



**SUBMITTED TO:
PROPERTY TAX ASSESSMENTS AND APPEALS
COMMITTEE MEETING
January 2010**

The Property Tax Assessments and Appeals Study Committee has held two previous meetings in its effort to improve the assessment and appeals process for Georgia property owners. The Georgia Association of Property Tax Professionals (GAPTP) would like to offer the following comments for the committee to consider as it collects information on this important topic. While we do not propose to have the entire solution, we do have among our members a wealth of experience and knowledge of assessment and appeals processes throughout the country. We submit the following suggestions having credible expertise on this subject matter. We hope our thoughts might provide the committee some positive ideas that can be used as a framework for additional discussion.

GAPTP is an association of professionals involved in all aspects of property tax management within the state of Georgia and throughout the country. Georgia Association of Property Tax Professionals (GAPTP) was formed to unite members in the profession and to protect the rights of property taxpayers by advancing the professional practice of property tax consulting through education and high ethical standards.

As the recognized voice of unified property tax professionals in Georgia, GAPTP complements the profession of property tax management and assists in creating a better understanding and cooperation among members, state agencies and the taxpayers of Georgia. GAPTP encourages the practice of high standards of personal and professional conduct in the industry. It also offers opportunities for the mutual improvement and education of the industry, and collects and disseminates reference information helpful to members.

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We believe that important and impactful changes can be made to the current assessment and appeals process that will provide significant benefit to the taxpayer. Our suggested changes would make the process more transparent, more user-friendly and less intimidating. These changes would provide the taxpayer with useful information, an easier path to participation and lead to expediting the appeal process for some owners. Finally, these will balance the system in reality and hopefully begin to reverse the perception by the taxpayer of an unbalanced or unfair system.

With that in mind we would suggest a two tier approach. First some immediate reforms that the committee may want to consider. These can be done fairly quickly and take much of the confusion and opaqueness out of the process. We believe the following suggestions if implemented would have an instant, direct and positive result for the taxpayer:

- 1) Require every county to send notice of the current assessment on each parcel annually regardless of whether the value changes or not. This provides the taxpayer with the most current value and a tangible alert each year to file an appeal if desired. Annual notification coupled with more frequent assessment will prevent dramatic upward value swings due to infrequent reassessments and will greatly reduce large un-planned/un-escrowed tax increases.
- 2) By notifying annually the need for real property tax returns would be eliminated. To many this is an obscure and confusing step and is likely the primary cause of many taxpayers missing their opportunity to appeal in a non-reassessment year.
- 3) Design a uniform assessment notice format to be used statewide that would include: proposed current value, prior year value, potential tax, how to appeal and when to appeal.

- 4) Include with each assessment notice a uniform appeal form allowing *but not requiring* the taxpayer to submit relevant information pertaining to the appeal. Submission of this information should assist assessor in resolving a number of appeals prior to BOE hearing. The taxpayer always maintains the right to BOE hearing if the assessor's offer is unacceptable.
- 5) Establish uniform statewide dates for the mailing of annual assessment notices and the corresponding appeal deadline. For example: assessment notices mailed May 1 with appeal deadline of July 1.
- 4) Do away with the 40% assessment ratio and bring everything to 100%. This will remove the source of much taxpayer confusion.

These are bare minimum standards that can be put into place over a manageable, reasonable timeline. They would have immediate impact by increasing the transparency and accountability of the process and provide the opportunity for more property owners to engage in the process.

The second potential tier of reform would take time and require significant effort but we believe these suggestions are worthy of the committee's attention. Some are currently in place around the country and we have seen them work well. Other changes are based on weaknesses we see in Georgia's current system. Our suggestions include:

- 5) Change the billing cycle. For example, the assessment notice sent on 5/1/10, (representing the assessment as of 1/1/10), is used for 2011 tax bills. This would effectively be billing in arrears. The taxpayer has the benefit of several months to plan for the expense, update budgets, change escrows, etc. The county benefits by having sufficient time for assessor's office to conclude appeals and make the necessary adjustments providing a "clean" digest from which to generate tax bills. This change to the billing cycle would also to a large extent virtually eliminate the great number of taxpayers that get tied up each year with "temporary" 85% tax bills or receive supplemental tax bills. The temporary, 85% tax bill situation that thousands of taxpayers find themselves in is extremely confusing for most homeowners and is an accounting boondoggle for many business owners and commercial properties.
- 6) Continue the current BOE process, but require additional education for its members provided by DOR. Also, require that the BOE's be administered by a department other than the assessor's office and establish stricter rules regarding their contact with the assessor's office during non-hearing times. There needs to be both a perceived and real firewall established between the assessor and the boards.
- 7) Establish a hearing officer (a licensed appraiser) alternative for commercial properties.
- 8) Establish regional BOEs – BOEs that can serve multiple rural GA counties making it easier and more affordable for those counties to be in compliance with state regulations.

We hope the committee will take these comments into consideration as it makes its final report before the 2010 legislative session. We welcome the opportunity to be a resource to the committee as you move forward.