0600-01-.01 DEFINITIONS.

As used in these rules, unless the context otherwise requires:

(1) “Administrative judge” means an individual employed or appointed under authority of T.C.A. § 67-5-1505 or otherwise to conduct contested cases with or on behalf of the Board or Commission;

(2) “Agent” means a person who is authorized under the provisions of T.C.A. § 67-5-1514 to represent taxpayers and assessors of property in a contested case before the State Board of Equalization;

(3) “Assessing authority” means the assessor of property where the assessment at issue is of locally assessed property and the Office of State Assessed Properties of the Comptroller of the Treasury where the assessment at issue involves centrally assessed public utility property;

(4) “Board” means the State Board of Equalization created by T.C.A. § 4-3-5101;

(5) “Commission” means the Assessment Appeals Commission created by the Board pursuant to T.C.A. § 67-5-1502;

(6) “Change to Contended Value” means any party’s claim of value that is different from the county board of equalization’s value, the original assessment value in the case of a direct appeal, and the contended value represented on a party’s initial appeal to the State Board of Equalization.

(7) “Contested case” is defined as in T.C.A. § 4-5-102(3);

(8) “County board” means a city, county or metropolitan board of equalization established under T.C.A. § 67-1-401 et seq;

(9) “Executive Secretary” means the Executive Secretary of the Board appointed under T.C.A. § 4-3-5104.

(10) “Party” means a person permitted to participate in a contested case;

(11) “Person” means any individual, firm, company, association, corporation, or other artificial or governmental entity.

(12) “Real estate appraiser” means a person who is subject to the State Licensing and Certified Real Estate Appraisers Law, codified at T.C.A. § 62-39-101, et seq.

(13) “Reasonable Cause” as used in T.C.A. § 67-5-1412 means a legally sufficient reason, outside the party’s control.

(14) “Valuation analysis” means an estimate of value for ad valorem tax purposes which is prepared in conjunction with a contested case before the Board, Commission, or administrative judge.


0600-01-.05 CONDUCT OF HEARINGS.

(1) The Board, Commission, or administrative judge shall not require an assessing authority or an agent to be compliant with the Uniform Standards of Professional Appraisal
Practice ("USPAP") or the State Licensing and Certified Real Estate Appraisers Law when the assessing authority or the agent prepares a valuation analysis.

(2) Any individual appearing as a real estate appraiser before the Board, Commission, or administrative judge shall comply with all provisions of the State Licensing and Certified Real Estate Appraisers Law. An assessing authority or an agent is not required to be a licensed real estate appraiser to testify as to valuation before the Board, Commission, or administrative judge.

(3) The administrative judge or county board of equalization must apply the appraisal ratio, if any, for the tax year(s) in question, upon a finding that the taxpayer has overcome the burden of proof to determine the fair market value of the property as of January 1 of the tax year or each tax year. Such equalization action shall only be granted in accordance with T.C.A. section 67-5-1509. Nothing herein shall prohibit the taxpayer and assessing authority to submit an agreed upon equalized market value which shall not be subject to the application of the appraisal ratio.


0600-01-.10 COUNTERCLAIMS.

(1) A Change to Contended Value in a contested case must be filed in writing with the State Board of Equalization and any other party to the proceeding no later than thirty (30) days prior to the date of the scheduled hearing. Filing by electronic mail is acceptable. This rule does not preclude any party at the hearing of the appeal from introducing relevant evidence of a higher or lower value for the property in question than that determined by the county board of equalization, or the assessor in the case of a direct appeal. Failure to file notice of Change to Contended Value as required in this section may limit the relief a party may request to upholding the county board of equalization value, the original assessment value, or the contended value included on the initial appeal filing, within the discretion of the administrative law judge.

(2) An original real property appeal timely filed at the Board may be amended to include an assessment year or years subsequent to the year for which the original appeal was filed, until the next reappraisal. There is a presumption of reasonable cause when an original real property appeal has not been heard by the time the appellant is due to file an appeal for any subsequent assessment year. The administrative judge, the Commission, or the Board may carry forward the original tax year adjudication of value into subsequent tax years within the same reappraisal cycle, but only if there has been no material change to the property, market conditions, or other circumstances or factors substantially impacting value.

