



Property Value Appeals Board (PVAB)

Member Module One

Jessica Watson, PVAB Coordinator
Property Tax Division



Hello and welcome to the Oregon Department of Revenue Property Value Appeals Board, Member Module One. We appreciate your time in taking this training.

Agenda

- Levels of Appeal and Review
- PVAB Member's Role and Training
- Board Clerk and Other Staff
- Jurisdiction
- Timeline
- Who Has Standing to Appeal
- Petitions



2

This is the agenda we will be following for this course. We will be covering the levels of property tax appeals, your role as a board member, the other board staff, and the board's jurisdiction. We will also cover the timeline for the PVAB process, who may appeal, and the petitions you will see.

Learning Objectives

Recognize and recall historic facts and the overview of the Property Value Appeals Board process.

Identify and understand the roles of members, clerks and other board staff and the training required.

Explain and understand PVAB jurisdiction and who has standing to appeal.

Recall and apply the PVAB timeline.

Analyze petitions.



3

Here are the learning objectives for this training module. We hope this module will provide you with information to be proficient with these objectives.

Disclaimer

While the intent is to periodically update the material to comply with applicable laws, it is incumbent upon you to use the current and effective laws, rules, policies, and procedures.

Where in conflict, the applicable law, rule, policy, or procedure takes precedence over information contained in this training.



4

This is our disclaimer. While the intent is to periodically update the material to comply with applicable laws, it is your responsibility to use the current and effective laws, rules, policies, and procedures within your current role. If the content is in conflict, the applicable law, rule, policy, or procedure takes precedence over information contained in this training.

Resources



PVAB Manual



Oregon Revised Statutes



**Oregon Administrative
Rules**



5

The PVAB manual, Chapter 309 of the Oregon Revised Statutes, and the associated administrative rules are helpful resources for you during and after this training. They are available through the links in the PDF associated with this video.

Acronyms

AV	Assessed Value
CPR	Changed Property Ratio
DOR	Department of Revenue
MAV	Maximum Assessed Value
MSAV	Maximum Specially Assessed Value
OAR	Oregon Administrative Rules
ORS	Oregon Revised Statutes
PVAB	Property Value Appeals Board
RMV	Real Market Value
SAV	Specially Assessed Value



6

Throughout this training, Petitioner/Appellant and Petition/Appeal are often used interchangeably.

Definitions, abbreviations and acronyms are in the glossary of the Property Value Appeals Board Manual. Here is a list of acronyms commonly used in the property tax system. You may want to refer to this slide from time to time.

