

## HB 2478

## Bill Overview

This bill is a direct result of the work of the 2009-10 interim HB 2920 Government Efficiency Task Force lead by Representative Nathenson. That task force made a number of recommendations to improve government efficiency and effectiveness.

One of the recommendations from that tax force report was to eliminate the intermediate step of having large industrial properties appeal first to a local board of appeals before an appeal can proceed to the Tax Court Magistrate Division.

- Under current law the first appeal is to the local board of property tax appeals. This board is made up of local volunteers, often with real estate background and they provide a third party type of review with primary contribution at the residential and commercial property level.
- Currently the law allows the taxpayer to elect a direct appeal to the magistrate. Annually about half of the appeals to the magistrate result from this "election".
- These appeals are complex and do not fit well with the forum and format of the local board. Generally 15 minutes are allowed for consideration and decision.
- There is no substantive review of the property, the process is informal, there is no discovery allowed so the parties can't use the process to get to the areas of disagreement and often the board sustains the department's asserted value for lack of reasonable alternative.
- This process is inefficient, costly and it would serve everyone's best interests to move these cases directly to the Magistrate Division of the Tax Court.