

# APPRAISING FOR ASSESSMENT APPEALS

## I. UNDERSTANDING JARVIS GANN (PROP 13)

### A. A BRIEF REVIEW OF THE J/G TAX INITIATIVE

1. HISTORY OF JARVIS GANN
2. MECHANICS OF JARVIS GANN
  - a. VALUE SET AS OF 1975 TAX YEAR OR...
  - b. AS OF TRANSFER DATE IF THEREAFTER OR...
  - c. AS OF A TAXABLE EVENT SUCH AS NEW CONSTRUCTION OR...
  - d. PARTIAL TRANSFER OR...

### B. MECHANICS OF DECLINE IN VALUE PROVISIONS UNDER PROP. 8

1. MARKET VALUE AS OF JAN. 1 OF EACH YEAR .. OR..
2. THE PROP. 13 BASE VALUE, FACTORED TO CURRENT DATE
3. THE LESSER OF THE TWO IS ENROLLED

### C. WHAT IS A TAX "YEAR"?

1. TAX YEAR RUNS JULY 1<sup>ST</sup> (2011) THRU JUNE 30<sup>TH</sup> (2012)
2. TAXES BECOME A LIEN ON JAN. 1<sup>ST</sup> (2011) OF THE "TAX YEAR" OR ON THE DATE OF A TAXABLE EVENT - THIS IS KNOWN AS THE *LIEN DATE*
3. PROPERTY IS ASSESSED AS OF THE LIEN DATE BUT TAX PAYER WILL NOT KNOW ASSESSED VALUE UNTIL...

### D. EVERY YEAR A PROPERTY'S ASSESSED VALUE MAY BE INCREASED BY NO MORE THAN 2% OF THE PRIOR YEAR'S ASSESSED VALUE UNLESS A TAXABLE EVENT HAS OCCURRED

### E. A PROP. 8 VALUE IS *NOT* SUBJECT TO THE 2% ANNUAL LIMIT

### F. MANY EXCEPTIONS AND CAVAETS TO JARVIS GANN

## II. HOW CAN YOU ASSIST THE TAX PAYER

- ### A. BEFORE **ORDERING** A FULL APPRAISAL IS UNDERTAKEN THE TAX PAYER CAN ASK FOR **AN INFORMAL REVIEW IN WRITING - CERTAIN FILING DATES APPLY FOR EACH ASSESSOR'S OFFICE SO CHECK WITH THE JURISDICTION**

B. PROTECT YOUR/ YOUR CLIENTS RIGHTS: MANY APPEALS ARE RESOLVED PRIOR TO A FORMAL HEARING

C. IF THE TAX PAYER FILES A FORMAL APPEAL

1. BE PREPARED TO APPEAR AT THE HEARING

2. THERE ARE ONLINE VIDEOS THAT EXPLAIN THE PROCESS:

<http://www.boe.ca.gov/info/AssessmentVideo/AppealAssessmentIndex.html>

3. APPEALS BOARD MEETINGS ARE OPEN TO THE PUBLIC SO GO TO A HEARING PRIOR TO YOUR SCHEDULED APPEARANCE SO THAT YOU ARE FAMILIAR WITH THE PROCESS IN THE JURISDICTION

4. BRING ENOUGH COPIES OF YOUR REPORT/EVIDENCE TO GIVE TO THE CLERK **TO** DISTRIBUTE TO ALL PARTIES

5. DEPENDING ON THE CIRCUMSTANCES, EITHER YOU OR THE ASSESSOR **WILL** EXPLAIN THEIR ANALYSIS FIRST

6. YOU OR YOUR CLIENT MAY QUESTION THE ASSESSOR AND THE ASSESSOR MAY QUESTION YOU ABOUT YOUR ANALYSIS

E. TAX PAYERS GENERALLY

1. DON'T UNDERSTAND THE ASSESSMENT PROCESS (JARVIS/GANN)

2. THINK THAT IF VALUES GO DOWN THEIR ASSESSMENT SHOULD BE LOWERED EVEN IF THEIR ASSESSED VALUE IS BELOW **THE CURRENT MARKET VALUE**

3. DON'T HIRE AN APPRAISER AND THEN **THINK THAT THEY, THE TAX PAYER, CAN DO AN APPRAISAL THEMSELVES EVEN THOUGH THEY DON'T UNDERSTAND APRAISAL CONCEPTS AND DON'T KNOW HOW TO APPLY THEM.**

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**THE RESULT IS A DENIED CLAIM EVEN IF THERE IS VALIDITY TO IT**

4. TRY TO DO THE APPRAISAL THEMSELVES

F. SOME TIPS AND TRICKS FOR A SUCCESSFUL ASSESSMENT APPEAL PRESENTATION

1. DRESS PROFESSIONALLY
2. PREPARE YOUR CASE & KNOW THE RULES RE. HANDOUTS, AUDIO-VISUAL AIDS, ETC.
3. COORDINATE YOUR PRESENTATION WITH THE TAXPAYER
4. KEEP EMOTION OUT OF IT
5. BE CONCISE AND MAKE SURE THE APPEAL'S BOARD IS FOLLOWING YOUR PRESENTATION
6. FRAME KEY ISSUES AHEAD OF TIME
7. SUBMIT A RESUME OF YOUR EXPERIENCE & QUALIFICATIONS
8. ANSWER ALL QUESTIONS (APPEAL'S BOARD & ASSESSOR'S) TRUTHFULLY
9. BRIEFLY REVIEW/RESTATE YOUR APPRAISAL AND CASE AT THE END

G. APPEAL DECISIONS - NOW WHAT?

H. QUESTIONS