Residential Property Assessment Appeals

How to appeal the assessed value of residential properties — a guide for California property owners

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Your Taxpayers' Rights Advocate

The California State Board of Equalization wants to make the property tax system as equitable as possible. Consequently, we have appointed a Taxpayers' Rights Advocate to help you with issues you cannot resolve at other levels. You can contact the Advocate at the following address:

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Note: The statements in this pamphlet are general and are current as of the date on the cover. The Revenue and Taxation Code, Property Tax Rules, and the rules and procedures of your local assessment appeals board or county board of equalization are complex and subject to change. If there is a conflict between the law and this pamphlet, any decisions will be based on the law and not on this publication. For information on how to obtain a copy of the rules that apply to appeals and equalization, please see Chapter 8.

1. Introduction

The property taxes you pay are based on your property's assessed value, as determined by your county assessor. If you disagree with the assessor's value, you can usually appeal that value to your local assessment appeals board or county board of equalization.

This pamphlet describes what you should do before you appeal, the role of your local appeals board, and the steps required to file and present a residential assessment appeal. Only the most common types of appeals are described (see Chapter 3). If you have questions that are not answered here, you should contact your county assessor or local appeals board.

The information in this pamphlet has been prepared by the State Board of Equalization, which oversees the administration of California's property tax system.

2. Before You File An Appeal

Talk to Your County Assessor First

You may not need to file a formal appeal if you talk with staff from your local county assessor's office first. They can

- Explain your property's assessed value
- Answer any questions you may have about the assessment
- Review any additional, pertinent information you may provide

If the assessor's staff discovers an error, they may be able to reduce your property's assessed value to correct that error, and you may not need to file an appeal.

If, however, you and the county assessor cannot reach an agreement, you can usually appeal your assessment to the assessment appeals board or the board of equalization in the county where your property is located. If you do appeal, you must file an *Application for Changed Assessment*, and your application must be filed on a timely basis (see Chapter 3).

The Role of Your Local Appeals Board

Local appeals boards are independent agencies, separate from the assessor's office, established to decide disputes between county assessors and property owners like you. All 58 counties in California have assessment appeals proceedings. In some counties, the elected county board of supervisors will hear appeals directly, meeting as a board of equalization. Other counties, however, have separate assessment appeals boards appointed by the board of supervisors to fulfill this duty. In addition, several counties have hearing officers (see page 14).

Appeals boards, with proper evidence, can

- Lower or raise a property's assessed value
- Remove a penalty assessment imposed by the assessor
- Reverse a change in ownership or new construction reassessment

Appeals boards cannot

- Reduce your property's assessed value simply because you are paying more taxes than your neighbor
- Remove penalties and interest for late payment of property taxes
- Reduce your taxes due to your inability to pay
- Fix the tax rate, levy taxes, or change tax rates
- Grant or deny exemptions
- Extend filing periods
- Change the decision of another appeals board
- Rehear an issue already ruled upon

Other Considerations Before You File

Who can file an appeal?

An assessment appeal can be filed by the property owner or the owner's spouse, parents or children, or any person directly responsible for payment of the property taxes; this person becomes the "applicant." An application may also be filed by an authorized agent. If an application is filed by an agent — other than a California licensed attorney — written authorization, signed by the applicant, is required.

What form should I use?

To be valid, all appeals should be filed on the official *Application for Changed Assessment* form used by the county where your property is located. You should contact the clerk of your appeals board to obtain a form. For demonstration purposes, we have included a sample form on page 7 (do not submit the sample form to your appeals board).

Be sure to complete your application correctly and file it on time.

What if I reach an agreement with the assessor prior to the hearing?

If you and the assessor reach an agreement regarding the value of your property, the agreement must be put in writing and signed by all parties, including the applicant or authorized agent, the county assessor, and the county legal officer. The written agreement will be submitted by the assessor to the appeals board, which can accept or reject the agreement. If the agreement is rejected, a hearing will be scheduled.

Can I withdraw my application?

In general, you are permitted to withdraw your application at any time prior to the hearing. In some counties, however, if the assessor has indicated that evidence supporting a higher value will be introduced at the hearing, you may not withdraw your application without the assessor's concurrence. (You should be aware that an appeals board can decide to review an assessment even though the assessor and applicant may have agreed to withdraw the appeal.)

You should check with the clerk of your appeals board about your right to withdraw your application.

