California State Board of Equalization

Legislative Bill Analysis

Assembly Bill 2172 (Gipson)
Date: June 11, 2026 (Amended)
Program: Property Taxes
Revenue and Taxation Code sections 1620.5 and 1622.3
Effective: January 1, 2027

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Summary: Assembly Bill (AB) 2172 authorizes an optional process for taxpayers in counties with a population of over 500,000 to opt for a single board commissioner to hear an assessment appeal, instead of the current three-member or five-member assessment appeals board formats prescribed by county boards of supervisors. The proposed alternative process would be repealed on January 1, 2034.

Fiscal Impact Summary: No direct projected revenue impact. Notable administrative costs to the State Board of Equalization (BOE).

Existing Law: When a property owner disagrees with a property's value, the property owner can appeal that value with the county Appeals Board. In each county, the county board of supervisors either sits as a local board of equalization or appoints an Assessment Appeals Board (AAB) to hear property tax appeals.

If a county AAB fails to make a final determination on an application for reduction in assessment within two years of the timely filing of the application, the taxpayer's opinion of value as reflected on the application must be enrolled on the assessment roll until a final determination is made. The taxpayer and the AAB may mutually agree to extend this two-year period.

Taxpayers seeking to appeal an Assessor's valuation of locally assessed property usually contact the Assessor to request a change in value. If unsuccessful, taxpayers can file an appeal (which can include a claim for refund) with the county.

In nine California counties, boards of supervisors hear appeals directly, while all the others have created one or more AABs to perform the quasi-judicial role of holding a hearing to determine the value of the taxpayer's property. AAB members are either appointed by the board of supervisors or by lot by the presiding judge of the superior court of the county from a list of persons nominated by the members of the county board of supervisors. Members serve a three-year term or complete a vacated, unexpired term.

Currently, state law does not set the number of terms a member may serve; however, many counties have ordinances that do. In addition to completing a training program, AAB members must possess five years of professional experience in California as a certified public accountant or public accountant, licensed real estate broker, attorney, or property appraiser. However, in counties with a population of less than 200,000, someone "possessed of competent knowledge of property appraisal and taxation," can be appointed without professional experience.

Current law, with specified limitations, also allows counties to appoint assessment Hearing Officers to hear and make recommendations on tax protests to a county board of equalization or its AAB. These procedures are outlined in Revenue and Taxation Code sections 1636-1641.5. The reports from hearing officers can be binding or contestable depending on the individual county ordinance.

Proposed Law: Assembly Bill 2172 enacts an alternative process for counties with a population of more than 500,000 to consider assessment appeals by providing for the appointment of Assessment Appeals Commissioners (AACs) to hear any assessment appeals, with some exceptions. The bill provides that the county must adopt its provisions by ordinance, with the following requirements, including that AACs must meet the current qualifications for AAB members, demonstrate the ability to conduct fair and impartial hearings, and prepare written findings of fact and conclusions of law.

The measure requires AACs to be one of the following:

A. A certified public accountant with experience in the appraisal or valuation of real property or business personal property.
B. A licensed real estate broker holding one of the following professional designations: a certified commercial investment member (CCIM); a certified real estate brokerage manager (CRB); a certified residential specialist (CRS); a Graduate Realtor Institute (GRI) designation; or any comparable designation evidencing specialization in commercial or investment real estate.
C. A real property appraiser holding the Member Appraisal Institute (MAI) designation or a comparable designation evidencing experience in the valuation of complex income-producing property.
D. A personal property appraiser holding an Accredited Senior Appraiser (ASA) designation from the American Society of Appraisers or a comparable designation.
E. An attorney with experience in the valuation of complex, income-producing, and business property.
F. An individual with experience comparable to that described above, as determined by the appointing authority.

AACs must consider all assessment appeals in counties enacting an ordinance to implement AB 2172's provisions. However, the ordinance must include a process where the taxpayer can object to an AAC hearing, in which case the appeals will be heard and decided by a three- or five-member AAB. Counties can appoint alternate AACs who meet the same qualifications when an AAC is absent or disqualified. The measure makes legislative findings and declarations supporting its purposes. The bill applies to appeals received between January 1, 2027, and January 1, 2032, and sunsets entirely on January 1, 2034.

AB 2172 also directs the BOE to adopt rules and guidelines necessary to ensure consistent hearing procedures, public access, and decision-making standards for AACs.

