

# Assessing Your Assessment ...

## Taxing Times Ahead

By: Kevin King and Debbi Conrad

Nearing the end of 2008, many of us will spend time reflecting on the past year as we also look ahead to the new year to come. Real estate property assessment is one topic you and your clients may wish to examine.

Throughout most of the state, the boom conditions in the real estate market ended in 2005 – rather abruptly in some cases. The impact of this market change three years ago can be felt by homeowners in many ways, including property assessments and property taxes. Property tax bills for 2008 arrive in December, and many homeowners may have concerns and frustrations, particularly those who are in the process of trying to sell their property. Why? Because each tax bill is based on an assessed value that appears to be many thousands of dollars higher than the market is willing to pay.

How does this happen? First of all, we must remember that the 2008 property tax is based on the assessed value of a property as of January 1, 2008 – essentially one year earlier. Unfortunately, there is no correcting the 2008 assessments.

Soon local assessors will be busy establishing the assessed values for 2009. So what can property owners do now if they believe their assessment is too high? By law, property owners have an opportunity to challenge their current-year assessment if they do so in a timely manner.

### **Notice of Change in Assessed Value**

An official notice of any increase in the assessed value must be mailed to the property owner at least 15 days prior to the local board of review meeting (or board of assessors, if applicable). The notice must contain the amount of change in the assessed value along with the date, time and location of the board of review meeting. In addition, the notice must set forth the procedures available to a property owner wishing to object to the assessment. Typically these notices are mailed in April or May, but please note that failure to receive the notice does not invalidate the assessment. Therefore, property owners who have concern about an assessed value should check with the municipal clerk's office as to the anticipated dates of the mailing of notices and the board of review meeting.

### **Assessment Roll Open Book Sessions**

If possible, a property owner should try to meet with the assessor to discuss any questions about an assessment. By law, the local unit of government must publish or post a notice at least 15 days before the tax rolls will be open for inspection. This process is a less formal alternative, especially since the assessors are present for at least two hours while the assessment rolls are open. Minor errors and misunderstandings may be easily corrected. Those interested in attending should contact the municipal clerk to verify the dates of the open book sessions and determine the availability of the assessors.

### **48 Hours**

If a property owner decides to appeal the assessment to the board of review, the property owner must file a notice of intent to challenge the assessment with the board's clerk at least 48 hours before the board of review's first meeting.

### **Filing the Assessment Objection Form**

The next step in the process is to file the objection to property assessment form with the clerk of the board of review no later than two hours into the board's first scheduled meeting. The form is available at the local municipal clerk's office. It is always best to reconfirm with the municipal clerk the date, time and location of the first board of review meeting as this may have changed.

## **Board of Review**

The board will conduct its first meeting any time during the 30-day period beginning on the second Monday in May, and will be at least two hours long. Assessment rolls and other assessment data will be available during the meeting for examination by property owners. It is imperative that the property owner (or the property owner's representative) appears at this meeting in order to preserve any subsequent rights of appeal.

The board will schedule all objections that have been received prior to or during the first two hours of the meeting for a subsequent hearing. The board must provide notice of the hearing to the property owner and the assessor a minimum of 48 hours prior to the hearing (unless the parties mutually agree to waive the notice requirement).

The board of review is made up of municipal officials, local residents or a combination of the two, as established by the local ordinance. By state law, at least one member of the board must be the municipality's chief executive officer (or his or her designee). This person(s) must have attended DOR training within two years prior to the board's first session.

The board operates similar to a court of law, receiving sworn oral testimony supported by appropriate documentation. For example, if the property owner has an appraisal that he or she would like to introduce into evidence, it will be necessary for the appraiser to attend the hearing and provide testimony about the appraisal. In Milwaukee and other cities that have a board of assessors, the process is a bit different. The property owner must first go through an informal review by the board of assessors (composed of members of the assessor's staff) before objecting to the board of review.

## **Removal of Board Members**

In order to preserve the due process rights of the parties, a property owner filing an objection to an assessment may request that any one board member be removed during the hearing on the assessment for any reason whatsoever. Further, the property owner may request the removal of additional board members for cause. All requests must be filed at the time the 48-hour notice of intent to challenge the property assessment is filed. Lastly, the municipality must also remove any board members with a conflict of interest in the particular objection coming before them.

## **Appeal of the Board's Decision**

A property owner has the right of appeal if he or she does not agree with the board of review's decision. There are two avenues of appeal set forth in the statutes – one to the circuit court and the other to the Department of Revenue.

## **Conclusion**

The Department of Revenue Web site ([www.dor.state.wi.us/html/govpub.html](http://www.dor.state.wi.us/html/govpub.html)) offers a number of helpful publications regarding property taxes and the assessment process that can be downloaded or ordered, including the Guide for Property Owners – an excellent booklet of questions and answers about property assessment and taxes in Wisconsin.

By March or April of this year, most assessors will set the 2009 assessed values to properties, providing a new opportunity for property owners to make certain their property values are accurate in the post-boom real estate market conditions.

*Kevin King is General Counsel & Debbi Conrad is Director of Legal Affairs for the WRA.*

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