If I provide supporting documentation to my county assessor, will the assessor present that information to the appeals board?

If you provide any evidence to your county assessor, that evidence will probably not be available to the appeals board unless you also present it to the board during your hearing. The only evidence that an appeals board can consider is the evidence that you and the assessor present at your hearing. The board may not consider any information

attached to your application, nor any discussions with the assessor's office or others, unless you also present such evidence at your appeal hearing.

Can I submit one application for more than one property?

No. You must file a separate application for each parcel.

Do I have to pay my property taxes if I disagree with my property's assessed value?

You must pay your property taxes on time — even if you have filed an appeal.

Yes. You are required to pay your property taxes timely, despite any appeal you have pending. Failure to do so will expose you to financial penalties and interest charges regardless of the final outcome of your appeal. If you are granted a reduction, you will receive a refund and interest.

If I appeal for a lowered assessment, can the appeals board raise the assessed value?

Yes. Based on the evidence, an appeals board can increase, as well as decrease, an assessment.

3. Common Types of Appeals and Their Filing Deadlines

To appeal the value of your property, you must file an *Application for Changed Assessment* with your local appeals board (see page 2 for information on who can file). Instructions for completing an application are provided in the next chapter.

Applications can be accepted only within certain time periods, based on the type of appeal you are filing. The four most common types of appeals, and their filing deadlines, are discussed below. If you are filing an appeal that differs from those listed below, you should contact the clerk of your appeals board to discuss filing deadlines.

Decline in Value Appeals

If you believe the market value of your property has decreased and is no longer as high as its assessed value, you can file a "decline in value" appeal for the current year.

Decline in value appeals must be filed during the regular assessment filing period for your county, as shown below.

- **July 2 through September 15**. This is the regular assessment filing period for all property in your county if the county assessor elects to mail assessment notices to all owners of real property by August 1.
- **July 2 through November 30**. This is the regular assessment filing period for your county if the county assessor does not elect to mail assessment notices to all owners of real property by August 1.

Check with the clerk of your local board if you do not know the regular assessment filing period for your county. Every county is required to determine the regular assessment filing period by April 1 each year and publish the filing period in local newspapers.

Your appeal must be based on the market value of your property as of January 1 of the year in which you are filing. For example, if you file your appeal in 2003, your appeal must be based on the market value of your property as of January 1, 2003.

Note: An application must be filed for each year you disagree with the assessor's value, even if you have a decline in value appeal pending for a prior year.

If your appeal is successful, the new assessed value will be used to determine your property taxes for the year appealed. The new assessed value of your property, however, does not automatically become the value for the following year. The assessor is required to review your property's value annually once a decline in value has been determined. He or she will compare your property's market value with its base year value plus adjustments for inflation ("base year value" is defined on page 15). The assessor is required to assess your property at the lower of those two values.

Base Year Value Appeals

(Change in Ownership and Completion of New Construction)

Your property may have been reassessed because of

- A change in ownership (for example, you purchased a new home)
- Completion of new construction (for example, you added a bedroom)

You can appeal to have the reassessed value changed, or you can appeal to have the reassessment reversed.

If your property was reassessed for the above reasons, you should have received a supplemental assessment notice showing a new "base year value" for the property. The base year value is the new assessed value resulting from the change in ownership or the completion of new construction.

You can appeal to have the reassessed value changed, or you can appeal to have the reassessment reversed because you believe there was no change in ownership or there was no new construction that required reassessment (for definitions of "change in ownership" and "new construction," see pages 15-16)

You have two filing deadlines. You can file your appeal

- *Within 60 days of the mailing of the supplemental assessment notice*. (Note: In some counties, you also have 60 days following the mailing of the supplemental tax bill. Check with the clerk of your appeals board if you are not sure.)

  Your properly completed application will be accepted by the clerk of your appeals board if it is filed after you receive your supplemental assessment notice (or tax bill in some counties). However, you must file your application no later than 60 days after the date of mailing printed on the notice or tax bill, or the postmark date of the notice or tax bill, whichever is later.

  If your appeal is successful, you will be granted relief on both the supplemental assessment and the new assessed value.

  If you missed the opportunity to appeal your supplemental assessment, you can still file an appeal at the time your property becomes a part of the regular assessment roll, as explained below. However, you may appeal only the new assessed value that appears on the regular roll (the new "base year value") because the supplemental assessment will have become final.
- *Between July 2 and September 15 (or November 30) in the year your property's value is first placed on the regular assessment roll, or within the following three years*.

