

PROPERTY VALUES AND THE BOARD OF REVISION

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Complainants must provide any documents, which they wish to submit as evidence, at least five days in advance of the hearing.

No fax or email. Hard copies must be provided.

Auditor Establishes Value

The county auditor is responsible for establishing the value of each and every real estate parcel in the county, including homes, apartment buildings, commercial property, industrial sites, and vacant lots.

The appraised value is an estimate of the fair market value. Taxes are calculated by multiplying your tax rate by the assessed value, which is sometimes called the taxable value. The assessed value is 35% of the appraised value.

New buildings are valued at cost. The auditor conducts a reappraisal of each parcel of real estate every six years. During these sexennial reappraisals, auditor's employees work with an approved appraisal contractor in conducting a mass appraisal. During a mass appraisal, homes are visually observed but usually the appraiser does not enter your home.

Three years after the reappraisal, the auditor conducts a triennial update. The triennial update is based upon actual sales in each neighborhood over the previous three years.

In the reappraisal and triennial update, the auditor estimates what your property would be worth on January 1st of that year. The January 1st date is called the *tax lien date*. Taxes are paid in the year after the tax lien date. For example, the auditor updates the property values in a process that takes place in the year 2015. The tax lien date for the updated value is January 1, 2015. Taxes based on the updated value are paid in 2016.

Appeal to the Board of Revision

If you believe that the auditor made an error or valued your property too high, you can appeal to your local county Board of Revision. To begin an appeal, you must file a *Complaint Against the Valuation of Real Property* on the proper form. The form is called DTE Form 1. **You can obtain DTE Form 1 from the local Board of Revision office (in Lorain County, J Grant Keys Administration Building, 2nd floor, 226 Middle Avenue, Elyria, Ohio 44035) or online at http://www.loraincounty.com/auditor/cms/files/File/form_s/DTE-1-with-instructions.pdf**

If you file a complaint, it is important to read the instructions and complete each section of the DTE 1 form. You should accurately list the owner of the property, the address, and parcel numbers. It must be signed and notarized.

The complaint can be filed after January 1st but **must be filed or postmarked by March 31st** of the applicable year. You can only complain about the value of a parcel once during each three-year period between

reappraisals and updates unless a specific exception applies: the property was sold in an arm's length transaction; there was a substantial improvement to the property; the property lost value due to a casualty (a sudden event such as a fire or tornado); or an occupancy change (on commercial property) of at least 15% that had a substantial economic impact on the property.

You may file by regular U.S. mail. The date of the postmark is considered the date of filing. There is no filing fee.

Avoid Common Mistakes

- ✓ **Postmark or file on or before March 31st**
- ✓ **List each parcel number in question**
- ✓ **Provide an accurate property address**
- ✓ **State your opinion of value per parcel**
- ✓ **Provide an accurate mailing address**
- ✓ **Sign the complaint form**
- ✓ **Have the form notarized**

Who can file and present the complaint?

If individuals own the property, the individual(s) should be listed as the owner. Individual owners (*or their spouse*) may represent themselves before the Board of Revision but may choose to use the services of an attorney. Persons other than an owner who are not licensed attorneys, such as friends or relatives under power of attorney are generally **not** permitted to file complaints or present cases before the Board of Revision, although they may be called as witnesses if they have knowledge about the value of the property.

If a trust, a corporation, or a limited liability company owns the property, an attorney is needed if you want to present evidence and make legal arguments before the Board of Revision, although a trustee, a member of a limited liability company, or a corporate officer may prepare and file a complaint and state an opinion of value at the hearing.

The Hearing at the Board of Revision

After the complaint is filed, the Clerk of the Board of Revision will schedule a hearing date. The Clerk will send a notice in the mail to the address you provided on the complaint form (DTE1).

If you are asking to reduce the appraised value by \$50,000 or more, your local school board can object to your complaint by filing a counter-complaint. When the

school board does object, the property owner and the school board will each have a chance to be heard.

Most residential cases are scheduled for fifteen minutes but the Board of Revision tries to allow for additional time if the case is complex or if there are issues that require additional time to present.

The Board of Revision is created by Ohio law and is comprised of the County Treasurer, the County Auditor, and the President of the Board of County Commissioners. In most hearings, the elected officials who comprise the Board of Revision appoint one of their employees to represent them at the hearing. The Treasurer or the Treasurer's representative usually chairs the hearings.

