

P. O. Box 47471
Olympia, WA 98504-7471

Washington Department of Revenue Property Tax Division

2019 Review of the Asotin County Board of Equalization



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Overview

Introduction

The Department of Revenue (Department) conducted an on-site interview with the Clerk of the Asotin County Board of Equalization (Clerk). The interview focused on the Asotin 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 2018 assessment year for taxes payable in 2019
- 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 conducted an on-site visit to the Board's office. We 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 four 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 Clerk is required to keep and publish a record of the Board's proceedings.
- The Board is required to include a copy of the Assessor's value notice as proof of a complete and timely filed petition for appeal of valuation whenever the petition is filed after July 1 of the assessment year in question. The petition must be complete in order to be considered by the Board. Good cause waivers need to be in writing and kept as part of the petition file.
- To verify a petition filed by mail is timely, the Clerk is required to keep the envelope that is postmarked with the petition file.
- The Board is required to provide the appellant a petition form prescribed or approved by the Department.
- The Board is to meet on July 15, or within 14 days of the certification of the assessment rolls, whichever is later.
- The Board is required to request approval of the county legislative authority to continue to hold hearings after the regular 28-day session.

Recommendations

- The Department recommends the Board develop a desk reference manual for the Board's administrative duties.
- The Department recommends the Board develop a website or move appeal information to the county commissioners page to provide taxpayers with appeal information.
- The Department recommends the Board post the dates of the three required meetings held during the regular session.
- The Department recommends adding verbiage to both the denial letter and the hearing scheduling letters.

Requirements

For the items listed as *Requirements*, the Board must make changes in procedure to comply with law.

This section contains the items we identified in our interview.

Board clerk's record of hearing

Requirement

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

What the law says

The statute 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 and WAC 458-14-095(5))

What we found

The appeal files examined did not contain the Board Clerk's record of hearing as required by RCW 84.48.010. Some appeal files did include the sign-in sheet form, which indicates the date, time, and attendees, but is not a substitution for the Record of Hearing form. The Asotin County website does not have any information on the record of hearing.

Action needed to meet requirement

The Clerk must take the following action(s):

- Complete the Board Clerk's Record of Hearing (form REV 60 0002) and include it in each appeal file.
- Publish the form in the same manner as other county legislative authority proceedings. The Asotin County Commissioners publishes their minutes on their section of the Asotin County website. The Department encourages board clerks to use DOR's form as required by statute.

Why it's important

The Record of Hearing serves as a public summary of actions taken by a board for each hearing.

Complete and timely petitions

Requirement

The Board is required to include a copy of the Assessor's value notice as proof of a complete and timely filed petition for appeal of valuation whenever the petition is filed after July 1 of the assessment year in question. The petition must be complete in order to be considered by the Board. Good cause waivers need to be in writing and kept as part of the petition file.

What the law says

Timely

A petition of value may be accepted by the Board 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)

No late filing of a petition shall be allowed unless the appellant 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 and returned to the petitioner. To reinstate the petition, the appellant must promptly show good cause for the board to waive the filing deadline.

(RCW 84.40.038 and WAC 458-14-056)

Complete

A petition is considered complete when all relevant questions on the form provided by the Department have been answered, and the answers contain sufficient information or statements to apprise the board and assessor for the reason for the appeal. A petition that merely states the assessor's valuation is too high or the property taxes are excessive, or similar types of statements, is not properly completed and will not be considered by the board.

Good Cause Waivers

A petition that is filed after the deadline without a showing of good cause must be dismissed unless, after the taxpayer is notified by the board that the petition will be dismissed because of the late filing, the taxpayer promptly shows good cause for the late filing. The board must decide a taxpayer's claim of good cause without holding a public hearing on the claim and must promptly notify the taxpayer of the decision, in writing. The board's decision regarding a waiver of the filing deadline is final and not appealable to the state board of tax appeals.

(WAC 458-14-056)

What we found

Timely

All petitions reviewed were filed after July 1, but only two included the Assessor's Notice of Value or other determination to indicate the timeliness of the petition.

One of the complete petitions that included a notice of value should not have been accepted as it was filed untimely. Petition 18-11 has a change of value notice dated October 31, 2018 and indicates the petition was received on December 10, 2018. This exceeds the 30 day window to appeal as defined in statute. The appellant should have been notified of the petition denial and given the chance to provide good cause to waive the deadline. However, the petition was accepted and a hearing was scheduled and heard.

Petition 18-12 was not filed timely, however was accepted. In this appellant's circumstances, they were not mailed a value notice by the assessor for the assessment year in question (2018). In this scenario, the Board is required to, in writing, deny the petition and provide reasons for good cause waivers. The appellant would have qualified for a good cause waiver (RCW 84.40.038(2)(f)) but needs to provide the justification to the Board in writing. They were not given that opportunity.