  The filing date of September 15 or November 30 is determined by the regular assessment filing period for your county (see page 3).

  The regular assessment roll is a listing of assessed properties in the county. It is prepared on a fiscal year basis (July 1 through June 30) and reflects changes that occurred in the previous calendar year or earlier.

Example: You received a supplemental assessment for a home purchased in 2002. The property's new value will become a part of the regular assessment roll for fiscal year 2003-2004. You can file your appeal between July 2 and September 15 (or November 30) in 2003, 2004, 2005, or 2006.

Note: It is advisable to file as early as possible. If you succeed in your appeal, the new base year value will affect only the year of your application and future years. The appeals board cannot make the reduction retroactive. Consequently, if you delay filing, you will not receive a refund for past years even if the appeals board agrees with you.

Calamity Reassessment Appeals

Has the county assessor mailed you a reassessment notice because of a natural disaster or other calamity that damaged your property? If you received a notice and disagree with the proposed value, you must file your appeal within six months of the mailing of the notice.

Roll Changes or Escape Assessment Appeals

In general, roll changes or escape assessments are assessments for events that happened in prior years but were not discovered timely by the assessor. For example, assume you built a swimming pool in September 2000, but the assessor did not assess the value of the pool until September 2002. If you want to appeal the value of the swimming pool assessed by the assessor, you must file your appeal no later than 60 days after the date of mailing printed on the assessment notice (or tax bill in some counties), or the postmark date of the notice or tax bill, whichever is later.

4. Completing Your Application for Changed Assessment

Obtain the Correct Application

To be valid, all appeals must be filed on the official form for the county where your property is located. To obtain a copy, you should contact the clerk of your appeals board.

The following instructions are based on the sample form shown on page 7, which is provided for demonstration purposes. The layout of the form you receive may not look exactly like the sample form.

Be sure to use the appeal application used in the county where your property was assessed.

Instructions

To be valid, your application must contain all of the following information:

1. Applicant's Information

Enter your name, mailing address, and telephone number. (Note: At the bottom of the application, you will be asked to indicate whether you are the owner of the property or are filing in some other capacity.) An agent's address may not be substituted for your own mailing address.

2. Agent's Information

If you have arranged for an agent to represent you, include the name, address, and telephone number of your agent. If that agent is not a California-licensed attorney, you must also complete the "Agent's Authorization" section or attach an agent's authorization to the application at the time you file. If you attach an authorization, contact the clerk of your appeals board to find out what information must be provided. If the attached authorization does not include the required information, it will not be accepted by the clerk.

3. Property Identification

Enter the assessor's parcel number from your tax bill and the property's address. Be sure to check the box that most accurately describes the type of property. Also indicate whether your property is an owner-occupied single-family dwelling.

4. Value

- *Column A: Value on Roll*

  If you are filing a decline in value appeal, contact your county assessor to determine your property's "current roll value." Enter that value on your application.

  If you are filing a calamity reassessment appeal or an appeal related to a reassessment for a change in ownership, new construction, roll change, or escape assessment, refer to the reassessment notice you received. Enter the new assessed value in the space for the "Total."

- *Column B: Applicant's Opinion of Value*

  Enter the amount you believe the property is worth (the fair market value).

5. Type of Assessment Being Appealed

- *Appeals Period*

  Write the roll year of your appeal. Typically, this is the fiscal year that begins on July 1 of the year in which you file your appeal. For example, assume you file your appeal in 2002. July 1, 2002, marks the beginning of fiscal year 2002-03. Consequently, you would enter "2002-03" for the roll year.

- *Type of Assessment.* Check the box that applies. Check
  - ❑ *Regular Assessment* for

    Decline in value appeals, or
    Change in ownership and new construction appeals filed after 60 days of the mailing of the supplemental assessment notice or supplemental tax bill
  - ❑ *Supplemental Assessment* for

    Change in ownership and new construction appeals filed within 60 days of the mailing of the supplemental assessment notice or supplemental tax bill
  - ❑ *Roll Change / Escape Assessment / Calamity Reassessment* for

    Roll corrections
    Escape assessments
    Calamity reassessment appeals

Be sure to mark the correct reason for your appeal. Marking the wrong reason could result in the dismissal of your appeal.