Two members of the Board are required for a quorum. Testimony is heard upon oath or affirmation. The meetings are recorded.

The Board of Revision employs a full-time Clerk to receive the complaints, keep records, schedule hearings, and answer questions from property owners. **The Clerk's office is open from 8:00 a.m. until 4:30 p.m. and is closed on weekends and holidays. The Board of Revision is located on the 2nd floor, J Grant Keys Administration Building, 226 Middle Avenue, Elyria, Ohio 44035. Tel. 440-329-5269.**

The Board of Revision employees cannot give legal advice and cannot express an opinion on the merits of your case. Property owners should avoid discussing the facts of their case with the Board of Revision outside of the scheduled hearing.

Evidence and Burden of Proof

At the hearing, the property owner or complainant has the burden of proof to justify a change in value. By law, the auditor's value is presumed to be correct. So, **the complaining parties must provide evidence of their opinion of value.** The county auditor is not required to submit evidence or explain the appraised value.

A recent *arm's length* sale of the property in question is the best evidence of value. Recent generally means within the triennial period of not more than two years old.

In cases where there is not a recent sale, the Ohio Administrative Code (§5703-25-07) provides for three methods of calculating value: 1) *the market data approach*, which compares and analyzes recent sales of comparable properties; 2) *the income approach*, which capitalizes the net income attributable to the property; and 3) *the cost approach*, which calculates cost of the buildings and adjusts for depreciation, and adds to the value of the land. Professional appraisers are capable of applying the three methods and producing a written appraisal report. The testimony of a licensed appraiser in support of a written appraisal report is the best method to

challenge the appraised value when there is no recent sale of the property.

Sales under compulsion or duress do not provide a reliable indication of value. Ohio law forbids the use of a forced auction such as a sheriff's sale to determine value: "*the price for which such real property would sell at auction or forced sale shall not be taken as the criterion of its price.*" (ORC§5713.04). Similarly, transactions between friends, family, or business associates may not be considered "arms length" transactions that indicate value.

Recent sales of similar property in your neighborhood (adjusted for differences) may be considered in determining value. However, the auditor's appraised value of a similar property is not evidence of value of the property in question.

Documents such as a sales agreement; a recent appraisal, photographs, and estimates or expenses for needed repairs can be presented to support the complainant's opinion of value.

Introducing your evidence

- ✓ Present testimony of an appraiser
- ✓ Use photos to show property conditions
- ✓ Bring your purchase agreement, deed, and conveyance fee statement if the property was sold in the last 3 years
- ✓ Provide invoices or written estimates if you claim repairs are needed
- ✓ Use recent sales of similar properties
- ✓ Don't use sheriff's sales
- ✓ Don't use auditor's values of your neighbor's property.

The Decision

The Board of Revision will send you its decision in the mail, usually within a few weeks of the hearing.

If you disagree with the Board's decision, you can appeal to the Court of Common Pleas or to the Board of Tax Appeals in Columbus. There are strict time limits for filing appeals. If you choose to appeal, you should do so without delay and follow the procedures described in ORC §5717.01 and §5717.05. You may wish to have an attorney prepare your appeal.

**Board of Revision
J. Grant Keys Administration Building
226 Middle Avenue, 2nd floor
Elyria, Ohio 44035
Tel. 440-329-5269**

INSTRUCTIONS FOR COMPLETING AN APPEAL TO THE BOARD OF REVISION DTE FORM 1. “COMPLAINT AGAINST THE VALUATION OF REAL PROPERTY”

Neatly type or print all information

Carefully read the instructions on the back of the complaint form, as well as the information letter and these instructions.

BOR no. – the case number is set by the Board of Revision office.

Date received – the Board of Revision office stamps the form when received.

Tax year – the tax year on which the values are based, must be the current tax year.

County - the name of the county where the property is located.

Original complaint – check this box if you are the first party to file a complaint with the county.

Counter-complaint – check this box if you are countering a complaint already filed with the county.

