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Washington Department of Revenue Property Tax Division

2021 Review of the Grant County Board of Equalization



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Overview

Introduction

The Department of Revenue (Department) conducted an interview with the clerk of the Grant County Board of Equalization (Clerk). The interview focused on the Grant County Board of Equalization's (Board) processes and procedures.

Purpose

The Department's primary purpose of this review is to assist the Board in their processes and procedures to ensure compliance with state statutes and regulations.

An effective review of the methods employed by the Board in administering the assessment appeal process will promote fair, timely, and uniform property tax assessments.

Scope of review

The review is limited in scope. We reviewed administrative procedures for compliance with state statutes and regulations.

Information reviewed

To complete our review, we gathered information about the administration of the Board through interviews, documents provided by the Clerk, and independent verification. The areas we reviewed included, but were not limited to:

- Petitions for appeal 2020 assessment year for taxes payable in 2021
- Hearing procedures
- Deliberation process
- Board orders
- Regular convened session
- Reconvening processes
- Publications, forms, literature, and website
- Board policies

Acknowledgment

We thank the Board and Clerk for their cooperation throughout our review. We commend the Board for their willingness to look at opportunities to improve the uniformity and administration of property tax.

Executive Summary

About this review

The Department interviewed the Board's staff about the processes and procedures used in hearing appeals.

Categories of results

The Department has completed its review and grouped the results into two categories:

- The first category, *Requirements*, is of the greatest urgency for effective administration by the Clerk and the Board. A change is required to adhere to the law.
- The second category, *Recommendations*, requires the attention of the Board. The Department believes the Board could improve their performance and service to the public by making voluntary changes in procedures.

The Department bases requirements and recommendations contained in our reports on our review of the administrative procedures employed, existing state statutes and regulations, and areas we saw opportunities to improve processes, procedures, and communication.

Results

The Department identified six requirements and two recommendations directed toward improving the Board's methods.

The items identified may be specific to the Clerk's duties, the Board's duties, county legislative authority duties, or they may have shared components of responsibility. A summary of these items follows.

Executive Summary, continued

Requirements

- The Board is required to issue orders within 45 days of the hearing.
- The Board is required to inform the appellant their petition will be denied unless the appellant promptly requests a good cause waiver of the filing deadline.
- The Clerk is required to keep and publish a record of the Board's proceedings.
- The Board is required to hold hearings on each petition unless the taxpayer withdraws their petition in writing.
- The Board is required to accept only complete and timely filed petitions.
- The parties to an appeal are required to provide evidence to both the Board and the opposing party at least 21 business days prior to the hearing.

Recommendations

- The Department recommends the Board use the most current versions of forms.
- The Department recommends updating some of the custom letters that are being used.

Requirement – Board Orders

Requirement

The Board is required to issue orders within 45 days of the hearing.

What the law says

The board of equalization must notify the taxpayer and assessor of their decision within 45 days of a hearing on the taxpayer's appeal of the assessor's valuation of real or personal property.

RCW 84.48.010(2)

What we found

Two petitions reviewed contained Board Orders issued beyond the 45 day window.

Action needed to meet requirement

The Board is required to take the following action:

- Ensure all orders are issued within 45 days of the hearing date.

Why it's important

Timely board orders allow the assessor, treasurer, or taxpayer to take any subsequent actions associated with the order. This includes correcting assessed values, refunding property taxes, or appealing to the board of tax appeals.

Requirement – Waiving filing deadline for good cause

Requirement

The Board is required to inform the appellant their petition will be denied unless the appellant promptly requests a good cause waiver of the filing deadline.

What the law says

The appeal petition must be filed with the Board on or before July 1 of the assessment year or within 30 days, or up to 60 days if a longer time period is adopted by the county legislative authority, whichever is later.