6. The Facts (the basis of your appeal)

Mark the appropriate box(es) in this area to indicate the reason(s) for your appeal.

- *Decline in Value.* Check this box if you believe the market value of your property has decreased and is no longer as high as its assessed value. Reminder: Your appeal must be based on your property's market value as of January 1 of the year in which you are filing (see page 3).
- *Change in Ownership.* Check the appropriate box if you believe that the market value of your property based upon a change in ownership is less than the assessor's value or that no change in ownership occurred.
- *New Construction.* Check the appropriate box if you believe that the market value of your property based upon completion of new construction is less than the assessor's value or that no new construction occurred.
- *Calamity Reassessment.* Check this box to indicate you are appealing the assessor's reassessment of your property after a misfortune or calamity.

7. Written Findings of Facts

You may request a written summary of the facts and evidence used by the appeals board in reaching its decision on your appeal. You can request "findings of facts" at any time prior to the beginning of your hearing. Your request must be in writing and include payment for this service. You should request a copy of the "findings of facts" if you will appeal an adverse decision of the board in superior court (for more information on appeal rights, see page 15).

8. Claim for Refund

Please read this entire paragraph: If you want to make this application also serve as a claim for refund, check "yes." This will enable the county to automatically process a refund for you, without further action on your part, if the appeals board reduces the value of your property at your hearing. *Note*: This option may not be in your best interest if you do not receive a favorable decision by the appeals board and intend to file an action in superior court, as it will affect the time period in which you can file an action in court. If this box is checked, you must file within six months from the date the appeals board issues its final determination of value.

❖ Signature

The *Application for Changed Assessment* must have the signature of the property owner or the owner's spouse, parent, or child, or any person directly responsible for payment of the property taxes. If the applicant has signed the agent's authorization portion of the application or attached an agent's authorization to the form, the agent can sign the application on behalf of the applicant. With prior approval of the applicant, a California-licensed attorney can sign the application. The person signing the application is certifying, under penalty of perjury, that the statements made on the application are true and correct.

Note: Correcting or amending an application

If you need to file an amended application, you must file it no later than 5:00 p.m. on the final filing date for the type of assessment being appealed. After that time, corrections to an application of a clerical nature may be permitted by your appeals

board clerk, but substantive amendments to an application may be made only at the discretion of the board itself. Contact your appeals board clerk for more information.

5. Preparing for Your Hearing

When your application is accepted, the law requires that you be notified at least 45 days in advance of your hearing. To prepare for the hearing, you will need to gather and assemble admissible evidence that you will bring to the hearing to support your position. Without giving the board the evidence it needs to grant you a reduction, your appeal will be denied.

Keep in mind that the purpose of the hearing is to resolve the dispute between you and the assessor. While the hearings do not use the formal rules of evidence followed by courts, any evidence you present must be appropriate and meaningful in order to be admissible.

Many county appeals boards have local rules and hearing guidelines that will assist you in preparing for your hearing, tell you how to obtain continuances of scheduled hearing dates, arrange for exchanges of information with the assessor's office, and help you properly introduce relevant evidence at any hearing. You should obtain a copy of these rules from the clerk of your appeals board to help you in the proper presentation of your appeal.

Admissible Evidence

The only evidence that an appeals board can consider is the evidence that you and the assessor present at your assessment appeal hearing. The board may not consider any information attached to your application or any discussions with the assessor's office or others, unless you also present such evidence at your appeal hearing.

Your evidence may take several forms, including:

- Oral testimony by you, your agent, your attorney, or an expert witness such as a real estate appraiser
- Other witnesses
- Written materials

In most residential appeals, the most reliable type of evidence to support your opinion of "fair market value" is the sale of properties similar to yours.

If you plan to submit an appraisal, a Realtor's opinion of value, or an engineering study, the person who prepared that material must be present to respond to questions that may be posed by the appeals board or the assessor. The assessor, or a representative knowledgeable about the assessor's appraisal of your property, will also be present to respond to your questions or those of the board.

Depositions are not admissible and may not be considered for any purpose by the appeals board.

Evidence to Support Your Opinion of Your Property's Value

There are three basic methods used by appraisers to find the value of property: comparable sales of similar property approach; replacement cost less depreciation approach; and income approach. In most residential appeals, the most reliable type of evidence to support your opinion of "fair market value" is the sale of properties similar to yours. These are called "comparable properties."