(RCW 84.40.038(2) and WAC 458-14-056(3))

Complete

Petitions without a value notice were accepted, however, by law those petitions should be considered incomplete.

(WAC 458-14-056)

Action needed to meet requirement

The Board is required to take the following actions:

- Require a copy of the Asotin County Assessor's value notice be provided with all petitions submitted after July 1 of the assessment year in question to assist in determining if the petition is complete and timely filed. If the petitioner does not provide this document with the petition, the Board is required to:
 - Send the petitioner a notice of incomplete petition requesting a copy of the value notice with a deadline in the notice as to when the petitioner must reply.
 - Return an untimely petition 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 the petition has been dismissed.
- Retain copies of envelopes including the postmark for all petition files, both timely and untimely filed. If the petitions are hand delivered, ensure they are being date stamped on the date of receipt.
- Only accept petitions that are complete and timely filed, that include a specific reason why the petitioner believes the Assessor's determination is incorrect.

Why it's important

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

Postmarked envelopes

Requirement

To verify a petition filed by mail is timely, the Clerk is required to keep the envelope that is postmarked with the petition file.

What the law says

If a petition is filed by mail it must be postmarked no later than the filing deadline.
(WAC 458-14-056(4))

The board must follow the Department of Revenue's BOE manual in all of its operations and procedures.
(RCW 84.48.046)

If petition is filed by mail, it shall be postmarked no later than the filing deadline. Keep the envelope as proof of date of filing the petition.
(DOR County BOE Operations Manual Section 8.1 (2c))

What we found

At least one of the petitions provided did not include the envelope. The petition was indeed sent in by mail because a hand-written note stating "postmark 1-4-19" is toward the top of the petition. It is unclear how many petitions were sent in via mail, but none have the envelope proving the postmarked date.

Action needed to meet requirement

The Board is required to take the following step(s):

- The Clerk must keep the date-stamped envelope included with the petition to verify the timeliness of the petition.

Why it's important

Only timely filed and complete petitions can be considered by the Board. To ensure the Board is only holding hearings on timely filed petitions, the petition file must include the envelope used to mail the petition, with postmark date, and the date stamped petition form indicating when the petition was received.

Forms

Requirement

The Board is required to provide the appellant a petition form prescribed or approved by the Department.

What the law says

Appeals must be submitted to boards of equalization on either the form provided by the Department or a form approved by the Department.

(RCW 84.40.038 & WAC 458-14-087)

What we found

Four petition forms reviewed had, what appeared to be, type-written due dates for the forms on the top of the first page. The Department does not have a record of approving the edits of including due dates on top of the first page. The concern is that all taxpayers may not have the same due date for their petition based on when the assessor sends out their revaluation notice.

Action needed to meet requirement

The Board is required to take the following steps:

- The Board must submit customized petition forms to the Department for review and approval.

Why it's important

The law states a petition must be submitted on the form provided or approved by the Department.

Regularly convened session

Requirement

The Board is to meet on July 15, or within 14 days of the certification of the assessment rolls, whichever is later.

What the law says

The Board must meet in open session annually on July 15, or within 14 days of certification of the county assessment rolls, whichever is later.

(RCW 84.48.010 & WAC 458-14-046)

What we found

The Board did not meet within 14 days of the Assessor's certification of the assessment roll. The Assessor certified the 2018 assessment roll for the 2019 tax year on November 16, 2018, requiring the Board to meet on or before November 30, 2018. The Board's first meeting for the 2018 assessment year was on March 21, 2019.

Action needed to meet requirement

The Board is required to take the following steps:

- Meet on July 15 or within 14 days of the Assessor's certification of assessment roll to the Board, whichever is later.

Why it's important

Meeting as required by statute helps ensure the property tax process is completed as directed by law, so taxpayers will receive property tax statements timely.

Approval to reconvene the board after the regular 28-day session

Requirement

The Board is required to request approval of the county legislative authority to continue to hold hearings after the regular 28-day session.

What the law says

The Board must make a request to the county legislative authority to reconvene when they have 25 or more pending petitions or 10 percent of the number of petitions from the preceding year, whichever is greater. (RCW 84.48.010 and WAC 458-14-046)

What we found

The Board did not receive 25 or more, nor 10 percent of the number of petitions from the preceding year. The Board held hearings after the 2018 assessment year's regular 28-day session ended without receiving approval from the county legislative authority to reconvene after the 28-day session.

Action needed to meet requirement

The Board is required to take the following action:

- The Board must request approval of the county legislative authority to convene after the regular 28-day session to hear timely filed petitions. The approval should be in writing. The Board may wish to use the *Notice of Approval to Hear Property Tax Appeals* form, available by request from the Department (REV 64 0049).

Why it's important

Proper approval ensures that the county legislative authority is aware of the Board's workload.

