

HB 1439

Bill Analysis

February 4, 1997

Brief Description: Authorizing counties to set deadlines for petitioning for changes in assessed valuation.

Bill Sponsors: Representatives B. Thomas, Sherstad, Murray, L. Thomas, Wolfe, Cole, DeBolt, and Wensman.

Staff: Bob Longman (786-7139)

Background: All real and personal property in this state is subject to the property tax each year based on its value, unless a specific exemption is provided by law. The tax bill is determined by multiplying the assessed value by the tax rate for each taxing district in which the property is located. County assessors establish new assessed values under a regular revaluation cycle. These values are used for calculating property bills to be collected in the following year. Notice of a valuation change is mailed to the taxpayer not later than 30 days after the assessor determines a new value. The assessor must complete revaluations by May 31 of each year.

County boards of equalization provide the first level of appeal for property owners who dispute the assessed value of their properties. A taxpayer may petition the county board of equalization for a change in the assessed valuation placed upon the property by the assessor. This petition must be filed with the board on or before July 1 or within 30 days of the date the value change notice was mailed, whichever is later. When reviewing assessed values, a county board of equalization will apply the same standard as the county assessor: true and fair value. True and fair value of property is measured by its market value, which is the amount a willing buyer would pay to a willing seller for the property. In other words, a county board of equalization does not have the power to lower the assessed value of a property below its fair market value. Also, the board

is required by law to presume the assessor's valuation is correct, unless a change is warranted by "clear, cogent and convincing evidence."

Appeals of county boards of equalization decisions are taken to the state Board of Tax Appeals.

Summary of Bill: The legislative authority of a county provides a limit longer than 30 days for taxpayer appeals to the county board of equalization. If a longer limit is adopted, it cannot be changed again for three years.

Fiscal Note: Available

Effective Date: If enacted, the bill takes effect 90 days after adjournment of session.