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Washington Department of Revenue Property Tax Division

2018 Review of The Skamania 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 Skamania County Board of Equalization (Clerk). The interview focused on the Skamania County Board of Equalization's (Board) processes and procedures.

Purpose

The primary purpose of this review by the Department 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 2017 assessment year for taxes payable in 2018
- 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 five requirements and seven 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

1. The Board is required to issue orders stating the facts and evidence on which their decision is based and the reason(s) for the decision.
2. The Board is required to accept only complete and timely filed petitions.
3. The Clerk is required to keep and publish a record of the Board's proceedings.
4. The Board is required to request the approval of the county legislative authority to continue hearings after the regular 28-day convened session.
5. The Clerk is required to provide notice of the hearing date to the Assessor and appellant at least 22 business days before the hearing, unless all parties agree to a shorter time period.

Recommendations

1. The Department recommends the Board update the letter sent if an appellant misses the filing deadline.
2. The Department recommends the Board use a sign-in sheet for all hearings to create a record of participants. (BOE Operating Manual Part 6.2)
3. The Department recommends the Board post the dates of the three required meetings during the regular convened session.
4. The Department recommends the Board develop a desk reference manual for the Board's administrative duties.
5. The Department recommends the Board develop a spreadsheet or control register to keep track of all petitions received.
6. The Department recommends the Board maintain accurate files for each petition.
7. The Department recommends the Board update links to forms on their website.

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 Orders

Requirement

The Board is required to issue orders stating the facts and evidence on which their decision is based and the reason(s) for the decision.

What the law says

The board must notify the taxpayer and assessor of their decision within forty-five days of the hearing. (RCW 84.48.010(2) and WAC 458-14-116(5))

What we found

The Board issued three Board Orders for the 2017 assessment year. The Board did not issue any of the orders within 45 days.

The Board Order for petition BE-17-R-06 has the wrong petition number listed on the order.

Action needed to meet requirement

The Board is required to take the following action:

- Issue all Board Orders within 45 days of the hearing date.
- Ensure Board Orders contain accurate information.

Why it's important

Timely board orders allow the assessor and treasurer 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.

Timely Filed Petitions

Requirement

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

What the law says

A petition must be filed with the board of equalization on or before July 1 of the assessment year, or within 30 days after the value change notice is mailed, whichever is later, or up to 60 days if the county legislative authority has extended the appeal period. If mailed, a petition it must be postmarked no later than the filing deadline. (RCW 84.40.038 and WAC 458-14-056)

What we found

The Clerk stated she sends late petitions back to the appellants with a letter. She provided a copy of the letter used, which includes the filing deadline, and information on the good cause waiver option. The letter directs the petitioner to complete the Request for Reconvening (REV 64 0048).

The Clerk does not date stamp the petitions or retain the envelopes (or copy of) the petitions are mailed in.

Action needed to meet requirement

The Board is required to take the following action:

- The Board must include a copy of the Change of Value Notice with all petitions received after July 1.
- Do not use the Request for Reconvening for late petitions.
- The Clerk must add a statement to her late filing letter explaining the appellant's right to appeal the decision to the BTA.
- Date stamp petitions and retain the envelope of mailed petitions.

Why it's important

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

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. Publish the record 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 Clerk does not complete the Record of Hearing. During the interview, the Clerk stated she was not aware of the form or the requirement to post the Record of Hearing.

Action needed to meet requirement

The Board is required to take the following action:

- The Clerk must complete the Record of Hearing (REV 60 0002) and include it in each appeal file.
- Publish the form in the same manner as other county legislative authority proceedings.

Why it's important

The record serves as a public summary of the actions taken by a board of equalization for each hearing.

Regular Convened Session

Requirement

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

What the law says

Boards of equalization meet on July 15 for a minimum of three days, but for no more than 28 calendar days. The county legislative authority may reconvene the board of equalization when the number of timely filed petitions exceeds 25, or 10 percent of the number of appeals filed in the preceding year, whichever is greater. (RCW 84.48.010 and WAC 458-14-046)

July 15, 2017, the law changed and requires boards to begin their regularly convened session on July 15 or within 14 days after the assessor certifies the assessment roll, whichever is later.

What we found

The Board held hearings after the regular 28-day session without receiving authority to reconvene from the county legislative authority.

Action needed to meet requirement

The Board is required to take the following action:

- The Board must request the authorization of the county legislative authority to reconvene after their regular 28-day session when the number of timely filed petitions exceed 25, or 10 percent of the number of appeals filed in the preceding year, whichever is greater.

The Department recommends Board use *Notice of Approval to Hear Property Tax Appeals* (REV 64 0049e). This form is available on Property Tax Resource website located by clicking on the following link

<http://propertytax.dor.wa.gov/>.

Why it's important

Proper authorization to convene ensures the county legislative authority is aware of the board of equalization's workload.

Hearing Notice

Requirement

The Clerk is required to provide notice of the hearing date to the Assessor and appellant at least 22 business days before the hearing, unless all parties agree to a shorter time period.

