that went on a hiring spree during the pandemic are reducing their workforces and no longer filling up floor after floor of cube farms. Retail properties took perhaps the biggest hit during the pandemic as lockdowns caused shoppers to turn to the internet for just about everything and anything. Whether or not they will return to brick and mortar stores at sustainable levels remains to be seen.

Commercial property owners and managers, waiting and watching to see what happens next, are feeling powerless - consigned to the sidelines of a market that is struggling to sort itself out. But as they follow the daily headlines and try to read the price index and occupancy tea leaves, there is one thing they do have the power to do: lower their commercial property taxes.

When vacancy rates go up, property values typically go down. Especially those in particularly hard-hit sectors such as office and retail. But there's no rush by municipalities to re-calculate commercial property taxes when values are on the decline. Commercial owners and managers, however, can potentially reduce their property taxes themselves simply by ordering a commercial property tax review.

Professional property tax experts perform reviews using online databases that quickly help them determine whether or not a property's value has declined enough to warrant a tax appeal. If they do reach the conclusion that an appeal is appropriate, they file it on the property owner's behalf. Only if the appeal is successful does the property tax review company get paid in the form of a one-time fee representing a percentage of one year's tax savings.

For commercial property owners and managers, a successful appeal is manna from Heaven - annually delivering thousands of dollars back into their cash flow that otherwise would have gone into local tax coffers. This found money can be reinvested into property repairs and improvements for attracting new tenants, used to reduce rents during tenant negotiations and renewals, or to simply offset other rising costs such as utilities and maintenance labor.

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Timing is key because the deadline for annual property tax reviews varies not only from state to state but from county to county. The earliest deadline for New Jersey and Pennsylvania is January 15th and the latest is October 1st. Your best bet is to contact a professional property tax review service. They'll review your commercial property taxes and will file an appeal by the appropriate deadline. They'll also automatically review your property taxes annually, so you don't have to remember to do it every year.

As the market continues to puzzle its way forward and you calculate and recalculate your property capitalization rates, take a half an hour to order a property tax review. It's one thing you really do have control over right now.

Click here to apply online for a free review: [www.incentertaxsolutions.com](http://www.incentertaxsolutions.com)

### ABOUT INCENTER

*Alison Tulio, Esq. and her national team of real estate attorneys and appraisers are focused on the local real estate markets and have a comprehensive understanding of the local procedures necessary to effectively achieve tax relief for our clients in 19,522 municipalities nationwide. In order to maximize your property tax reduction each year, it is extremely important you have the right team in place. If you are paying too much in property taxes, we go to bat for you and manage the entire appeal process. Anyone that owns a home or commercial property in the United States is a potential client.*

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