The Best and Worst of Property Tax Administration

COST Scorecard on State Property Tax Administrative Practices

Fredrick J. Nicely
Douglas J. Turner

May 2011

EXECUTIVE SUMMARY

Fair property tax administration is critically important to both individual and business taxpayers. From an individual perspective, the property tax is often identified as "the most hated tax,"[i] surpassing both the income tax and the sales tax in taxpayers' low estimation. While much-reviled, however, it is unlikely to go away anytime soon since the property tax provides approximately 65% of local school revenues.[ii] Because state and local jurisdictions rely so heavily on the property tax, it is essential for state legislators and tax administrators to ensure the tax is administered fairly and without perceptions of bias or undue administrative burdens. Taxpayers are much more willing to fairly and fully comply with a property tax system perceived as unbiased, equitable and efficient.

Over the last 100 years, the property tax has gradually shifted from a tax generally imposed at the state level (accounting for 43% of state revenue in the early 1900s), to circumstances today where 98% of the property tax is imposed at the local level—accounting for over 70% of revenues for local governments.[iii] Property taxes today account for less than two percent of state revenues.[iv] Because of the potential burdens on businesses caused by this decentralization, it is vital for state governments to oversee the operations of local assessors to ensure property taxes are uniformly and fairly assessed.[v] Viewed from the business community's perspective, property taxes comprise fully 36.5% of the total state and local tax burden imposed on business for FY 2009, far exceeding all other taxes imposed on businesses by state and local jurisdictions.[vi] This equates to $215.3 billion in property taxes annually—an amount which, contrary to current economic trends, continues to steadily increase year to year.[vii] Indeed, a recent study noted that the District of Columbia, Florida, Indiana, and New Mexico were found to have increased property tax collections by over 10% annually (on a per capita basis) from fiscal year 2007 to fiscal year 2008.[viii]

This Scorecard evaluates the following characteristics of state and local property tax systems that in our view represent fair property tax administration on a state by state basis:

- A fair property tax system must have standardized filing, remittance and appeal procedures throughout the state;

Fred Nicely is COST's Tax Counsel and the staff member assigned to assist COST's Property Tax Committee. He is formerly Chief Counsel to the Ohio Department of Taxation. Doug Turner is Director of Property Taxes for the General Electric Company and serves as chair of the COST Property Tax Committee.

The Council On State Taxation (COST) is the premier state tax organization representing multijurisdictional taxpayers. COST is a nonprofit trade organization consisting of nearly 600 multistate corporations. COST's mission is to preserve and promote equitable and nondiscriminatory state and local taxation of multijurisdictional business entities.

122 C Street NW, Suite 330
Washington, DC 20001
Phone: 202.484.5222
www.cost.org

- The appeal process for property tax disputes must be before an independent tribunal, in a *de novo* hearing, without a pay-to-play requirement for disputed property taxes; and
- The property tax burden must be balanced and uniform and not shifted onto business taxpayers.

This scorecard complements other scorecards COST has issued to evaluate state administrative tax practices. COST recently updated "The Best and Worst of State Tax Administration" scorecard in February, 2010. Additionally, COST has evaluated state unclaimed property laws from the property holders' perspective in "The Best and Worst of State Unclaimed Property Laws." This Scorecard, "The Best and Worst of Property Tax Administration," specifically addresses state property tax administrative practices, taking into account the fact that property taxes are administered at both the state and local government level. Similar to the prior scorecards, this Scorecard ranks objective procedural practices of state and local property tax administrative practices. Strong oversight from the state (usually the state's chief tax authority) is desirable for the portion of the property tax administered locally.

Top 5 and Bottom 5 Ranked States:

Top-Ranked States

State	Grade
Maryland	A-
Florida	B+
Georgia	B+
Kentucky	B+
Oregon	B+

Bottom-Ranked States

State	Grade
New York	F
Delaware	D-
Illinois	D-
Pennsylvania	D-
Hawaii	D

INTRODUCTION

COST is a non-profit trade organization that represents nearly 600 multistate corporations engaged in interstate and international businesses. This Scorecard promotes COST's mission statement of preserving and promoting equitable and nondiscriminatory state and local taxation of multi-jurisdictional business entities.

In 2008, COST formed a Property Tax Task Force[ix] focused on efforts to improve state and local administration of property taxes. One of the initial goals of the Task Force was to develop a COST policy statement on fair and equitable property tax administration. In October, 2008, the COST Board adopted the Task Force's recommendations. That policy statement reads as follows:

Position: State and local property tax systems must be fairly administered and tax burdens equitably distributed among taxpayers. A property tax system that is inefficient or that disproportionally falls upon business is not equitable and will negatively impact a state's business tax climate.

- Uniform Tax Base and Rates – A property tax base disproportionally comprising business property is not balanced. The tax rates imposed on property used for business purposes should not significantly differ from the tax rates imposed on property used for residential purposes. The market value and assessed value ratios for business and residential property should also be similar. Furthermore, intangible property, such as trade names, customer relationships and goodwill, should not be included in the property tax base because such property is associated only with the management of business, and the measurement of such value is extremely subjective. Finally, wholesale exemptions of property used for residential purposes and artificial caps that do not equally apply to property used in business are inherently unfair and fiscally unsound.
- Efficient Filing Procedures – The format and filing due dates for property tax returns, including requests for supplemental information and extensions, should be uniform across the State and allow enough time for proper completion after the valuation lien date. Taxpayers should be provided sufficient time to review assessments (e.g., 60 days) so as to minimize the number of protective appeals that are filed. Streamlined procedures should be provided for property owners to obtain exemptions. A statewide valuation methodology that is conducted in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) and updated on a regular basis to factor in changes in value, including depreciation and all forms of obsolescence, should be utilized. An efficient property tax system should also utilize modern electronic filing methods and provide for exclusions from reporting and paying tax on *de minimis* amounts of property.
- Centralized Review and Uniform Appeal Procedures – If property tax returns are filed locally, a central agency should review and have oversight over localities' property tax procedures. Appeal procedures and dates for property tax valuations should be uniform across the state. Decisions of local property tax review boards should be subject to a *de novo* review by an independent tribunal, preferably one that has statewide jurisdiction and an expertise in property taxation.
- Tax Payment Requirements on Contested Valuations – Local governments and other beneficiaries of property taxes can suffer significant harm when valuation disputes lead to substantial refunds of property taxes that have already been appropriated. Ideally, taxpayers should only have to pay the tax on the undisputed value or only on a portion of the contested value of the property. Alternatively, when a significant amount of tax is in dispute, such amounts should be kept in escrow to minimize the harm to the beneficiaries of the tax should the taxpayer prevail in the dispute. At the bare minimum, if a reduced payment or escrow is not allowed, the beneficiaries of the tax must be notified of the dispute to ensure the disputed tax revenue is used prudently. Any interest charged must apply equally to overpayments and underpayments.

Many of the issues identified in this Scorecard are based on concerns raised by the Appraisal Foundation, an entity authorized by Congress. The Appraisal Foundation is a nonprofit organization with two boards: the Appraiser Qualification Board, which establishes minimum education and experience requirements for appraisers, and the Appraisal Standards Board, which issues the Uniform Standards of Professional Appraisal Practice (USPAP).

COST's evaluation is also consistent with the statement of values promulgated by the International Association of Assessing Officers ("IAAO") upon which its Code of Ethics is based.[x] The IAAO is a nonprofit organization of government assessment officials and others interested in the administration of property taxes, with a mission of promoting innovation and excellence in property appraisal, assessment administration and property tax policy. The following are the IAAO's values: 1) Commitment to the improvement of the property tax system worldwide; 2) Accountability to the public good; 3) Commitment to excellence in assessment administration beyond property tax; 4) Respect for the worth and dignity of all individuals; 5) Promotion of inclusiveness, fairness and diversity; 6) Obligation to organizational transparency, integrity and honesty; 7) Practice of responsible stewardship of resources; and 8) Dedication to excellence and maintaining the public trust. The IAAO has also published a book addressing the Fundamentals of Tax Policy that notes *fairness, equity and uniformity* should predominate in a good property tax system.[xi]

The COST Study: Highlighting the scope of the compliance burden, the COST Property Tax Task Force conducted a benchmarking study to determine if COST members had significant differences with how they complied with the states' property tax laws. In summarizing the data from the benchmarking study, 32 COST members participated, indicating they have a property tax filing responsibility in an average of 38 states, with the smallest respondent having a filing responsibility in seven states. Most COST members responding to the benchmarking survey (40%) indicated they had a filing responsibility in over 45 states. Those COST members also reported paying over $3.5 billion in property taxes annually, split roughly 50/50 between real and personal property tax. To remit those taxes, those COST member companies are required to process over a quarter of a million tax bills for payment. Nine companies in the study processed over 10,000 property tax bills per year. Lastly, the benchmarking study found that COST members were audited on a regular basis. The average number of property tax audits faced by COST member respondents was 24 per year.

For this initial Scorecard, both real and personal property are addressed together, along with properties that are centrally assessed (*e.g.,* many public utilities). In general, most real property is assessed at the local level. States vary on where the personal property tax is administered. Some states administer it locally, some completely at the state level and other states use a combination of both. Many public utilities, including formerly regulated entities, have all their property tax administered at the state level. Miscellaneous property taxes imposed on certain types of property, such as motor vehicles, are outside of the scope of this Scorecard.

This Scorecard focuses on objective factors in evaluating a state's property tax administrative practices. Objective evaluations are primarily based on state and local government laws and regulations. Subjective issues with various state and local assessors and their practices are not the focus of this Scorecard. Those subjective evaluations can change over time depending on who is the acting tax assessor in a jurisdiction; and are often influenced by the relationship a company and/or industry has with respective assessors. The use of objective criteria comports with COST's goal in issuing this survey—to provide the states with issues they can change legislatively (or by rulemaking) in order to improve property tax laws to achieve a fairer and more equitable property tax system. This Scorecard does <u>not</u> focus on the advantages (*e.g.,* relative ease of locating taxable real property and revenue stability) or disadvantages (*e.g.,* payment not directly tied to increase in wealth or income) to state and local governments using property taxes as a revenue source as compared to other taxes.

PROPERTY TAX SCORECARD

This Scorecard evaluates multiple criteria lumped into three primary subject areas: 1) Standardized Procedures; 2) Fair Property Tax Appeal Procedures; and 3) Residential Property Tax Burdens vs. Business Property Tax Burdens. We also include an "Other Issues" component to address issues not specifically addressed in one of the primary groups. A detailed explanation of each subcategory is included after the scoring table later in this report.

Standardized Procedures. This group contains five subcategories:

1) Statewide standardized due dates for all property tax filings and payments;
2) Statewide use of standardized forms (very important when businesses are required to file reports with local jurisdictions of a state) and oversight by a state agency;
3) Reasonable real property tax evaluation cycles (every two to three years);
4) Exclusions for *de minimis* property values and/or bills; and
5) Equal interest rates applied to assessments of additional tax due and any tax overpayments.

Fair Property Tax Appeal Procedures. This next group contains four subcategories, the essential elements of fair property tax appeal procedures. The subcategories are:

1) The initial appeal deadline must be fair and reasonable (at least 60 days);
2) The burden of proof to sustain an appeal must be reasonable;
3) *De novo* review before an independent tribunal must be available after completion of any administrative review at both the state and the local level; and
4) The disputed portion of the property tax should be escrowed or partial payment of the tax should be allowed in the event of a dispute.

Residential Property Tax Burdens v. Business Property Tax Burdens. This last group contains three subcategories and considers whether the property tax burden is neutral or unduly burdens business property more than residential property. The following factors were considered in this grouping:

1) Assessment ratios on various types of property;
2) Tax assessment caps; and
3) Equal property tax burdens.

The focus on equal property tax burdens is based on whether the overall tax burden imposed on the business sector is greater than that imposed on residential property in the state (*i.e.,* the focus is not on miscellaneous property tax exemptions narrowly targeted at certain owners of residential property). As stated in a Policy Focus Report published by the Lincoln Institute of Land Policy: "The evidence shows … that limits on assessed values, while favored by many homeowners, are a deeply flawed means to counter rising property taxes" and "By severing the connection between property values and property taxes, assessment limits impose widely differing property tax obligations on owners of identical property; reduce economic growth by distorting taxpayer decision making; and greatly reduce the transparency and accountability of the property tax system as a whole."[xii]

Other Issues. Certain issues with respect to state administrative property tax practices do not fit within the previous categories. COST members and practitioners were asked to identify additional problems with a state's property tax administration that were not directly addressed in one of the specific categories. Note that this Scorecard does not directly address specific valuation issues related to certain industries (such as public utilities, including entities formerly regulated as public utilities). However, where appropriate, points are given to those states that inequitably include intangible property in the valuation of these entities when such property is excluded from property taxation for all other types of businesses (including residential properties).

Grading the Survey[xiii]

Point totals were determined for each subcategory from the above groups using a 0 to 4 grading system. The higher the score, the more the state's property tax practices deviate from COST's recommendations for a fair and efficient property tax system. One point was assigned to each issue listed in the "Other Issues" category contained in the General Information section of the Scorecard. No other grading was included in the General Information portion of the Scorecard—that information is provided solely for informational purposes.

The following scale was used for the final grading of the scorecard:

Grade	Standardized Procedures (max 20 points)	Fair Tax Appeal Procedures (max 16 points)	Residential v. Business Property (Unfair Burden) (max 12 points)	Total Score
A	0 to 4	0 to 3	0 to 1	0 to 11
B	5 to 10	4 to 5	2 to 4	12 to 20
C	11 to 15	6 to 10	5 to 6	21 to 31
D	16 to 18	11 to 13	7 to 10	32 to 38
F	Above 18	Above 13	Above 10	Above 38

Summary Results

The summary table on Page 5 ranks each state's results in complying with the subcategories described above. More detailed information is provided below and the survey results are provided for each grouping beginning on page 10 of this survey.

State	Standardized Procedures		Fair Tax Appeal Procedures		Residential v. Business Property		Other Issues	Total Score	
	Points (Max. 20)	Grade	Points (Max. 16)	Grade	Points (Max. 12)	Grade	Points	Points	Grade
AL	8	B	6	C+	10	D	1	25	C-
AK	15	C-	11	D	3	B	1	30	C-
AZ	9	B-	8	C	9	D	0	26	C-
AR	7	B	8	C	3	B	1	19	B-
CA	8	B	11	D	4	B-	2	25	C-
CO	0	A	9	C	9	D	2	20	B-
CT	15	C-	6	C+	4	B-	1	26	C-
DE	20	F	10	C-	4	B-	1	35	D-
DC	6	B	9	C	11	F	1	27	C-
FL	6	B	3	A-	5	C	0	14	B+
GA	3	A	3	A-	5	C	2	13	B+
HI	17	D	8	C	9	D	0	34	D
ID	12	C	7	C	3	B	0	22	C+
IL	17	D	9	C	8	D	1	35	D-
IN	12	C	5	B-	7	D	1	25	C-
IA	10	B-	9	C	10	D	2	31	C-
KS	7	B	8	C	7	D	1	23	C
KY	7	B	6	C+	1	A	1	15	B+
LA	13	C	9	C	8	D	2	32	D
ME	15	C-	5	B-	4	B-	1	25	C-
MD	1	A	6	C+	3	B	1	11	A-
MA	11	C+	5	B-	8	D	1	25	C-
MI	6	B	8	C	6	C-	0	20	B-
MN	11	C+	5	C	7	D	0	23	C
MS	6	B	12	D	6	C-	2	26	C-
MO	11	C+	5	B-	7	D	2	25	C-
MT	10	B-	11	D	8	D	2	31	C-
NE	9	B-	9	C	1	A	1	20	B-
NV	8	B	13	F	4	B-	1	26	C-
NH	14	C	4	B	0	A	1	19	B-
NJ	16	D	8	C	4	B-	3	31	C-
NM	11	C+	8	C	6	C-	0	25	C-
NY	20	F	10	C-	10	D	3	43	F
NC	10	B-	6	C+	0	A	3	19	B-
ND	9	B-	12	D	3	B	0	24	C
OH	7	B	6	C+	6	C-	1	20	B-
OK	5	B+	4	B	7	D	2	18	B
OR	6	B	4	B	2	B+	1	13	B+
PA	19	F	8	C	6	C-	3	36	D-
RI	15	C-	10	C-	7	D	0	32	D
SC	12	C	3	A-	11	F	1	27	C-
SD	9	B-	8	C	4	B-	1	22	C+
TN	11	C+	9	C	6	C-	1	27	C-
TX	7	B	3	A-	6	C-	3	19	B-
UT	3	A	7	C	5	C	2	17	B
VT	9	B-	10	C-	2	B+	1	22	C+
VA	18	D	8	C	2	B+	0	28	C-
WA	10	B-	9	C	1	A	1	21	C+
WV	9	B-	12	D	6	C-	1	28	C-
WI	11	C+	12	D	3	B	0	26	C-
WY	11	C+	4	B	3	B	1	19	B-

SPECIFIC CRITERIA USED FOR FAIR PROPERTY TAX ADMINISTRATION

Standardized Procedures

The state-by-state detail on Standardized Procedures starts on page 10. As noted in the COST benchmarking survey discussed above, multijurisdictional companies are often required to process thousands of property tax bills. It is critical for states to implement standardized procedures to allow these businesses to more fully and fairly comply with state and local property tax laws. Standardization fosters an open and transparent process that also helps reduce the negative perception, whether real or perceived, that a taxpayer must have an inside connection to receive fair treatment in a tax assessor's jurisdiction.