What the law says

The clerk must notify the assessor and appellant of the hearing at least 22 business days before the hearing, unless all parties agree to a shorter time period. (WAC 458-14-076)

Note: HB2479 changed the exchange of information deadline to 21 days before a hearing. As of June 6, 2018, the Clerk is now required to provide notice of hearing 22 days before a hearing. The Department is in the process of updating WAC 458-14-076 to reflect this change.

What we found

Each of the five files reviewed contained a Hearing Notice. The clerk mailed the Hearing Notices more than 15 business days prior to the date of the hearing. One of the files contained a Hearing Notice dated before the petition was received.

The Department found the following changes that the Board needs to make to the Hearing Notice:

Language in Hearing Notice	Change Needed
<p>“Enclosed is the Assessor’s Answer to your Real Property petition appeal.”</p>	<p>The Board should not send the Assessor’s Answer to the taxpayer. This does not support the fact that the board and assessor offices are independent of each other. (BOE Manual pg. 46)</p> <p>WAC 458-14-066(2) states, the assessor must provide valuation information to the taxpayer and the board.</p> <p>Remove this from the notice.</p>
<p>“Please submit any additional documents or evidence to support your appeals no later than... to the Board...”</p>	<p>WAC 458-14-056(5) states, other documentary evidence not submitted at the time the petition is filed must be provided by the taxpayer to the assessor and the board.</p> <p>Add that the appellant should submit additional evidence to the Assessor and the Board.</p>

Hearing Notice, continued

Action needed to meet requirement

The Board is required to take the following action:

- The Clerk must provide notice of the hearing with accurate information to both the Assessor and appellant at least 22 business days prior to the hearing.
- Make changes in the chart above.

Why it's important

The correct hearing information should be accessible to the Assessor and appellant, such as the hearing date and important information that could be used during the hearing.

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.

Late Filing Letter

Recommendation

The Department recommends the Board update the letter sent if an appellant misses the filing deadline.

What we found

The Clerk provided a copy of the letter she sends when the Board receives a petition after the filing deadline.

Action recommended

The Department recommend the Clerk update the letter with the following suggestions:

1. Do not use the Request for Reconvening form (REV 64 0048) if an appellant is appealing the current year, but misses the filing deadline.
2. Remove reference to form.
3. Add a reference to late filing because of good cause waiver RCW 84.40.038.
4. Add the appellant's right to appeal the decision denying a petition due to missing the filing deadline to the BTA.

Why it's important

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

Sign-in Sheet

Recommendation

The Department recommends the Board use a sign-in sheet for all hearings to create a record of participants. (BOE Operating Manual Part 6.2)

What we found

One of the files reviewed contained a sign-in sheet on a piece of notebook paper.

Action recommended

The Department recommends the Board:

- Have all parties offering testimony and observers sign a sign-in sheet.
- Keep this document in the official appeal file.

Why it's important

Tracking the participants and observers of the board hearings helps to provide a complete and accurate record of the hearing.

Posting Meetings Dates

Recommendation

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

What we found

The Board is holding the three required meetings, but are not posting the dates.

Action recommended

The Department recommends the Board:

- Publish the dates of the three required meetings once each week for two consecutive weeks. The form Notice of Meeting of the County Board of Equalization (REV 64 0050) is available for this purpose.

Why it's important

Posting the Board's meeting dates serves as a public record and provides transparency of the government process.

Desk Reference Manual

Recommendation

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

What we found

The Board does not have a desk reference manual.

Action recommended

The Department recommends the Board:

- Develop a desk reference manual.

Why it's important

Desk reference manuals are useful tools for training staff and maintaining consistency within the office.

Tracking Petitions

Recommendation

The Department recommends the Board develop a spreadsheet or control register to keep track of all petitions received.

What we found

The Clerk stated the Board does not receive very many petitions each year and currently does not use a spreadsheet or control register to keep track of the petitions.

The Clerk provided five petitions for the 2017 assessment year. The files were labeled BE-17-R or C-1 through 6, petition 4 was missing. When asked about petition 4, the Clerk stated she must have miscounted the petitions.

Action recommended

The Department recommends the Board:

- Develop a spreadsheet to track all petitions.

Why it's important

Proper tracking of petitions received is necessary for the board to ensure they hear and resolve all petitions.

Petition Files

Recommendation

The Department recommends the Board maintain accurate files for each petition.

What we found

Two of the five files reviewed contained evidence from a different petition; both files contained an Assessor's Response that belonged with a different petition.

Action recommended

The Department recommends the Board:

- Ensure that petition files contain the correct documentation for that file.

Why it's important

If the decision is appealed at the Board of Tax Appeals (BTA) the wrong documents may be sent to the BTA which may affect the case.

Board of Equalization Website

Recommendation

The Department recommends the Board update links to forms on their website.

What we found

The Department has recently updated our website; as a result, the links on the Board's Website do not work.

Action recommended

The Department recommends the Board:

- Update the links to forms on their website.

Why it's important

It is important that the appellants use the correct forms to notify the board and assessor of their concerns. Having updated links to all forms allows access to the correct appeal forms at all times.

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:

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