Before you begin to gather evidence about comparable properties, you should gather information about your own property. Determine the age, building size(s), lot size, and so forth for your property first, and then compare that information with the assessor's information for your property. You can obtain information about your property by contacting the assessor's office.

The following information explains how to judge whether a sold property is comparable to your property.

Comparative Sales Approach to Value

"Comparable sales" are sales of other properties that are similar to yours. Three different standards are used to judge the comparability of the properties you submit as evidence.

Comparable sales dated more than 90 days after the valuation date cannot be admitted into evidence.

- Are the sales arm's-length open market transactions?

  "Arm's-length open market transaction" refers to conditions surrounding the sale. Was the property exposed for sale on the open market? Was the property available for sale to anyone? Did the seller have to sell quickly? Was the property listed for sale with a Realtor? Did the buyer and seller know each other?

  For example, a house sold between relatives may sell for less than if it were sold to someone the seller does not know. In that situation, a sale may not be an "arm's-length open market transaction."

- Are the properties physically similar to your property?

  Elements used to measure the physical similarity include, but are not limited to, the following:

  - Distance from your property
  - Zoning
  - The number of bedrooms and bathrooms
  - Year built
  - Size of improvement, such as a house — in square feet
  - Lot size and other attributes — such as a view
  - Miscellaneous improvements — pools, patios, and so forth
  - Quality of construction
  - Property condition — excellent, good, fair, or poor

- Are the comparable sales relevant for the valuation date of the property you are appealing?

  By law, an appeals board may only consider comparable sales that have occurred no later than 90 days after the valuation date of your property that you are appealing (the valuation date is explained below). Comparable sales that occur well before or up to 90 days after the valuation date are acceptable, but sales closer to the valuation date will most likely be viewed by an appeals board as more reliable.

Property Tax Comparison Work Sheet

	Your Property (Subject Property)	Sale #1	Sale #2	Sale #3
Property Address				
City				
Distance from Subject Property				
Zoning				
Property Use				
Lot Size				
Lot Attributes (view, excess traffic, terrain, etc.)				
Living Area				
Garage Area				
Year Built				
Bedrooms/Bathrooms				
Central Heat	Y N	Y N	Y N	Y N
Air Conditioning	Y N	Y N	Y N	Y N
Other Improvements (pool, patio, porch, etc.)				
Sale Date	/ /	/ /	/ /	/ /
Property Values	Assessed Value	Sale Price	Sale Price	Sale Price
$ per Square Foot of Living Area	Assessed Value $	Sale Price $	Sale Price $	Sale Price $

What Valuation Date To Use

The valuation date — the date used as the basis for determining the value of your property — depends on the reason for your appeal.

- *Change in ownership and new construction appeals.* Use the date of the change in ownership or the date of completion of the new construction stated on the reassessment notice. For example, when appealing new construction completed on December 20, you will use December 20 as your valuation date. Any comparable sales you present as evidence must have occurred on or before December 20, or no more than 90 days after December 20.
- *Decline in value appeals.* Use January 1 of the year in which you are appealing. For example, if you file during the July 2-September 15 (or November 30—see page 3) filing period in 2003, use January 1, 2003, as the valuation date. Any

comparable sales you present as evidence can have occurred before January 1, 2003, but no more than 90 days after January 1, 2003.

- *Misfortune or calamity reassessment appeals.* Use the date of your property's misfortune or calamity.

Please note: Attempting to submit sales that occurred more than 90 days after the valuation date is the most common error among all assessment appeals. The Revenue and Taxation Code specifically prohibits consideration of such evidence.

Where To Find Comparable Sales Data

You can find comparable sales data at most local assessors' offices. Many assessors' offices maintain a listing of comparable sales; it is available for inspection at little or no cost to you (not to exceed $10).

Additional sources of data include local real estate agents and brokers, real estate appraisers, and mortgage brokers. If you use one of these other sources of data, you should ensure that they find comparable sales appropriate for the valuation date of the property you are appealing.

Be sure to obtain the full address and/or the assessor's parcel number for each comparable sale you plan to present as evidence.

You should drive by the comparable properties to determine the similarities and differences between each comparable sale and your own property. Photographs may help to illustrate your case for the appeals board.