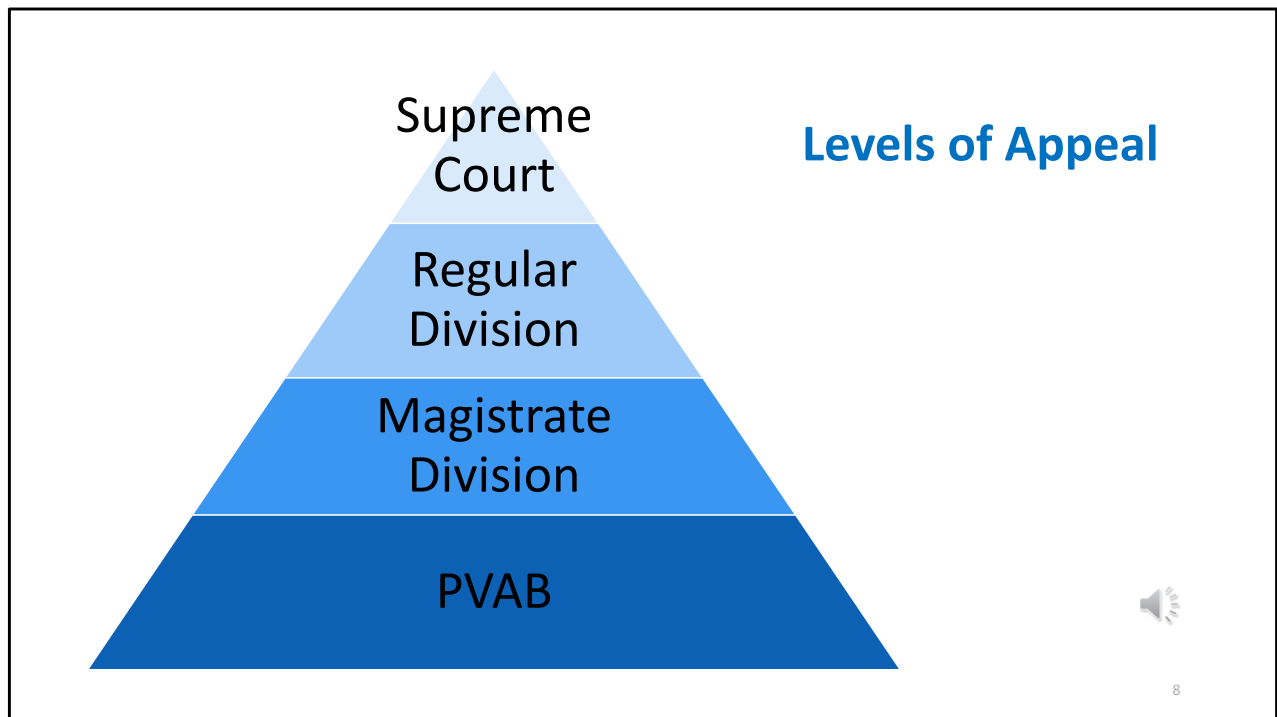


Levels of Appeal



7

This training provides an overview of the PVAB Program, and its place in the appeals process. It also provides information about the role and responsibilities of PVAB board members.



Most property owners don't appeal their property values.

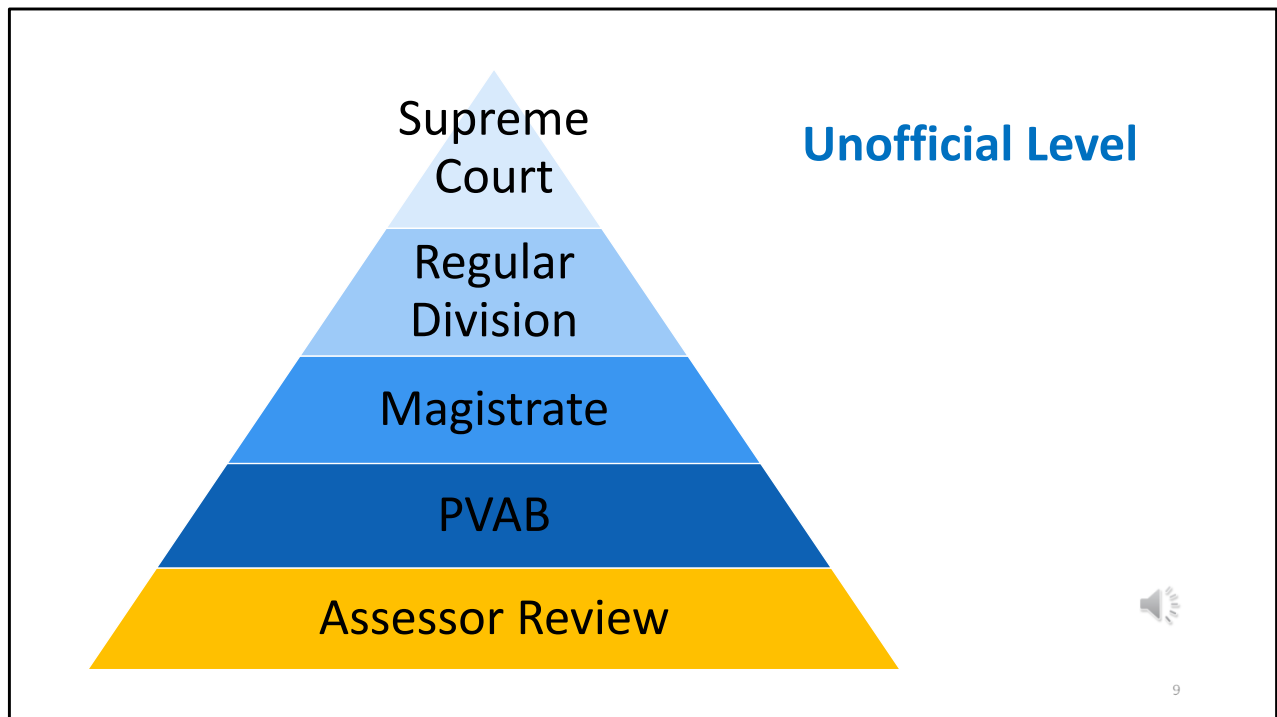
Less than 1% of all property is appealed to PVAB. Only about half of those appeals are heard by the board due to petitions being withdrawn and issues being resolved ahead of the hearing.