(a) An original real property appeal filed late may be amended to include an assessment year or years subsequent to the year for which the appeal was filed, until the next reappraisal, if

1. The late appeal was nonetheless eligible for a reasonable cause determination under T.C.A. § 67-5-1412; and

2. The written order disposing of the original appeal was entered later than ten (10) days before the deadline for appealing the subsequent year assessment to the county or state boards of equalization.
(b) All other requests to amend shall lie within the discretion of the administrative judge.

(c) The appellant permitted to amend shall file a separate appeal form for the subsequent year or years if directed by the executive secretary or administrative judge, and the appellant shall be responsible for additional hearing or processing costs related to the subsequent year assessments.


0600-01-11 HEARINGS BEFORE ADMINISTRATIVE JUDGE.

(1) In the hearing of an appeal before an administrative judge concerning the classification and/or assessment of a property, the party seeking to change the current classification and/or assessment shall have the burden of proof.

(2) In the hearing of an appeal from an initial determination on an application for property tax exemption, the party seeking to change the initial determination shall have the burden of proof. In a show cause hearing for revocation of an exemption, the person claiming exemption shall bear the burden of showing by a preponderance of evidence why the exemption should not be revoked. Upon request of a party or order of the administrative judge, the Board designee who made the initial determination under appeal will attend the hearing. The designee may testify and, at the discretion of the administrative judge, examine witnesses or otherwise participate in the hearing. The designee may be permitted to anticipate by telephone or other electronic means when hearings are conducted at locations other than Nashville.

(3) A record of the hearing of any appeal before an administrative judge will be made by digital recording. Any party may, at its own expense, procure a court reporter to record the oral proceedings or a written transcript of the digital recording.

(4) Parties are encouraged where practicable to achieve any necessary discovery informally, in order to avoid undue expense and delay in the resolution of the matter at hand. When such attempts have failed, or where the complexity of the case is such that informal discovery is not practicable, discovery shall be sought and effectuated in accordance with the Tennessee Rules of Civil Procedure. An example of an informal discovery request is attached.


0600-01-17 FEES.

(1) Persons initiating a contested case before the Board shall pay a fee to defray the expense of processing case documents and a fee to defray the costs of hearing, as provided in this rule. No fee shall be due from a person who qualifies as an indigent person for purposes of civil actions in the courts of Tennessee and who establishes indigence by filing a uniform affidavit in the form stated in Rule 29 of the Rules of the Supreme Court of Tennessee. No fee shall be due from an appellant who has attained
the age of sixty-five (65) years at the time of filing the appeal, where the subject property of the appeal is owned by the appellant and used as the appellant’s primary residence and has a value not in excess of $150,000.

(2) The initial processing fee shall be seven dollars ($7) per parcel.

(3) The fee for hearing costs shall be proportionate to the value of the property as recorded by the assessor or as determined by the Board, or in the case of exempt properties for which no assessor value has been established, the value as estimated by staff based on available information. The fee shall be thirty dollars ($30) for property valued at less than $100,000, forty-two dollars ($42) for property valued from $100,000 to less than $250,000, sixty dollars ($60) for property valued from $250,000 to less than $400,000, and one hundred twenty dollars ($120) for property valued at $400,000 or more. Where appeals for multiple tax years involving the same property have been consolidated for hearing, only one fee is due for the consolidated hearing.

(4) The fee for processing, and one-half the fee for hearing shall be due upon the filing of the appeal, except that an attorney or registered agent for a taxpayer may file a statement agreeing to be surety for fees ultimately due, and fees due from a city, county or county assessor may be accumulated and billed or deducted periodically from funds otherwise payable by the Board to the city or county. The remaining half of hearing fees shall not be due if the initial decision and order is allowed to become final, or if the original appellant withdraws an appeal from an initial decision and order before a hearing on the appeal is heard. If an appeal from an initial decision and order is filed by a party other than the original appellant, the remaining one-half of hearing fees shall be assessable against the party appealing the initial decision and order. No proceedings shall be conducted until any fee due is remitted or agent’s surety given and the appeal may be dismissed if the fees are not paid or surety given within a reasonable time. Fees must be remitted by check or money order, no cash accepted.

