



Dear Property Owner:

The appeal process in Arizona allows a property owner to request a review of the Assessor's determination of the *full cash value* (FCV) and/or the legal classification of the property, but not of the *limited property value* (LPV). In the 2012 general election, Proposition 117 was a voter-approved initiative which limits the increase of the LPV to 5% per year. LPV is the **sole** value used to calculate Primary and Secondary taxes. This law went into effect in 2015. Now, as a property owner, no matter how high your FCV increases as a result of market conditions, your LPV will be limited to a 5% increase per year, unless there has been an addition or deletion to your property or a change in the use of the property.

To review the appeal process, let's take a look at a simplified timeline for the Assessor's 2021 Notice of Value (NOV) and the Treasurer's 2020 Tax Bill...

- **Market Conditions:** The Assessor reviews the market conditions from the middle of 2018 to middle of 2019 to determine the property valuation for the 2021 Tax Bill. Property values are determined almost two and a half (2 ½) years before the Treasurer sends the Tax Bill.
- **Notice of Value (NOV):** By law (A.R.S. § 42-15101), the Assessor must send the 2021 NOV between January 1- March 1, 2020 (the 2021 NOV was mailed on February 21, 2020).
- **Tax Bill:** The Treasurer sends the 2021 Tax Bill in September 2021 (a year and a half after the Assessor sent the 2021 NOV and two and a half years from the market conditions which determined this value).

There are two (2) ways to appeal your property valuation from the Assessor:

1) **Assessor Level Appeal** (A.R.S. § 42-15104 and § 42-16051)

If a property owner feels the Assessor's 2021 FCV as stated in the NOV is too high or otherwise improperly valued, they have the right to file an appeal. Appeal forms can be found at <https://mcassessor.maricopa.gov/forms/appeals.php>

Deadline: The Petition for Review of Real Property Valuation (your appeal) must be filed within 60 days from the date the Assessor mailed the 2021 Notice of Value. Meaning, the deadline to file an appeal of the 2021 FCV is on/or before April 21, 2020. The Assessor must answer all petitions for the 2021 NOV on/or before August 15, 2020.

If the property owner is not satisfied with the Assessor's decision, they can file with the State Board of Equalization.

State Board of Equalization (SBOE):

At this level, a hearing will be scheduled and the issue will be brought in front of a mediator who hears from both the property owners and the Assessor's office. The SBOE makes the final decision on the value.

Deadline: To appeal at SBOE you must file within twenty-five (25) days from the date of the Assessor's Appeal decision.

More information can be found at www.sboe.state.az.us

The SBOE must provide decisions to property owners for the 2021 NOV on/or before October 15, 2020.



Appeals to the Assessor and appeals to the SBOE are considered "administrative appeals."

2) **Tax Court** (A.R.S. § 42-16201):

If you missed the Assessor Level deadline or just want to go directly to court and bypass the administrative process, or if you wish to appeal the Assessor level decision or the SBOE decision, you have the right to file with the Arizona Superior Court, either as a Tax Court Case or a Small Claims Case.

Small Claims Cases can address appeals on all owner-occupied Residential property and on any type of property that is valued under \$2 million.

Commercial properties, vacant land, and agricultural properties valued over \$2 million and residential properties that are not the owner's primary residence are heard as a Tax Court case.

Deadlines: If you decide to proceed in Court (and you did not file an administrative appeal), you must file on/or before December 15th of the same year you received your Notice of Value (not the tax year that the value is for). For the 2021 NOV you have until December 15, 2020 to file. If you do file an administrative appeal, and you wish to appeal the Assessor's decision or the SBOE decision to the Court, you must file your court appeal within 60 days following the most recent administrative decision.

Information on this process can be found at...

- Tax Court or Small Claims Court call 602-506-8297, 201 West Jefferson Phoenix, AZ.
- Superior Court www.superiorcourt.maricopa.gov

Once the appeals process is complete, the Assessor makes any corrections to the tax roll based upon the appeal decisions and sends the values to each taxing jurisdiction (cities, schools, community colleges and special districts such as fire and health, etc.). Each jurisdiction (listed on your tax bill) must publish a budget that estimates their spending and what they expect to collect in taxes, and then hold hearings to solicit taxpayer feedback. This budget process occurs between February and July of each year. While the Assessor's Office is processing the appeals of the 2021 NOV, the Treasurer's Office will be preparing to generate the 2020 tax bills.

On the third Monday in August, 2020 the Maricopa County Board of Supervisor's adopts the tax rates from all jurisdictions. This allows the Treasurer to start the process of collecting property taxes. The Treasurer's office will calculate the tax bill for each individual property owner based on your 2020 NOV that was mailed to you in February 2019 and will mail your 2020 Tax Bills in September 2020.

By law, neither the Assessor, nor the Tax Court, are able to accept appeals for any previous notice of values after the original deadlines as listed above.

There are only two exceptions to appeal deadlines (A.R.S. § 42-16205):

- 1) An appeal to court from the SBOE relating to changes in assessments under A.R.S. § 42-15105 due to new construction, additions to or deletion from assessment parcels or changes in property use that occur after September 30th of the preceding year and before October 1st of the valuation year shall be filed within sixty (60) days after the date of mailing the decision on the Notice of Change.



Maricopa County Assessor
Eddie Cook

2021 VALUATION, APPEAL AND TAXATION PROCESS

- 2) A new owner of a property that was valued by the Assessor and whose valuation or legal classification was not appealed by the former owner of the property may appeal the valuation or legal classification to the **court** on/or before December 15th of the year in which the taxes are levied.

We hope that this letter has clarified the Arizona property valuation, appeal and taxation process for you. If you have any questions or need further assistance please contact the Maricopa County Assessor's Office at 602-506-3406.

Thank you for this opportunity to serve you.
Maricopa County Assessor