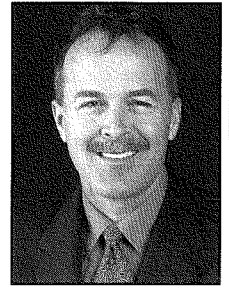


## Real Estate Round Table



# Property Tax Appeal Season Is Upon Us Again

By Michael S. Hagen



In the current recession-tinged economic climate, property taxes are a substantial cost-savings target. Furthermore, the public is becoming increasingly aware of property tax issues, as evidenced by the adoption of Amendment One to the State Constitution in January and a proposed property tax amendment on the November ballot. That's why I am confident that this season will produce another record number of petitions to appeal the value assessments on which this year's property taxes will be based.

Although the local property appraisers' initial June estimates reflected, to some degree, the downturn in the real estate market (a decline of 6.6% overall taxable value in Collier County and 12% in Lee County), many owners say that these estimates don't adequately reflect market realities. Commercial property values, particularly land and the office strata, took a huge hit as of January 1, the legal assessment date per Florida Statute 192.042, although the 2008 assessments probably fail to adequately reflect those drops in market value. And while "belt tightening" reportedly is underway throughout the taxing authorities, I would expect to see millage rate increases to compensate for assessment

reductions, thereby mitigating any benefits of lower assessments.

The Lee County Property Appraiser's office plans to issue its TRIM Notices (a.k.a. Truth in Millage Notices or Notices of Proposed Taxes), on August 22, making September 16 the tentative filing deadline for 2008 appeals. In October, the Value Adjustment Board (VAB) will begin its "value" hearings that may well extend into February, depending upon the volume of petitions.

## NEW VAB LEGISLATION

This year, new legislation makes the VAB appeals process more taxpayer-friendly and less easily dominated by the government. Although the governor had yet to sign the legislation into law as of mid-June and could veto it, it is scheduled to take effect on September 1.

Key features include the first-ever requirement that two members of the VAB be citizen members (previously all five were either county commissioners or school board members). Also, the county attorney is no longer allowed to represent the VAB; outside counsel must be retained. In addition, the Dept. of Revenue must produce a uniform procedures manual for the VAB so that all counties will follow the same guidelines and utilize the same policies.

## TIPS FOR PETITIONING THE VAB

To increase the likelihood of a successful 2008 VAB appeal, please consider the following.

1. Talk to the appropriate personnel at the property appraiser's office. See what you can find out about the basis of your assessment and try to work things out prior to filing a petition. Get any assessment reduction in writing,

signed by the official. If the matter is not resolved before the filing deadline, timely file to preserve your rights.

2. Timely file your VAB petitions, which in Lee County are available online at [www.leepa.org](http://www.leepa.org) or in Collier County at [www.collierclerk.com/ClerkToTheBoard/MinutesandRecords/VAB](http://www.collierclerk.com/ClerkToTheBoard/MinutesandRecords/VAB). Petitions must be RECEIVED by the clerk — not merely mailed — by the deadline.
3. Study the law and VAB procedures. The Dept. of Revenue website at [www.taxlaw.state.fl.us/pta1.aspx](http://www.taxlaw.state.fl.us/pta1.aspx) is a wealth of property tax information. Local county VAB information can be found at [www.leepa.org](http://www.leepa.org) or [www.collierclerk.com](http://www.collierclerk.com). Pay attention to the evidence exchange requirements mandating that the petitioner provide his valuation evidence and witness list 15 days prior to the hearing.
4. Hire a professional to represent you, be it an attorney, a "tax rep" (a real estate licensee experienced in property tax appeals) or an appraiser.

*Michael S. Hagen, Attorney, P.L., focuses on property tax consulting and real estate law. He was the Lee County Property Appraiser's attorney from 1994-2003. For the last five years, he has represented owners in valuation appeals as a licensed real estate broker through his property tax consulting company, TaxCuts1, Inc. For more information, please call (239) 275-0808 or visit [www.TaxCuts1.com](http://www.TaxCuts1.com) or [www.MikeHagen.com](http://www.MikeHagen.com).*