(5) Hearing fees are refundable: a) if a matter is withdrawn or concluded by entry of an agreed order of the Board prior to a scheduled hearing; b) if the appellant obtains relief equal to half or more of the relief claimed, provided that if relief awarded equals less than half claimed, hearing fees will be one-half (1/2) of the amount paid by the appellant for hearing costs. An additional processing fee of ten dollars ($10) per parcel shall be due for settlements.

(6) Fees assessed against a county or county assessor may be deducted from funds otherwise due the county pursuant to grants administered by the Board, unless the county or county assessor elects to remit the assessed fees directly.

(7) For purposes of calculating fees, a public utility property appealed to the Board as a single property pursuant to T.C.A. § 67-5-1327, shall be considered one property or parcel of property.

REQUEST FOR INFORMATION

Date:

The periodic re-appraisal of this county and all counties in Tennessee is a massconsideration of all parcels in their respective jurisdiction. Data needed and assembled to develop a mass-appraisal of the entire county is different from the data necessary for individual property valuation pursuits. Appeals before the State Board of Equalization are filed on an individual parcel basis. In answer to such appeals, valuations are conducted on an individual parcel basis, and testimony is expected to be presented on the same basis.

Learning as much as possible about the subject of each appeal is essential. As a result, the assessor’s office requests very specific data in an effort to gain a clearer understanding of the subject property. Our request is not intended to be burdensome; however, some information is essential to establish a credible appeal. Any information received in response to the Standard Request for Information shall be held confidential pursuant to T.C.A. § 67-5-303(d)(2). Therefore, for each property under appeal, we request the following:

A) If the property under appeal has been under contract to sell or sold within 24 months (before or after) the effective appeal date, please submit a copy of the sales contract. If, during the same period, the property was listed for sale, please submit a copy of the listing sheet together with asking price(s) and any offers.

B) Please submit a copy of all leases for the property under appeal in effect on the effective appeal date (January 1 or Prorate Date). Alternatively, rent roll (tenant and vacant space roster) and complete lease summaries are acceptable. Lease summaries must: identify the individual tenant spaces whether occupied or vacant and list the rentable footage for each space; specify the beginning and ending date of each lease primary term together with any renewals; specify base rent together with rent escalations or reductions and the timing thereof; specify any additional rentals per tenant space such as expense stops and/or expense pass-throughs, percentage rents, parking rents and any other rentals specified by each lease.

C) Please submit property management’s annualized income and expense statements (itemized by account number) for each of the three years preceding the year under appeal. (For example, if the value under appeal is for Year 2017, the income and expense statements for Years 2014, 2015 and 2016 are required.) Reconstructed operating statements of historical performance in place of management reports are not acceptable. For lodging properties, we also need average daily rate and occupancy rate for each operating year. For retail properties and restaurants in particular where rent can be a function of gross sales, we will need a history of gross sales for the five years immediately preceding the tax year under appeal. (For convenience markets, gross sales will need to be segregated between inside sales and pump sales.

D) Any additional information deemed relevant by the taxpayer or representative is welcomed, i.e. – current appraisal, rent rolls for prior relevant years, permanent property deficiencies not obvious to the assessment office that would be market-recognizable and value-impacting.
E) If the property under appeal is vacant land or an owner-occupied improved property, submission of relevant comparable transfers is requested.

F) Please provide the basis together with supporting data for your contention that the property has been over-valued by the re-appraisal staff.

G) Each property is unique. Should, during the course of our investigation, it be found that additional information relative to the subject of the appeal would be helpful toward a resolution of the appeal, we will make that request.

Please provide the requested information by: