

180.0000 ASSESSMENT APPEALS

*See Assessment Appeals Board
Supplemental Assessment*

180.0004 **Agent's Authorization.** C 4/25/95. Deleted 2000.

[180.0005](#) **Agent.** An applicant may specify a corporation or other legal entity as an agent to represent him or her in assessment appeal proceedings. There is no requirement that a specific natural person be named as an agent. C 9/17/2001.

[180.0007](#) **Allocation of Value.** Appeal of the allocation of value between land and improvements is not permitted under Revenue and Taxation Code section 51(b) but may only be brought under section 80(a)(3). C 11/9/95; C 1/4/99.

[180.0010](#) **Amendment of An Application.** Property Tax Rule 305, subsection (e)(2)(C)(i) provides that an appeals board may allow an applicant or the applicant's agent to make amendments to an application "to state additional facts claimed to require a reduction of the assessment that is the subject of the application." The phrase "additional facts" within the meaning of that subsection refers to the type of relief requested by the applicant and, thus, includes amendments that request a reduction based on an appeal of a different assessment, such as a change from decline in value relief to base year value reduction. The amendment provision supersedes former subsection (e) which prohibited any amendment after the last day for timely filing of an application if the amendment requested relief additional to or different than the relief originally requested in the application. C 5/31/01.

180.0011 **Amendment of Application.** C 4/28/95. Deleted 2000.

[180.0012](#) **Amendment of An Application.** Property Tax Rule 305(e)(2)(C) provides that an appeals board may, upon request, allow an applicant to amend an application to state "additional facts claimed to require a reduction of the assessment that is the subject of the application" after the final filing date. The plain language of this provision and the rulemaking record evidence an intent to allow amendments seeking relief additional to or different in nature from that originally requested, such as the addition of a class of property within the appealed unit that could have been appealed at the time the application was filed. C 7/11/2001.

[180.0020](#) **Appeal After Audit.** Revenue and Taxation Code sections 469 and 1605 provide that if an audit conducted pursuant to section 469 discloses property subject to an escape assessment, then all the property of the taxpayer at that location is subject to equalization for the year of such escape (unless the property was previously equalized for that year). The legislative intent of this provision was to afford the taxpayer a similar right to "open up" past assessments as the assessor has.

Frequently, an assessor's audit discloses both under- and overassessments. Section 533 provides in such cases that the appropriate tax liabilities and refunds shall be offset, so the resulting tax bill or refund is a net figure. If the refund is greater than or equal to the escape, then no "escape assessment" is enrolled, but the taxpayer is entitled to an equalization hearing on the entire property for the year of the "escape". LTA 3/30/84 (No. 84/38).

180.0021 **Appeal After Audit.** C 10/8/93. Deleted 2000.

[180.0022](#) **Appeal After Audit.** The State Board of Equalization is charged with equalizing assessments among the counties, not resolving disputes involving assessments of individual properties. A taxpayer who seeks relief from an adverse assessment appeals board decision must follow the statutory procedures by paying the tax, filing a claim for refund, and thereafter, if necessary, filing a refund action. The remedies provided by statute

afford an aggrieved taxpayer adequate due process. The Board's power under Government Code section 15606(h) is rarely invoked and is generally exercised only in instances where there is a clear violation of a constitutional or statutory property tax provision or administrative regulation, not in instances of statutory interpretation for which specific statutory procedures exist. C 3/17/97.

180.0023 **Appeal After Audit.** C 9/20/96. Deleted 2000.

[180.0024](#) **Appeal After Audit.** A property owner may apply for review, equalization, and adjustment of a county assessor's assessment with respect to the value of all property at the location of the owner's business after an audit of the value of trade fixtures and business tangible personal property has been made by the county assessor that discloses both an underassessment and overassessment of some of the property, resulting in no change to the original assessment. OAG 11/21/97 (No. 97-315, Vol. 80, p. 322).

[180.0025](#) **Appeal After Audit.** If an audit does not disclose any property which has escaped assessment, then the appeal rights set forth in Revenue and Taxation Code sections 469 and 1605 are not available. This is in contrast to an audit situation in which properties are found to be underassessed and, therefore, subject to escape assessments, but no escape assessments are enrolled because the underassessed properties are netted against over-assessed properties. C 3/26/98.

