

October 2009



Property Tax Assessment Appeals FACT SHEET

Property Tax Assessment Appeals Process (Form 130) *(This form may be used but is not required)*

A taxpayer has the right to initiate an appeal of the current year's assessed valuation. The first step in the appeals process begins with written notification to the local assessing official. Taxpayers have 45 days from the date of the notice of assessment to initiate an appeal. If no notice of assessment is given, the notice of appeal must be filed not later than the later of May 10 of the tax bill year or 45 days after the date of the tax bill. In other words, if no Form 11 is issued by the county assessor for the March 1, 2009 assessment date, the 2010 tax bill serves as the notice of assessment and the deadline to file an appeal is the later of May 10 or 45 days after the date of the 2010 tax bill.

Evidence to support the taxpayer's case can be in the form of a sale of the subject property, sales of comparable properties, listing prices, offers to purchase or an appraisal prepared by a licensed appraiser. Indiana law does not require a taxpayer to submit an appraisal of the subject property to appeal the assessment. While the Indiana Tax Court has held that an appraisal properly trended to the appropriate valuation date is the best evidence, it is not the only acceptable evidence. The county or township assessor has the burden of proof in an appeal where the assessment increased by more than 5% over the preceding assessment date.

If the taxpayer and the assessing official do not agree on the resolution of all assessment issues or no formal meeting is held within 120 days of appeal, the Property Tax Assessment Board of Appeals (PTABOA) must hold a hearing on the appeal within 180 days of the initiation of the appeal. At the PTABOA hearing, the taxpayer may present reasons for disagreement with the assessment.

If a taxpayer is not satisfied with the decision of the PTABOA or if the PTABOA fails to hear the case within 180 days after the appeal was initiated or fails to issue a determination within 120 days after holding its hearing, the taxpayer has the right to appeal to the Indiana Board of Tax Review (IBTR) by filing a Form 131. Taxpayers may contact the IBTR directly at (317) 232-3786 or visit the IBTR Web site "Guide to Appeals" at <http://www.in.gov/ibtr/2330.htm>.

After being heard by the IBTR, taxpayers may also seek review by the Indiana Tax Court and, subsequently, the Indiana Supreme Court.

Facts

Form 130:

Form 130 may be filed to initiate an appeal of the current year's assessed valuation.

Related Memorandum:

Indiana law does not require a taxpayer to submit an appraisal of the subject property in order to appeal the assessment.

Memorandum on Use of Appraisals: http://www.in.gov/dlgf/files/Memo_Appeals082407.pdf

Memorandum on Legislative Changes to Procedures for Appeal of Assessment: http://www.in.gov/dlgf/files/090722_-_Rushenberg_Memo_-_Appeals_Process_and_PTABOA_Composition.pdf

Pertinent Evidence to Support a Taxpayer's Case:

- A sale of the subject property
- Sales of comparable properties
- Listing prices
- Offers to purchase
- An appraisal prepared by a licensed appraiser
- For income producing property: capitalized income and expense information

Burden of proof falls to the township or county assessor if the assessment has increased by more than 5%.

Claim for Refund Form 17T:

Taxpayers requesting refunds must also file a Claim for Refund Form 17T with the county auditor.

Frequently Asked Questions

Q: How do I know if my new assessed value is correct?

A: The assessed value should reflect the amount a willing buyer would pay for the property at the time of the assessment. When a property owner receives the notice of new assessment, the best way to determine if it is accurate is to ask if the property could have sold for approximately that amount during the valuation time period. For 2009-pay-2010 property taxes, the assessment date was March 1, 2009 with a valuation date of January 1, 2008. Sales from 2007 and 2008 were used to determine this assessed value. A correct assessed value should reflect the amount a willing buyer would pay for the property during 2007 and 2008.

Q: Who should I contact to initiate an appeal of the assessed value of my property?

A: The appeals process begins with written notification to your local assessing official. Appeals begin at the local level and can be appealed to the state only after being reviewed locally.

Q: To whom do I speak about an appeal if my township no longer has an assessor?

A: The county assessor is responsible for all assessment duties if you do not have a township assessor. Please visit the following link to locate your local assessing official: <http://www.in.gov/dlgf/2440.htm>.

Q: When should I initiate an appeal?

A: If you receive a notice of assessment (Form 11), you should initiate an appeal within 45 days of the notice. If no Form 11 is sent, the tax bill serves as the notice of assessment and you should initiate an appeal within 45 days of the date of the tax bill or May 10, whichever is later.

Q: Do I need a Form 130 to initiate an appeal of my assessment, or if not, what else can I use?

A: You are not required to use the Form 130 to initiate an appeal. Indiana statute only requires written notification to the local assessing official. The notification should include the name of the taxpayer, the address and parcel or key number of the property and the address and telephone number of the taxpayer.

Q: Is an appraisal required as evidence when appealing an assessment?

A: No. State law does not require a taxpayer to submit an appraisal of the subject property in order to appeal the assessment. Information about acceptable evidence to support an appeal is available at <http://www.in.gov/ibtr/2420.htm>. If the value of the subject property has increased by more than 5% from the previous assessment date, the burden of proof rests with the local assessing official.

Q: What happens if the PTABOA denies my appeal and I still disagree?

A: A petitioner may appeal the PTABOA decision to the State Indiana Board of Tax Review (IBTR). After being heard by the IBTR, taxpayers may also seek review by the Indiana Tax Court.

Q: What is the Property Tax Assessment Board of Appeals (PTABOA)?

A: Once a taxpayer has filed written notice of appeal, the local official is statutorily required to forward that written notice to the county PTABOA, which will hear the taxpayer's appeal and issue a written determination. A board of county commissioners may determine whether to have a 3 or 5 member PTABOA. The county assessor is a non-voting member of the PTABOA regardless of the number of members. In a county with a 5 member PTABOA, the commissioners appoint 3 freehold members and the county council appoints 2 members. In a county with a 3 member PTABOA, in addition to the county assessor, only 1 other officer or employee of the county or township may serve on the board. The county council will appoint 1 individual and the commissioners will appoint 2 freehold members so that not more than 2 of the members of the entire board may be of the same political party. Additionally, at least 2 of the members must be residents of the county.

Q: What is the State of Indiana Board of Tax Review (IBTR)?

A: The IBTR is the state agency charged with the next level from the PTABOA for appeals. A taxpayer who disagrees with the PTABOA's determination may petition the IBTR for further review. More information about the IBTR is available online at: <http://www.in.gov/ibtr/2334.htm>.

Q: I know my assessment is incorrect and I am filing an appeal. Do I have to pay the full amount of my tax bill, or can I wait for the results of my appeal?

A: If you have initiated an appeal, you may pay only an amount of taxes based on the immediately preceding year's assessment pending a final determination of your appeal. If you do not pay this amount when the property tax installment is due, you will be considered delinquent and assessed penalties based on that delinquency.

For example, your property was assessed at \$200,000 this year. You file an appeal contesting this assessment. Last year your property was assessed at \$100,000. You may pay the taxes associated with an assessed value of \$100,000 during the pending appeal with no penalty.

Contact information is available for the Indiana Department of Local Government Finance at: <http://www.in.gov/dlgf/2338.htm>.