1) **Standardized Due Dates:** Due dates for property tax returns/reports must be consistent across the state. Inconsistent due dates that vary by local jurisdiction and/or vary from year to year create an undue compliance burden on business taxpayers. Fortunately, 23 states scored an "A" for implementing standardized due dates for filings and payments. The property tax statutes of each state should clearly provide uniform dates identifying when all filings and payments are due. Due dates should not be left open to the discretion of local assessors. We realize, however, that state or local assessors should have the flexibility to extend due dates to deal with unforeseen circumstances (*e.g.,* massive flooding in the community, unexpected changes in property tax valuation, etc.).

2) **Standardized Forms & Oversight:** Because many states have hundreds of property tax jurisdictions, it is unconscionable to allow each taxing jurisdiction to require separate and distinct forms for reporting property taxes, and to initiate an appeal of a property valuation. For efficiency purposes, many business property taxpayers manage their property tax operations at a central location. It creates a tremendous and unnecessary burden on a business taxpayer to file uniquely different forms in every property tax jurisdiction where the taxpayer has property. It can also lead to grossly unfair penalties for failure to file the correct form or failing to properly remit payment by a non-standard due date. Worse, it can lead to dismissal of a property tax appeal simply because a specialized form required to initiate an appeal was not completed.

   To avoid such burdens, a central state agency, typically the state revenue department, should prescribe all forms and should require those forms to be uniformly accepted by the state's local assessors. Such an agency should also maintain strong oversight of valuation practices used by local assessors. For example, if obsolescence/depreciation tables are used to value personal property, all assessors in the state should be required to uniformly use the same tables—including uniform exceptions to the use of such tables. In addition, where applicable, sales ratio studies should be used by the central state agency to confirm that assessors are assessing, within an acceptable margin of error, the market value of the property (*i.e.,* the price paid for the property by a willing buyer and seller with neither under a compulsion to buy or sell). It is important for the central state agency to focus on the goal of assessing the property at market value; it should not have to continuously equalize property values or tax rates to deal with assessors in taxing jurisdictions that inequitably assess property at a value greater or lower than market value.

3) **Real Property Valuation Cycle Every 2 to 3 Years:** The ideal real property tax valuation cycle is not annual, but every two to three years. This is because some properties require extensive appraisal techniques, making it inefficient and impractical to value all properties in an assessor's jurisdiction on an annual basis. Market values can quickly change, however, so a valuation (*i.e.,* appraisal based on actual visual inspection of the property) that occurs more than every three years is inappropriate and can lead to vastly different values on similar properties, depending on when the property was last appraised. Comprehensive valuations are also preferred over periodic mid-cycle valuations. Mid-cycle valuations typically use only limited statistical data to modify the value of properties in a given taxing jurisdiction.

   It is also important for the valuation cycle to be fixed at a set period of time in the law. The timing of property valuation should not be at the option of the assessor, regardless of whether the determination is based on some form of statistical analysis. It is troubling that in Connecticut, Delaware and New York, assessors have not conducted a comprehensive valuation of properties in certain taxing jurisdictions for more than ten years. Deviations from the fixed valuation cycle are appropriate only when necessary to reflect the actual value of the property resulting from a recent sale, assuming the property was sold in an arm's-length transaction.

4) **Exclusion for *De Minimis* Values:** It is a waste of resources to require taxpayers to file reports on property with insignificant values. In many such cases, the cost to report and administer the tax on the property is greater than the property tax collected. Some states have addressed this issue. In Florida a personal property tax return is not due to a county if the total value of the property is less than $25,000. Regrettably, the Scorecard indicates that most states do not have statutory provisions that provide for non-reporting of *de minimis* values. COST strongly encourages states to enact *de minimis* provisions to assist both taxpayers and tax assessors.

   This *de minimis* exclusion should also apply to the payment of taxes. If a parcel has a tax bill of less than a set amount, a bill should not be issued. Certain COST members indicated they have received property tax bills for less than a dollar. Kudos to Florida, which grants county commissioners the discretion to eliminate property tax bills under $30.

States should also allow bills issued by state and/or local assessors to be consolidated for payment by the taxpayer. If the consolidated bill for all property owned by a taxpayer in the taxing jurisdiction is under a certain amount, *e.g.,* $30, no tax bill should be sent.

5) **Equal Interest Rates:** Interest rates should fairly reflect the time value of money. Accordingly, the imposition of interest on a delinquent payment of tax should be the same and <u>no greater</u> than the interest paid by a state or local government for the overpayment of a property tax. Only 11 states were found to impose the same interest rate on property tax deficiencies as they do refunds. The date interest begins to accrue is also important. Some state and local governments will impose interest based on the first date a payment is late, but the refund of interest may be based on a date subsequent to the actual payment of the tax. Absent a reasonable amount of time for assessors to correct billing and assessment errors, *e.g.,* changes made within 60 days of the property tax billing, refunds should be entitled to the same rate of interest based on the same measurement period.

Fair Property Tax Appeal Procedures

The state-by-state detail on fair property tax appeal procedures starts on page 22. Particularly with respect to personal property, our property tax system relies on the voluntary submission by property owners of information to assist assessors in valuing the taxable property in a taxing jurisdiction. A system perceived as unfair and/or biased does not encourage property taxpayers to be open and willing to share information with assessors about conditions impacting the value of taxable property. For full cooperation, taxpayers need a realistic amount of time to file an appeal, a reasonable burden of proof, *de novo* review of an assessor's or a property tax board's findings, and the ability to partially pay or escrow any disputed tax.

1) **Initial Appeal Deadline:** Taxpayers seeking to file a property tax appeal to a local assessor, local property tax board, or, if applicable, to a state tax agency, should have at least 60 days from the formal written notice of the assessed value of the disputed property. The ideal time period is 90 days, which is the period of time to appeal specified in the Model State Administrative Tax Court Act of the American Bar Association.[xiv] Unfortunately, 23 states impose an initial property tax appeal process that affords a taxpayer with less than 30 days notice to appeal. For example, Kentucky does not provide an adequate time period to appeal an inaccurate assessment. In *Cromwell Louisville Associates v. Commonwealth of Kentucky,*[xv] a taxpayer that failed to appeal the assessor's valuation within 13 days from the inspection period was not allowed to subsequently challenge the property valuation, even though a stipulated valuation error resulted in a property tax overpayment of $67,327. Most troubling is that some assessors, when changing a property's value, are not required by statute to send a valuation notice directly to the taxpayer. Minimum due process requires fair notice; merely publishing a notice in the local newspaper or on the assessor's bulletin board is not sufficient.

2) **Burden of Proof:** It is customary with most tax appeals for the burden of proof to rest with the taxpayer. However, property tax is unique in that the taxpayer often has no direct contact with the assessor when the initial determination is made for the market value of the property. Reflecting that reality, some jurisdictions impose the initial burden on the assessor to present evidence to show the basis for the valuation of the property. This is the preferred burden. Another acceptable method is to place the burden on a taxpayer to prove the taxpayer's asserted valuation of the property by a preponderance of the evidence (the burden normally imposed in other state tax disputes). Any additional burden, such as a clear and convincing standard, is grossly unfair. There is no justification for imposing a burden of proof standard similar to the standard used by some jurisdictions to prove fraud. COST is pleased to report that Florida and West Virginia have recently changed their laws to replace an unfair burden of proof requirement with a more reasonable preponderance of evidence standard.

3) ***De Novo* Appeal:** In general, the preferred tax appeal procedure is to grant taxpayers an initial administrative review before a tax assessor or a board dedicated to handling property tax appeals. Such an appeal provides taxpayers and assessors with an opportunity to quickly resolve disputes based on errors or other factual discrepancies. However, subsequent appeals should be to an independent tax tribunal; and such review should be *de novo; i.e.,* the record for appeal should not be set at the initial administrative (non-independent) hearing level. Further, the property owner should be able to raise new issues and evidence before the independent tax tribunal, such as an appraisal and/or testimony from experts that may not have been available (or provided) at the initial hearing with the tax assessor or the property tax board.

4) **Escrow or Partially Pay Disputed Tax:** Large property taxpayers are often erroneously blamed for causing financial harm to a community by appealing an assessor's valuation or requesting a refund on property subsequently found to be overvalued. Businesses understand that property tax revenues are critical for funding many important government functions, particularly for primary and secondary public school education. However, it is unfair to criticize property taxpayers for seeking appeals or refunds when they are initially forced to pay the full amount of disputed tax (*i.e.,* a pay-to-play tax system) when the fault rests with the assessor who improperly valued the property. A property tax system that requires disputed property taxes to be paid in full in order to appeal (and thus avoid late payment penalties), creates an incentive for valuation officials to avoid appropriate adjustments to a property's valuation when it is above the property's fair market value. The practice by certain states of requiring full payment of disputed property taxes must end.

One simple (and preferred) solution is to allow taxpayers to pay the property tax on only the undisputed value of the property. If a property's value is found to be greater than the undisputed amount after all appeals are exhausted, any additional tax owed should be paid by the property taxpayer, with interest. As a second best alternative, the disputed tax should be placed and held in an interest-bearing escrow account until the dispute is resolved. Either approach mitigates political pressure on both tax officials and the taxpayer to reduce the property tax recipients' exposure to refunds resulting from payment of the disputed portion of the property tax.

Residential Property Tax Burden v. Business Property Tax Burden

To ensure neutrality, the property tax burden must be shared equally between business property and residential property. A state that imposes a lower assessment rate and/or a lower annual cap on property growth for residential property, as compared to business property, is unfairly shifting the burden of the property tax to the business sector. Starting on page 32, this Scorecard identifies property tax systems that place a higher property tax burden on business property. (Targeted exemptions provided to certain owners of business and/or residential property are not covered in this analysis.)

1) **Assessment Ratios:** Ideally, the assessment ratio for property valuations in a state should be 100% of the fair market value of all taxable property in the state. For various reasons, some states assess all property at less than fair market value, but the same percentage of fair market value should apply to all taxable properties. Inequities arise when certain properties (*e.g.,* public utility properties and some other centrally assessed properties) are assessed at a higher rate than other properties in the state or valued differently (*e.g.,* unit valuation) to impose a greater tax burden on that property.[xvi] Indeed, some states impose multiple classifications of property, each with different assessment rates. Some states also allow assessment ratios to vary from locality to locality, further complicating compliance and administration. When all taxable property is valued at 100% of fair market value, the tax becomes more transparent. It is easier for owners of property in the state to understand their property tax bills and to compare tax rates imposed on property throughout the state.
2) **Tax Assessment Caps:** Another mechanism used by some states to shift the burden of the property tax to business is the imposition of caps on the growth of property that only applies, or more favorably applies, to residential properties. For example, Florida and Indiana both provide caps on residential and business property; however, the caps favor residential property. Florida caps residential property at the higher of 3% or inflation while business property is capped at 10% (excluding new construction). Indiana's cap structure ranges from 3% for some business property to 1% for owner-occupied homes. The preferred tax structure imposes no caps, and tax rates would adjust according to the overall valuation base in a taxing district. A recent study evaluating property caps by the Lincoln Institute for Land Policy recommended their elimination (along with homestead exemptions) as a way to make the property tax system more equitable.[xvii] If caps are imposed, they should apply equally to business and residential property; *e.g.,* California's annual growth cap is 2% or inflation, whichever is less.[xviii]
3) **Equal Property Tax Burden:** If the cumulative effect of exemptions afforded to residential property owners unfairly shifts the burden of the tax to the business sector, an imbalanced property tax structure that does not adequately distribute the property tax burden to all property owners in a state is created. While the various homestead exemptions a state offers are provided in the table, the scoring for this category was primarily based on the Minnesota Taxpayers Association's 50-State Property Tax Comparison Study for taxes payable in 2009.[xix] Table 19 in that study compares the effective tax rate on a $1 million commercial property to that of a median-value home in select metropolitan areas of each state. The higher the ratio, the more commercial properties are subsidizing the property taxes paid by homeowners. Fortunately, 15 states have effective tax rates that indicate both types of properties are treated equally–a ratio at or close to 1. On the other end, six states, including New York (with New York City), impose effective tax rates on commercial properties that are three to six times greater than those imposed on residential property. An Idaho case, *Simmons v. State Tax Commission*, 723 P.2d 887 (1986), describes the impact of a 50% (up to $50,000) homestead exemption over time. Tax rates significantly increased in order to pay for the homestead exemption, which in turn increased the tax burden imposed on the non-exempt property owners.[xx]

GENERAL INFORMATION

Except for the "Other Issues" column, the general information section starting on page 39 was not graded. This section of the Scorecard includes the types of property taxpayers in a state, the taxable property in the state (*e.g.,* some states do not assess personal property), the general valuation date for the property in a state, and the initial jurisdiction that handles a property tax appeal.

SPECIFIC SURVEY QUESTIONS

The following are the specific survey questions sent to property tax administrators of each state, to COST members, and to property tax practitioners.

General Information

1) What categories of business taxpayers are taxed in the state (general business, utilities, telecommunications, railroad, oil and gas, etc.)? Which of these categories of taxpayers are locally assessed and which are centrally assessed?

2) What type of property is taxable in the state (real property, personal property, or both)?
3) What are the property valuation dates and assessment dates for properties in the state?
4) What jurisdiction(s) handles the initial appeal of a property tax assessment?

Standard Procedures

1) Are there statewide standardized due dates for filings and payments?
2) Are there statewide standardized forms used for filings (returns/reports, assessments, appeals, etc.)?
3) How often is real property in the state revalued?
4) Is there an exclusion allowed for property that is of a *de minimis* value or would create a *de minimis* tax bill (*e.g.,* no bills issued for under $10)?
5) Are equal interest rates used by the taxing authorities for both interest on underpayment of taxes and refund interest on overpayment of taxes?

Fair Tax Appeal Procedures

1) What is the deadline for taxpayers to initially appeal a property assessment in the state? How many days does the taxpayer have from the notice of assessment to the deadline to appeal?
2) Who has the burden of proof at the initial appeal? What level of proof must be provided in the initial appeal?
3) Is a *de novo* standard of review used at the subsequent level of appeal?
4) If the taxpayer chooses to challenge the assessment, can the tax be escrowed? Or can the taxpayer make a partial payment of the undisputed tax until the valuation dispute is concluded?

Residential v. Business Property

1) What are the different assessment ratios used to value the different types of property and/or different types of businesses in the state?
2) Does the state have caps? If so, how do they apply to business property compared to residential property?
3) Does the state have homestead exemptions, and are the exemptions narrow (*e.g.,* targeted towards special groups of taxpayers such as seniors and disabled) or broad (*e.g.,* apply to almost all residences)?

ACKNOWLEDGEMENT OF APPRECIATION

Although the number of respondents is too numerous to list, COST would like to acknowledge and thank those who participated in the benchmarking survey and the production of this Scorecard, including COST member companies, property tax practitioners and state property tax representatives. Their participation is deeply appreciated.

Standardized Procedures

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
AL	Yes. Reports due: real and personal property filings are due b/t 10/1 and 12/31 (Ala. Code. § 40-7-2); utility filings are due on 3/1 (Ala. Code §§ 40-21-3, -17). Payments due: real, personal, and utility property: following 10/1 (Ala. Code § 40-11-4). Freight line and equipment companies' payment due upon 30 days from date of the preliminary assessment (Ala. Code § 40-21-52).	A	Yes, can use state or county forms.	A	At least once every three years.	A	No.	F	No. Interest is not paid on the overpayment of taxes (Ala. Code § 40-1-44).	F	8	B
AK	No. Varies locally. But oil and gas returns may be required by the state (AS § 43.56.070, AS § 43.56.110).	F	No.	F	No specific interval (shortest practical time) (AS § 29.45.150). State and municipal taxable property is valued annually (AS § 29.45.160).	D	No.	F	Yes. Annual rate of 8% for state oil and gas tax (AS § 43.56.160). Interest on delinquent municipal taxes shall not exceed 15% per year (AS § 29.45.250).	A	15	C-
AZ	Yes. Reports due: 4/1 (A.R.S. § 42-15053). Payments due: first half by 10/1 and other half by 3/1; for tax amounts under $100, the entire amount is due 10/1 (A.R.S. Sec. 42-18052).	A	Yes.	A	Annual (A.R.S. § 42-15101), with certain property valued the same for up to three years (A.R.S. Sec. 42-13052).	B	No.	F	No, annual 16% rate for underpayment (A.R.S. § 42-18053).	F	9	B-
AR	Yes. Reports due: 5/31 (ACA § 26-26-201). Payments due: 1st business day in March through 10/15; taxes due from utilities and carriers must be paid in installments according to schedule provided by statute (ACA § 26-35-501).	A	Yes. (None for appeals of centrally assessed property.)	B	Real property - minimum of every 3 years (ACA § 26-26-1902(a)). Utility and carrier property is valued annually.	C	No	F	Yes, 10% (ACA § 26-36-201).	A	7	B

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
CA	Yes. Reports due: General personal property return due 4/1 (with automatic extension until 5/7. Property tax payments due 12/10 and 4/10 (C.R.T.C. § 441). In general, personal property due 8/31 (some local variation). For locally assessed property appeals can vary based on when county assessor sends out notices of assessment.	C	Yes, however, counties may add county-specific info w/ the approval of the State Board of Equalization.	B	In general, real property subject to 2% change per year from Prop. 13 (Cal. Const., § 2, Art. XIIIA). Revalued at ownership change or major construction which changes the utility of property (C.R.T.C. § 75.10; 18 CCR § 463.500). Personal property valued annually.	C	Yes, obligation to file personal property statement only if aggregate cost of property held exceeds $100,000 (C.R.T.C. §. 441). Counties may also enact an ordinance to cancel *de minimis* bills of not more than $10,000 (previously $5,000) if the costs of collection and assessment unjustified) (S.B. 822, Laws 2009, effective Jan. 1, 2010).	A	No. Locally assessed property is 9% for underpayment and 3% for overpayment. State assessed property is 9% for both underpayment and overpayment.	D	8	B
CO	Yes. Reports due: 4/1 for centrally assessed property (C.R.S. § 39-4-103); 4/15 for personal property (C.R.S. § 39-5-108) and 4/15 mining, oil & gas properties (C.R.S. §§ 39-6-106(1)(h), 39-7-101). Payments due: first half 2/28 and other half due 6/15 (C.R.S. § 39-10-104.5). For tax amounts of $25 or less, payment is due by 4/30 (id.).	A	Yes.	A	Two-year reassessment cycle (change in value can be made in second year of cycle if an “unusual condition” exists) (C.R.S. § 39-1-104(10.2)).	A	Yes, de minimis provision for personal property ($4k for 2010 - C.R.S. § 39-3-119.5).	A	Yes, 1% per month (C.R.S. § 39-10-104.5).	A	0	A
CT	Yes. 6/1 for filing income and expense reports for income-producing real estate; 11/1 for filing personal property declarations and quadrennial reports for exempt property owned by non-profit and educational institutions (C.G.S. § 12-41).	A	No standardized forms, but CT Association of Assessing Officers has some templates and forms.	D	Real property must be revalued at least every 10 years (C.G.S. § 12-62(b)).	F	No	F	No, 18% interest for underpayment (C.G.S. § 12-146) and up to 10% discretionary interest for overpayment (C.G.S. § 37-3).	F	15	C-
DE	No. Filing and payment dates vary by county (Kent: 6/1; New Castle: 7/1; Sussex: 5/1).	F	No, varies by county and municipality	F	No provision for periodic review. Opportunity to appeal real estate annually; however, appealable value goes to last reassessment date. Date of last reassessment varies by county, Kent County was 1987.	F	No.	F	No.	F	20	F

Continues

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
DC	Yes. Reports due: real property - 4/15 for income producing properties, personal property before 8/1 (D.C.C. § 47-1524). Payments due: real property - 3/31 and 9/15 (D.C.C. § 47-829(a)).	A	Yes (one tax jurisdiction), but still working on some forms.	B	Every one to three years (D.C.C. § 47-820).	B	Yes, personal property w/ current value of $225,000 or less.	A	No. Real property 10% on underpayment and 6% on overpayment (D.C.C. §v 47-811(c)); personal property- 5% on underpayment and 6% on overpayment. There is also a 20% (effective Oct. 1, 2010 - used to be 15%) collection fee on every payment.	F	6	B
FL	Yes. Personal property tax returns must be filed by 4/1 (F.S. § 193.062). Taxes are due before 4/1 the year following the year in which the taxes are assessed (F.S. § 197.162).	A	Returns standard; effective 3/2010 appeal forms are standard. State forms available at http://dor.myflorida.com/dor/forms/download/!adval.html.	B	Annually, w/inspection every 5 years. Property is valued as of Jan. 1 each year (F.S. § 193.023(2)).	B	Yes, no personal property return required in a county with less than $25,000. The Board of County Commissioners have discretion to adopt a resolution to eliminate any tax bill below $30 (F.S. § 197.212).	A	No. In general, if tax is owed on real property the interest rate is 18% (F.S. § 197.172). For personal property the interest rate is 15% or 12% (good faith) (F.S. §§ 193.155(10), 193.1554(10), 193.1555(10), 194.192, 196.011(9), and 197.172(1)). No interest on refunds or overpayment of taxes.	F	6	B
GA	Yes for filings, no for payments. Personal property statements are due by 3/1 or 4/1 depending on county. O.C.G.A. §§ 48-5-15, 48-5-18. Due dates for taxes vary and some counties require the tax to be paid in installments.	C	Yes	A	Real property valuation cycle is every 3 years. County appraisal staff must prepare assessments annually (Reg. §§ 560-11-2-.28). Counties digests are reviewed every 3 years; however, there is no mandated schedule for reappraisals. Statute requires property at fair market value annually.	B	Yes, personal property that does not exceed $7,500 in value (O.C.G.A. § 48-5-42.1).	A	Yes. 1% per month (O.C.G.A. § 48-2-44).	A	3	A
HI	Yes, except appeal deadline in Honolulu differs (1/15 v. 4/9). Reports due: 1/15 for real property returns (HRS § 246-40) and 10/20 for public utility companies (HRS § 239-4). Payments due: first installment on 8/20 and second on 2/20 (HRS § 246-48).	B	No, varies by county.	F	Differs by county.	F	No.	F	No interest on overpayment, HRS Sec. 232-24: 2/3 to 1% monthly interest for delinquent property taxes (HRS § 246-49).	F	17	D

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
ID	Yes. Reports due: personal property filing for locally assessed property - 3/15 (IC § 63-302), 11/1 for transient personal property (IC § 63-313), 1st Monday in November for property brought in from outside the state (IC § 63-602Y), 4/30 for operator's statement for centrally assessed property (IDAPA § 35.01.03.404). Payments due: 1st half 12/10, 2nd half 6/20 (IC § 63-903).	B	No; the state prepares certain forms but use is not mandatory.	C	Annually, supplemented by reappraisal including physical inspection at least every 5 years (IC § 63-314).	B	No.	F	Underpayment - 1%/month (IC § 63-1101); overpayment refunds are permissive on the part of county commissioners (IC § 63-1302).	F	12	C
IL	No, filing and payment dates vary by county. There are statewide rules applicable when filing appeals with the Illinois Property Tax Appeal Board (*See* 86 ILCS §1910). For the most part, payments are payable in two installments - 6/1 and 9/1 (35 ILCS § 200/21-5); but can be altered by local ordinance.	F	No. There are statewide forms applicable when filing appeals w/ the Illinois Property Tax Appeal Board.	D	Every four years (35 ILCS § 200/9-215), except every three years in Cook County.	C	No.	F	No.	F	17	D
IN	Yes. Reports due dates are standardized: personal property filings due 5/15 (Ind. Code §§ 6-1.1-1-7, 6-1.1-3-7). Payments due: 5/10 and 11/10 (Ind. Code. §§ 6-1.1-7-7, 6-1.1-22-9).	A	Yes. Personal property returns are filed on state prescribed forms - www.in.gov/dlgf/4971.htm	A	Statutorily every 5 years (Ind. Code § 6-1.1-4-4); however, the state implemented the annual adjustment (trending) process in 2006 (the last reassessment was 2002). There is legislation pending that would implement "cyclical reassessments," whereby 20% of the parcels are reassessed in a 5 year period.	F	No.	F	No, underpayment - 10%; overpayment - 4% (Ind. Code §§ 6-1.1-37-10, 6-1.1-37-11).	F	12	C

Continues

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
IA	Reports due to local assessors are not standardized, other reports and payments are standardized. Payments due: 9/30 (first half) & 3/31 (second half) (Iowa Code § 445/36A).	C	Reports due to the local assessors are not standardized.	C	Locally assessed real property is valued every two years (Iowa Code § 428.4); centrally assessed property is valued annually.	A	Minimum Bill of $2.	C	No interest on overpayment and underpayment draws 1.5% interest per month (Iowa Code § 445.39).	F	10	B-
KS	Yes. Reports due: Personal property - between 1/1 and 3/15 (K.S.A. § 79-308); motor carriers and utilities (includes railroads) - 3/20 (K.S.A. § 79-5a02); oil and gas lease - 4/1 (K.S.A. § 79-332a). Payments due: real and personal property - 12/20 (K.S.A. §§ 79-2004, 79-2004a).	A	Yes.	A	Annually (K.S.A. §§ 79-1476, 79-1478).	B	Yes, when personal property tax is less than $5 (K.S.A. § 79-3225).	C	No. Interest rate is 2% less IRS short-term interest rate for refunds and 2% more for underpayments (K.S.A. § 79-2968).	F	7	B
KY	Yes. Listing period for real property: 1/1 - 3/1. Due date, personal property: 5/15 (KRS § 132.220). Collections begin 10/1 or 11/1 (KRS § 134.020(1)).	A	Yes.	A	No less than every 4 years (KRS § 132.690).	B	No uniform exclusion; decision by local officials w/$10 maximum.	C	No, based on prime rate charged by Kentucky banks (KRS § 131.183).	F	7	B
LA	No, many exceptions. Returns due: 2/15 for financial institutions (La. R.S. § 47:1970); 3/1 for insurance companies (La. R.S. § 47:1954); 4/1 for public service companies and real & personal property (La. R.S. § 47:2324), except personal & real property returns due 45 days after receipt of forms in Jefferson Parish. Determination of exemption on 1/1 of each tax year (La. R.S. § 47:1952), except Orleans Parish, determination made as of 8/1 in precedinng year (La. R.S. § 47:1703(B)). Payments due: 12/31 (La. R.S. §§ 47:2101(A), 47:2171) except 2/1 in Orleans Parish (La. R.S. § 47:1997(B)).	D	Yes.	A	Real property - every 4 years; personal property - annually (La. R.S. § 47:2331). These provisions also apply to public service property (La. R.S. § 47:1978.1(A)(1)).	C	No	F	No, 1.25% per month on underpayment (La. R.S. §47:2101).	F	13	C

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
ME	No, except 5/1 for report claiming business equipment exemption (36 M.R.S.A. § 693(1)) and between 8/1 and 12/31 for BETR application (*See* Form 800, 36 M.R.S.A. § 6655). Returns due: 4/1 for personal and real property (36 M.R.S.A. § 706). Payment due dates vary among localities.	D	No. No except form for claiming business equipment exemption and forms filed under the BETR program (*See* 36 M.R.S.A. § 6655).	D	No set schedule, physical inspection required at least every four years (36 M.R.S.A. §§ 706-A, 5721-A).	D	Yes, personal property less than $1,000 (36 M.R.S.A. § 655).	C	No, and overpayment interest rate vary by municipality but cannot be less than 4% of delinquent rate.	F	15	C-
MD	Yes. Returns due: 4/15 (TP § 11-101). Payments due: 7/1 but grace period until 9/30 (TP § 10-102).	A	Yes.	A	Every three years (TP § 8-104(b)(1)).	A	Yes (personal property less than $250).	B	Yes, 1% per month (TP § 14-602). Local tax interest rate is 2/3 of 1% per month (TP § 14-603).	A	1	A
MA	Yes for filings, 3/1. M.G.L.c. 59 § 29. No for payments. Payments due: two payments, 11/1 and 5/1. Local option (used by 2/3rds) for quarterly payments. M.G.L.c. 59 § 57).	D	Yes.	A	Statutorily, annually (M.G.L.c. 59 §§ 38, 38A & 39). Local can occur less frequently, but at least every three years. (M.G.L.c. 40 § 56).	B	No generally. Local option to exempt personal property accounts valued up to $10,000. ((M.G.L.c. 59 § 5).	D	No (overpayments - 8%; underpayments - 14%) (59 M.G.L.c. 59 §§ 57, 57C and 69).	F	11	C+
MI	Yes for filings, no for payments. Personal property statements are due by 2/20 each year (Mich. Comp. Laws § 211.19).	C	Yes.	A	Annually.	B	Yes, but limited -mechanics tools (Mich. Comp. Laws § 211.9(h)); $550 for householder who uses own personality in operation of business in one location (Mich. Comp. Laws § 211.9(k)).	D	Yes, interest rate is 1% per month for both under and overpayments of tax (Mich. Comp. Laws. §§ 211.44(3), 211.59(1), 211.78a).	A	6	B
MN	No, but personal property is generally exempt. Payments due: first half - 5/15 and second half - 10/15 (Minn. Stat. § 279.01)	B	No particular form required for a Chp. 278 petition; sample captions, forms, and petitions are available.	A	Real property is assessed (and subject to adjustment) annually, on-site inspection/ appraisal of a property is required at least every 5 years (Minn. Stat. § 273.08).	D	Any property w/less than $100 of value is rounded up to $100 and taxed at that amount (Minn. Stat. § 273.11). Thus, property less than $100 is taxed as if its value was $100.	D	No. Interest rate on unpaid tax for 2010 is 3% (http://taxes.state.mn.us). For underpayments, taxpayers must complete Schedule M15 to calculate their interest. Late payments = 4% interest and additional 5% interest if paid 181 days after due date (Minn. Stat. §§ 277.01 & 279.01).	F	11	C+

Continues

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
MS	Yes. Personal property rendition forms are due 4/1 (MCA §§ 27-35-23, -49). Payments due: 2/1 of the following year (MCA § 27-41-1).	A	Yes.	A	All real property parcels must be physically observed and updated every 4 years (MS State Tax Comm'n Prop. Tax Bur., Rule 6).	C	Yes (MCA § 27-31-1(g),(h),(j),(l),(r),(s) and (t)).	A	No	F	6	B
MO	Yes. Reports due: personal property lists from taxpayers generally are due 3/1 (RSMo. §§ 137.335, 137.340), state assessed properties reports are due 4/1. Payments due: no later than 12/31 (RSMo. § 137.1009).	A	No. Forms for reporting locally assessed personal property are not standardized. Appeal forms to the State Tax Commission and reporting forms for state-assessed property are standardized.	D	Every two years on 1/1 (odd-numbered years) (RSMo. § 137.115).	A	No	F	No (*See* RSMo. § 32.065; http://dor.mo.gov/intrates.php).	F	11	C+
MT	Yes for report due dates. Real property tax payments due 11/30 and 5/31 (MCA §§ 15-16-102, 15-24-202). Personal property tax payments based on mailing of tax bill - 30 days after receipt of tax bill.	C	Yes.	A	Centrally assessed property valued annually (MCA § 15-7-111), other real property reappraised every six years.	F	Yes, personal property exemption of $20,000.	A	No, overpayments based on short term investment fund rate and underpayment rate is 10%.	F	10	B-
NE	Yes. Reports due: 5/1 (R.R.S.N. § 77-1229). Payments due: 12/31 (R.R.S.N. § 77-203). Except tax are payable in two installments, due 5/1 and 9/1 (R.R.S.N. § 77-204) <u>or</u> 4/1 and 8/1 for counties with population over 100,000.	A	Yes (http://pat.nol.org).	A	Annually (R.R.S.N. §§ 77-1201, -1301).	B	No	F	No, underpayment is 2%; for overpayments no interest required to be paid for five years.	F	9	B-
NV	Yes. Reports due: 7/31 (NRS § 361.265). Payments due: secured payments - third Monday in August (NRS § 361.483), installments - first Monday in August, October, January, and March (NRS § 361.483). Appeals due: 1/15 to county and 3/10 to state board.	A	Yes.	A	Mandatory 5 year reappraisal requirement (NRS § 361.260). Most appraise land annually. <u>Note</u>: the two largest counties in Nevada, Clark and Washoe, conduct annual appraisals of land and improvements.	D	Yes, for personal property tax based on average cost of collection, usually $15.20 (NRS § 361.068(2)).	B	No, varies. Underpayment spans from 4-7% depending on how past due (NRS § 361.483).	F	8	B

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
NH	Yes. Reports due: 4/15 (RSA § 74:7). Payments due: 12/1 (RSA §§ 76:13 :15-c), however some jurisdictions may provide for semiannual or quarterly payments.	B	State level - yes; local level - not always (*see* http://webster.state.nh.us/revenue/forms/index.htm#Property_Taxes).	C	Real property reassessed every 5 years, while some business properties are revalued every year (ex. - utility property).	D	No.	F	No (underpayment -12%; overpayment - 6%) (RSA § 76:13; *see* RSA §§ 80:32, :60).	F	14	C
NJ	No. Varies between cities, townships, and boroughs. Generally reports due on or before 9/1 (N.J.S.A. § 54:4-2:28). Payments are quarterly - due 2/1, 5/1, 8/1 and 11/1 (N.J.S.A. § 54:4-66); but because of budget issues, many bills are late extending payment date.	D	Yes. Tax Court forms are standardized, but some counties insist on use of their own forms.	B	No statutory or constitutional cycle. May be done voluntarily by municipality at any time, or as ordered by county board of taxation and Director of Taxation or Superior Court. Assessor handbook requires reassessment after property improvements (The Handbook for New Jersey Assessors, NJ State Div. of Tax. § 902.2 (1989)).	F	No.	F	No, underpayment - 8% on first $1,500 and 18% thereafter; overpayment - 5% (N.J.S.A. § 54:4-67).	F	16	D
NM	Yes. Reports due: last day of February (NMSA § 7-38-86). Payments due: 11/10 and 4/10 (NMSA § 7-38-38(A)).	A	No, while the state has forms for centrally assessed property, there is considerable variation at the local level.	D	Annual (NMSA § 7-38-7). Regulation allows assessors to use two-year appraisal cycle with permission of the state's Property Tax Division. NMSA § 7-38-16.	B	No. County commissioners have option to bill taxes under $10 in single installment.	D	No, underpayment 1% per month (NMSA § 7-38-49); overpayment is based on county investment of funds rate.	F	11	C+
NY	No, filing and payment dates vary by assessing and taxing jurisdiction. Payments due: 1/31 (RPTL § 924(1)), excecpt NYC - 7/1 and 1/1 (unless required to be paid in 4 installments--i.e. property over $80,000) (NYC Charter §§ 163(b), 1519(1)).	F	No. Some forms are available at http://www.orps.state.ny.us).	F	Differs, typically annual (e.g., NYC). There is no statewide requirement, so local practices vary. Some have not reassessed in many decades.	F	No.	F	No. For NYS, set by Comm'r pursuant to Tax Law § 697(j) and cannot be less than 1% per month. For NYC, for property over $2,750 - 15% (NYC Admin. Code § 11-224(f) and (g)) and for property under $2,750 - 7% per year (NYC Admin. Code § 11-224(f) and (l)).	F	20	F