Of those, only about 5% of board decisions are appealed on to the Magistrate Division. Even less are heard by the Magistrate due to an appeal being rejected for lack of standing or parties coming to a resolutions prior to hearings.

About 10% are then heard by the Regular Division. Many appeals get resolved ahead of hearings at this stage as well.

Statistically, no appeals from PVAB go to the Supreme Court.

What's the take away? Most property tax appeals are resolved at the PVAB level. As a board member, you're the face of this process and their experience in your hearings will shape their opinion of the entire process at the PVAB-level and beyond. If petitioners believe they were treated fairly and respectfully, they are more likely to see the process as fair and professional.



There is an unofficial level of “review” that can occur ahead of the PVAB Appeal or even because of the appeal.

This is when the Assessor’s Office does a review and, potentially, corrects the roll based on that “Assessor Review”.

This review or correction can happen by the Assessor double checking his or her records or as a result of a petitioner contacting them with questions or concerns.

This review can also happen as a result of a PVAB Appeal being filed and the Assessor’s Office starting to do work in response. If we view this “step” as part of the process, this is actually the step in the process that impacts the most people.

There are about 2,000,000 property tax accounts for Oregon. About 6,000 accounts are reviewed by the Assessor and have roll corrections. PVAB hears about 2,000 accounts, the Magistrate about 100, the regular division about 10 and it’s very rare that any go to the Supreme Court.

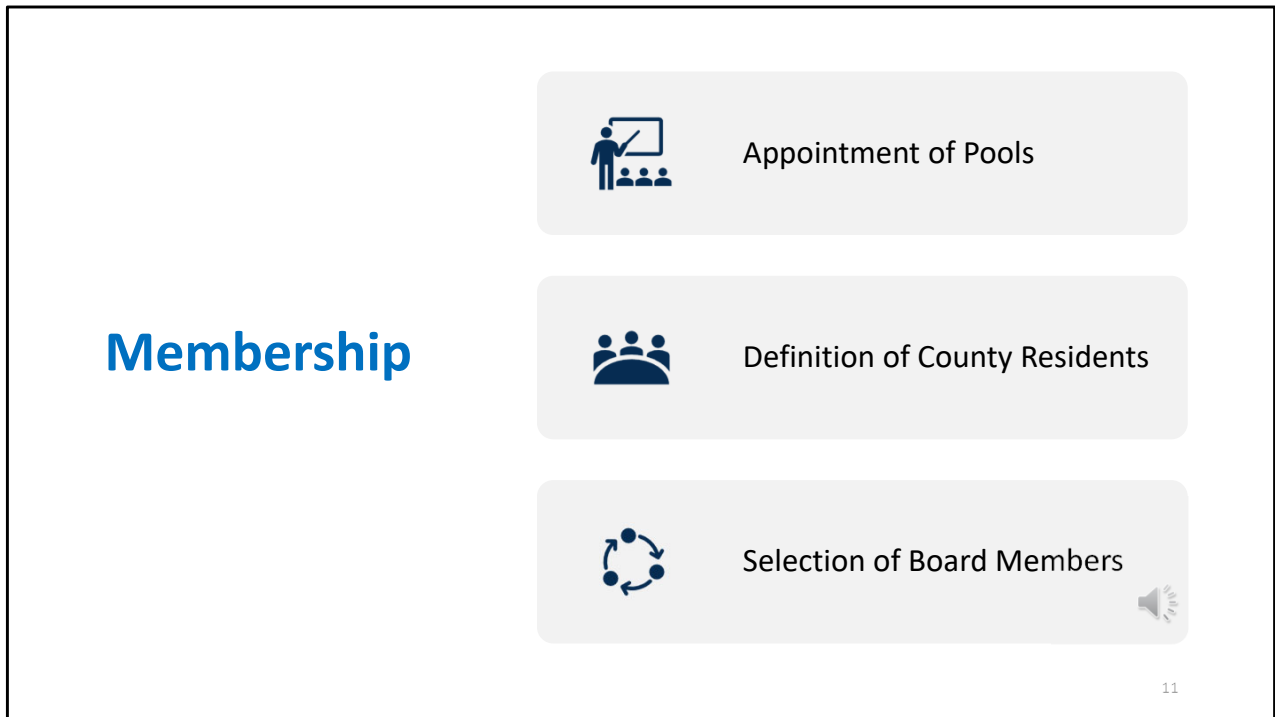


PVAB Membership, Role, and Training



10

Now let's discuss the criteria for board membership, the roles of board members, and the training required.