180.0030 **Applicant.** C 7/21/83. Deleted 2000.

180.0031 **Applicant.** C 2/7/96. Deleted 2000.

180.0032 **Applicant.** C 4/8/97. Deleted 2000.

[180.0033](#) **Applicant.** An entity that assumes liability for payment of delinquent taxes does not become an "affected party" or an "assessee" with standing to appeal the assessments made prior to the foreclosure. A notice of unpaid taxes received by such an entity may not be considered as the equivalent of a notice of annual increase which commences the 60-day application filing period of Revenue and Taxation Code section 1603 when such notice was not required pursuant to Revenue and Taxation Code section 619. C 1/13/99.

[180.0034](#) **Application.** The sufficiency of the property description contained in an application for reduction in assessment presents a question of fact to be decided by the assessment appeals board in the exercise of its authority to determine its own jurisdiction. C 12/7/93.

[180.0035](#) **Application.** An assessment appeal in the form of a letter received during the application period may be treated as a timely filed, but incomplete, application of appeal. Prescribed forms should be completed within a reasonable time thereafter. C 9/21/79.

[180.0036](#) **Application.** An appeal of only a supplemental assessment does not provide the assessor the opportunity to put an assessment of the same property on the regular roll before the appeals board. The application defines the assessment in issue.

The provisions of Rule 324 subdivision (b) approves an equalization board's review of the value of an entire appraisal unit when a taxpayer appeals only a portion of the unit's value. It does not authorize the review of a value of a separate assessment of the same property. C 2/24/89.

180.0037 **Application Filing Date.** C 7/26/79. Deleted 2002.

[180.0038](#) **Application Filing Date.** Applications for assessment reduction based on a property's loss in value must be made during the regular filing period. Proposition 8 made no changes to the appeal process. It merely authorized recognition of a property's loss in

value even though there has been no new construction or change in ownership. C 11/27/89.

180.0039 Application Filing Deadline. The assessment appeal application filing deadline is November 30 unless a county assessor mails a value notice to every property owner pursuant to Revenue and Taxation Code section 619. The property tax bill issued by the county tax collector is not considered a value notice for purposes of determining the assessment appeal application filing deadline. C 5/6/2003.

180.0040 Appraisal Unit. Under Property Tax Rule 324 subdivision (b), a taxpayer which has properly appealed an escape assessment based on its possessory interest may request the board to value its fixed assets as a necessary part of its entire appraisal unit. C 2/8/94.

180.0041 Appraisal Unit. In an appraisal unit comprised of multiple properties, an escape assessment of one or more of those properties does not result in an escape assessment of all properties in the unit and does not affect the assessed values of the properties in the appraisal unit not subject to escape assessment. Thus, the assessments of those properties not subject to escape assessment may not be appealed because there has been no increase from the assessed values previously enrolled on the regular roll. The only exception is under certain circumstances involving a mandatory audit. C 3/5/99.

180.0045 Base Year Value. In *Sunrise Retirement Villa et al. v. Dear* (1997) 58 Cal.App.4th 948, the court held that an assessment appeals board has jurisdiction to hear an appeal to correct an alleged error in setting a base year value, not involving a judgment of value, in any year in which the error is discovered, if the assessor declines to make the correction pursuant to Revenue and Taxation Code section 51.5. The board's jurisdiction to hear such base year value appeals is not limited to the four-year statute of limitations in Revenue and Taxation Code section 80 subdivision (a)(3); but in order to trigger the application of section 51.5, a property owner must present to the assessor credible evidence of an error not involving value judgment, as opposed to an opinion, for any such claim. C 1/6/98.

180.0050 Base Year Value Not Contested in Year Established. Revenue and Taxation Code section 80(a)(3) permits an application to be filed during the filing period for the year in which an assessment is placed on the roll or in any of the three succeeding years. Where no application is filed for the year in which the assessment is placed on the roll, but an application is filed in one of the next three years, section 80(a)(4) provides that any reduction in value as a result thereof will apply only to that year and to subsequent years. C 6/28/82.

180.0060 Base Year Value Previously Determined. Revenue and Taxation Code section 80 precludes any assessment appeal application which challenges a base year value previously determined by an assessment appeals board for an earlier assessment year. C 11/3/81.