1. Owner of property – enter the name and **MAILING ADDRESS** of the owner of the parcel of property as of the date of this filing.
2. Complainant if not owner – if you are not the owner of the parcel of property, enter your name and mailing address, otherwise, this area is blank.
3. Complainant’s agent – if you are represented by an attorney, their name and mailing address are entered here.
4. Telephone number and email address of contact person – enter the phone number and email address of the person the Board of Revision should contact if they have questions.
5. Complainant’s relationship to property if not owner – if you are not the owner of this parcel of property, enter your relationship to the parcel.
6. Parcel number from tax bill – enter the parcel number(s) as stated on the county’s records or on your tax bill. Only parcels that (1) are in the same taxing district and (2) have identical ownership, and (3) form a single economic unit should be included in one complaint. Otherwise, separate complaints must be used.
Address of property - enter the street and city (physical location) of each parcel of property listed on the complaint form.

7. Principal use of property- such as residence, business use, apartments, etc.
8. Parcel number - enter the parcel number(s) of each parcel of property

Column A - complainant's opinion of value - enter **your** opinion of fair market value for each parcel listed.

Column B - Current Value – this is the auditor's full market value. This is taken directly from your tax bill.

Column C – this is the change in value. Enter the difference between Column B and Column A in Column C.
9. The requested change in value is justified for the following reasons – enter your reason(s) for filing this complaint, use additional paper if necessary.
10. Was property sold.... – answer the question as stated on the complaint form.
11. If property was not sold.... – answer the question as stated on the complaint form.
12. If any improvements.... – answer the question as stated on the complaint form.
13. Do you intend to present testimony or report of a professional appraiser
answer the question as stated on the complaint form.
14. If you have filed.... – No person may file a complaint against the valuation of any parcel, if that parcel was filed on in a prior tax year. A complaint is subject to dismissal if filed on in the same triennial period..... answer the question as stated on the complaint form.
15. If the complainant is a legislative authority and the complaint is an original complaint.....answer the question as stated on the complaint form.

I declare.... – date, sign and state title. A complaint is subject to dismissal if not properly signed. The signature on the complaint must be the owner of the property, an attorney, the board of county commissioners, the county treasurer, the county prosecutor, the board of the township trustee of any township with territory in the county, the board of education of any school district with territory in the county, or the mayor or legislative authority of any municipal corporation with territory in the county may file a complaint. Have the complaint **notarized**.

Tax year _____ BOR no. _____

County _____ Date received _____

Complaint Against the Valuation of Real Property

Answer all questions and type or print all information. Read instructions on back before completing form.

Attach additional pages if necessary.

This form is for full market value complaints only. All other complaints should use DTE Form 2

Original complaint Counter complaint

Notices will be sent only to those named below.

	Name	Street address, City, State, ZIP code	
1. Owner of property			
2. Complainant if not owner			
3. Complainant's agent			
4. Telephone number and email address of contact person			
5. Complainant's relationship to property, if not owner			
If more than one parcel is included, see "Multiple Parcels" Instruction.			
6. Parcel numbers from tax bill		Address of property	
7. Principal use of property			
8. The increase or decrease in market value sought. Counter-complaints supporting auditor's value may have -0- in Column C.			
Parcel number	Column A Complainant's Opinion of Value (Full Market Value)	Column B Current Value (Full Market Value)	Column C Change in Value
9. The requested change in value is justified for the following reasons:			

10. Was property sold within the last three years? Yes No Unknown If yes, show date of sale _____
and sale price \$ _____ ; and attach information explained in "Instructions for Line 10" on back.

11. If property was not sold but was listed for sale in the last three years, attach a copy of listing agreement or other available evidence.

12. If any improvements were completed in the last three years, show date _____ and total cost \$ _____.

13. Do you intend to present the testimony or report of a professional appraiser? Yes No Unknown

14. If you have filed a prior complaint on this parcel since the last reappraisal or update of property values in the county, the reason for the valuation change requested must be one of those below. Please check all that apply and explain on attached sheet. See R.C. section 5715.19(A)(2) for a complete explanation.

- The property was sold in an arm's length transaction.
- A substantial improvement was added to the property.
- The property lost value due to a casualty.
- Occupancy change of at least 15% had a substantial economic impact on my property.

15. If the complainant is a legislative authority and the complaint is an original complaint with respect to property not owned by the complainant, R.C. 5715.19(A)(8) requires this section to be completed.