Each year the county governing body appoints two pools from which the county clerk will select the members of the Property Value Appeals Board. The first pool consists of members of the county governing body (county commissioners/county judges). The members of the county governing body may appoint county residents that do not hold office to serve in their place. This is known as the chairperson’s pool.

The second pool is a group county residents. For the purposes of PVAB, a county resident is not:




- A member of the county governing body,
- a member of the governing body of the taxing districts within the county,
- an elected official within the county, a person employed in or hired by the county or any taxing district within the county,
- a former county assessor that held the office during the tax year subject to the appeal to PVAB, or
- a person previously employed in or hired by the office of the assessor during the tax year subject to appeal to PVAB.

The statute used to use the term “non-office holding” but that term was removed once it was determined that the phrase was not quite broad enough to properly define all of the

people who qualify to serve.

The County Clerk selects one person from the chairperson's pool and two people from the county residents' pool for each board. The member selected from the chairperson's pool acts as chairperson of the board unless the board votes unanimously to elect one of the other county residents as chairperson. Note also since the chairperson's pool may have county residents, the same people (other than the members of the county governing body) may be appointed to both pools.

Membership

-  Installation of Members and Chairperson
-  Term of Office
-  Multiple Boards

12

At their first administrative meeting, the members of the pools must take and subscribe to an oath of office. Any member of the board can administer the oath, but generally the chairperson administers the oath to the other board members, and then one of the other members administers the oath to the chairperson. A written copy of each oath should be filed with the county clerk.

The term of office for all persons appointed to the pools begins on the date of appointment and ends on the second June 30th following their appointment. This makes each appointment cover two PVAB seasons.

If it appears the number of petitions would make it difficult for the board to complete its duties by April 15, the clerk may select additional boards from the pools. This has been less common, as the number of appeals has dropped over the last decade.



Your Role

- Working knowledge of Oregon's Property Tax System
- The ability to weigh evidence and make decisions
- Patience, objectivity and impartiality



13

Your role as a PVAB member is important. You give Oregon taxpayers an opportunity to have concerns about their property values independently reviewed in an informal setting, without an attorney, and at little cost.

Important qualities for a PVAB member to have include a working knowledge of Oregon's property tax system. Note that you don't need to be an expert. Taxpayer's questions about the complexity of Oregon's system may be directed to the assessor or the department. However, after your training, you should understand the basics of how values are determined and assessed.

A board member must also be able to weigh evidence and make decisions. Other important traits are patience, objectivity and impartiality.

Objectivity means you base all your decisions on facts rather than emotions or opinions.

Impartiality means you are not biased or show favoritism to either party. It also means you do not have any direct involvement or interest in the appeal. You must disclose to all present if you will gain or it appears you will gain financially from a decision made by the Board.

Training

- New Members
- Returning Members



DOR approved training is required for all new board members and every other year for returning members. The clerk will work with the board members to ensure they meet the training requirements and retain the proper record.

New board members must view the two training modules available on our website and attend one of our Zoom training sessions in January. Returning members may choose either the modules available on our website, or a Zoom training session in January, or both.

Two trained PVAB members make a quorum. Untrained members cannot sit on the board unless they are needed to make a quorum. If an untrained member must sit on the board to make a quorum, that member must read the PVAB Members' Manual and sign an affidavit confirming they have.

Members of the board do not have to complete training if there are no petitions filed in their county. However, the window between the appeal filing deadline and boards starting to hear appeals is often a little over a month.

We do not recommend waiting to have a plan to complete all required training.



The Board Clerk and Other Staff



15

Who supports the board in its mission? We cannot overstate the importance of the board clerk. Other staff may also be available.



Clerk Requirements & Duties

- Service
- Finding qualified board members and track training
- Select members from pools
- Scheduling meetings and hearings
- Track petitions and actions
- Screen Petitions
- Posting notices
- Document management and keep official record

16

The board clerk is the first point of contact for members and handles all administrative duties of the board. There are many responsibilities prior to the board convening. The clerk will screen all the petitions and track all action taken, schedule all meetings and hearings, make sure they are publicly noticed, and keep the official board record. The record includes the training of the members, the petitions, record of the meetings and hearings and the board orders.