180.0062 Base Year Value Reduction. A reduction to a base year value as the result of an assessment appeal pursuant to Revenue and Taxation Code section 80(a)(4) is to be reflected on the roll for the year for which the appeal was timely filed and thereafter. Subsequent rolls would include appropriate inflation adjustments. The taxpayer need not file multiple applications for reduction, even if the assessment appeals board's decision is delayed, thereby causing the assessor to carry over the old base year value during the time of the delay. C 8/29/86.

180.0063 Burden of Proof. C 12/22/87. Deleted 2000.

180.0064 Doctrine of Res Judicata. This legal doctrine is inapplicable to assessment appeals board decisions. An assessment appeals board's decision applies only to the particular appeal to which it relates. C 10/10/91; C 4/30/93.

180.0065 Enrolled Value. A taxpayer, who has timely and correctly filed an application for reduced assessment of an enrolled value on which the taxes have been levied, is entitled to dispute that value before the local board irrespective of whether or not the assessor has completed a reappraisal and issued a supplemental assessment. C 8/21/95.

180.0066 **Enrolled Value.** C 8/2/94. Deleted 2000.

180.0067 Escape Assessment. Subdivision (f) of Revenue and Taxation Code section 1605 expressly excludes escape assessments from the definition of assessments made during the "regular assessment period" for purposes of section 1605(a). An escape assessment, by definition, is not made within the regular assessment period. Thus, an application for appeal of an escape assessment must be filed within 60 days of the date on which the assessee is notified of the escape assessment, regardless of the month in which the escape assessment was made or the notice was mailed.

While a notice of proposed escape assessment sent pursuant to Revenue and Taxation Code section 531.8 is a form of notice, it is not the notice required by Revenue and Taxation Code section 534. The express terms of section 534 make the date of notice the effective date of the escape enrollment for all purposes, including equalization. Therefore, an appeals board has no jurisdiction to hear an application filed in response to the notice of proposed assessment required by section 531.8 since such an application is filed prior to the enrollment and the date of the notice of the assessment and prior to the date the tax bill has been received. C 5/12/98.

180.0068 Escape Assessment. An assessment appeals application is not timely if it is filed prior to the time the escape assessment has been enrolled and the assessee has received the notice required by Revenue and Taxation Code section 534. An escape assessment is not effective for any purpose, including review, equalization and adjustment by an appeals board, until it is enrolled and the assessee is properly notified. An application filed in response to the notice of proposed escape assessment required by section 531.8 is invalid if it is filed prior to enrollment and the date the notice has been received. C 1/20/98.

180.0069 Escape Assessment and Proposition 8 Reductions. A memorandum of lease evidencing a long-term lease was executed in 1989 but was not reported as a change in ownership. The document was recorded in 1997 and, upon discovery, the assessor determined that a change in ownership had occurred in 1989 upon execution of the lease. The assessor established a new base year value for the property and made escape assessments for assessment years 1991-92 through 1997-98 since the four-year statute of limitations period of Revenue and Taxation Code section 532 for making escape assessments had never commenced.

An application appealing an escape assessment may validly seek a reduction in base year value and a Proposition 8 reduction to fair market value. An appeals board has discretion to determine such a decline in value, even though the application seeks the same relief as an application for a Proposition 8 decline in value appeal, which must ordinarily be filed during the regular filing period. An escape assessment places the entire value of the property in issue and, for that reason, an applicant is not limited to appeal of only the new base year value for the property. C 6/3/98.

180.0070 **Estimated Value.** C 9/11/85. Deleted 2000.

180.0071 Evidence. The assessments of properties that are comparables to the property that is the subject of an assessment appeal should be admitted as evidence of the value of the subject property, provided that the assessments have the same base year. C 7/25/85.

180.0071.005 Evidence. Generally, the appraiser who prepared the appraisal need not be present at the hearing if, in the opinion of the appeals board, the appraisal itself includes information that adequately supports the value determination. Any relevant evidence is admissible at an appeals board hearing. However, the appeals board has discretion to exclude any evidence that is unreliable. A one-page statement of value that does not include a description of the property, evidence of adjustment, or any analysis or supporting data is unreliable as evidence of value because it lacks any foundational factual or analytic support for its value conclusions. C 4/1/2005.