No late filing of a petition shall be allowed unless the appellant requests and can show good cause to waive the filing deadline. A petition that is filed after the deadline without a showing of good cause must be dismissed by the board of equalization and returned to the petitioner. To reinstate the petition, the appellant must show good cause, within a reasonable time, for the board of equalization to waive the filing deadline. The board of Equalization's decision to waive the filing deadline for good cause is not appealable to the State Board of Tax Appeals (BTA) (RCW 84.40.038 and WAC 458-14-056).

What we found

The Clerk sends denial notices to petitioners who have filed untimely petitions. The denial notices do not inform the petitioner they may request a waiver of the filing deadline if they promptly show good cause.

Action needed to meet requirement

The Board is required to take the following action:

- Add the good cause waiver reasons to the petition denial notice sent to appellants. The addition of the good cause waiver reasons will provide petitioners with information that may allow them to continue the appeal process. If the appellant does not request a good cause waiver or makes a request but does not meet one of the good cause reasons, the Board must deny the petition. The Board must inform the appellant of their approval or denial of the good cause waiver request in writing and should specifically state the Board is denying a good cause waiver request. The decision to either accept or deny the appellant's request to waive the filing deadline is not appealable to the BTA.

Why it's important

Properly administering petitions ensures equity and provides a fair process for the appellant and assessor.

Requirement – Record of hearing

Requirement

The Clerk is required to keep and publish a record of the Board's proceedings.

What the law says

The law requires the clerk to maintain a journal or record of the board of equalization's proceedings and orders. The record must be published in the same manner as other proceedings of the county legislative authority (RCW 84.48.010).

What we found

A record of hearing for each case was not published on the county website.

Action needed to meet requirement

The Board is required to take the following action:

- The Clerk must publish the record in the same manner as other county legislative authority proceedings.

Why it's important

The record of hearing provides the public a summary of actions taken by a board for each hearing.

Requirement – Hearings on properly filed petitions

Requirement

The Board is required to hold hearings on each petition unless the taxpayer withdraws their petition in writing.

What the law says

The board of equalization or one of its hearing examiners must hold individual hearings on each properly filed petition that has not been withdrawn or otherwise disposed of. A taxpayer may withdraw a petition by written notice received by the board of equalization no later than two business days prior to the scheduled hearing. The board of equalization may also allow a taxpayer to withdraw up to the time of the hearing. The board of equalization must promptly notify the assessor of the taxpayer's withdrawal (WAC 458-14-076(1)).

If property is sold or transferred after a petition has been timely filed, either the seller/transferor or the buyer/transferee, or both, may continue to pursue the appeal if they can show the board of equalization that they have a personal stake in the outcome of the case (WAC 458-14-076(3)).

What we found

A petition was dismissed by the Board due to a sale/transfer of property. The Board does not have the authority to dismiss a petition for this reason. If a taxpayer wants to withdraw their petition they must do so in writing.

Action needed to meet requirement

The Board is required to take the following action:

- Hold hearings for all timely and completely filed petitions unless the appellant withdraws the petition in writing, no less than two days prior to their scheduled hearing.

Why it's important

It is important that petitioners who file complete and timely petitions are provided due process.

Requirement – Complete and timely filed petitions

Requirement

The Board is required to accept only complete and timely filed petitions.

What the law says

A petition of value may be accepted by the board of equalization as long as it is filed timely, on or before July 1 of the assessment year or within 30 days, unless the county legislative authority has extended the appeal period up to 60 days, after the date of the value change notice was mailed, whichever is later (RCW 84.40.038 and WAC 458-14-056).

What we found

Of the 12 petition files reviewed, the following petitions appear to be untimely:

- For one petition, the change of value notice was mailed on September 14, 2020. In order to be considered a timely appeal the petition was due by October 14, 2020, however the petition was date stamped on December 22, 2020. There is no documentation to support an extension of the due date.
- One petition included a change of value from the 2019 assessment year.
- One petition appears to have come in without the change of value notice, was sent back so the taxpayer could include a change of value notice, then by the time it was returned it was beyond the deadline. There is no letter to support that the petition was sent back to the taxpayer as incomplete to support the extension of the due date.

