

The purpose of this pamphlet is to acquaint you with the process of appealing your assessment to the Assessment Appeals Board (AAB), including the statutory requirements for filing an appeal and presenting a case before the Board. We hope it will help you understand how the system works and what you can do to make the most use of it.

ASSESSMENT APPEALS BOARD

Assessment appeals hearings are conducted by a Board composed of three members of the community, appointed by the Shasta County Board of Supervisors. The function of the AAB is to determine the taxable value of property based on evidence presented at the hearing by the Assessor and the applicant. The AAB acts in a judicial capacity and, therefore, must render its decision based solely upon facts presented. It may rule on legal issues involving changes in ownership or new construction and it has the authority to waive certain assessment penalties such as those levied for late filed Business Property Statements. It is bound by the same principles of valuation that are legally applicable to the Assessor. *It has no jurisdiction to grant or deny exemptions nor may the Board consider the tax liability or your ability to pay in rendering its decision.*

THE APPLICATION

The assessment appeal application must be filed with the Clerk of the Board no later than November 30 of each year for assessments on

the regular tax roll. For assessments on the supplemental tax roll, escaped assessments, or other assessments made outside the regular assessment period, you have 60 days from the date of official notification of the assessment to file an appeal. The necessary forms are available from the Clerk of the Board, 1450 Court St., Suite 308B, Redding, CA 96001, (530) 225-5550. The forms are also available on the Shasta County website at <http://www.co.shasta.ca.us/html/COB/appeals.htm>.

The application must contain your opinion of value of the property. It must also contain the facts relied upon to support your claim for a reduction in value. If you are to be represented by an agent other than an attorney, you must sign the authorization section of the application.

You will be notified in writing by the Clerk of the Board, a minimum of 45 days before the hearings, of the time and place scheduled for your appeal. You or your authorized agent must be present at the hearing or the application will be denied for non-appearance. The Board may waive your appearance if the facts pertaining to the issue are fully presented and the request is made in your application.

Your spouse, adult children, or parents may appear on your behalf. If you and the Assessor have stipulated in writing to a value change, your appearance at the hearing is not required.

Either you or the Assessor can request a continuance to a later date. This is usually done when the issue of the appeal is being

litigated in court, when you or your authorized agent cannot attend the hearing, or when you and the Assessor are still working to resolve the issue through an exchange of information. A continuance does not jeopardize your administrative remedies. However, a formal, written request for continuance must be submitted in an approved format no later than 21 days before your scheduled hearing.

Should you decide prior to the hearing not to pursue your appeal, you should withdraw your application by submitting a written request to the Clerk of the Board.

PREPARING FOR YOUR HEARING

There is a reputable legal presumption that the Assessor has properly performed his/her duties in the valuation of taxable property. This presumption imposes upon you the burden of proving that the property has not been correctly assessed. Consequently, at the start of the hearing, unless the property is an owner-occupied residence, you will be required first to present independent evidence in support of your claim. *An exception to this rule involves owner-occupied single family residences in which the burden of proving value shifts to the Assessor, who presents their case first.*

All testimony is taken under oath. Any evidence relevant to the property value or legal issue raised is admissible as long as it is evidence upon which reasonable people rely.

APPEAL OF VALUATION

In establishing market value for a change in ownership or new construction, the Appeals Board will typically rely on the use of one or more of the commonly accepted approaches to value: the Cost Approach, Market Approach, and Income Approach.

The Cost Approach involves the estimation of land value by comparison of vacant, comparable sites that have sold. To this is added the replacement cost of the improvements adjusted for value loss due to depreciation and/or obsolescence. The Cost Approach is considered a particularly reliable indicator of value in the absence of market comparables and when the improvements are new or near new. The replacement cost estimate must include all elements of value contribution, such as engineering and architect's fees, permits, construction financing, contractor's profit and overhead, and the value of any owner-contributed labor.

The Income Approach involves the application of one or more techniques that convert a real or hypothetical net income into an indicator of value by use of capitalization rates or discount factors derived from market data. Emphasis is typically given to the Income Approach when the property under appeal is of a type that is traditionally marketed on the basis of an anticipated income stream. In using this approach you should be prepared to justify the income projection, vacancy and expense allowances, and capitalization or discount technique.

The Market Approach compares sales of properties similar in character to the subject property to arrive at a value indicator. Given sufficient sales of comparable properties the Market Approach tends to be the most reliable indicator of value because it is a reflection of the actions of buyers and sellers in the market-place.

If the property under appeal was the object of a recent sale, the law presumes the sales price is market value unless a preponderance of evidence supports a different value.

APPEAL OF LEGAL ISSUE

The State laws requiring reappraisal for changes in ownership and new construction are complex. There are many exclusions to the general rules. If you are challenging the validity of your assessment on legal grounds rather than on the basis of valuation, you must be prepared to support your legal position. A written opinion by the State Board of Equalization or an attorney specializing in property tax matters would be persuasive evidence. Even though you may disagree with the Assessor's interpretation, they can assist you in obtaining the type of evidence you need to prepare your case.

FINDINGS OF FACT

A written summary of the AAB's decision, called a Findings of Fact, is usually needed only if you intend to appeal an adverse ruling to the courts. A request for a Findings of Fact must be made before the commencement of the hearing and deposit of a fee is required. The request may be waived at the conclusion of hearing and the fee will not be collected.

OUTCOME OF HEARING

Acting on the evidence presented at the hearing, the AAB will determine the taxable value of the property. The decision may be given at the conclusion of the hearing or taken under submission, in which case you will be notified of the decision in writing.

PAYMENT OF TAXES

Despite the fact that you have filed an application for reduction, you are still obligated to pay your property taxes on the disputed value when taxes are due. If you are granted a reduction through the appeals process, you will receive a refund of any taxes overpaid. If you do not pay your taxes when they become due, you may expose yourself to late payment penalties and interest.

APPEALS CHECKLIST

****IMPORTANT!!****

- Contact the Assessor's Office first. Many times the issue can be resolved without an appeal hearing.
- File the application within the specified time.
- Be sure all questions are answered on the application and it is properly signed, or it may be considered invalid and not be accepted.
- Be sure you or your authorized agent appears at the scheduled hearing.
- Be prepared to present independent evidence to support your opinion.
- Pay your taxes when due, even if you have filed an appeal, to avoid delinquent penalties.

SHASTA COUNTY ASSESSMENT APPEALS BOARD

APPEALING YOUR PROPERTY ASSESSMENT



Assessment Appeals Board
1450 Court Street, Suite 308B
Redding, California 96001
(530) 225-5550
FAX: (530) 225-5189

**THIS INFORMATION IS A SYNOPSIS OF THE
PROPERTY TAX RULES GOVERNING THE
ASSESSMENT APPEALS PROCESS. YOU
SHOULD CONSULT THE PROPERTY TAX RULES
ACCOMPANYING THE APPLICATION FOR
MORE SPECIFIC INFORMATION.**