

Diane L. Harkey, Board of Equalization, Fourth District

Oct 2018



Special Points of Interest:

- Significant Property Tax Rule Changes
- Who does what? Assessors vs Appeals Panels
- How to File a Property Tax Appeal
- How to Contact the Office of Diane Harkey

Representing 9.5 million constituents in the counties of Orange, Riverside, San Diego, Imperial, and the southernmost portion of San Bernardino County

Proposed Property Tax Rule Changes



At the recent September 2018 Board of Equalization (BOE) public meeting, Board Member Diane Harkey and the other BOE Members voted unanimously to advance formal rule changes to bring noteworthy change to California's long-standing property tax rules. The changes approved by the Board will benefit all taxpayers to ensure their right to a fair and timely appeals hearing continues to be protected.

During multiple BOE meetings, the Board heard allegations from taxpayers who were concerned because their appeals hearings were postponed, or in some instances, taxpayers were denied their appeal on the sole basis that they failed

to adequately respond to an assessor's request for information. The speakers said requests for information often included requests for documentation which was not relevant to the valuation of the property, perceived intimidating language was used, and many appeal cases were postponed or delayed for years which infringed on the property owners' rights to a fair appeals hearing.

The changes recommended by the Board Members clarify and further support existing law which does not authorize assessment appeals boards or assessors to deny taxpayers their rights to due process. The Board made a request of BOE agency staff to create a form to be used by all California Assessors to standardize requests for assessment appeals information to ensure all requests by assessors are made in writing and include clear and non-threatening language. Updates to the assessment appeals manual will also be made to ensure a postponement of a hearing is not made solely on the ground that a taxpayer has not responded to an assessor's request for documentation or information.

Who Does What? Assessors vs Appeals Panels

In California, the county assessor is charged with assessing all property subject to property tax, including residential homes, retail, and commercial businesses. In all counties in California, either an assessment appeals boards or a county board of supervisors performs the duties of a local "appeals board". The appeals board is an independent entity that resolves disputes between the county assessor and taxpayers over values of locally assessed property. The BOE prescribes Property Tax Rules and issues instructional documents to assist appeals boards in the performance of their duties. After a property tax assessment is made, taxpayers have the ability to challenge the assessed value of the property by filing an application for a reduction in assessment. After hearing all the evidence, the appeals board is required by law to determine the value of your property, which means that they can leave the value the same, decrease the value, or increase the value of your property. An appeals board is not bound by the value shown by a taxpayer or the county assessor. Once the appeals board makes their decision, it is final. If you don't agree with the property tax value, your only recourse is to appeal the decision to the county superior court within six-months of the decision.

Diane L. Harkey
Board of Equalization
4th District



16715 Von Karman Ave
Suite 150
Irvine, CA 92606
(949) 724-2578

As a member of the State Board of Equalization, Diane Harkey capitalizes on her private and public sector experience to promote the rights and interests of all taxpayers. Diane Harkey advocates for policies that support job creation in the private sector, improve California's state budget outlook, and reduce the burden of complying with government audits, and various tax regulations. Her office has favorably resolved over 500 constituent cases district-wide, and continues to hold educational events explaining property tax assessment, property tax exemptions available, appeal processes, the importance of Proposition 13, manufacturing tax exemptions, and a variety of topics regarding state tax law.

Tax laws are complex and compliance can often feel burdensome. Board Member Diane Harkey's office is a resource for any tax issue you may be facing. Contact our office for assistance.

Telephone: (949) 724-2578

Email: Diane.Harkey@boe.ca.gov

Website: www.boe.ca.gov/Harkey

How to File a Property Tax Appeal

If you think your property value has decreased over the past year and is now lower than the assessed value on your tax bill, you should first contact your county assessor's office. Many county assessors allow you to complete a short informal assessment or appraisal review form providing them with data to support why you believe the value of your home is lower than your assessed value. The county assessor's staff will then review your information and may concur with the information you have submitted. However, if a difference of opinion of value still exists after reviewing pertinent information, you may appeal the assessed value to the county assessment appeals board.

If you decide to appeal, you must obtain form BOE-305-AH, Application, from the clerk of the board where your property is located. If your clerk of the board does not provide the form on their website, you may call them to send you a form or you may pick it up at their office. Your application must be filed during a specific period with the clerk of the board in order for the application to be valid. To support your opinion of value, you should include all documentation with your application. This same information must also be presented at the appeals hearing in order for it to be considered evidence. Both the county assessor's evidence and your evidence may include oral testimony by an assessor's staff member, you, your agent or attorney, or by an expert witness or other witness. Submission of a formal appraisal or any other written material (for example, a Realtor's opinion of value or an engineering study) is allowed; however, the county board may require the person who prepared the report or document be present at the hearing to respond to any questions the appeal board members or county assessor may have about the information. Depositions are not admissible and will not be considered by the appeals board.

For a residential property, the best supporting documentation is information on sales of comparable properties. Your assessor's website may offer sales information for properties that have sold within the last two years. The same information is available from many assessors' district offices. Many websites offer sales information free of charge. Additionally, a local real estate agent or title agent can also be a valuable source of information. Sales of comparable properties may be any time prior to the date of your value, but those closest in time are the best indicators of value. However, an appeals board may not consider comparable sales that have occurred more than 90 days after the date your value was set by the county assessor. *More detailed information is available in BOE Publication 30, Residential Property Assessment Appeals. If you have further questions, you may also call the BOE's County-Assessed Properties Division at 1-916-274-3350.*