Recommendations

For the items listed as *Recommendations*, the Department believes the Board could improve program compliance and service to the public by making voluntary changes in procedure.

This section contains the items we identified in our interview.

Desk reference manual

Recommendation

The Department recommends the Board develop a desk reference manual for the Board's administrative duties.

What we found

During the interview, the Clerk indicated the Board does not maintain a desk reference manual. However, it is clear in reading the Board Orders the Board utilizes the Department's Operations Manual for County Boards of Equalization.

Action recommended

The Department recommends developing a desk reference manual, which may include policy information and specific step-by-step procedures on administrating the duties of the board.

The goal of the desk reference manual is to provide the tools necessary to perform the duties of the Board in an efficient and professional manner. The Board should follow such a manual in its operations and procedures.

Why it's important

In the event of short or long-term staff absence, the duties, processes and procedures of the Board should be well documented. Desk reference manuals are useful for training and a good tool in preventing knowledge loss. It also will ensure the Board's procedures adhere to Washington statutes.

Post appeal information on website

Recommendation

The Department recommends the Board develop a website or move appeal information to the county commissioners page to provide taxpayers with appeal information.

What we found

There is no appeal information available to the public on the Asotin County website.

Action recommended

The Department recommends posting the DOR publication “Appealing Your Property Tax Assessment to the County Board of Equalization” somewhere on the county commissioner’s section of the Asotin County website.
https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/AppealProp.pdf

Why it's important

This particular publication is vital for citizens to know their appeal rights when disputing the value of their property. It is equally important for taxpayers to be able to get this information from sources other than the Assessor’s office, as the Board is separate from the Assessor’s office.

Publish three required hearing dates

Recommendation

The Department recommends the Board post the dates of the three required meetings held during the regular session.

What we found

During the interview, the Clerk indicated the meetings are solely posted outside the chamber's doors, however no dates are provided.

Action recommended

The Department recommends the Board publish the dates of the three required hearings in the Assessor's office, courthouse bulletin board, and newspaper. The Department provides form REV 64 0050 for this purpose.

Why it's important

Posting the Board's meeting dates serves as a public record and provides transparency of government process. DOR also uses this information when dealing with reconvened sessions (WAC 458-14-046(5)(h)).

Form letters

Recommendation

The Department recommends adding verbiage to both the denial letter and the hearing scheduling letters.

What we found

Denial Letter

The denial letter does not provide the reasons for a good cause waiver, nor does it provide the appellant with their appeal rights should their petition be denied.

Hearing Schedule Letter

The Appeal Scheduling letter has contradictory information. In the first paragraph, it tells the appellant they have to provide any documentary evidence to the board and the assessor 7 business days prior to the scheduled hearing date. In the second paragraph, it tells the appellant they have to submit documentary evidence at least 21 business days prior to the scheduled hearing.

Action recommended

Denial Letter

- Add the good cause reasons to the appeal denial notice sent to appellants when denying a petition (WAC 458-14-056(3)). The addition of the good cause 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 and meet one of the good cause reasons, the Board must deny the petition. The decision to either accept or deny the appellant's request to waive the filing deadline is not appealable to the BTA.
- Add information regarding the taxpayer's appeal rights should their petition be denied.
- Please see the next page for an example of verbiage to add to the denial letter.

Appeal Scheduling Letter

The Department recommends the letter be updated to reflect WAC 458-14-066 which directs taxpayers to provide valuation information to the board and the assessor at least 21 business days, excluding holidays, prior to the board hearing.

Why it's important

Clear and accurate information given to the appellants will help them understand the appeal process.

Suggested language for a denial letter:

WAC 458-14-056(3) states “No late filing of a petition will be allowed except as specifically provided in this subsection. The Board may waive the filing deadline if the petition is filed within a reasonable time after the filing deadline and the petitioner shows good cause, as defined in this subsection, for the late filing...”

If you were unable to file your appeal during the required 30 days after the date the notice was mailed because of one of the “good cause” reasons specifically listed in WAC 458-14-056(3), you may request a waiver of the filing deadline by writing a letter to the Board detailing the good cause reasons in your case. (*Provide a time limit for this letter*). The Board will review your request and make a determination whether to hear your case.

(Include a copy of WAC 458-14-056(3) for the taxpayer)

You may appeal the denial of your petition to the Washington State Board of Tax Appeals.

You can contact them at:

Washington State Board of Tax Appeals
1110 Capitol Way South, Suite 307
Olympia, WA 98501

P.O. Box 40915
Olympia, WA 98504-0915

You may also reach them via email bta@bta.wa.gov.

In addition, any questions you may have may also be found on their website www.bta.wa.gov.

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 six months 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:

Washington State Department of Revenue
Property Tax Division
PO Box 47471
Olympia, WA 98504-7471
(360) 534-1400
<http://dor.wa.gov>