In General: Property owners can appeal the value of the property appearing on the regular assessment roll by filing an *Assessment Appeal Application*[1] for changed assessment during the regular assessment filing period with the clerk of the county board of supervisors. The regular assessment filing period is July 2 through either September 15 or November 30. The earlier deadline applies in counties where the Assessor has provided an assessment notice by August 1 to all taxpayers on the secured roll.[2]

Assessments made outside the regular assessment period (supplemental assessments and escape assessments) may be appealed within 60 days after the date the notice of change in assessment is mailed. An exception exists in Los Angeles County and in any other county where the county board of supervisors has adopted an alternative resolution. In these counties, such assessments may be appealed within 60 days of the date of mailing printed on the tax bill or the postmark date, whichever is later. For disaster relief assessment appeals, a claim must be filed within six months of the reassessment notice.

Every county board of supervisors is the county board of equalization, and many county boards of supervisors continue to directly consider property tax appeals today, especially in less populous counties. All others have created assessment appeals boards and even assessment hearing officers in a handful of counties. However, property appraisal is a very specific skill set, so it can be difficult to find qualified AAB members, who are not full-time employees and are generally compensated on a per-meeting basis.

Background: For a 10-year period (July 24, 1995 – January 1, 2005), the law allowed a county a maximum of 10 AABs. Effective July 24, 1995, Assembly Bill 1620 (Stats. 1995, ch. 1164) expanded the number of AABs from five to 10 until January 1, 1999. Effective January 1, 1996, Senate Bill 657 (Stats. 1995, ch. 498) set the maximum number of AABs at 10 indefinitely. Effective July 17, 1996, Senate Bill 713 (Stats. 1996, ch. 171) restored the sunset date but extended the sunset date to January 1, 2005. The reasoning behind the increase from 1995 to 2005 was that an economic recession resulted in an unprecedented number of assessment appeals throughout the state. The appeals workload exceeded the abilities and resources of both the local AABs and County Assessors' offices to timely resolve legitimate taxpayer appeals within the two-year period provided by law.

AB 3373 (Committee on Revenue and Taxation, Chapter 57, Statutes of 2020) removed the limit on the number of AABs a county may establish, and AB 1203 (Burke, Chapter 418, Statutes of 2021) expanded AAB member eligibility and reduced waiting periods for certain former County Assessor employees.

Los Angeles County handles the largest volume of assessment appeals in the state and continues to experience a significant backlog despite recent statutory changes intended to improve

[1] Assessment Appeals Process - Sample Forms

[2] A listing of assessment appeal filing deadlines by county (PDF) is posted on the BOE website.

processing. Los Angeles County had approximately 37,900 pending appeals as of April 1, 2026, and the backlog is expected to grow as appeals related to the January 2025 wildfires are filed.

Commentary:

1. **Number of Assessment Appeals Boards.** According to the BOE's publication *A Report on Budget, Personnel, and Appeals Data for 2024-25*,[3] which is the most recent data available, three counties (Los Angeles, Orange, and Santa Clara) have the highest number of appeals boards.
2. **Number of Assessment Appeals Boards Increased 1995-2005.** As noted above, the Legislature previously increased the maximum number of AABs to 10 from July 24, 1995, to January 1, 2005, because of the economic recession that resulted in an unprecedented number of assessment appeals throughout the state. The maximum number is now unlimited.
3. **COVID-19.** Beginning in 2020, many county offices were temporarily closed because of the COVID-19 virus. As a result, AABs postponed and continued appeals that were pending or in process when offices closed. These closures increased the backlog of appeals that needed to be scheduled, heard, and finalized.
4. **Current Process.** As noted above, counties have flexibility under current law in creating AABs, can choose how many AABs to create, can implement assessment hearing officers, and counties with fewer than 200,000 have alternative qualifications for AAB members.
5. **Optional Process.** AB 2172 is permissive, so only those boards of supervisors in counties with a population of more than 500,000 (16 of 58) enacting an ordinance are bound by its procedure. Additionally, even in a county that implements an AAC option, a process for taxpayers to opt out remains to instead have a three or five-member AAB consider their appeal.

Costs: The BOE will incur legal costs to promulgate new rules and education and training for the optional single AAC, as current rules only cover processes for the three- and five-member boards. The BOE will have administrative costs to issue Letters To Assessors and guidance to counties. These costs are estimated at $71K for 2026-27, $48K 2027-28, $34K in 2028-29, $24K in 2029-30, and $13K in 2030-31.

Revenue Impact: No direct revenue impact. However, this proposal could have an indeterminable impact on property tax revenue to the degree that assessment appeals are expedited as a result of a single commissioner option.

[3] boe.ca.gov/dataportal/dataset.htm?url=PropTaxAppealsBoardsHearingOfficers.