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No. 79/180

October 19, 1979

TO COUNTY ASSESSORS:

ASSESSMENT APPEALS

Assembly Bill 1488 (Chapter 242, Statutes of 1979) contains revised provisions regarding assessment appeals. The enclosed questions and answers illustrate the application of these provisions in the appeals process.

Sincerely,

Verne Walton

Verne Walton, Chief
Assessment Standards Division

VW:dr
Enclosure

A. QUESTIONS & ANSWERS PERTAINING TO ASSESSMENT APPEALS

1. QUESTION: What is the time limit for filing an appeal when a March 1, 1975 base year value is revised to conform to Section 110.1(a)(1) of the Revenue and Taxation Code?

   ANSWER: An appeal may be filed until expiration of the regular filing period following the 1980 lien date.

2. QUESTION: When can a new base year value be appealed if the value is established in accordance with Section 110.1(a)(2)? (Property which was purchased, newly constructed or changes ownership after the 1975 lien date?)

   ANSWER: Property valued pursuant to this section is eligible for appeal during the regular filing period for the year the new base value was enrolled and the succeeding three years. If the assessment is made outside the regular assessment period, the assessee has 60 days after notification to file an appeal, plus the next three succeeding years.

3. QUESTION: When a base year value determined pursuant to Sections 110.1(a)(1) and 110.1(a)(2) is appealed and revised, when does the new value apply for property tax purposes?

   ANSWER: The value determined by this appeal will establish a new base year value. This base year value will apply for the year of appeal and subsequent years until there is a transfer, new construction, or a subsequent decline in value.

4. QUESTION: When a property's 1975 base year value was established as a result of an appeal in 1978, can this value be appealed again (appeal of value determined pursuant to 110.1(a)(1))?

   ANSWER: This value can be appealed when there is new market data or the criteria used to determine value has been modified by subsequent legislation, and/or Board Rule changes, or subsequent decline in value.

5. QUESTION: When the factored base year value is appealed because the current market value is alleged to be lower, and the result is a revised value, when does the new value apply for property tax purposes?

ANSWER: The value determined by this appeal will apply only for the year the appeal was taken. The value for the next year will be the original base year value factored by the appropriate inflation factor unless the current value for that year is less than the factored base year value.

6. QUESTION: When the 1975-76 roll value was determined by the appeal process and that value is the base year's value, can this value be appealed?

ANSWER: No, this value is conclusively presumed to be the base year value, unless there is an ownership change, new construction or a subsequent decline in value.

7. QUESTION: What is the deadline for filing an appeal?

ANSWER: An appeal may be filed between July 2 and September 15. For the 1979-80 fiscal year only, the September 15 deadline is extended to October 1. When the notice and/or assessment is made outside the regular period, an appeal may be filed within 60 days after the date of notification.

8. QUESTION: Do the changes made by AB 1488 apply to appeals made for the 1978 roll?

ANSWER: The provisions of AB 1488 which revise the conditions under which property is subject to revaluation after 1975 are not grounds for appealing a 1978 roll value except when the appeal involves the valuation of a leasehold interest. The leasehold interest provisions of AB 1488 are retroactive to 1978.

9. QUESTION: Is it advisable for an Appeals Board to hear an appeal which directly challenges a statute or rule (such as the change of ownership or new construction rule)?

ANSWER: It is our view that an appeal which directly challenges a statute or rule should be denied without hearing. Instead the taxpayer should use the procedure set forth in Section 538 to directly challenge the statute or rule in court.