180.0071.010 Evidence. The testimony of an appraiser of the assessor's office who did not prepare the appraisal is admissible provided that it is relevant. Revenue and Taxation Code section 1610.2 requires that either the assessor or a deputy attend all hearings of the appeals board and may make any statement or produce evidence on matters before the board. Therefore, the assessor has the authority to designate a different deputy assessor and appraiser than those who prepared the appraisal, and such designees have the right to offer evidence. Such evidence is admissible so long as it is relevant and the appeals board determines that it is reliable. C 4/15/2005.

180.0071.015 Evidence. Evidence concerning the development plans of the purchasers of allegedly comparable properties may be relevant to the issue of the proper application of the comparative sales approach to the extent that such evidence reflects a market perspective or otherwise sheds light on the highest and best uses of those properties. Thus, such evidence may be relevant in determining whether or not the proffered properties are, in fact, comparable and whether or not the comparative sales approach may be utilized. C 8/14/2007.

180.0072 Federal Deposit Insurance Corporation (FDIC). Pursuant to 12 U.S.C.A. section 1825(b)(1) FDIC has the right to challenge the valuation of property held by their immediate predecessor of title, notwithstanding that the California statutory appeal period has expired. C 4/8/94.

180.0073 Fixtures. An item of personalty may be characterized as a fixture or as personal property depending on how that item is attached to the real property and the intent of the owner. If the appraiser classifies the item as a fixture, it becomes real property. As real property, assessors are required to establish a base year value upon a change in ownership or new construction. A base year value of fixtures may be appealed within 60 days of the notice of supplemental assessment. Alternatively, the base year value may be appealed during the regular filing period for the first year of enrollment on the current local roll, or during the regular filing period for any of the next three succeeding years.

If the real property and fixtures have been appraised and assessed together as a unit, an appeals board may adjust the values of property not under protest under Revenue and Taxation Code section 1610.8 as long as the property's base year value is still eligible for review. Conversely, if the real property and fixtures were separately assessed, an appeals board may not adjust the value of property not under protest or if the property's base year value is not eligible for review. C 11/23/2005.

180.0074 Formal Exchange of Information. Revenue and Taxation Code section 1606 provides for the pre-hearing production of information by both sides during the course of an assessment appeal as a means of limited discovery to prevent surprise during the hearing.

The required information must be sufficient to put the opposing party on "reasonable notice" as to the testimony and evidence to be introduced at the hearing, but the details of the evidence and testimony need not be exchanged. C 12/8/97.

180.0075 **Incorrect Value.** C 3/11/81. Deleted 2000.

180.0080 **Information Exchange.** C 1/3/95. Deleted 2002.

[180.0085](#) **Land Conservation Act Homesite Value.** Homesites on lands subject to restricted value assessment under California Land Conservation Act contracts are valued as separate appraisal units because Revenue and Taxation Code section 428 provides that the restricted value statutory provisions shall not apply to residences and residential sites of a reasonable size. Thus, a property owner may appeal the assessed value of the homesite as an appraisal unit, separate from the land under contract, if he or she believes that the fair market value of the homesite property on the lien date is lower than the assessed value determined by the assessor. C 8/10/2000.

[180.0086](#) **Material Value.** Appeal applicants do not have to overcome the material value standard prescribed by Property Tax Rule 305.3(b)(2) to obtain an equalization hearing on all property at a location when a county assessor has issued audit findings identifying property subject to an escape assessment. C 7/5/2006.

[180.0090](#) **Roll Changes And Proposition 8 Reductions.** A timely filed pending application for reduction in assessment that appeals a decline in value of property is not invalidated by supplemental or escape assessments made subsequent to the filing of the application. If the application indicates that the taxpayer believes the value of the property to be less than the assessment shown for the current roll year, the appeals board has both the jurisdiction and the responsibility to decide that issue. C 5/29/2001.

[180.0091](#) **Roll Correction.** An application for changed assessment may not be filed to appeal a change in assessed value resulting in a refund due to an audit or to a correction made pursuant to Revenue and Taxation Code section 4831, subdivision (b). A roll correction or roll change reducing a value and resulting in a cancellation or refund is not an assessment made outside of the regular assessment period which would allow a taxpayer to file an application for changed assessment pursuant to Revenue and Taxation Code section 1605. C 3/31/2000.