The board clerk is a strong resource for members regarding the process. The members may look to the clerk for assistance in defining what is required for specific meetings, hearings and orders. However, the clerk is not a member of the board and cannot influence the decisions to be made on the values at issue.



Other Board Staff

- Legal Counsel
- Board Appraiser



17

If the board needs legal advice, it will generally come from the district attorney or county counsel. In addition, the board, with the approval of the county clerk, may hire an appraiser to help the members make decisions about the value of property. The appraiser must be registered under ORS 308.010 or licensed or certified under ORS 674.310. The board appraiser must not be employed by the assessor of the board's county. However, the board appraiser may work for another county's assessor. These resources are seldom used by boards. You may discuss the need for them with your clerk at your convening meeting.



Jurisdiction



18

Jurisdiction is a term used to describe the “sphere of authority” of the Property Value Appeals Board. The word encompasses the board’s capacity, power, and right to act.



Jurisdiction

Petitions for reductions of:

- RMV
- MAV
- AV
- SAV
- Value added prior to December 1
- Value determined as of July 1

Waiver of late filing penalties



19

By statute, the board reviews petitions for the reduction of any of the values listed here. It is a common perception that PVAB can only act on real market value (RMV). The board also has the authority to reduce the maximum assessed value (MAV) and assessed value (AV). However, those values are determined by formulas in statute and the constitution. The reductions the board orders cannot be contrary to the statutes and constitution.

In simplest terms, the assessed value (AV) is just the lesser of the real market value (RMV) or the maximum assessed value (MAV). If the board orders the real market value (RMV) below the maximum assessed value (MAV), the assessed value (AV) becomes the real market value (RMV) ordered by the board.

Also, whenever an exception to the three percent growth limitation of maximum assessed value (MAV) occurs, any reduction in the real market value (RMV) of that exception ordered by the board will also reduce the maximum assessed value (MAV). We will discuss the calculation of maximum assessed value (MAV) and exceptions in the second module.

Even before that, it is possible for a petitioner to assert that new improvements to their property, added to the maximum assessed value (MAV), constituted general ongoing maintenance and repair. If the board agrees, the maximum assessed value (MAV) should

not have been increased, the board will be ordering a reduction to maximum assessed value (MAV).

The assessor has the authority to make certain corrections that add value to the roll. If the assessor notifies the property owner by December 1 of the added value, the property owner may petition the board for a reduction in the value added.

If property is damaged or destroyed between the January 1 assessment date and July 1, a property owner may apply to the assessor to have their values redetermined as of July 1. If the assessor has approved such an application, then the values to be decided by the board will be as of July 1 rather than the normal January 1 assessment date.

In addition, the board hears petitions for the waiver of penalties assessed to businesses that failed to file personal property returns, real property returns, or combined industrial property returns timely. We will discuss those petitions later in this module.



Valuation Jurisdiction

- Components of value
- Assessor request
- Unit of property



20

The real market value (RMV) on the tax roll may consist of various components, such as land and improvements. Improvements include buildings or other structures. For personal property, the components may be individual items, categories, or schedules of personal property.

If a petitioner requests only a reduction in the total value of the property, the board may reduce the value of one component and increase the value of another, so long as the total value does not increase. If the petitioner specifically requests a reduction in the value of one of the components, say land or improvements, and that the other component be unchanged, then the board is limited to acting on the component appealed.

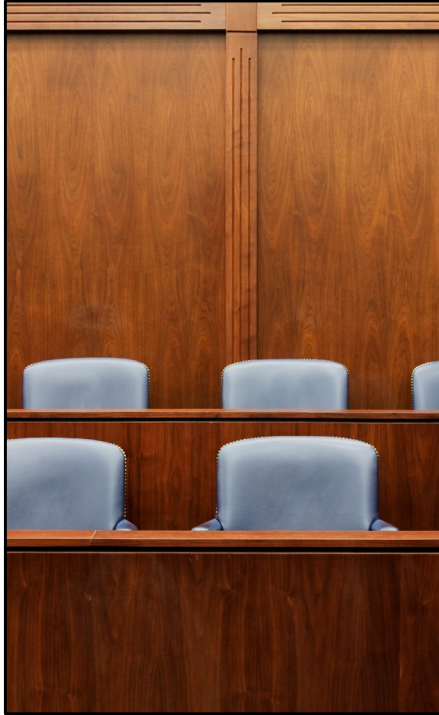
However, in this situation the assessor has a statutory right to request that the board determine the value of the other components, the total real market value (RMV), or both. If the assessor makes this request, then the board may once again reduce the value of one component and increase the value of another, so long as the total value does not increase.