Continues

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
NC	Yes. Reports due: 1/31 (N.C.G.S. § 105-307). Payments due: 9/1 (N.C.G.S. § 105-360(a)).	A	Yes.	A	Real property must be appraised at least once every 8 years but a county can reappraise all real property on a shorter cycle if so desired or if their sales ratio goes below 85% or over 115% (i.e. if population is 75,000 or more, then must reappraise every 3 years). Value cycle subject to manipulation (N.C.G.S. §§ 105-286, -287).	F	Yes, taxing jurisdictions can set a minimum dollar amount at which a tax bill is not issued. This minimum amount has to be less than $5.00 (should reflect the tax collection costs).	C	No.	F	10	B-
ND	Yes. Reports due: 2/15 and 5/1 for railroads (N.D. Cent. Code §§ 57-05-06, -07) and 5/1 for public utilities (N.D. Cent. Code § 57-06-06). Payments due: 1/1 (N.D. Cent. Code § 57-20-01) and must be paid by 3/1 to avoid delinquency.	A	Yes. For locally assessed property, there are statewide standardized forms for Notice of Increase of Assessment and Application for Abatement.	A	Annually (N.D. Cent. Code § 57-02-27). All property is required to be assessed at its true and full value on 2/1 (locally assessed) or 1/1 (centrally assessed). In practice, the time between physical inspections of property varies.	B	No.	F	No. Interest rates on underpayment are set by state statute and are uniform throughout the state. No interest is paid on refunds of overpayment of taxes. 12% interest imposed on unpaid taxes one year after they become due.	F	9	B-
OH	Due date for centrally assessed property reports is March 1. Counties have different dates for real property payments.	C	Yes.	A	Real property updated every 3 years but a full reappraisal is only conducted every 6 years (Ohio Rev. Code § 5713.01, Ohio Admin. Code Rule 5705-3-02).	D	Yes, assessments for the current tax year that are less than $2.00, the county auditor may reduce such amount to zero.	C	Yes (*see* Ohio Rev. Code §§ 323.121, 5719.041).	A	7	B
OK	Yes. Reports due: 3/15 (68 O.S. § 2835). Payments due: 1/1 and 4/1 (68 O.S. § 2913).	A	Yes.	A	Annually. Real property must be visually inspected at least every 4 years (68 O.S. § 2820).	B	No.	F	Yes (68 O.S. § 2913).	A	5	B+
OR	Yes. Reports due: 3/1 (ORS 308.290). Payments due: 11/15, 2/15, and 5/15 (ORS 311.505).	A	Yes (*see* http://www.oregon.gov/DOR).	A	Annually on statistical basis, no set requirement when properties must be physically inspected (ORS 308.210).	C	Yes, returns still mandatory; assessments on personal property are canceled if less than a set amount. ORS 308.250.	B	No. Overpayments 1% and underpayments 1.33% (ORS 311.812, 311.505).	D	6	B
PA	No, filing and payment dates vary by county.	F	No.	F	Annually, no set base year for real property valuation cycle (72 P.S. §§ 5341.7, 5347, 5452.9, 5354,601). Constitutional challenges pending.	D	No.	F	No, for 2008 underpayments have a 7% interest rate while overpayments have a 5% interest rate. Rates for delinquent taxes vary between counties.	F	19	F

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
RI	No, due date varies by municipality (R.I. Gen. Laws §§ 44-5-5, -15).	D	Yes (*see* R.I. Gen. Laws § 44-5-26).	A	Town and cities must revalue real property each 10th year after is first revaluation (R.I. Gen. Laws § 44-5-11); some designated localities must revalue every 3 years (R.I. Gen. Laws § 44-5-11.6).	F	No.	F	No, underpayments - 18%; overpayments - 7.75% (*see* http://www.tax.state.ri.us/misc/InterestRateChange10302008.php).	F	15	C-
SC	No. Reports due: 4/30 (SC Code § 12-37-905). Payments vary by city (SC Code § 12-45-70).	C	Yes (*see* http://www.sctax.org).	A	Real property revalued every 5 years (SC Code § 12-43-217).	D	No.	F	No, while interest rate on underpayments and overpayments is 5%, from July 1, 2008 through June 30, 2009 the overpayment rate was reduced by 2%.	D	12	C
SD	Yes. Reports due: Telephone, public service and pipeline - 4/15 (SDCL § 10-33-4); railroad - 5/1 (SDCL § 10-33-4) and airlinnes - 6/1 (SDCL § 10-29-3). All personal property is exempt. Payments due: 4/30 and 10/31 (SDCL § 10-21-23).	A	Yes.	A	Annually.	B	No.	F	No. Interest on overpayments is 4% (SDCL § 10-18-17); interest on underpayments is 10% (SDCL § 10-21-23).	F	9	B-
TN	No. In general, reports due: 3/1. Payments due: 2/28 (however, payments for Memphis are due: 8/31 and 2/28).	F	Yes, can use state forms.	A	Counties are on either a 4, 5 or 6 year reappraisal cycle (T.C.A. § 67-5-1601).	D	No.	F	Yes - 1% per month (T.C.A. § 67-5-2010).	A	11	C+
TX	Yes. Reports due: 4/15 (TEX. TAX CODE § 22.23). Payments due: 2/1 of the following year (TEX. TAX CODE § 31.02).	A	Yes, can use state form; however, some appraisal districts have very biased preference for local forms.	B	At least every 3 years (TEX. TAX CODE § 25.18).	B	Yes, de minimis applied to tax bills.	B	While 1% per month for both (TEX. TAX CODE § 33.01), state gets 60 days to pay and with underpayment an additional penalty of 12% for the first month and 1% per month thereafter applies. Interest accrues on the amount refunded at annnual rate of 12% (TEX. TAX CODE § 31.12).	F	7	B

Continues

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
UT	Yes. Reports due: within 60 days of being requested by assessor (usually mailed by 1/1) (U.C.A. § 59-2-306). Payments due: 11/30 (U.C.A. § 59.2-1331).	A	Yes (*see* http://www.tax.utah.gov).	A	Annually (U.C.A. § 59-2-303.1). Properties are assessed at fair market value. Physical inspection of properties at least once every 5 years. Salt Lake County has an annual assessment cycle.	B	Yes for personal property, less than $3,800 (*see* http://propertytax.utah.gov/).	C	Yes (*see* U.C.A. § 59-2-1331).	A	3	A
VT	No, reports due: 4/20 (32 V.S.A. § 4004) and payment dates vary by municipality. (32 V.S.A. § 4772)	D	Yes.	A	Annually (generally on 4/1) (*see* 32 V.S.A. § 4050). Varies by municipality though all municipal are subject to statutory appraisal standards (*see* 32 V.S.A. § 4041a).	C	No.	F	Yes, 1% for first 3 months, then 1.5% each month or partial month thereafter. 32 V.S.A. § 5136.	A	9	B-
VA	No. Reports generally due 5/1 (Va. Code § 58.1-3518) but vary in some localities. Payments generally due 12/5 (Va. Code § 58.1-3913) but vary locally.	F	No.	F	Depends on which local government is assessing the property. Real property in cities are annually or biennially, but city < 30,000 may elect to wait 4-years (Va. Code § 58.1-3250). Counties must reassess at least every 4 years, but may elect to wait up to 5-6 years when provided by law or the population is less than 50,000 (Va. Code § 58.1-3252).	F	No.	F	Yes. 10% (Va. Code § 58.1-3918) but local jurisdictions may provide a different rate (Va. Code § 58.1-3916).	C	18	D
WA	No. Reports due: 4/30 (RCW § 84.40.040). Payments due: 4/30 and 10/31 (RCW §§ 84.56.010, 84.56.020). Some counties 30 days to appeal and others are 60 days (RCW § 84.40.038).	D	Yes, can use state or county forms.	A	Real property varies from one to 4 years; all property physically inspected once every 6 years (RCW § 84.41.030) King County (Seattle) has an annual assessment cycle.	D	Yes, real and personal property under $500 (RCW § 84.36.015).	A	No, 12% for under payment (*see* RCW § 84.56.020(5)), much lower variable interest rate for over payment based on short term Treasury bill rates.	F	10	B-
WV	Yes. Reports due: 7/1 or 10/1 (W. Va. Code § 11-3-24). Payments due: 9/1 and 3/1 (W. Va. Code § 11A-1-3).	A	Yes (*see* http://www. State. wv.us/taxdiv).	A	Physically inspected every 3 years and assessed annually (W. Va. Code § 11-1c-7).	B	No.	F	No, the interest rate on underpayment is 9% per year. In general, no interest on overpayment unless ordered by a court.	F	9	B-

Standardized Procedures *(Continued)*

State	Standardized Due Dates for Filings/Payments?	Grade	Standardized Forms & Oversight?	Grade	Real Property Valuation Cycles Every Two to Three Years?	Grade	Exclusion for De Minimis Values?	Grade	Equal Interest Rates?	Grade	Total Points	Total Grade
WI	Yes. Reports due: 3/1 (Wis. Stat. § 70.35(3)). Payments due: 1/31 (in part or full) and second installment due 7/31 (Wis. Stat. § 74.11). Personal property tax payments due: 1/31 (Wis. Stat. § 70.35(3)).	A	Yes.	A	Locally assessed property varies widely. Annual for manufacturing property; state must complete a field investigation or on-site appraisal every 5 years (Wis. Stat. § 70.05(5)(b)).	D	No.	F	No, 12% for delinquent payments; manufacturing property or excessive assessment of locally taxed property at the average annual discount interest rate.	F	11	C+
WY	Yes. Reports due: 3/1 (W.S. § 39-13-103(b)(v)). Payments due: 11/10 and 5/10 (W.S. § 39-13-107).	A	Yes.	A	4 year valuation cycles (DOR Rule Ch. 9, § 3) (new rules provide for a 6 year cycle). Property values must be updated annually.	D	No.	F	No. Underpayment is 18% per annum (W.S. § 39-13-108).	F	11	C+

Fair Tax Appeal Procedures

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
AL	Within 30 days from the date on the notice of increased assessment (Ala. Code § 40-3-20). Difficult to track when notice sent.	D	On taxpayer for initial appeal (assessment prima facie correct); Independent appraisal and expert witnesses are the norm (Ala. Code § 40-2A-7(b)).	B	Yes. Ala. Code §. 40-2A-9(g)(2).	A	Limited. Locally assessed: At the time of filing appeal pay the taxes due as fixed for assessment for the preceding tax year, failure to do so shall dismiss the appeal unless the taxpayer has executed a supersedeas bond at the time of filing the appeal (Ala. Code § 40-3-25). Centrally assessed: At time of filing appeal pay amount stated in final order of Administrative Law Judge, plus interest, or execute a supersedeas bond (Ala. Code § 40-2A-9(g)(1)(b)).	C	6	C+
AK	20 days from the date the assessment notice is mailed for oil & gas property (AS 243.56.110). 30 days from date assessment notice is mailed for other property (AS 29.45.190).	D	On taxpayer (must prove unequal, excessive, improper or under valuation) (AS 29.45.210; AS 43.56.130); appraisals, expert witnesses normally used (AS 29.45.210(d); RAP 604(a)).	C	Generally, yes. Municipal tax appeals based on record; superior court has the power to supplement the administrative record (including grant a trial *de novo - rare).* Oil and gas appeals to superior court are *de nov.*AS 43.56.130.	C	No, in general taxes must be paid (AS 29.45.500).	F	11	D
AZ	Property owner has 60 days to file a petition for review with assessor after notice mailed (A.R.S. § 42-16051); within 20 days after date that notice delivered for personal property (A.R.S. § 42-10951). Petitioner may also appeal directly to the tax court by 12/15 (or within 60 if appeal assessor's determination) (A.R.S. § 42-16201).	C	Taxpayer has burden of proof to overcome presumption that valuation as approved by the appropriate state or county authority is presumed to be correct and lawful -- must have competent evidence to show the valuation is excessive (A.R.S. § 42-16212(B)). Use of appraisals and expert witnesses must be used in order for petitioner to prevail.	C	Yes. A.R.S. § 42-19052.	A	No, tax must be paid to appeal (A.R.S. § 42-16210).	F	8	C
AR	No set number of days - notices for personal property made by 7/31 and real property by 7/11. Appeal due by 3rd Monday in August (ACA §§ 26-26-203 & 26-27-317). For centrally assessed property taxpayer has only 10 days from receipt of assessment notice (ACA § 26-26-1610).	D	On taxpayer (clear and convincing evidence proving that assessment is unfair) (ACA § 26-18-313).	F	Yes.	A	Disputed amount of centrally assessed property is placed in escrow. ACA § 26-26-1610(b). Appeal pending in court is payable 30 days after final disposition. ACA § 26-35-802.	B	8	C

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
CA	In general, no set number of days, appeal is due by 9/15 (C.R.T.C. §§ 80, 81, 1603); 11/30 if assessment notice sent to taxpayer after 8/1. For centrally assessed property the appeal is 20 days from the date the assessment notice was mailed (C.R.T.C. § 742; 18 CCR Reg. § 5042). Appeals for supplemental or escaped assessment must be filed within 60 days of the date of the notice of assessed value change.	D	On the taxpayer, must prove by preponderance of the evidence that the enrolled value is incorrect (18 CCR Reg. § 321). Shift to assessor if: (1) purchase price not used (change in ownership statement must be filed), (2) penalty assessments and (3) some escape assessments (C.R.T.C. § 167; 18 CCR Reg. § 321).	B	No, except for state assessed properties. Locally assessed property is de novo on questions of law, substantial evidence on questions of fact; state assessed property is de novo on law and facts.	D	No, penalty and/or interest attach if tax not paid on due dates. Refunds issued if the appeal is in the taxpayer's favor.	F	11	D
CO	Real property notices must be mailed by 5/1 and appeal filed by 6/1; Personal property notice mailed by 6/15 and appeal must be postmarked by 6/30 (or taxpayer can appear in person by 7/5). C.R.S. § 39-5-121.	D	No statewide rules of practice or procedure for hearings (procedures vary widely among the counties). Appeal to Board of Assessment Appeals is on taxpayer to prove assessment is incorrect by preponderance of evidence.	C	Yes. C.R.S. § 39-8-107.	A	No, refunds issued. C.R.S. §§ 39-4-109(3); 39-22-124.	F	9	C
CT	Assessor files grand list by 1/31 each year, appeal due 2/20. C.G.S. §§ 12-111, 12-112.	D	Taxpayer has the burden of proof throughout the entire process and the taxpayer must overcome the burden by a preponderance of the evidence. C.G.S. § 12-117(a).	B	Yes. *Stamford Apartments Co. v. City of Stanford*, 203 Conn. 586, 588 (Conn. 1987).	A	Yes, when an appeal is pending the taxpayer must pay at least 75% of the taxes due (if it is a real estate appeal and the assessed value is greater than $500,000 at least 90% of the taxes must be paid). C.G.S. § 12-117a.	C	6	C
DE	Must give at least 10 days notice of increased assessment. Appeal dates differs by county (Kent: 4/1-4/15; Sussex: 2/15-3/1; New Castle: 3/15-4/1). 9 Del. Code § 8311.	D	Initial appeal - on taxpayer (must overcome presumption that assessment is correct). If taxpayer presents expert appraisal testimony the burden shifts to the taxing authority). Appeal to court - must show that board acted contrary to law (board considered prima facie correct). 9 Del. Code § 8312.	B	No. 9 Del. Code § 8312.	F	Payment not required to be made, but penalties accrue at rate of 1% per month. 9 Del. Code § 8343.	C	10	C-
DC	Real property - 4/1 which is approximately 30 days from the notice of assessment; personal property - 30 days from issuance of notice of proposed assessment. D.C. Code § 47-835.1(f-1) and (f-2).	C	On taxpayer (prove assessment is incorrect or illegal) (OTR assessment assumed correct); preponderance of the evidence. D.C. § Code 2014.1	B	Real property - yes; personal property - no. D.C. Code §47-3303.	D	Real property - tax does not have to be paid before appeal (D.C. Code § 47-825.1(j)); personal property - tax, along with penalties and interest, must be paid before appeal (D.C. Code § 47-1533).	D	9	C

