

## JournalNews Article July 15, 2009

### **Nancy Nix: Want to contest the value of property? Here's how:**

David Balsmeyer of Middletown recently experienced Butler County's Board of Revision process, whereby individual property owners can dispute their property values. Mr. Balsmeyer wrote a letter to the editor ("The legal process") which appeared in the Middletown Journal on July 6.

He was concerned his home valuation may not be appropriately reduced, and that it may take him 10 weeks to receive an answer. I certainly wish to thank Mr. Balsmeyer for his letter – because it enables me, as 2009 chairperson of the Board of Revision, to provide information and clarification on the Board of Revision process.

As many know, the county auditor appraises properties every three years, with the sixth year in a cycle being a "physical" re-appraisal. 2008 was Butler County's physical re-appraisal year, which also coincided with the real estate meltdown.

More than 4,400 applications for hearings to contest property values were received by the Auditor's Office this year, and the Board of Revision is currently working through those cases. More than 4,400 cases is three times the normal Butler County caseload; therefore, it may take as long as 10 weeks to get a case processed once the hearing is over.

The Board of Revision is comprised of the county auditor, county treasurer and county commissioners (or their representatives), with the auditor administrating cases and conducting hearings. The task of the board is to listen to testimony given by property owners, review evidence provided, and determine a fair market value as of the "lien" date. The lien date for tax year 2008, billed for and payable in calendar year 2009, is January 1, 2008.

Values for January 1, 2008, would have considered sales information from the three previous years: 2005, 2006, and 2007. Realizing that 2005 was a peak year for real estate sales, and that the ensuing years were looking bleak, Butler County officials, under the leadership of Auditor Roger Reynolds, sought from the Ohio Department of Taxation an allowance to eliminate 2005 sales from the 2008 appraisal equation. Had the 2005 values not been eliminated, property values for tax year 2008 would be even higher.

The next property appraisal in 2011 will take into account sales data occurring in 2008, 2009, and 2010. There is no guarantee, but sales data during these three years may result in a reduction of property taxes, depending on tax levies passed by the voting public.

It is also important to note that by their very nature, property taxes are meant to "lag" or be less reactionary to changing market conditions than other forms of taxation; therefore, in this environment of decreasing real estate values, property owners will notice it taking longer for the devaluation of their own property valuation.

The computerized appraisal system the county auditor has in place is a complex and thorough one. It is designed to search for specific likeness of properties to obtain reliable comparable information. Although

we believe it to be accurate, we also realize - in an appraisal of 164,000 parcels - we can expect some inaccuracies.

In addition, on some occasions there will simply not be adequate comparable information to use. When brought to the attention of the Board of Revision, inaccuracies of individual parcels can be remedied.

The Board of Revision is hearing cases daily, and although we may only be half way through, I can attest through my experiences hearing cases that a great majority of property owners coming in do, in fact, receive a reduction in their property value, based on trends, although the law doesn't specifically state we should be doing so. We always make every effort to be fair, accommodating and understanding, but especially during these harsh economic times.

For the 2,000+ property owners who have yet to come before the board, I would encourage them to make sure they bring evidence as to why they believe their property is overvalued.

Recommended evidence to dispute the auditor's value is sales of comparable properties, photographs and independent appraisals. Simply telling the board that their parcel is overvalued based on economic conditions or that they cannot afford the tax bill leaves the board with little evidence to conclude the value should be reduced.

For those property owners who missed the deadline to dispute their 2008 revaluation, the next window of opportunity will be January 1 to March 31, 2010. Property owners should apply through the Butler County Auditor's Office.

Nancy Nix is the Butler County Treasurer.