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Washington Department of Revenue Property Tax Division

2022 Review of the Kittitas County Board of Equalization



Table of Contents

Overview.....3

Executive Summary4

 Requirement 1 – Record of hearing6

 Requirement 2 – Incomplete petitions7

 Recommendation 1 – Board orders8

 Recommendation 2 – Appeal log9

 Recommendation 3 – Postmarked petitions..... 10

Next Steps..... 11

Overview

Introduction

The Department of Revenue (Department) conducted a telephone interview with the Clerk (Clerk) of the Kittitas County Board of Equalization (Board). The interview focused on the Board's processes and procedures.

Purpose

The Department's primary purpose of this review is to assist the Board in their processes and procedures to ensure compliance with state statutes and regulations.

An effective review of the methods employed by the Board in administering the assessment appeal process will promote fair, timely, and uniform property tax assessments.

Scope of review

The review is limited in scope. We reviewed administrative procedures for compliance with state statutes and regulations.

Information reviewed

To complete our review, we gathered information about the administration of the Board through interviews, documents provided by the Clerk, and independent verification. The areas we reviewed included, but were not limited to:

- Petitions for appeal 2021 assessment year for taxes payable in 2022
- Hearing procedures
- Deliberation process
- Board orders
- Regular convened session
- Reconvening processes
- Publications, forms, literature, and website
- Board policies

Acknowledgment

We thank the Board and Clerk for their cooperation throughout our review. We commend the Board for their willingness to look at opportunities to improve the uniformity and administration of property tax.

Executive Summary

About this review

The Department interviewed the Board's staff about the processes and procedures used in hearing appeals.

Categories of results

The Department has completed its review and grouped the results into two categories:

- The first category, *Requirements*, is of the greatest urgency for effective administration by the Clerk and the Board. A change is required to adhere to the law.
- The second category, *Recommendations*, requires the attention of the Board. The Department believes the Board could improve their performance and service to the public by making voluntary changes in procedures.

The Department bases requirements and recommendations contained in our reports on our review of the administrative procedures employed, existing state statutes and regulations, and areas we saw opportunities to improve processes, procedures, and communication.

Results

The Department identified two requirements and four recommendations directed toward improving the Board's methods.

The items identified may be specific to the Clerk, Board, or Kittitas County Legislative Authority's duties or they may have shared components of responsibility. A summary of these items follows.

Executive Summary, continued

Requirements

- The Clerk is required to keep and publish a record of the Board's proceedings.
- The Board is required to accept only complete and timely filed petitions.

Recommendations

- The Department recommends Board Orders include the burden of proof used in challenging the assessor's value.
- Enter every complete and timely petition into the Appeal Tracking Log.
- The Department recommends petitions sent via first class mail should retain the envelope in which they were mailed to determine the postmark date.

Requirement 1 – Record of hearing

Requirement

The Clerk is required to keep and publish a record of the Board’s proceedings.

What the law says

The law requires the Clerk to maintain a journal or record of the board of equalization’s proceedings and orders. The record must be published in the same manner as other proceedings of the county legislative authority. (RCW 84.48.010 and WAC 458-14-095(5))

What we found

The record of hearing forms included in each of the petition files were complete. The record of hearing forms for the 2021 assessment year appeals were not published on the Board’s website, in the same manner as the proceedings of the Kittitas County Legislative Authority.

Action needed to meet requirement

The Board is required to take the following action:

- Publish the record of hearing for each appeal in the same manner as the proceedings of the Kittitas County Legislative Authority.

Why it’s important

The record of hearing provides a public a summary of actions taken by a board for each hearing.

Requirement 2 – Incomplete petitions

Requirement

The Board is required to accept only complete and timely filed petitions.

What the law says

All relevant questions on the petition form provided or approved by the Department must be answered. The answers must contain sufficient information or statements to apprise the board and the assessor of the reasons for the appeal. (RCW 84.40.038 and WAC 458-14-056)

What we found

For two of the petitions reviewed by the Department, the reasons for appeal did not contain sufficient information on why the assessor's value is wrong. The reason must specifically state why the petitioner believes the assessor's value does not represent the true and fair value of the property.

Action needed to meet requirement

The Board is required to take the following action:

- Only accept petitions that are complete and timely filed that include a specific reason why the petitioner believes the assessor's valuation is incorrect.

Why it's important

Properly administering petitions ensures equity and provides a fair process for the appellant and the assessor.

Recommendation 1 – Board orders

Recommendation

The Department recommends Board Orders include the burden of proof used in challenging the assessor's value.

What we found

Board Orders are well organized and clearly written however do not mention that the assessor is presumed to be correct and to change the value the appellant must provide clear, cogent, and convincing evidence to overturn the value.

Actions recommended

The Department recommends the Board take the following actions:

- For valuation appeals, list clear, cogent, and convincing evidence in the Board Order and whether the appellant met that burden of proof or not.
- For other appeals, such as current use removal or exemption denial, cite preponderance of evidence as the burden of proof necessary.

Why it's important

Explaining the burden of proof in the Board Order adds clarity for the reader.

Recommendation 2 – Appeal log

Recommendation

Enter every complete and timely petition into the Appeal Tracking Log.

What we found

Petitions that are incomplete, untimely, dismissed, or stipulated are not tracked in the Appeal Tracking Log.

Action recommended

The Department recommends the Board take the following action:

- Once a petition has been submitted, track the petition in the Appeal Tracking Log regardless of the outcome.

Why it's important

Record-keeping of each petition is beneficial to organization. When there is no record of incomplete petitions, the Board does not have the necessary information to formally deny the appellant their hearing.

Recommendation 3 – Postmarked petitions

Recommendation

The Department recommends petitions sent via first class mail should retain the envelope in which they were mailed to determine the postmark date.

What we found

All petitions reviewed by the Department had the date the petitioner signed the petition form and a date stamp for which date the petition was received by the Board. However, several had gaps in dates making it difficult to determine if a petition was timely without the proof of postmark date.

Action recommended

The Department recommends the Board take the following action:

- For petitions which are mailed in, the Department recommends the envelope is retained and kept in the file with the petition or to develop a way of noting on the petition when the mailing was postmarked.

Why it's important

The postmark date is essential in determining if the petition was filed timely.

Next Steps

Prioritizing Requirements and Recommendations

Once the Clerk and Board receive a final copy of this review, the Department will (if requested) consult with them to prioritize the items listed in the report.

Follow-up

The Department will follow up in 2023 to review the changes implemented. This will give the Board an opportunity to provide information to the Department about any issues encountered during the implementation process.

Questions

For questions about specific requirements or recommendations in our report, please contact us at:

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