Continues

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
FL	25 days after mailing of notice of assessment. FS § 194.011. (The property owner can request an informal conference w/the appraiser at any time.)	D	The party initiating the challenge has the burden of proof by a preponderance of evidence. FS § 194.301(2).	A	Circuit Court - Yes. FS § 194.036(3).	A	There is no requirement for the tax to be paid prior to filing a petition with the Value Adjustment Board. However, at the circuit court the taxpayer must pay the tax it agrees it owes in good faith. FS § 194.171(3).	A	3	A-
GA	Appeal to county board of equalization, hearing officer, or to an arbitrator; must be filed w/45 days from mailing of assessment. O.C.G.A. § 48-5-311.	B	On county board (preponderance of evidence). O.C.G.A. § 48-5-311.	A	Superior court - yes.	A	Somewhat, must pay amount of tax for the last year the taxes were finally determined to be due. O.C.G.A. 48-5-29.	C	3	A-
HI	Assessment notice mailed 3/15 (12/15 for Honolulu), appeal due by 4/9 (1/15 in Honolulu). HRS § 246-46.	D	On taxpayer to present evidence that assessment is not correct. HRS § 246-46. In general, must show property assessment exceeds 10% of the property's market value. ROH 8-12.3.	D	Yes. *Kinkaid v. Bd. Of Rev. of City and Cty. Of Honolulu*, 104 P.3d 905 (2004).	A	No requirement that taxes be paid prior to appeal (*see In Re Tax Appeal of Maile Sky Court*, 85 Hawai'I 36, 936 P.3d 478 (2003)); but penalty applies if tax subsequently found to be owed on appeal.	C	8	C
ID	Locally assessed property: Notice required by first Monday in June, appeal by the fourth Monday in June (I.C. § 63-501A). Centrally assessed property: no date is provided in statute for notice, but the agency policy is to match the first Monday in June, appeals must be filed by the 2nd Monday in August (I.C. §§ 63-405 and 63-407).	C	On taxpayer (preponderance of evidence) (I.C. § 63-502). Appeal to board of tax appeals or district court - burden on party seeking affirmative relief to establish that the valuation from which appeal is taken is erroneous or that board of equalization erred (I.C. § 63-115(4)).	B	Yes. I.C. § 63-3812(a).	A	No; filing appeal does not suspend obligation to pay. I.C. § 63-3812(d).	F	7	C
IL	Varies by size of county: Counties w/ population of 150,000 or less = later of 8/10 or 30 days after publication of assessment; counties w/ population 150,000--3M = later of 9/10 or 30 days from publication of assessment. 35 I.L.C.S. 200/16-110.	C	On taxpayer, preponderance of evidence if market value is basis for appeal. Clear and convincing evidence if lack of uniformity is the basis of the appeal. At circuit court level taxpayer must present clear and convincing evidence.	D	Yes, appeals before the PTAB or under the tax objection proceeding are conducted de novo.	A	No. 35 I.L.C.S. 200/23-5.	F	9	C
IN	Within 45 days from mailing date of the written notice of assessment or 5/10 of the tax billing year if a notice is not sent (IN Code 6-1.1-15-1(a)-(d)).	B	On taxpayer, must provide probative evidence that proves or disproves a fact. However, if the assessed value increases more than 5% from the previous assessment, the burden of proof is on the assessing official.	A	State Board of Tax Review - yes; Tax Court - no.	C	Ability to pay real property tax based on prior year's assessment. IN Code 6-1.1-15-10.	C	5	B-

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
IA	Notice of increase must be made by 4/15, appeal filed from 4/16 to 5/5 (disaster areas from 5/25 to 6/5). I.C.A. 441.37. Centrally assessed property appeal deadline is 30 days after notice of assessment.	D	On taxpayer by preponderance of evidence; if competent evidence offered by at least two disinterested witnesses, burden shifts to officials seeking to uphold valuation. I.C.A. 441.21(3).	A	No new issues can be raised, de novo review of evidence. PAAB decisions appealed to district court on judicial review standard.	C	The tax cannot be escrowed. Court or PAAB decisions may result in an adjustment in current taxes owing or a refund of taxes paid in past years.	F	9	C
KS	Real property notice be made by 3/1, taxpayer has 30 days after mailing of valuation notice to appeal. Personal property notice must be made by 5/1, taxpayer must appeal by 5/15. K.S.A. 79-1448.	D	Appraiser expected to demonstrate correctness of assessment. K.S.A. 79-1602.	A	Limited on judicial appeal. K.S.A. 77-618.	C	Not required to pay tax to protest, but must pay under protest. County treasurer has discretion to accept partial payment (K.S.A. 79-2024).	D	8	C
KY	Real property has no set notification date, must appeal 13 days after first Monday in May. KRS 133.045. Personal property must be appealed 45 days from notice of assessment. K.R.S. 131.110.	D	On taxpayer; standard is estimate of fair cash value.	B	KY BTA - yes, county circuit court - no (can only try to show fraud or misconduct).	B	Yes, can partial pay if done in good faith (pay on the value declared in appeal). After the BTA determination the tax must be paid or bond posted. KSA 131.370.	B	6	C+
LA	Public inspection for 15 days from 8/15 to 9/15 (Orleans 8/1 to 8/15), appeal must be filed 7 days before hearing date (written notice required increase > 15% from prior year). Public service company has 30 days to appeal to the Tax Commission.	F	On taxpayer (implied). There is no statutory assumption of correctness as to the assessment. Boards are charged with determining the fair market value of the property.	B	Limited, evidence is limited to that presented to the Board of Review (and in some cases information presented to the assessor). Current Tax Commission has indicated it will allow evidence not submitted to BOR. De novo review as to questions of law.	C	Ability to escrow, taxes timely paid and protested are held in escrow (undisputed taxes are released to the tax recipient body). R.S. 47: 1998(A)(2) and R.S. 47: 2110(E).	B	8	C
ME	In general, 185 days. 36 M.R.S.A. 841.	A	On taxpayer to prove: (1) assessor's value was irrational or so unreasonably overvalued an injustice results, (2) there was unjust discrimination, or (3) the assessment was fraudulent, dishonest or illegal. *Central Maine Power Co. v. Town of Moscow*, 649 A.2d 320 (ME Sup. Jd. Ct. 1994). The burden is on the municipality with a supplemental assessment.	D	Yes. *De novo* for appeals to State Board of Property Tax Review. 36 M.R.S.A. 843(1-A). Superior Court review is limited (abuse of discretion, error of law or findings not supported by "substantial evidence").	B	Yes, can pay last year's tax or undisputed tax in current year (whichever is greater). 36 M.R.S.A. 843(4).	B	5	B-
MD	45 days from the notice of assessment. M.D. Code 14-502. Off year "petition for review" deadline is December 31st.	C	Supervisor level - on taxpayer (informal and must show that assessment was incorrect); property tax assessment board level - on taxpayer (prove that decision of Supervisor was wrong).	B	Yes. M.D. Code 13-523.	A	No, in general. For personal property can submit a bond. M.D. Code 14-514.	D	6	C+

Continues

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
MA	Appeal to local assessors must be made by payment date of first tax bill (bills issued at least 30 days before due date). M.G.L.c. 59 § 59.	C	On taxpayer (substantial evidence). M.G.L.c. 58A § 12A. Assessment has presumption of validity.	C	Yes. M.G.L.c. 58A § 12A. Ultimate burden of proof remains on taxpayer.	B	Yes, allowed to make partial payments. M.G.L.c. 59 §§ 59, 64 and 65B. ATB can also excuse or extend payment based on inability to pay.	A	5	B-
MI	Local units are required to provide notice of assessment not less than 10 days before the Board of Review meets. This date varies depending on taxing jurisdiction (township/locality). M.C.L. 211.30.	F	Taxpayer must provide "substantial evidence" (amount of evidence that a reasonable person would accept as sufficient). Tax tribunal is still required to make its own independent value determination. M.C.L. 205.737.	B	Yes.	A	No (subject to waiver by tribunal). M.C.L. 205.743.	D	8	C
MN	Valuation notice must be sent to taxpayer two weeks prior to date scheduled by local board. Appeal notices must be postmarked at least 10 days before the first scheduled board meeting, local boards may be made during April and May. M.S.A. 271.06. Appeal to Tax Court/district court must be made by 4/30 of the year the taxes become payable. MSA § 278.01.	F	On taxpayer (preponderance of evidence).	B	Tax Court - yes. M.S.A. 271.06, subd. 6.	A	Yes, partial payment allowed. Must pay 80% (50% if unpaid balance <$2K) of tax (taxpayer can petition Tax Court to allow no second payment during appeal if certain conditions are met). M.S.A. 278.03.	A	5	C
MS	No specific notification provision (completion of equalization 10 days before meeting w/newspaper publication). Must appeal before the August meeting of board of supervisors. M.C.A. 27-35-89. Beginning 7/1/10, appeals should be made to Dept. of Revenue.	F	On taxpayer and when arguing excessive assessment must have two or more competent witnesses who testify property is assessed higher than its true value.	F	Yes. M.C.A. 11-51-77.	A	No. Additionally, bond must be posted for greater of $100 or double amount of tax in dispute. Miss. Code Ann. 11-51-77.	F	12	D
MO	Phasing in notice of increase to taxpayer by 6/15; informal conferences set in May and June. Third Monday in July (postmark) is the last day to appeal to Board of Equalization (St. Louis Second Monday in July). RSM 137.385 & 138.180. State Tax Commission appeal due on or before 9/30.	D	Before county board of equalization there is no presumption that the assessor's valuation is correct. In some counties the assessor has to prove the valuation does not exceed true market value. RSM 138.060.	A	Yes. State Tax Commission can review de novo. RMS 138.430.	B	Unpaid taxes subject to delinquent penalties; however, collector escrows the disputed amount.	B	5	B-
MT	Later of first Monday in June or 30 days after assessment notice. M.C.A. 15-15-102.	C	On taxpayer (preponderance of evidence). M.C.A. 2-4-704.	B	No.	F	No, taxes must be paid in full by due date (disputed taxes can be paid under protest).	F	11	D

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
NE	Assessments with adjustments completed between 3/19 - 6/1; protests filed on or before 6/30. Neb. Rev. St. 77-1502.	C	On taxpayer to show property has been arbitrarily or unlawfully overvalued, board's value overruled if arbitrary or unreasonable.	D	Yes. Neb. Rev. St. 77-5016.	A	No, tax must be paid when due.	F	9	C
NV	Notice of a property's reappraisal must be mailed no later than 12/18. NRS 361.300. Protests due by 1/15. N.R.S. 361.357. The county board of equalization is supposed to complete its hearings by the end of February. NRS 361.340.	D	On taxpayer (preponderance of evidence; substantial evidence) to show valuation unjust and inequitable. N.R.S. 361.410. In a judicial appeal from the decision of the state board, the taxpayer has the burden of showing by clear and satisfactory evidence that the valuation is unjust and inequitable. N.R.S. §361.410.	C	No, the appeal to the state board of equalization is based on the record made before the county board. NRS 361.360.	F	No escrow and no partial pay (pay under protest).	F	13	F
NH	Appeal by 3/1; tax bills mailed by 1/2. N.H. Rev. Stat. 76:16.	A	On taxpayer (preponderance of evidence that value is unfairly disproportionate).	B	Yes. RSA 71-B:11.	A	No (but payment not required to appeal).	D	4	B
NJ	4/1 or within 45 days of the bulk mailing of assessment notices; 5/1 when municipal wide revaluation or reassessment or within 45 days of the bulk mailing of assessment notices. N.J.S.A. 54:3-21.	B	On taxpayer (provide evidence that is "definite, positive and certain in quality and quantity to overcome the presumption" of correctness of assessment). Corridor of 15% above or below the common level range within which there is no change in assessment. Corridor is only applicable to years in which there has not been a revaluation or reassessment.	D	Yes, if initial appeal is to County Board then tax court review is de novo.	A	No, current and back taxes must be paid. N.J.S.A. 54:3-27.	F	8	C
NM	5/1 or 30 days after mailing of property tax bill or notice of valuation (general business and centrally assessed). Direct appeal to district court within 60 days after payment of first installment of tax (1/9). N.M.S.A. 7-38-24.	C	On taxpayer to rebut presumption by showing that assessor did not follow the statutory provisions of the Property Tax Code or by presenting evidence tending to dispute the factual correctness of the valuation. NMSA 7-38-6.	C	No, appeals of administrative appeals are made on the record presented to an administrative review board.	F	Yes. If timely protest and pays the amount not in controversy, then any remaining amount is not due until 30 days after conclusion of the appeal process. NMSA 1978, § 7-38-46. If refund filed, the contested amount must be placed by the county in an investment account and held in suspense until the conclusion of the matter.	A	8	C
NY	Notice must be provided at least 10 days prior to hearing date. RPTL Sec. 510. Varies by jurisdiction.	F	On taxpayer, need to demonstrate and support claimed value using appraisal and/or comparable sales information.	C	Yes, de novo.	A	No.	F	10	C-

Continues

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
NC	30 days from formal notification (typically date tax bill is prepared); most counties do not issue formal assessment notices - deadline is before the adjournment of the Board of Equalization (first Monday in April to first Monday in May). N.C.G.S.A. 105-322.	D	The taxpayer has the burden of proof throughout the appeals process.	C	Yes. The appeal from the county board of equalization and review to the property tax commission is a de novo process. At PTC level, County's determination is presumed to be correct. However, taxpayer has the burden only of production, not persuasion, to rebut County's presumption of correctness.	A	Yes, no forced collection remedies may be used by a taxing unit during the appeal process. Taxpayer can pay amount they believed is owed based on taxpayer's position. However, taxpayer owes penalty and interest on the remaining amount due.	B	6	C+
ND	A locally assessed TP must appeal to the township equalization board on the second Monday in April (N.D. Cent. Code §§ 57-09-01 and 57-09-04) or to the city equalization board on the second Tuesday in April (N.D. Cent. Code §§ 57-11-01 and 57-11-04). The assessor must send a notice of increased assessment to the TP not less than 15 days before the local board meeting, if the true and full value has increased by $3,000 and at least 10% over the prior year's assessment (see generally N.D. Cent. Code § 57-12-09). A notice of tentative assessment is sent to a centrally assessed TP not less than 10 days before the meeting of the state board of equalization on the first Tuesday in August (N.D. Cent. Code § 57-13-02).	F	The burden of proof at the initial appeal is on the taxpayer to show error. There is no specific standard. Standard of review in the district and supreme court is whether the board of county commissioners acted in an arbitrary, capricious, or unreasonable manner.	D	No. *De novo* standard of appeal is not used at the subsequent level of appeal.	F	Yes, when a taxpayer pays under protest the uncontested amount is deducted and the remainder is deposited in a protest fund until the protest period has expired. If the taxpayer pays less than the full amount due, penalty accrues on the unpaid balance starting on the statutory date. See generally N.D. Cent. Code § 57-20-20.	B	12	D
OH	Assessment notice sent via first billing (December to February). Real property appeal must be filed by 3/31 or the date of closing for the collection of first half taxes, whichever is later. RC 5715.19. Public utility personal property on or before the 60th day following the assessment.	A	On taxpayer, or complainant if other than the taxpayer, to show assessment erroneous.	B	Yes, however, new legal issues may not be raised.	D	Yes. Taxpayer can under pay, however penalties & interest may apply. R.C. 5715.22 & RC 5727.471.	C	6	C+
OK	20 working days (excludes weekends) from mailing of notice of increased assessment or first Monday in May if assessment has not increased. 68 O.S. § 2876.	C	On taxpayer (assessor presumed correct); school board also has appeal rights. 68 O.S. § 28801.E.	B	Yes, for centrally assessed taxpayers filing with the Court of Tax Review. 68 O.S. § 2880.1.	A	Yes, disputed tax is escrowed. Full amount of taxes must still be under protest. 68 O.S. § 2884.	B	4	B
OR	Notices mailed on or before 10/25. Appeal period from statement mailing date to 12/31 for Board of Property Tax Appeals. ORS 309.100.	A	On party seeking relief by a preponderance of the evidence to show assessment erroneous. O.R.S. 305.427.	B	Yes - Oregon Tax Court. ORS 305.501(5).	A	No; however, payment of tax is not a prerequisite to appeal. See § 38-511.	D	4	B

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
PA	Varies depending on county.	F	On taxpayer to show incorrectness of the valuation or sufficient competent, credible and relevant evidence to overcome the assessment's prima facie validity. School board also has appeal rights. 24 P.S. 581.39.	D	Yes. 72 P.S. 5350(a).	A	Partial escrow available under protest. Payment required while appeal is pending.	B	8	C
RI	Protest must be filed with local office of tax assessment w/90 days the first tax payment is due (cannot be waived). G.L. 44-5-26.	A	On taxpayer (sufficient evidence to overcome the presumption in favor of a tax assessor).	C	No.	F	No. G.L. 44-5-28.	F	10	C-
SC	For appeals w/ county assessor - within 90 days of mailing of assessment, county auditor - later of within 30 days of mailing of assessment or date tax paid w/o penalty, revenue dep't - within 90 days of assessment or within 90 days of billing. Code 1976 § 12-60-2110.	B	On taxpayer, assessment presumed accurate, must show inaccurate by preponderance of the evidence (the taxpayer must produce evidence to support his assertion of value).	B	Yes, before Admin. Law Court.	A	Yes. If an appeal extends beyond Dec. 31, the taxpayer must pay a portion of the disputed tax equal to 80% of the assessment being appealed and may agree in writing to pay more. 1976 Code § 12-60-3370.	B	3	A-
SD	Depends. Assessment notices sent by 3/1. SDCL 10-6-50. For jurisdictions w/local boards, appeal date is by the Thursday preceding the 3rd Monday in March. SDCL 10-11-16. Taxpayer can skip the local board and appeal to the County Board by the first Tuesday in April. Jurisdictions w/consolidated boards have the same April deadline to appeal as the county board.	C	On taxpayer (assessments made by county director presumed valid). *Sheraton-Midcontinent Corp. v. County of Pennington*, 95 N.W.2d 892 (S.D. 1959); see also *Roseland v. Faulk* County Bd. of E39:E43.	B	Only *de novo* at county board level (trial court for centrally assessed property). SDCL 10-11-26.	C	No, taxpayer has to pay the taxes under protest and then file for a refund. SDCL 10-27-2. (Most of the property tax appeals are handled well before the taxes have to be paid.)	D	8	C
TN	Assessments completed by 5/20; complaints heard starting 6/1 (notification may occur early and the county board of equalization may extend the number of days it holds hearings based on need). T.C.A. §§ 67-1-404 and 67-5-1047. TP must first appeal to county BoE and then State Bd. Appeal to State BoE must be made before 8/1 or within 45 days from decision of county BoE. T.C.A. § 67-5-1005; see also T.C.A. § 67-5-1412.	D	On taxpayer.	C	Yes, except for centrally assessed taxpayers.	C	Yes, only required to pay undisputed tax. T.C.A. 67-5-1512.	A	9	C