How to Evaluate Comparable Sales

To evaluate sales, applicants frequently compare the "price per square foot of living area" for each of the compared properties. "Living areas" do not include garages, porches, or patios.

To determine the "price per square foot of living area" for a property, divide the sale price by the square foot size of the living area. For example:

Sale Price		$210,000
Living Area		1,200 sq. ft.
$210,000 ÷ 1,200	=	$175 per sq. ft. of living area

A work sheet, like the one on the previous page, can help you present your comparable sales information. You must be prepared to discuss similarities and differences between your comparable sales and your property. The appeals board will be interested in things such as similarity of design, zoning, use, location, square footage of the improvements, square footage of the land, financing, or other factors that may affect the value.

Exchange of Information

In an exchange of information, both you and the assessor trade the information that will be presented at the hearing. Either you or the assessor may request an exchange of information.

If you initiate an exchange of information, you should submit your request to the clerk of your appeals board or the assessor prior to 30 days before the start of your hearing. In your request, you should include your opinion of value and the data that supports your opinion of value. The assessor's staff must respond to your request at

least 15 days prior to the hearing with their opinion of value and the supporting data. This allows you to review the assessor's information, which can help you contest the evidence that the assessor will present.

If the assessor initiates an exchange of information, you must respond to the assessor's request at least 15 days prior to the hearing with your opinion of value and your supporting data.

Note: The assessor may request an exchange of information if the assessed value of your property is at least $100,000. You may request an exchange of information regardless of the value of your property.

At an appeal hearing following an exchange of information, the only admissible evidence that can be considered is the information that was exchanged and any new material related to that information. If either party introduces such new information at the hearing, the other party, upon request, shall be granted a continuance of the hearing for a reasonable period of time in order to prepare a response.

Note: Some counties have adopted local rules of notice and procedures related to exchanges of information. Contact the clerk of your appeals board for information.

6. Your Assessment Appeal Hearing

Notice of Hearing

After receiving your properly completed application, the clerk of your appeals board will schedule a hearing. You or your agent will be notified of your hearing date at least 45 days in advance.

The appeals board is expected to hear and decide all appeals within two years of the filing of an application. If more than two years pass before your appeal is heard and decided, your opinion of value may temporarily become the taxable value of your property by default (until the appeals board hears and decides your appeal). There are several exceptions to this general rule. Contact your local appeals board for details.

As the applicant, you must personally attend the hearing or be represented by someone thoroughly familiar with the facts of your appeal.

Attending the Hearing

Appeals hearings are not as formal as a court of law. You are not required to have an attorney or an agent represent you. However, you, as the applicant, must personally attend the hearing or be represented by someone thoroughly familiar with the facts of your appeal. If a representative attends on your behalf, you may be required to provide written authorization prior to the hearing. Check with the clerk of your appeals board. Your attorney is not required to have written authorization.

A wife may appear for her husband, or vice versa, and sons or daughters may appear for parents, or vice versa.

Failure of you or your agent to appear may result in the denial of your application. An appeals board has the ability to reconsider the denial of your application if you show good cause for your failure to appear, and file a written request for reconsideration by a board-established deadline. Contact the clerk of your appeals board.

If you plan to appeal an adverse decision from the appeals board (see page 15, "Further Appeal Rights"), you may want to have legal counsel present at the hearing. The record made before the local board may be very important in superior court.

Hearings are open to the general public. You may find it helpful to observe other appeals hearings before presenting your own case.

Hearing Officers

Some county boards of supervisors have appointed hearing officers to hear the appeals of certain less complex properties. Hearings held before a hearing officer, in many counties, are less formal than an appeals board hearing.

Depending on your county, a hearing officer's decision may or may not be final. If the decision is not final, you, the assessor, or the appeals board may reject the hearing officer's recommendation, and a full appeals board hearing will be scheduled. Contact the clerk of your appeals board for more information.

Burden of Proof

The assessor bears the burden of proof in the following situations:

- Appeals of owner-occupied single-family dwellings
- Appeals of your property's assessed value when the assessor enrolled a value different from your purchase price (if you filed a change in ownership statement timely), and
- Escape assessments (if you filed a change in ownership statement or a building permit)

In all other situations, the applicant has the burden of proving that the property has not been correctly assessed.

Reaching a Decision

The assessment appeals board (or hearing officer) will base its decision on the evidence presented by you and the assessor at the hearing.