In addition, multiple property tax accounts may make up a “unit of property.” A unit of

property is defined as “all contiguous property within a single code area in the county under common ownership that is used and appraised for a single integrated purpose, whether or not that property is taxed as a single account or multiple accounts.”

If a petitioner appeals one account, and the assessor proves to the board that the account is part of a unit of property, the assessor can request that the board determine the values of the other accounts and the total value of the unit of property. The board then has the authority to decrease the value of some accounts and increase the value of others, so long as the total value of the unit of property does not increase.

Note that before taking such a step, the board must decide if the accounts do indeed constitute a unit of property. Are they contiguous, within a single code area, and under common ownership? Most importantly, is all the property used for a single integrated purpose. An example is industrial property over multiple accounts all used for the manufacture of a specific line of products.



Does Not Have Jurisdiction

- Late or Defective Petitions.
- Prior year values
- Increase in total value
- Special Assessed Value (SAV) of Forestland
- State-appraised industrial property
- Centrally assessed values or penalties
- Requests for exemption or special assessment



21

Any petitions listed here should be dismissed for a lack of jurisdiction.

The board cannot act on petitions that are not timely filed. In addition, the clerk screens all petitions to make sure all required information is included. If it is not, the clerk sends the petitioner a defective notice. If the petitioner does not amend the petition to correct the defect within 20 days of the notice, or by the original filing deadline, whichever is later, then the petition must be dismissed.

Since the board specifically hears petitions for the reduction of values, it cannot issue an order that increases the total value of property.

The Department of Revenue establishes the specially assessed values for forestland. Appeals of those values must be made directly to the Magistrate Division of the Oregon Tax Court. Likewise, any appeal of the value of state-appraised industrial property must be made directly to the Magistrate Division.

Appeals of the value of centrally assessed properties, which includes utilities and transportation companies, is first to the Department of Revenue, and then to the Magistrate Division.

Other acts the assessor may make include the denial or disqualification from an exemption, partial exemption, or special assessment. The board has no authority to address these situations. These appeals must also be directly to the Magistrate Division.



Timeline



22

The next section covers the timeline of events in the valuation and appeal process.

Timelines

- Value Dates
- Before Session
- During Session Hearings



Oregon law requires property be valued “as of the assessment date for the tax year.” The assessment date for most property is January 1 at 1 a.m. preceding the tax year in the county where the property is located. The tax year is July 1 to June 30. This is the period for which we pay taxes.

So, we pay taxes for the property as it existed on the January 1 assessment date, six months prior to the beginning of the tax year. Certain damaged or destroyed properties are the only exceptions. This means that the board will be hearing evidence more than a year after the assessment date for the values the board will be reviewing. Changes to the property between the assessment date and the date of the hearing are not relevant.

The next slide provides a handy chart of the timeline before and during the board session.

Summary

Governing body appoints member to pools	>	October 15 or at request of county clerk
Filing Period begins	>	After the date tax statements are mailed
Filing period ends	>	December 31 or if holiday or weekend moves to next business day
Post notice of session	>	In January, 3 weeks before session begins
Deadline for assessor to file stipulations with clerk	>	Prior to the time the board convenes
Session begins	>	On or after the first Monday in February
Last day to adjourn	>	April 15
Last day to amend orders	>	June 30
Board term ends	>	June 30



24

Petitions to the board can be accepted by the PVAB Clerk in the county where the property is located starting the day after Tax Statements are mailed or delivered. This is generally in October and must be on or before October 25th. Petitions must be filed by December 31st with the PVAB Clerk where the property is located. A petition is filed when it is postmarked, or if not sent by mail when it is delivered to the clerk. If December 31st falls on a weekend or holiday, the deadline moves to the next business day. Scheduled office closures for a particular office or closure due to weather does not change the deadline.

Live board training by Department of Revenue staff, and most county-specific board training happens throughout the month of January, sometimes into the beginning of February.

The board convenes the first meeting of the session on or after the first Monday in February. The board may be in the same location prior to this date for training, but the soonest the board can meet on PVAB appeal-related matters or review evidence is the day the board convenes.

If the assessor and petitioner come to an agreement as to the value of the property and

file a signed stipulation with the PVAB clerk before the board convenes, then the board does not hear that petition or issue an order.