Continues

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
TX	Notice received by 5/1 and must protest by 6/1 or no later than 30 days after valuation notice received (single family residences notice 4/1 and protest due by 5/1 or not later than 20 days after valuation notice is delivered). Tex. Tax Code § 41.11.	C	Burden of proof is on the appraisal district by preponderance of the evidence. Tex. Tax Code § 41.43.	A	Yes; however, taxpayer may be prevented from raising new legal issues.	B	Yes, may pay only undisputed amount (uncommon for taxpayers to do so). Tex. Tax Code § 31.071.	A	3	A-
UT	Personal and centrally assessed property, 60 days from notice mailing. Locally assessed property must be appealed within 45 days from the date the valuation notice is mailed or by 9/15, whichever is later. U.C.A. 1953 Sections 59-2-1004 & 59-2-1005.	B	On taxpayer to establish that value is erroneous, and, by credible evidence, that value asserted by taxpayer is true fair market value.	C	Yes, if the decision by the Utah Tax Commission is appealed to district court.	A	No, taxpayer must pay full amount of tax liability.	F	7	C
VT	Lists made available to public 5/5 (32 V.S.A. § 4111) and must assert grievance at listers' meeting held on or before 5/20 (32 V.S.A. § 4221).	F	Initially on taxpayer (professional appraiser is essential to rebut presumption that municipality's appraisal is valid). 12 V.S.A. § 1604.	C	Yes. 32 V.S.A. § 4467.	A	No	F	10	C-
VA	134 assessing authorities with different deadlines; at least 30 days after the deadline set by the assessing officer. Va. Code Ann. § 58.1-3378. § 58.1-3330 of Code of Virginia provides that notice of an assessment increase must be mailed at least 15 days prior to the date of a hearing to protest the change.	F	On taxpayer. After 10/1/2010, taxpayer must produce substantial evidence that property is more than fair market value, assessment is not uniform in application or is not equalized. Va. Code Ann. §§ 58.1-3979 & -3984. 1/2012 change is to preponderance of evidence (SB 1350).	B	Yes.	A	Payment practices vary, no statutory rules for localities to require payment as prerequisite to appeal. Va. Code Ann. § 58.1-3983.	D	8	C
WA	For real or personal property, 30-60 days depending on county. R.C.W. 84.40.038. Centrally assessed taxpayers initial appeal deadline is the later of 7/1 or 30 days after mailing of change of value notice.	C	On taxpayer (clear, cogent and convincing evidence; burden can be reduced to a mere preponderance of the evidence under certain circumstances). R.C.W. 84.40.0301.	D	De novo, but burden of proof remains the same. State board of tax appeals hears appeals from county boards of equalization de novo. Appeal from "formal" board of tax appeal decision is not de novo. Tax refund action in court is de novo.	A	No; however, assessor for very large value appeals must exclude contested value when computing tax rates. See RCW 84.52.018.	F	9	C
WV	In general, taxpayers do not receive notice of the assessed values of their properties. There are two exceptions that require 15 days notice: 1) assessed value of real property increases by more than 10% or 2) over $1,000 increase (boards begin to meet by 2/1). Public utility operating property taxpayers protest their values to the Board of Public Works during October.	F	On taxpayer to show erroneous assessment by preponderance of the evidence.	B	Appeals from orders of boards of equalization and review are on the record made before the board. Appeals of public utility assessments are de novo in circuit court.	D	No.	F	12	D

Fair Tax Appeal Procedures *(Continued)*

State	Initial Appeal Deadline(s)	Grade	Burden of Proof	Grade	De Novo Review on Subsequent Appeal?	Grade	Ability To Escrow Or Partial Pay Disputed Tax	Grade	Total Points	Total Grade
WI	60 days for manufacturing property. Locally assessed property requires intent to object 15 days from notice (first class cities only, and after notice of determination of Board of Assessors). All others must give written or oral notice at least 48 hours prior to Board of Review's first meeting, and file notice of objection "before or within the first two hours of the board's first scheduled meeting."	F	On taxpayer to illustrate that assessor's valuation is erroneous. Wis. Stat. Sec. 70.47(8)(i).	B	Depends, typically cases heard by the Board of Review or the Wisconsin Tax Appeals Commission are appealed based on the record created; under specific appeal procedures to the municipal governing body, the case can be heard de novo at the subsequent appeal to circuit court. City of Milwaukee's ability to opt out of de novo review ruled unconstitutional.	D	No, tax must be paid. See generally Wis. Stat. § 74.35.	F	12	D
WY	Locally Assessed: Assessor's office w/30 days of the notice mailing. W.S. § 39-13-109(b). State-assessed property, must file protest with Department of Revenue/State Board of Equalization within 30 days of notice mailing.	C	On taxpayer (preponderance of evidence).	B	Yes - local decision appealed to the State Board is *de novo*. Subsequent appeal is on the record on the findings of fact from the lower court or hearing body.	A	Yes, protested tax is placed in interest bearing escrow account. W.S. 39-13-109(f).	B	4	B

Continues

Residential v. Business Property

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
AL	Four classes of property with different percentages of fair and reasonable value: utility - 30%; class II catch-all (including General Business) - 20%; agricultural/residential/forest/historic - 10%; privately owned autos and trucks - 15%. Code § 40-8-1.	D	Property taxes are capped at a percentage of FMV based on property class. Class 1 - 2% of FMV, Class 2 - 1.5% of FMV, Class 3 - 1% of FMV, and Class 4 - 1.25% of FMV. Constitution of Alabama, Amendment 373.	D	State portion of property tax - $40k of full market value per homeowner under 65. County portion of property tax - $20k or $40k of market value (local option) per homeowner under age 65. Full exemption from state property tax for seniors 65 and over and permanently and totally disabled. Partial exemption (county and school districts) - $50k in market value if homeowner is over 65 w/ annual adjusted gross income less than $12k as reflected on most recent state income tax return or permanently or totally disabled, regardless of age, or who are blind. Code Sec. 40-9-19. Full exemption from taxation: homeowner who is totally disabled or who is 65 or older having an annual taxable income of $7,500 or less as shown on homeowner and their spouse's federal income tax return. Code Sec. 40-9-21. MTA Ratio = 2.11 (16).	F	10	D
AK	100% of full true value (generally). AS 29.45.110 & AS 43.56.060.	B	No.	A	$150k of full market value for seniors and disabled. MTA Ratio = 1.11 (34).	C	3	B
AZ	9 classes of property (percentage of Full Cash Value); Class 1: Most business property: 22% - 2009, 21% - 2010, 20% - 2011 & thereafter; Class 2: Ag property, golf courses and vacant land: 16%; Class 3: Owner occupied residential: 10%; Class 4: Rental residential: 10%; Class 5: Railroad and airline flight property: 20%; Class 6: Noncommercial historic, foreign trade zone, enterprise zone, military reuse zone, environmental technology and environmental remediation: 5%; Class 7: Historic commercial & industrial: 1%; Class 8: Residential rental historic: 1%; and Class 9: Possessory Interest: 1%. A.R.S. § 42-12001-12009.[21]	F	All property, greater of 10% or 25% of difference between last year's primary value and current year's secondary value. No limits on secondary values, funds used for bond issues, budget overrides and special districts. Additional limit for owner-occupied residences. The combined primary tax from all jurisdictions on such a property may not exceed 1% of the primary value. In the case where the tax exceeds that amount, school district taxes are reduced on the primary amount and the state provides the difference between the overall primary tax rate and the rate cap.	C	Varying amounts to some disabled persons and to some widows/widowers. The amounts are scaled to the value of property owned and eligibility is restricted by income. WWI and disabled veterans who entered the service from AZ or who were residents of the state prior to 9/1/45 are eligible for an exemption. Property tax deferrals are also provided to qualified homeowners over the age of 69. AZ Constitution allows residents 65 or older, with annual incomes below established thresholds, to apply to the county assessor to freeze the full cash value of their primary residence for up to 3 years. MTA Ratio = 3.32 (5).	D	9	D
AR	20% of true and full market value.	A	Residential property is 5% per year; all other property is 10% per year - frozen for property owners over 65 or disabled.	C	$350 tax credit for primary residence. MTA Ratio = 1.22 (32)	B	3	B
CA	100% of full fair market value (4% assessment ratio for certain fishing vessels). C.R.T.C. § 401.	A	Unless there is a change in ownership or substantial construction, all locally assessed property limited to lesser of 2% or inflation amount per year.	D	$7,000 of full market value for homestead. If qualified, there is a disabled veteran's exception that changes annually (for 2009 it was $114,634 or $171,952 for low income homesteads). MTA Ratio = 1.02 (40).	B	4	B-
CO	29% of actual value for all property except residential real property. Residential property is determined annually by state legislature (currently 7.96%). CRS § 39-1-104.	F	Residential property assessments are limited to 45% of state total (aggregate assessment structure) per year.	D	Seniors and disabled veterans receive 50% break on first $200k of primary residence. CRS Sec. 39-3-203. MTA Ratio = 3.556 (4).	C	9	D

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
CT	In general, 70% of true and actual value (fair market value) for all real and personal property. City of Hartford rates can vary - see Tax Assessment Caps Column. G.C.S. § 12-63.	C	No, except City of Hartford is allowed to deviate and use different assessment rates for different types of property to limit annual growth or property taxes on residential and apartment properties. Section 2 of Public Act No. 06-183.	C	Abatement program if tax exceeds 8% of taxpayer's income. MTA Ratio = 1.00 (41).	A	4	B-
DE	Varies by county by percentage of true cash value; Kent: 60%; Sussex: 50%; and New Castle: 100%. All property taxed at same rate; some counties and cities provide abatements and incentives. 9 Del. Code § 801.	F	No.	A	Exemption for seniors and disabled of up to $25,000 of an assessment if certain residency and income threshold requirements are met. MTA Ratio = 1.00 (41).	A	4	B-
DC	100% of market value of the property (real property is "estimated market value" and personal property is "current value" based on cost less depreciation). However, tax rate varies based on residential ($0.85/$100) versus business property ($1.85/$100). D.C. Code §§ 47-812 and 47-813.	D	Residential property cap of 10% per year (5% for qualifying low income).	F	$67,500 deduction for homesteads (adjusted annually by cost of living) and 50% reduction for seniors. DC Code 47-863. MTA Ratio = 2.474 (10).	F	11	F
FL	100% of "just valuation" which is fair market value. FS § 192.042.	A	Residential property (personal residence) - lesser of 3% or inflation amount per year. 10% annual cap on all other properties unless new construction or sale. Change of ownership and certain changes, additions or improvements have an impact on this limitation. See 193.1554 and 193.1555 Florida statutes. $500k portability within Florida of residential valuation cap.	D	Homestead exemption of $25,000 of assessed value for all property taxes plus an additional $25,000 for non-school district taxes. 196.031 Florida statutes. There are additional exemptions available to certain homeowners (*e.g.*, widows/widowers, disabled residents, veterans, and seniors. MTA Ratio = 1.37 (24).	C	5	C
GA	40% of fair market value (with some exceptions for certain agricultural property). O.C.G.A. § 48-5-7.	B	Legislation adopted in 2009 (Act 233, Laws 2009) placed moratorium on assessment increases with limited exceptions through January, 2011 (decreases are still allowed).	C	$5,000 of full market value. There are additional income adjustments and misc. local homestead incentives. MTA Ratio = 1.225 (30).	C	5	C
HI	100% of fair market value; however, the tax rate can vary significantly based on the property's classification.	D	Limited and varies by county (e.g., Kauai County allows 6% cap on tax increase on certain leases).	C	In general, $12k of full market value ($40,000 in Honolulu); $24k for 65-69 year-olds; and $30,000 for 70+ year-olds. MTA Ratio = 3.83 (3).	F	9	D
ID	100% of market value, I.C. Sec. 63-205.	A	No.	A	Lesser of 50% of full market value of home or maximum exemption amount of $101,153 (2010 amount, subject to annual adjustment). I.CC § 63-602G. MTA Ratio = 1.85 (19).	D	3	B
IL	Cook County (Chicago) has variable assessment ratios; 33.5% of fair cash value for all other counties. 35 ILCS 200/9-145.	D	In the process of phasing out caps on residential property.	C	Unless the expanded homestead exemption has been adopted in lieu of the general exemption, $6,000. Additional exemptions available to veterans (35 ILCS 200/15-165); Seniors (35 ILCS 200/15-170); Senior Freeze Exemption; Returning Veterans Homestead Exemption (35 ILCS 200/15-267) and the Long-time Occupant Homestead Exemption (35 ILCS 200/15-177). MTA Ratio = 1.95 (17).	D	8	D

Continues

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
IN	100% of true tax value ("true tax value" does not necessarily mean FMV). I.C. § 6-1.1-1-3. 2011 Real Property Assessment manual values most real property based on "value-in-use."	B	Unequal credit provided for tax liability increases. Six categories of property class ranging from a 1.5% to a 3.5%. Nonresidential real property is 3.5% in '09 and 3% in 2010. I.C. § 6-1.1-20.6-7.	D	Homestead credit repealed Jan. 1, 2009; however, there are many deductions (see http://www.in.gov/dlgf/2344.htm). MTA Ratio = 2.52 (8).	D	7	D
IA	Varies (all taxes locally administered); residential and commercial property are equalized w/median assessment to sale price ratios (goal of a 100% ratio January 1 of the equalized year). Iowa Code § 441.21.	D	Residential, agricultural property, commercial and railroads limited to 4% per year; centrally assessed property is limited to 8% per year. Replacement tax companies have a threshold adjustment of either 8% or 10% per year.	F	Broad credit that the state currently funds about 69% based on the actual levy of the allowable homestead value. There is also an income based circuit breaker for senior citizens and the disabled. MTA Ratio = 2.35 (11).	D	10	D
KS	Different percentages of fair market value. Real property classes: residential - 11.5%; agricultural - 30%; vacant lots - 12%; nonprofit - 12%; public utility - 33%; commercial and industrial - 25%; other real property - 30%. Personal property classes: mobile home residences - 11.5%; mineral leasehold interests - 30%; public utility - 33%; motor vehicles - 30%; commercial and industrial machinery - 25%; other - 30%. K.S.A. § 79-1439.	F	No.	A	Tax refund provision (based on income levels) for low-income families (<$27,600), seniors (55+), and disabled if property's value is less than $350k. MTA Ratio = 2.14 (13).	D	7	D
KY	100% of fair cash value	A	No.	A	Yes, for 2009 and 2010 $33,700 for seniors and disabled.	B	1	A
LA	Different percentages: land - 10%; residential improvements - 10%; electric coops (not land) - 15%; public service properties (not land) - 25%; other properties - 15%. La. R.S. § 47:1854.	F	In general no; however, tax recipient body can specifically approve cap. Taxes in the year subsequent to the revaluation cycle cannot exceed the previous year's collections if the increased tax is the result of an increase in value as a result of the revaluation.	C	Broad $75K of full market value exemption for qualifying residences; special assessment levels for specified classes of individuals. MTA Ratio = 2.54 (7).	D	9	D
ME	Assessors adopt own ratios of "just value" (current market value). Minimum value defined as 70% and maximum value defined as 110%.	D	No.	A	Recently reduced to $10K of "just value" of home. MTA Ratio = 1.07 (38).	B	4	B-
MD	Real property - 100% of its phased-in value (TP 8-103); personal property - 100% of its value on the date of finality (TP 8-107), except inventory, which is assessed at its fair average value (monthly average).	A	10% for state property taxes on residential property; local options for local taxes range from 0% to 10% per year.	D	Credit (equal to the total tax of a dwelling, with max assessment of $300k) based on income of homeowner; credit not granted to homeowners with net worth over $200,000. MTA Ratio = 0.96 (52).	A	3	B
MA	100% fair cash value, M.G.L.c. 59 § 38. However, municipalities can shift, with limits, some tax levies to business sector (commercial and industrial).	F	Caps do not apply to individual properties; however, Proposition 2 1/2 limits annual increase in total levy of municipality. (M.G.L.c. 59 § 21C).	A	Optional local homestead exemption of up to 20% of class 1 residential assessment value (30% in some cities), but borne by other residential taxpayers; additional partial exemptions for seniors, veterans, blind, surviving spouses and children. MTA Ratio = 4.21 (2).	F	8	D
MI	50% of true cash value for all properties. Mich. Const. art. IX, § 3.	B	"Taxable value" may not be increased by the lesser of 5% or inflation, per year, until the property is sold.	D	Low-income, disabled, and seniors exempt from 18 mill tax levied by local school districts. Principal residence exempt from local school district taxes levied for school operating purposes. MTA Ratio = 1.266 (26).	C	6	C-