The appeals board (or hearing officer) will base its decision on the evidence presented by you and the assessor at the hearing. The board will evaluate the suitability of any approach to value and the data you and the assessor used to reach your conclusions.

Notice of Decision

An appeals board (or hearing officer) may announce its decision at your hearing, or take the matter under submission for a decision later; the board may deliberate in private. If a decision is not announced at your hearing, the clerk of your appeals board will mail a written decision to you or your agent.

Tape recordings or transcripts of your hearing may be available; contact the clerk of the board for details. You should request a transcript or recording if you decide to appeal the board's decision. Any request should be made within 60 days of the board's decision.

Filing a Claim for Refund

You may be entitled to a property tax refund if the value of your property is reduced and you had paid tax based on the assessor's original value. In many counties, the

tax collector or auditor will automatically process a refund. However, in some counties, you will need to file a "claim for refund of taxes" form. Check with the clerk of your appeals board at the time you file your appeal application to see if you will need to submit a claim form.

Protecting your refund rights. Generally, if more than four years have passed since the payment of a property tax, a county cannot refund that payment. As a result, if a board's decision on an application occurs after four years since the date of an appealed payment, the county cannot refund that payment.

To protect your refund rights, you can

- File a separate claim for refund prior to the expiration of the four-year period, or
- Check Box 8 on your application to make the application a claim for refund. (See page 8.)

Further Appeal Rights

A decision by an appeals board is final — that is, an appeals board may not rehear or reconsider any application.

If you wish to appeal the appeal board's decision, you must file a claim for refund with the board of supervisors (see note below for exception). If the board of supervisors denies your claim, you may then file an action in superior court. You must file within six months of the date your claim for refund was denied by the board of supervisors.

Note: Do not file a claim for refund with the board of supervisors if you made your appeal application a claim for refund (as described on page 8). Your next step is to file an action with the superior court.

If you file an action in superior court, you will need the "Written Findings of Facts" described on page 8 and a copy of the hearing transcript as evidence for the court to consider.

7. Glossary of Terms Used in This Publication

Base Year Value

Since approval of Proposition 13 in 1978, real property is reassessed upon a change in ownership or when certain new construction occurs. The new assessed value created by either event is called a "base year value."

After establishing a new base year value, and until the next reassessable event, the assessor can only increase that value by the rate of inflation indicated by the California Consumer Price Index (CCPI), not to exceed a maximum of 2 percent per year.

Change in Ownership

A change in ownership means a transfer of a present interest in real property, including the beneficial use thereof, the value of which is substantially equal to the value of the fee interest. There are several exclusions from "change in ownership," such as the transfer between a husband and wife.

A change in ownership includes the transfer of a partial or percentage interest in real property.

Escape Assessment

An assessment made for an event, such as a change in ownership or new construction, that occurred in a prior year but was not discovered timely by the assessor.

Lien Date

The "lien date" is the date that the property taxes become a lien on property. The lien date for the regular assessment roll is January 1.

This date is especially important for "decline in value" appeals, where the lien date is the valuation date for appeal purposes.

New Construction

New construction means:

- Any addition to real property, whether land or improvements, since the last lien date
- Any alteration of land or improvements since the last lien date which constitutes a major rehabilitation or which converts the property to a different use

There are several exclusions from this definition.

Supplemental Assessment

An assessment of the fair market value of property as of the date a change in ownership occurs or new construction is completed. It establishes a new base year value for the property or the new construction.

8. For More Information

Although the State Board of Equalization oversees the administration of California's property tax laws, including local county assessment standards, you should contact your county assessor's office or appeals board if you have questions regarding assessments or the appeals process.

To obtain copies of the state rules that apply to appeals and equalization, please call our Information Center at 800-400-7115 and ask for Property Tax Rules 301 through 326. The rules are also available at state or county libraries (see the *California Code of Regulations*, Title 18, Public Revenues) and on the Board's website, *www.boe.ca.gov*. Click on "Forms, Publications, and Reports" to locate the *Property Taxes Law Guide*).

You may obtain the rules and procedures of your appeals board by contacting the clerk of your appeals board.

If you would like general information about California property taxes, you should order a copy of publication 29, *California Property Tax: An Overview*. To request a copy, call our Information Center. Or you can download a copy from our Internet site: *www.boe.ca.gov*.