Board members and the PVAB Clerk work together to decide when to start the session and to schedule hearings.

If practical, you may consider delaying the start of session, so the assessor and petitioner have more time to reach agreements or do more work in preparation for the hearing.

The board must adjourn, having completed all actions on appeals, by April 15th. This date does not move forward if April 15th falls on a weekend.

The board may reconvene to correct clerical errors or errors in jurisdiction on orders that have been issued. Clerical errors are those where the order does not reflect the board's action and would have been corrected as a matter of course if discovered prior to the order being issued. All the information necessary to correct a clerical error must be in the board record. The board may authorize one board member or the clerk to correct clerical errors.

Errors in jurisdiction are situations where the board order is outside of the board's authority, or improperly dismissing a petition that is within the board's jurisdiction. The board must reconvene to correct errors in jurisdiction.

The last day to correct clerical errors or errors in jurisdiction is June 30th. This is also the date the board's term ends.



Who Has Standing to Appeal



25

Any person with the right to file a petition with PVAB is said to have standing to appeal. This person is the petitioner.

Petitioner/Appellant

- Who Qualifies
- Who May Sign With Authorization or Without Authorization
- Attorney-in-Fact
- Who Qualifies as a Business Owner
- Transfer of Ownership



26

Any owner of property may appeal to PVAB. If the owner is a business or other legal entity, the person signing the petition must be authorized to obligate the business in legal matters. This would include partners in a partnership, an officer of a corporation, or any employee regularly employed in tax matters of the business.

In addition, any person holding an interest in the property that obligates that person to pay the taxes imposed on the property has standing to appeal. This is often a lessee of the property.

It also includes both the buyer and seller of property who participated in a transaction closing on or after July 1 of the current tax year. The buyer is an owner, and the escrow documents will establish that the seller had an obligation to pay a portion of the taxes.

Representation

Without written authorization from petitioner

- Attorney licensed in Oregon
- Legal guardian or conservator
- Executor of an estate
- Trustees



An authorized representative may act on behalf of a petitioner. This includes signing the petition, presenting arguments at a hearing, and receiving the board order.

Any attorney licensed by the Oregon State Bar Association may represent a petitioner, without requiring an authorization to represent signed by the petitioner. Legal guardians, executors, or trustees also do not need an authorization signed by the petitioner but need to supply the legal documents appointing them as such.

Representation

With written authorization from the petitioner

- A relative
- A real estate broker or appraiser
- A public accountant
- A lessee
- General Power of Attorney



In addition, the petitioner may sign an authorization to represent to allow certain people to act as their representative at PVAB. This includes a relative, which is defined generally as spouses, children, grandchildren, parents, grandparents, siblings, nieces and nephews, and any of those that are in-laws.

The petitioner may also authorize a real estate broker, appraiser, or accountant so long as they are licensed, certified, or registered in Oregon.

A lessee often has standing to appeal in their own right, but if the lease does not obligate them to pay the tax, the lessor can still authorize them to be a representative.

An attorney-in-fact holding a general power of attorney from the petitioner may represent the petitioner. Note that it must be a general power of attorney, which is unusual language. It cannot be a power of attorney that is limited in any way, such as for tax matters. It must authorize the holder to engage in any transaction on behalf of the petitioner.

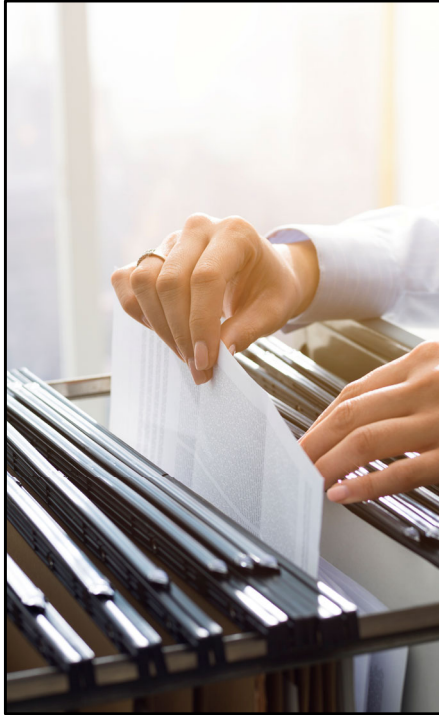


Petitions



29

Now let's talk about petitions.