- The complainant has complied with the requirements of R.C. section 5715.19(A)(6)(b) and (7) and provided notice prior to the adoption of the resolution required by division (A)(6)(b) of that section as required by division (A)(7) of that section.

I declare under penalties of perjury that this complaint (including any attachments) has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Date _____ Complainant or agent (printed) _____ Title (if agent) _____

Complainant or agent (signature) _____

Sworn to and signed in my presence, this _____ day of _____
(Date) (Month) (Year)

Notary _____

Instructions for Completing DTE 1

DTE 1
Rev. 12/22

FILING DEADLINE: A COMPLAINT FOR THE CURRENT TAX YEAR MUST BE RECEIVED BY THE COUNTY AUDITOR ON OR BEFORE MARCH 31 OF THE FOLLOWING TAX YEAR OR THE LAST DAY TO PAY FIRST-HALF TAXES WITHOUT A PENALTY, WHICHEVER DATE IS LATER. A COUNTER-COMPLAINT MUST BE FILED WITHIN 30 DAYS AFTER RECEIPT OF NOTICE FROM THE AUDITOR THAT AN ORIGINAL COMPLAINT HAS BEEN FILED.

Who May File: Any person owning taxable real property in the county, the board of county commissioners, the county prosecutor, the county treasurer, the board of township trustees of any township with territory in the county, the board of education of any school district with territory in the county, or the mayor or legislative authority of any municipal corporation with territory in the county may file a complaint, or a tenant of the property owner, if the property is classified as to use for tax purposes as commercial or industrial, the lease requires the tenant to pay the entire amount of taxes charged against the property, and the lease allows, or the property owner otherwise authorizes, the tenant to file such a complaint with respect to the property. See R.C. 5715.19 for additional information.

Tender Pay: If the owner of a property files a complaint against the valuation of that property, then, while such complaint is pending, the owner is entitled to tender to the county treasurer an amount of taxes based on the valuation claim for such property in the complaint. **Note:** If the amount tendered is less than the amount finally determined, interest will be charged on the difference. In addition, if the amount finally determined equals or exceeds the amount originally billed, a penalty will be charged on the difference between the amount tendered and the final amount.

Multiple Parcels: Only parcels that (1) are in the same taxing district and (2) have identical ownership may be included in one complaint. Otherwise, separate complaints **must** be used. However, for ease of administration, parcels that (1) are in the same taxing district, (2) have identical ownership and (3) form **a single economic unit should be included in one complaint.** The increase or decrease in valuation may be separately stated for each parcel or listed as an aggregate sum for the economic unit. If more than three parcels are included in one complaint, use additional sheets of paper.

Notice: If the county auditor is in possession of an email address for you the auditor may choose to send any notices the auditor is required to send regarding this complaint by email and regular mail instead of by certified mail.

General Instructions: Valuation complaints must relate to the **total value** of both land and buildings. The Board of Revision may increase or decrease the total value of any parcel included in a complaint. The board will notify all parties not less than 10 days prior to the hearing of the time and place the complaint will be heard. The complainant should submit any documents supporting the claimed valuation to the board prior to the hearing. The board may also require the complainant and/or owner to provide the board additional information with the complaint and may request additional information at the hearing, including purchase and lease agreements, closing statements, appraisal reports, construction costs, rent rolls and detailed income and expense statements for the property.

Ohio Revised Code section 5715.19(G) provides that “a complainant shall provide to the Board of Revision all information or evidence within the complainant’s knowledge or possession that affects the real property” in question. Evidence or information that is not presented to the board cannot later be presented on any appeal, unless good cause is shown for the failure to present such evidence or information to the board.

Instructions for Line 8. In Column A enter the complainant’s opinion of the full market value of the parcel before the application of the 35% percent listing percentage. In Column B enter the current full market value of the parcel. This will be equal to the total taxable value as it appears on the tax bill divided by 0.35. Enter the difference between Column B and Column A in Column C.

Instructions for Line 10. If property was sold in the last three years, attach the purchase agreement, escrow statement, closing statement or other evidence available. If the buyer and seller were or are related or had any common business interests, attach an explanation. If any other items were included in the sale of the real estate, attach a description of those items. Show the value of those items and explain how the values were determined.