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
MN	Property is valued at 100% of its market value and a class rate is assigned to the property according to its use. There are 5 basic property-type classifications that are broken down into roughly 35 subclasses of property; some of which have yet further subclasses. Residential property class 1a is 1% on the first $500k of value and 1.25% on any additional value; commercial property class 3a is 1.5% on first $150K of value and 2% on any additional value. MN statutes 273.13.	F	No, limited market value was removed in 2008.	A	Residential Homestead Market Value Credit provides credit of up to $304 at market value of $76,000, phasing out to $0 at $413,800. Agricultural homesteads also receive homestead credit and a reduced class rate of .5% on the first $1,010,000 of farmland value. There are also special provisions for the blind and disabled. MTA Ratio = 2.51 (9).	D	7	D
MS	Different percentages of true value based on property classification: homesteads - 10%; other real property - 15%; personal property - 15%; public utility property - 30%; and motor vehicles -30%.	F	No.	A	$75,000 of full market value for families and heirs limited to $300. Qualifying seniors exempt from all ad valorem taxes on homesteads up to $75,000 of true value. MTA Ratio = 1.77 (20).	C	6	C-
MO	Different percentages of "true value in money": real commercial property - 32%; personal property - 33 1/3%; residential property - 19%; agriculture property - 12%; historic motor vehicles and aircraft 5%; and pollution control and retooling equipment in an enterprise zone 25%. RSmo. § 137.115.	F	No.	A	Senior citizens and disabled persons w/limited incomes can receive an income tax credit or can receive property tax credit. MTA Ratio = 2.13(14).	D	7	D
MT	Different percentages of Fair Market Value based on 14 classes of property (rates can vary by year). Coal mines - 100%; metal mines - 3%; residential - 2.93% (2009); centrally assessed utilities - 6% (2009). MCA § 15-6-131 *et al.*	F	Phase-in of reassessment of value is over 6 years, 16.66% per year.	C	In 2009, all residential property received a 36.8% reduction in market value; additional programs exist for low income taxpayers. MTA Ratio = 1.26 (28).	C	8	D
NE	Real property - 100% actual value; agricultural property - 75% actual value; personal property - 100% net book value. R.R.S.N. § 77-201.	B	No.	A	General exemption is the lesser of the homestead value or the average assessed value in county (or $40K, whichever is greater). Increased for disabled and seniors. MTA Ratio = 1.00 (41).	A	1	A
NV	35% assessment ratio applies to all taxable property. NRS 361.225.	B	Residential property (personal residence) has a 3% cap on tax bill increase per year; different cap calculation for other property not to exceed an 8% cap. NRS 361.471 et seq.	D	None; however there is an exemption for forced sale - NRS 115.010. MTA Ratio = .991 (50).	A	4	B-
NH	100% of market value. RSA 75:1.	A	No.	A	Exemption for certain seniors and disabled persons. (RSA 72:38-b and 72:39-b). MTA Ratio = 1.00 (41).	A	0	A
NJ	NJ Supreme Court has ruled it is unconstitutional to tax different types of property at different percentages of value. Although the statewide standard is 100% of true value, there is still a lack of assessment uniformity. *See Ford Motor Co. v. Township of Edison*, 127 N.J. 290 (1992).)	D	No caps for assessments. However, there are caps for increase of amount raised by the property tax with numerous exceptions allowing some annual tax rate increases by as much as 10%. Uniformity clause in NJ so all property treated the same.	B	There are special provisions for certain seniors and disabled citizens. MTA Ratio = 1.00 (41).	A	4	B-

Continues

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
NM	33 1/3% of assessed value, applies to all real and personal property; however, valuation methodology can vary depending on property type. (NMSA §§ 7-36, & 7-39).	B	Residential property is capped at 3% per year. Removal of the cap upon sale of the property to a new owner was ruled unconstitutional under the New Mexico Constitution by at least two district courts in 2009; uncertainty with how this cap will be administered in the future.	F	The Property Tax Code contains Fractional Interest Valuation NMSA 7-36-4, Current and Correct Valuation mandates NMSA 7-36 -16, (Head of Family Household NMSA 7-34-4, Limitation on Increases in Value Occupied by Low Income Owners 65 Years or Older or Disabled NMSA 7-36-21.3, Veteran NMSA 7-37-5, Disabled Veteran NMSA 7-37-5.1, Veterans' Organization NMSA 7-37-5.2, exemptions, Limitations on Tax Rates Authorized NMSA 7-37.7 and Yield Control NMSA 7-37.7.2 statutes to encourage equal property tax burdens across the state. MTA Ratio = 1.20 (33).	B	6	C-
NY	Varies by local jurisdiction (as a percentage of full value). RPL § 1903.	F	Statewide no; NYC and Nassau County cap Class 1 residential property increases by no more than 6% in any one year and 20% in any 5 year period.	D	Special state-funded School Tax Relief (STAR) exemption provided to homeowners, w/ larger amount for income-eligible seniors. Additional local option exemptions available for certain persons (seniors, disabled, veterans); partial exemption for first time homeowners (50% of assessed value in first year and phased out 10% in each subsequent year). MTA Ratio NYC = 6.50 (1), MTA Ratio = 1.64 (21).	D	10	D
NC	100% of true value in money. N.C.G.S. § 105-283.	A	No.	A	Exemptions for disabled veterans and low income seniors and disabled; see www.dor.state.nc.us/downloads/av9_2010.pdf. MTA Ratio = 1.00 (41).	A	0	A
ND	"Assessed value" is 50% of true and full value. "Taxable value" is a percentage of assessed value: residential property - 9%; agricultural property - 10%; commercial property - 10%; centrally assessed property - 10% (except wind turbine generators are 3% or 1.5% of assessed value).	C	No.	A	Certain seniors and disabled persons are eligible for a reduction in the value of their homestead up to a maximum true and full value of $100k. The exemption percentage is based on income and a maximum reduction. MTA Ratio = 1.09 (35).	B	3	B
OH	All real property - 35% of true (market) value. Personal property of certain utilities varies: telecoms - 5% for 2010 (not assessed thereafter); electric companies - 85% for trans and dist, and 24% for all other personal property; rural electric - 50% for trans and dist, and 25% on all other personal property; natural gas distribution - 25%; pipeline/water/heating companies - 88%; water transportation - 25%.	F	No.	A	First $25k of taxable value of homesteads owned and occupied by elderly or disabled and their surviving spouses is exempt. 12.5% rollback for primary residence. Paid for by state general revenue fund. MTA Ratio = 1.26 (27).	C	6	C-
OK	Based on fair cash value. Centrally assessed property - 22.85%; personal property - from 10% to 15%; real property from 11% to 13.5%.	F	5% cap on locally assessed real property per year unless change in ownership, etc.	C	Exemptions for seniors and low-income taxpayers. MTA Ratio = 1.07 (37).	B	7	D
OR	100% of market value for all property.	A	3% cap in assessed value increase per year. O.R.S. 308.146.	C	Certain exemptions for veterans and others. MTA Ratio = 1.00 (41).	A	2	B+

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
PA	Using actual value, common level assessment ratios for each county set annually by State Tax Equalization Board. All real property entitled to uniform tax treatment. Jurisdictions have statutory right to deviate from state mandated common level ratio by 15%+/-.	D	No.	A	Varies by county, homestead exemption of up to 50% of median assessed value; additional rebates for seniors. MTA Ratio = 1.57 (23).	D	6	C-
RI	Varies by municipality - but cannot exceed 100% of full and fair cash value. R.I. Gen. Laws § 44-4-1.	F	No.	A	Varies by locality (range of 15%-50%); additional assistance for seniors and low-income taxpayers. MTA Ratio = 2.13 (15).	D	7	D
SC	Several different ratios using fair market value: manufacturing and utility property - 10.5%; primary residence - 4%; other than primary residences - 6%; non-classified commercial property - 6%; business personal property 10.5%.	F	Cap for homestead property - 15% maximum increase over 5 years but homestead is exempt from school operating costs . This cap also applies to business property except for utilities valued using the unit valuation method.	D	$50,000 FMV exemption for certain seniors, veterans, disabled. All primary residences are exempt from property taxes imposed for school operating purposes. MTA Ratio = 3.20 (6).	F	11	F
SD	Local Director of Equalization is required to value all property between 85% - 100% of its true and full value (SDCL § 10-6-33.8). The Dept. of Rev. reviews the assessments in each county and factors all of the values down to 85%. Local governments can lower the percentage of value for certain new construction projects and improvements for a period of up to 5 years.	C	No. However, there is a cap on the amount of property taxes that can be collected by each taxing entity. This process benefits all types of property equally.	A	Homestead exemption that for taxes payable in 2010 reduced property taxes about $500 for every $100k of taxable valuation. SDCL 10-13-39. Other exemptions for certain seniors and disabled taxpayers. SDCL 10-4-24.9, SDCL 10-4-24-.10, SDCL 10-4-40, SDCL chapter 10-6A, SDCL 43-31-31 through 43-31-41, and SDCL chapter 10-18A. MTA Ratio = 1.28 (25).	C	4	B-
TN	Real property: 4 classes based on appraised value - utility - 55%; industrial/commercial -40%; residential - 25%; and farm - 25%. Personal property: 3 classes based on appraised value - utility - 55%; industrial and commercial - 30%; other - 5%; nonbusiness - not taxed. Intangible property - 55% of appraised value for utilities, 30% for all others.	F	No.	A	Tax relief for low-income seniors, disabled, and veterans. MTA Ratio = 1.60 (22).	C	6	C-
TX	All property is assessed at market value.	A	Residential property limited to 10% per year from last appraisal.	F	Homesteads have a $3k exemption from county taxes and $15k exemption from school taxes. Additional optional exemptions by taxing district. MTA Ratio = 1.23 (29).	C	6	C-
UT	Primary residences assessed at 55% of fair market value; all other property is at 100% FMV.	D	No.	A	Accomplished through ratio relief, seniors with low income are provided another 20% reduction in the assessment rate. MTA Ratio = 1.85 (18).	C	5	C
VT	State law does not provide for different assessment ratios or tax rates. 32 V.S.A. §§ 3481, 3482, 3651, 4041, & 4044.	A	No.	A	Broad homestead exemptions. Income based property tax relief. MTA Ratio = 1.23 (31).	C	2	B+
VA	100% of fair market value. However, tax rate on personal property often higher than other property. Va. Code § 58.1-3503.	C	No.	A	Exemptions for certain disabled and seniors. MTA Ratio = 0.96 (51).	A	2	B+

Continues

Residential v. Business Property *(Continued)*

State	Assessment Ratios	Grade	Tax Assessment Caps (per year)	Grade	Equal Property Tax Burden	Grade	Total Points	Total Grade
WA	100% of fair market value; however statutes provide that centrally assessed values are equalized to the general levels of assessment (usually less than 100%) in the counties where they are taxed. RCW 84.40.030.	B	No.	A	Tax reduction for seniors, disabled citizens and low-income taxpayers. MTA Ratio = 1.00 (41).	A	1	A
WV	Most property assessed at 60% of current fair market value. W. Va. Code § 11-1C-1(d). Higher tax rate imposed on commercial and industrial property.	D	No.	A	Exemptions for low-income seniors and disabled. Additional exemption based on income is refunded by the State. MTA Ratio = 2.18 (12).	D	6	C-
WI	Varies by municipality - same ratios used for both real and personal property. However, depending on time period between last revaluation, different classes can have different ratios. Two classes, undeveloped class and agricultural forest, are valued at 50% of their market value. Wis. Stat. §§ 70.05(5)(a) & 70.32(4).	D	No. There are limits on tax levies that apply across property classes.	A	There is a homestead credit against income taxes for property taxes on a primary residence w/income below a certain level. MTA Ratio = 1.03 (39).	A	3	B
WY	Generally 9.5% of Fair Market Value; industrial property at 11.5% of FMV; and minerals and mines at 100% of FMV. W.S. § 39-11-101(a).	D	No.	A	There are property tax exemptions for veterans and, when funded by the legislature, there is a homeowner's tax credit for homes valued below a full value of $61,580. MTA Ratio = 1.00 (41).	A	3	B

General Information and "Other Issues"

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
AL	Locally assessed: General business; Centrally assessed: utilities, some general business property. Code Sec. 40-21-52.	Real property, personal property, and specified intangible property (certain bonds and hoarded money). Code § 40-11-1.	10/1 for real and personal property. Ala. Code Sec. 40-1-3.	Locally assessed: Board of Equalization (Code Sec. 40-3-19). Centrally assessed: Alabama DOR (code Sec. 40-2A).	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1
AK	Locally assessed: General business; Centrally assessed: oil and gas.	Real and personal property.	1/1	Locally assessed: Board of Equalization. Centrally assessed: Alaska DOR.	Intangible property is not considered property; issue w/leased property - lessor taxed unless lessor is federal gov't (lessee taxed).	1
AZ	Locally assessed: General business; Centrally assessed: mining, oil and gas, utilities, pipelines, airlines, railroads, telecom.	Real and personal property.	1/1	Locally assessed: County Board of Equalization or State Board of Equalization (if no county board). Centrally assessed: AZ DOR.		0
AR	Locally assessed: General business; Centrally assessed: public utility and carrier property.	Real and personal property.	1/1	Locally assessed: County Board of Equalization. Centrally assessed: w/state agency (PCS or Highway Dept.).	Intangibles are not specifically exempt for centrally assessed taxpayers.	1
CA	Locally assessed: General business; Centrally assessed: pipelines located in two or more counties and electric, telephone, and railroad property.	Real and personal property (personal property of a registered insurance company or financial institution not taxable).	In general, 1/1. Special rules for "change of ownership" and "new construction."	Locally assessed: County Clerk of the Board of Supervisors. Centrally assessed: CA State Board of Equalization.	Initial resolution of value subject to subsequent review/revaluation. Standardized procedures are not always followed by the assessors.	2
CO	Locally assessed: General business; Centrally assessed: public utilities operating property.	Real and personal property.	1/1	Locally assessed: initially to county assessor then to county board of equalization. Centrally assessed: Board of Assessment Appeals or Denver district court.	Refunds on PP may be given each year if state's revenues during year exceed limit on state revenue in Colorado Constitution (100% refund on first $700 of PP tax, 16% on excess PP tax). Intangibles are not specifically exempt for centrally assessed taxpayers.	2
CT	Locally assessed: All property taxed at the local level; certain telecommunication providers subject to special tax.	All real and personal property is taxable, exemption for certain manufacturing and machinery equipment.	10/1	Board of Assessment Appeals	No clear distinction between real and personal property. Tax assessor has authority to increase or decrease assessment upon audit of PP tax return (not limited to omitted property; can adjust assessment of previously listed property).	1
DE	Locally assessed: General business (all property locally assessed).	Real property (personal property exempt).	No specific state-wide date. While assessed annually, date varies by county and municipality.	County Board of Assessments.	For leased property, tenant is responsible for property tax (must pay it to person entitled to rent, unless other agreement exists). Tenant can deduct same amount out of rent. No set valuation date.	1
DC	Locally assessed: General business and residential (only one taxing body).	Real and personal property.	1/1 (real property); 7/1 (personal property).	DC Office of Tax and Revenue (real property); DC Office of Admin. Hearings or Superior Court (personal property).	Vacant properties taxed at rate of $5/$100 (with exceptions); payment of personal property tax is a personal liability of a corporate officer, director, GP, etc.	1

Continues

General Information and “Other Issues” *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
FL	Locally assessed: General business; Centrally assessed: railroads. Rule 12D-2.002, F.A.C.	Real and personal property. Subject to the exemptions in Chp. 196 of the Florida Statutes, all real property is taxable. In general, tangible personal property held for a business purpose (and not held for sale) is taxable.	1/1 each year, except construction work in progress shall have no value placed upon it until substantially completed as defined in 192.001(11)(d). 192.042, Florida Statutes.	County Value Adjustment Board. Sec. 194.011 Florida Statutes.		0
GA	Locally assessed: General business; Centrally assessed: airlines, railroad equipment companies, special franchises, public utilities.	Real and personal property.	1/1	County board of equalization, hearing officer, or binding arbitration with the board of tax assessors.	Rigid use of mass appraisal techniques that can produce inequitable results. Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
HI	Locally assessed: General business (all property locally assessed).	Real property (personal property exempt).	1/1; 10/1 in City and County of Honolulu	Local board of review.		0
ID	Locally assessed: General business; Centrally assessed: public utilities and railroads.	Real and personal property.	1/1. Proration occurs with respect to transient personal property, Idaho Code 63-313.	Locally assessed: county board of equalization. Centrally assessed: State Tax Commission.		0
IL	Locally assessed: General business; Centrally assessed: railroad property (operating railroad property) and pollution control facilities.	Real property. Caveat, w/respect to machinery and equipment that was classified as real estate prior to Jan. 1, 1979 (See 35 ILCS 200/24-5).	1/1	Assessor (optional) and Board of Review. Cook County has special procedures.	High value properties inappropriately targeted which creates valuation inequities with other properties.	1
IN	Locally assessed: General business, oil and gas; Centrally assessed: Public utilities, telecommunications and railroads.	Real and personal property.	3/1	Locally assessed: township or county assessor. Centrally assessed: Indiana Board of Tax Review.	Slow to make changes to property tax system declared unconstitutional.	1
IA	Locally assessed: General business; Centrally assessed: Railroads and utilities.	Real property and specified intangible property (certain intangibles of credit unions and investment companies). Locally assessed personal property is not taxed. Gas and electric companies remit a replacement tax based on consumption.	1/1	Locally assessed: County or City Board of Review. Centrally assessed: State Board of Tax Review. Replacement tax appeals to IA DOR.	Cannot appeal value in off-appraisal year. Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
KS	Locally assessed: General business; Centrally assessed: Motor carriers, railroads and utilities.	Real and personal property (personal property acquired after 6/30/2006 is exempt from tax).	1/1	Locally assessed: must start with county appraiser. Centrally assessed: State Court of Tax Appeals.	Different valuation approaches based on property type (gen. business - cost; utilities - unit) and intangibles picked up in unit valuation.	1
KY	Locally assessed: General business real property; Centrally assessed: Motor vehicles, personal property, public service corporations and water transportation corporations.	Real and personal property.	1/1	Locally assessed: property valuation administrator then county board of assessment appeals. Centrally assessed: KY DOR.	Disparate treatment with public utility property.	1