One petition should have been considered incomplete:

- On one petition, the taxpayer used a representative but did not sign the authorization in box 5 of the petition.

Action needed to meet requirement

The Board is required to take the following actions:

- Return an untimely petitions with a letter explaining the allowable reasons for waiving the filing deadline. If the appellant does not show one of the allowable reasons to waive the filing deadline, the Board must clearly state in writing that good cause was denied and the petition has been dismissed.

Why it's important

Properly administering petitions ensures equity and provides a fair process for the appellant and the assessor.

Requirement – Deadline to provide evidence

Requirement

The parties to an appeal are required to provide evidence to both the Board and the opposing party at least 21 business days prior to the hearing.

What the law says

When a taxpayer provides additional evidence after the petition is filed, they must submit a copy to the assessor's office and the board of equalization at least 21 business days prior to the hearing (RCW 84.48150 & WAC 458-14-066(4)).

What we found

The Clerk provides a deadline on the Notice of Hearing letter to let the petitioner and Grant County Assessor (Assessor) know the deadline for providing additional evidence. However, some of the reviewed files had Notice of Hearing letters with incorrect deadlines to provide additional evidence to the Board.

Action needed to meet requirement

The Board is required to take the following actions:

- Ensure all parties are given an accurate deadline of 21 business days prior to a hearing for providing additional evidence. This may be accomplished by replacing the deadline date box with the following language: "Parties have 21 business days prior to the hearing to provide additional evidence to the Board and the opposing party." Use of this statement decreases the chance of the Board giving incorrect written advice to petitioners.

Why it's important

Accurate appeal information ensures the Board provides fair and equitable due process for all parties involved in the appeal process.

Recommendation – Forms

Recommendation

The Department recommends the Board use the most current versions of forms.

What we found

The Board Order form (REV 64 0058) being used is outdated and contains incorrect Board of Tax Appeals (BTA) contact information.

The FAQ provided on the Board’s website should be modified. On the FAQ page under item 12 “May I submit additional information at the hearing?”, #2 states: The Taxpayer must provide valuation information to the Board at least 21 business days prior to the hearing.

Action recommended

The Department recommends using most up-to-date forms. The Department sends out quarterly updates to forms and maintains them on the [Property Tax Resource Center’s forms page](#).

On the FAQ page of the Board’s website, the Department recommends adding that the taxpayer must provide valuation information to the board **and the assessor** at least 21 business days prior to the hearing.

Why it’s important

The Department updates forms for accuracy and consistency as laws, policies, and procedures change. Using the most up-to-date forms will ensure accurate and current information.

Recommendation – Letters

Recommendation

The Department recommends updating some of the custom letters that are being used.

What we found

- The Notice of Hearing letter incorrectly cites RCW 84.40.030 as requiring the assessed value to be as of January 1 of the assessment year. Instead, [RCW 84.40.020](#) imposes that deadline.
- Additionally, the Notice of Hearing letter states, “The BOE will be reviewing sales prior to January 1, 2021 when the assessment was set by the assessor”. [WAC 458-14-087\(2\)](#) allows sales occurring within five years of the petition filing date to be considered. This was also included on the Hearing Contact Information letter.

Action recommended

- Update the Notice of Hearing letter citation from RCW 84.40.030 to [RCW 84.40.020](#) for the assessment date requirement.
- Adjust the sales information language to reflect that sales occurring within five years of the petition filing date may be considered (this applies to the Hearing Contact Information letter as well).

Why it’s important

Accurate appeal information ensures the Board provides fair and equitable due process for all parties involved in the appeal process.

Next Steps

Prioritizing Requirements and Recommendations

Once the Clerk and Board receive a final copy of this review, the Department will (if requested) consult with them to prioritize the items listed in the report.

Follow-up

The Department will follow up in 2022 to review the changes implemented. This will give the Board an opportunity to provide information to the Department about any issues encountered during the implementation process.

Questions

For questions about specific requirements or recommendations in our report, please contact the Property Tax Division at (360) 534-1400.

For additional information contact:

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