[180.0094](#) **State-Assessed Property.** Each year the Board adopts unitary values for all state assessees. As a result, the only means for a correction to be made to the Board roll, whether as the result of an appeal of the unitary assessment by an assessee or as the consequence of an audit of an assessee by Board staff, is by the approval of the Board. In other words, once a unitary value has been adopted by the Board, only a vote of the Board can change a value on the Board roll. C 7/15/2003.

[180.0095](#) **Stipulation.** As of January 1, 1988, Revenue and Taxation Code section 1603 provides that even when there is a stipulation to a value judgment error, an assessment appeal application must be filed within 12 months following the month in which the assessee is notified of the assessment. Consistent with section 1605, an assessee's receipt of a tax bill based upon the assessment suffices as notice. LTA 6/13/88 (No. 88/43).

[180.0096](#) **Stipulation.** The stipulation provided in Revenue and Taxation Code section 1603(c), is applicable to current roll values established pursuant to section 110.1(f) and not limited to corrections of a base year value as provided in section 51.5(b). C 2/15/95.

[180.0097](#) **Stipulation.** A written stipulation provided to an assessment appeals board should contain a statement of the facts that justify a change in a value on the assessment roll. The

statement need not be lengthy but should fairly explain the basis for the amount of the reduction, e.g. if the cost approach has been used, it may be a change in trend factors; for the income approach, perhaps a change in the capitalization rate or the income stream. If the method of appraisal has been changed, the reason for the change and an explanation of the appropriateness of the new methodology should be included in the stipulation. C 9/18/86.

180.0098 Stipulation. A base year value established by an assessment appeals board based on information provided in a stipulation as to value between the assessor and a taxpayer is not subject to subsequent appeal pursuant to Revenue and Taxation Code section 80 based on the taxpayer's allegation of newly discovered facts. Further, a stipulation to value is not necessarily an admission of error by the assessor. C 2/21/91.

180.0099 Substitution of Applicant. There is no statute or rule that would permit a non-filing, subsequent owner of property to assert the status of "party affected" in the face of a valid application wherein the designated agent of the owner of the property at the time the application was filed is prepared to conduct the hearing. C 11/8/96.

180.0110 Tenant Improvements. An assessee may limit an assessment appeal to the valuation of newly constructed improvements which have been supplementally assessed without causing reappraisal and reassessment of the property to which the new improvements have been added. The last sentence of Property Tax Rule 307(a) applies to assessments of properties that have been appraised and assessed together and prevents application for partial reduction from limiting board review of the entire assessment. C 11/30/90.

180.0115 TPZ Site Classifications and Values. Timberland Production Zone (TPZ) site classifications and values used by assessors for valuation purposes are, like assessors' other value judgments, appealable annually to the assessment appeals board or county board of supervisors meeting as a county board of equalization. (Revenue and Taxation Code sections 1601, et seq.) C 9/15/98.

180.0120 Transfer of Base Year Value. Revenue and Taxation Code section 80 is available to challenge the base year value of a replacement dwelling on the ground that all of the requirements of Revenue and Taxation Code section 69.5 have been met and that, therefore, the base year value of the original property should be transferred to the replacement dwelling. Pursuant to section 80(a)(5), any resulting reduction in assessment under section 80 shall apply, only to the assessment year in which the appeal is filed and prospectively thereafter. If, however, the appeals board finds that the value of the original property was higher than determined by the assessor, such value increase is effective for the date as of which the change in ownership occurred. And, as the result of Revenue and Taxation Code section 531, the assessor must make escape assessments for each year there was an underassessment resulting from such undervaluation. C 7/2/96.

180.0140 Withdrawal of Application. If an application for changed assessment also constitutes a claim for refund and an appeals board permits a complete withdrawal of the application without consideration, then the claim for refund is also withdrawn and should not be processed because the withdrawal of the application constitutes a withdrawal of the claim for refund. On the other hand, in the event that an application for changed assessment that also constitutes a claim for refund is acted upon by the appeals board, whether the result is no change or otherwise, the disposition of the application also operates to dispose of the claim for refund. C 5/22/2000.