General Information and "Other Issues" *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
LA	Locally assessed: General business; Centrally assessed: Railroads, airlines, utilities, insurance and transportation equipment.	Real property and personal property (and specified intangible property of public service properties, bank stocks, and certain credit assessments).	1/1 (except 8/1 in Orleans Parish).	Locally assessed: Parish board of review. Centrally assessed: Louisiana Tax Commission.	Granting of functional and economic obsolescence vary parish to parish (lack of uniformity). Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
ME	Locally assessed: Business property excluding that centrally assessed; Centrally assessed: Telecom personal property.	Real property and personal property (some business equipment is exempt).	4/1	Locally assessed: local assessor or municipal officers. Centrally assessed: State Tax Assessor.	Assessors can request taxpayer to file property list and failure to respond can limit appeal.	1
MD	Locally assessed: General business; Centrally assessed: Railroads, utilities, stock of domestic corps, distilled spirits, business TPP and rolling stock.	Real and personal property.	1/1	Locally assessed: assessment supervisor then to county property tax assessment appeal board. Centrally assessed: State Department of Assessments and Taxation.	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1
MA	Locally assessed: General business; Centrally valued: Pipeline and non-wireless telephone property (special provisions for electric companies).	Real and personal property (most personal property owned by C corps and manufacturing corps exempt).	In general, 1/1.	Locally assessed: municipal board or assessors. Centrally valued: Appellate Tax Board.	ATB informal hearing severely limits appellate review. Municipalities can classify real estate into 4 classes and can have different tax rates for each class (*e.g.,* different rates for commercial and residential). High value properties inappropiately targeted which creates valuation inequities with other properties.	1
MI	Locally assessed: General business; Centrally assessed: Certain property of public service companies.	Real and personal property.	12/31	Locally assessed: some localities require request for assessor to review before appealing to local board of review. Centrally assessed: State Board of Assessor (then Court of Claims).		0
MN	Locally assessed: General business; Centrally assessed: Airflight, railroads, power companies and oil pipelines.	Real property and limited business personal property (certain utility property).	1/2 (for assessment).	Locally assessed: Local board of review or directly to court (either district court or tax court). Centrally assessed: Tax court or district court.		0
MS	Locally assessed: General business; Centrally assessed: Public service corporations, airlines, railroads.	Real property, personal property, and specified intangible property (money on hand and certain evidence of indebtedness bearing interest).	1/1.	Locally assessed: beginning 7/1/2010 to the Mississippi Dept. of Revenue. Centrally assessed: State Tax Commission.	Imposition of penalty not clearly stated on tax bills. Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
MO	Locally assessed: General business; Centrally assessed: Utilities, pipelines, telecom, airlines and railroads.	Real and personal property.	1/1	Locally assessed: County Board of Equalization. Centrally assessed: State Tax Commission.	Cannot appeal value in off-appraisal year. Unit valuation fails to exclude value of intangible property for centrally assessed property.	2

Continues

General Information and "Other Issues" *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
MT	Locally assessed: General business; Centrally assessed: Public utilities, mining, railroads and airlines.	Real and personal property.	Between 1/1 and first Monday in August.	Locally assessed: County Tax Appeal Board. Centrally assessed: State Tax Appeal Board.	Growing disparity between market and taxable value relationship (grows more after each reappraisal cycle). Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
NE	Locally assessed: General business; Centrally assessed: Railroads, airlines, telecom, pipelines and utilities.	Real and personal property.	1/1	Locally assessed: county board of equalization. Centrally assessed: Dept. of Property Tax Assessments then to Tax Equalization & Review Commission.	Intangibles are not specifically exempt for centrally assessed taxpayers.	1
NV	Locally assessed: General business intracounty property; Centrally assessed: Interstate or intercounty property, *e.g.*, utilities. NRS 361.320.	Real and personal property.	1/1. NRS 361.310.	Locally assessed: County Board of Equalization. Centrally assessed: State Board of Equalization.	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1
NH	Locally assessed: General business; Centrally assessed: Railroads, express companies and utilities.	Real property with separate tax for utility property (personal property exempt).	4/1	Locally assessed: selectmen or assessor then to Bureau of Tax and Land Appeals or county superior court. Centrally assessed: Dept. of Revenue Admin. then to Bureau of Tax and Land Appeals or county superior court.	For certain businesses the tax rate for state level school funding is significantly higher than other properties.	1
NJ	Locally assessed: General business and most utility property; Centrally assessed: Railroad operating property.	Real and limited personal property (*e.g.*, personal property of refineries and local exchange telephone companies).	10/1/2009 of the preceding year (valuation date for 2010 is 10/01/2009).	Locally assessed: County board of taxation (if assessed value is > $1 million can file directly w/NJ Tax Court). Centrally assessed: NJ Tax Court.	Commercial property owners must file income statement within 45 days of request by assessor or they will lose right to appeal & net income directly affects value of commercial property. Business entity in an appeal must hire attorney admitted to practice in New Jersey. Issues with personal property affixed to real property and taxed as real property.	3
NM	Locally assessed: General business property; Centrally assessed: Operating property of railroads, airlines, utilities, non utility merchant electric generation and transmission, communications companies, pipelines, mining and certain construction personal property.	Real property and personal property.	1/1.	Locally assessed: County valuation protest board. Centrally assessed: Taxation and Revenue Department or filing refund suit to state district court.		0
NY	Locally assessed: General business; Centrally assessed: Special franchises of utility companies.	Real property (includes special franchise property defined as a category of real property).	Varies by assessing jurisdiction.	Locally assessed: Local Board of Assessment Review (New York City and Nassau County have special commissions). Centrally assessed: New York Office of Real Property Tax Services.	Tax bill based on either actual or transitional assessment, whichever is lowest. No set valuation date. Very procedural and lengthy appeal process. Proposed reduction of over 90% in state aid for reappraisals and funding limited to localities not reassessed in over four years.	3

General Information and "Other Issues" *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
NC	Locally assessed: General business; Centrally assessed: Public service companies.	Real and personal property (and certain intangible property such as leasehold interests on exempted real property).	1/1	Locally assessed: Board of County Commissioners or County Board of Equalization and Review. Centrally assessed: North Carolina Property Tax Commission.	Impartial nature of governing bodies subject to debate. Third party audits resulted in escape assessments for imputed sales tax uplifts on leased equipment. Cannot appeal value in off-appraisal year. Contingent fee auditors used. Unit valuation fails to exclude value of intangible property for centrally assessed property.	3
ND	Locally assessed: General business; Centrally assessed: Utilities.	Real property and some personal property of centrally assessed companies.	2/1 (locally assessed); 1/1 (centrally assessed).	Locally assessed: local board of equalization. Centrally assessed: district court of the county in which the company maintains its principal place of business in the state.		0
OH	Locally assessed: All real property except operating railroad property; Centrally assessed: Railroads operating property and certain public utility personal property.	Real property and certain public utility personal property.	12/31 for personal property and 1/1 for real property.	Locally assessed: county board of revision. Centrally assessed: Tax Commissioner and then to Board of Tax Appeals.	Third party, e.g., school districts, can appeal real property values.	1
OK	Locally assessed: General business; Centrally assessed: Railroads, air carriers and public service corporations.	Real and personal property.	1/1 (5/31 for unmanufactured farm products).	Locally assessed: county assessor then to county board of equalization. Centrally assessed: State Board of Equalization then to Court of Tax Review.	Third party, e.g., school district, can appeal value. Intangibles are not specifically exempt for centrally assessed taxpayers.	2
OR	Locally assessed: General business; Centrally assessed: Railroads, air transportation, communication providers, utilities, pipelines and toll bridge owners. ORS 308.515.	Real and personal property.	1/1	Locally assessed: County Board of Property Tax Appeals. Centrally assessed: Department of Revenue.	Intangibles are not specifically exempt for centrally assessed taxpayers.	1
PA	Locally assessed: all real property is assessed at the local level.	Real property and certain intangible property.	No uniform date in PA.	Locally assessed: County level appeals board (name varies by county).	Valuation disputes often require 3rd party appraiser and/or use of legal counsel. With common level ratio the courts are required to examine evidence of assessment-to-market value ratio of comparable properties. No set valuation date. Third party, e.g., school district, can appeal value.	3
RI	Locally assessed: All real property and general business personal property; Centrally assessed: personal property of telecom, cable, and express companies.	Real and personal property.	12/31	Locally assessed: Local assessor then to local tax board or review. Centrally assessed: Department of Revenue.		0

Continues

General Information and "Other Issues" *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
SC	Locally assessed: General business; Centrally assessed: Motor vehicles and motor carriers, corporate headquarters, corporate offices, corporate distributions facilities, manufacturing, railroads, private carlines, airlines, utilities, telecom, pipelines, mining and merchants (personal property only).	Real and personal property.	12/31 (end of accounting period for centrally assessed property).	Locally assessed: County assessor then to county board of assessment appeals; Centrally assessed: SC DOR.	Intangibles are not specifically exempt for centrally assessed taxpayers.	1
SD	Locally assessed: All general business real property; Centrally assessed: Pipelines, airlines, railroads, telephone companies and public service companies.	Real property (centrally assessed entities unit value method includes the valuation of both real and personal property). Telecom property is exempt from property tax.	11/1 for locally assessed property and 1/1 for centrally assessed property.	Locally assessed: Local or county board of equalization. Centrally assessed: Circuit court (after informal appeals procedures).	Leases for 3 or more years are taxable for property tax. Law does not specify whether payment of tax is prerequisite to an appeal.	1
TN	Locally assessed: General business; Centrally assessed: Utilities, railroads, telecom towers and transportation companies.	Real property, personal property and certain intangible property (insurance companies, loan and investment companies, and cemetery companies).	1/1.	Locally assessed: County board of equalization. Centrally assessed: State Board of Equalization.	Intangibles are not specifically exempt for centrally assessed taxpayers.	1
TX	Locally assessed: All property including utilities and railroads; Centrally assessed: Comptroller assist in allocation of railroad taxable value.	Real property, personal property and certain intangible property (insurance companies and savings and loan associations).	1/1 (inventory has optional 9/1 date).	Locally assessed: County appraisal review board then to district court.	Local appraisals are subjective. Third party, e.g., school district, can appeal value. Unit valuation fails to exclude value of intangible property for centrally assessed property.	3
UT	Locally assessed: Non-apportioned general business property; Centrally assessed: Property requiring apportionment across county lines, utilities, telecom, airlines, railroads, geothermal resources, mining and commercial carriers.	Real and personal property.	1/1.	Locally assessed: County board of equalization. Centrally assessed: Utah State Tax Commission.	Improvement needed on equal treatment of refunds and new taxes on escaped property. Unit valuation fails to exclude value of intangible property for centrally assessed property.	2
VT	Locally assessed: General business; Centrally assessed: operating property of railroads and some property of utilities and transportation companies.	Real and personal property (many municipalities have opted out of personal property tax).	4/1.	Locally assessed: Board of Listers. Centrally assessed: Division of Property Valuation and Review.	Residential and commercial property treated differently under the state's education property tax. Unique treatment of electric generating plants for education property tax (3/4 the non-residential rate plus additional tax paid directly to the state).	1

General Information and "Other Issues" *(Continued)*

State	Type of Taxpayers	Taxable Property	Valuation Date	Initial Appeal Jurisdiction	Other Issues	Points
VA	Locally assessed: General business; Centrally assessed: Public service corporations.	Real and personal property.	1/1 or 7/1. (§ 58.1-3011)	Locally assessed: Local assessor and then to county or city board of equalization (real property) or Tax Commissioner (business personal property). Centrally assessed: State Corporation Commission or Tax Commissioner (pipeline and operating railroad property). (*See* § 58.1-2600)		0
WA	Locally assessed: General business; Centrally assessed: Most utilities and railroads. (State also provides "advisory valuations" at the request of local assessors for industrial taxpayers.)	Real and personal property.	1/1 (7/31 for new construction). RCW 36.21.080.	Locally assessed: County Board of Equalization. Centrally assessed: WA Department of Revenue.	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1
WV	Locally assessed: General business; Centrally assessed: Public utilities and railroads (manufacturing and industrial property, natural resource property is centrally appraised).	Real and personal property.	7/1 (12/31 for public utilities and railroads).	Locally assessed: Local assessor and/or county commission. Centrally assessed: Board of Public Works (public utilities and railroads) or Tax Commissioner (centrally appraised property).	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1
WI	Locally assessed: General business; Centrally assessed: Manufacturing property and utilities (power companies are assessed by DOR on gross receipts in lieu of property tax).	Real and personal property.	1/1.	Locally assessed: Board of assessors then to local board of review (first class cities only; otherwise Board of Review). Centrally assessed: State Board of Assessors and then Wisconsin Tax Appeals Commission.		0
WY	Locally assessed: General business; Centrally assessed: mining, utilities, railroads and agriculture land.	Real and personal property.	1/1.	Locally assessed: Assessor's office and County Board of Equalization. Centrally assessed: WY DOR and State Board of Equalization.	Unit valuation fails to exclude value of intangible property for centrally assessed property.	1

ENDNOTES

[i]Comment from Gerald Prante, economist at the Washington, D.C. based Tax Foundation. Located on MSN Money, http://articles.moneycentral.msn.com/Taxes/Advice/AmericasMostHatedTax.aspx.

[ii]Research Committee of IAAO, *Assessed Value Cap Overview*, published in the Journal of Property Tax Assessment & Administration (2010), Volume 7, Issue 1, p. 17.

[iii]From US Census Bureau, "State Government Tax Collections in 2009" report released in March, 2010 and revised May, 2010. While property tax revenue was, as a whole up for the states, collectively, state tax collections in fiscal year 2009 were down 8.5% from fiscal year 2008 collections.

[iv]Richard Almy, Alan Dornfest & Daphne Kenyon, *Fundamentals of Tax Policy*, published in 2008 by the IAAO. *See* page 12.

[v]Holley Hewett Ulbrich, *A Property Tax for the 21th Century*, published in 1998, indicates issues of "fairness" are probably the biggest cause of taxpayer discontent. The report can be found at: http://www.strom.clemson.edu/opinion/ulbrich/proptax.html.

[vi]See "Total State and Local Business Taxes" report for fiscal year 2009 prepared by Ernst and Young in conjunction with COST issued March, 2010. The report can be found at: http://cost.org/StateTaxLibrary.aspx?id=17768.

[vii]*Id.*

[viii]"Property Tax Revenue Increased As Property Values Fell," report by the Tax Foundation issued August 31, 2010, No. 243.

[ix]The Property Tax Task Force was renamed the Property Tax Committee in 2010.

[x]IAAO Code of Ethics and Standards of Professional Conduct, see http://www.iaao.org/sitePages.cfm?Page=70.

[xi]Richard Almy, Alan Dornfest & Daphne Kenyon, *supra* note iii, at 28.

[xii]Mark Haveman & Terri A. Sexton, *Property Tax Assessment Limits*, published June, 2008 by the Lincoln Institute of Land Policy. Quote is from the Executive Summary on p. 2. *See* http://www.lincolninst.edu/pubs/1412_Property-Tax-Assessment-Limits.

[xiii]COST would like to specifically acknowledge the work conducted by students that were recipients of the Georgetown University Law Center Fellowship program at COST. The following fellows assisted COST in conducting research to gather data for this Scorecard: Sunday Vanderver (2008), Melissa Smith (2009), and Guinevere Seaward (2010).

[xiv]The Model State Administrative Tax Court Act was adopted by the American Bar Association in August, 2006. The Model Act can be found at: http://www.abanet.org/tax/groups/salt/ABA1_OFFICIAL_MODEL_ACT_REPORT_AS_ADOPTED_8-7-06.pdf.

[xv]See Case No. 2008-SC-000644-DG from the Supreme Court of Kentucky rendered September 23, 2010.

[xvi]Some states, such as Maryland, inappropriately include the value of intangibles when using a unit valuation methodology.

[xvii]J. Wayne Moore, *Property Tax Equity Implications of Assessment Capping and Homestead Exemptions for Owner-Occupied Single-Family Housing*, published in the Journal of Property Tax Assessment & Administration, Volume 5, Issue 3, p. 63.

[xviii]Of concern, some California legislators have proposed legislation to treat business property different from residential.

[xix]The report is available to the public at the Lincoln Institute. The website location is www.lincolninst.edu/subcenters/significant-features-property-tax/.

[xx]*Simmons v. Idaho Tax Commission*, 723 P.2d 887, 889 (Idaho 1986). A chart in the case noted that tax liability on non-exempt property increased by 34% while the liability for exempt property dropped by 25%.

[xxi]Legislation passed (HB2001) to reduce Class 1 property to 19.5% (2013), 19% (2014), 18.5% (2015) and 18% (2016 and thereafter). Class 2 property is reduced to 15% (2016 and thereafter).

The Council On State Taxation (COST) is the premier state tax organization representing multijurisdictional taxpayers. COST is a nonprofit trade organization consisting of nearly 600 multistate corporations. COST's mission is to preserve and promote equitable and nondiscriminatory state and local taxation of multijurisdictional business entities.

122 C Street, NW, Suite 330
Washington, DC 20001
Phone: (202) 484-5222
Fax: (202) 484-5229
www.cost.org