Petitions

- Definition
- Requirements
- Facts on which appeal is based
- Procedures for defective petitions



30

The purpose of a petition is to inform a property value appeals board of the basis of a taxpayer's request for a reduction in the value of his or her property or a waiver of a late filing penalty. The Department of Revenue provides three forms that the public can use to appeal. However, a petition does not need to be on the prescribed forms if it contains all the information required.

The three forms are the Real Property Petition, the Personal Property Petition, and the Petition for Waiver of Late Filing Penalty. A Real Property Petition is for land, buildings, structures, and anything erected upon or affixed to the land. This is the most common petition filed, and most commonly for residential property. However, you may also see it used for multi-family, commercial, county-appraised industrial, or other property uses.

A Personal Property Petition is for movable property used for a business. This would include furniture, computers, equipment that is light or on wheels, hand tools, office supplies, etcetera. The petitioner may appeal the value of individual items, categories, or schedules of personal property.

Businesses are required to file a personal property return with the county assessor.

Some business also file a real property return. Owners of state-appraised industrial property file a combined industrial property return with the Department of Revenue. If any of these returns are not filed timely, the businesses are assessed a late filing penalty. The Petition for Waiver of Late Filing Penalty is used to appeal that penalty.

The information required in a petition includes:

- The petitioner's name, and if the petitioner is a business, the name and title of the person acting for the business.
- The name and authorization for a representative if there is one.
- A mailing address.
- The assessor's account number for the property and the RMV and AV on the current roll. These can be supplied by attaching the current tax statement.
- If the appeal is for a reduction of RMV, the specific RMV or component RMVs being requested.
- The amount any penalty being appealed.
- The facts on which the appeal is based.
- The signature of petitioner or representative.

Note that the facts on which the appeal is based, known as the basis for the appeal, can be very general. A simple statement that the value on the tax statement is too high is sufficient. The petitioner does not need to include evidence with the petition, although they may choose to do so. The petitioner may provide evidence up to and including at the hearing.

Petitions that do not contain all the required information or that are unreadable are defective and must be corrected before the board can consider them. The clerk logs in defective petitions and then returns a copy of the original petition to the petitioner along with a Defective Petition Notice. The petitioner is allowed 20 days from the mailing date of the defective notice or until the last day for filing a petition with PVAB, whichever is the later date, to correct the petition. This date is referred to as the "amended filing date." If the petition is not corrected by the amended filing date, the board may dismiss the petition.

Petitions



Amended petitions



Late filing



Withdrawals



31

In addition to amending a petition to comply with a defective petition notice, petitioners may also amend a petition up to and including the time of their regularly scheduled hearing to:

- Add or delete land or improvements that are components of the account originally appealed.
- Add a separate account, that together with the original account appealed, creates a “parcel”. A parcel is defined as a quantity of land that is capable of being described in a single description by a closed traverse.
- Add a manufactured structure account that is sited on the account originally appealed.
- Designate or change an authorized representative.
- Change the value requested. Note that if the petition is asking for an increase in a total value of the property, a hearing should still be held to give the petitioner the opportunity to change the value requested to be a reduction.

Any petition mailed through the US mail is considered filed on the date shown by the cancellation mark or other record of transmittal, or if the petitioner provides proof satisfactory to the board that it was mailed earlier than the postmark, the board may consider it filed as of that earlier date. What evidence the board considers proof is discretionary to the board. However, the tax court has held that if a board refuses to

accept any evidence other than the postmark, it has abused its discretion.

All boards should have a written policy in place about how they will handle late-filed petitions and what they will accept in addition to the postmark that may prove the petition is timely filed. The clerk will schedule a hearing for the board to consider evidence regarding when a petition was deposited with the United States Postal Service or private express carrier. If the petitioner or representative cannot provide proof that the petition was deposited on or before the due date for filing, the board must dismiss the petition. If the petitioner or representative can provide proof that the petition was deposited on or before the due date for filing, the board may proceed to hear the merits of the appeal or ask the clerk to schedule another hearing.

Petitioners may request their petition be withdrawn for any reason prior to the time the board issues the order. Requests for withdrawal must be submitted in writing to the clerk of the board. A formal order of dismissal must be issued for each petition for which a request for withdrawal has been submitted, except when a stipulation has been filed prior to the time the board convenes the session.

End of Module One



32

This completes Module One. Please continue to Module Two to complete the training.