



DATE: Wednesday, January 21, 2015

TO: Representative Marvin KleeB – Chairman – Kansas House Taxation Committee

FROM: Paul Welcome, County Appraiser

SUBJECT: 2015 Legislation BOTA changes

The Kansas County Appraisers Association legislative committee is proposing a change in the appeal progression for real properties and personal property oil and gas. Below are tables to reflect the current progression 2014 legislation and the proposed changes:

Current Appeal Progression from 2014 Bill				
Property Type	Type of Hearing			
	County APR Informal	Small Claims and Expedited Hearings <\$3M	BOTA Regular Division	District Court New for 2015
Residential	Y	Y	Y	Y
Commercial	Y	optional	Y	Y

Proposed Appeal Progression				
Property Type	Type of Hearing			
	County APR Informal	Small Claims and Expedited Hearings	Commercial Appraisal Review Panel	BOTA Regular Division
Residential	Y	Y		Y
Vacant residential single lot	Y	Y		Y
Commercial or residential Subdivision valuation	Y		Y	Y
Commercial <\$500k	Y	Y		Y
Apartments <5 Units	Y	Y		Y
Commercial >\$500k	Y		Y	Y
Apartments >\$5 Units	Y		Y	Y
Oil & Gas	Y			Y
Ag Use (classification & value)	Y			Y
Complex Industrial	Y			Y

*Hearing Officer Panel eliminated – Woodson County is the only one still using this hearing type.

From our experience for each level of appeals, 75% of the appeals are resolved.

We would like to eliminate the District Court option since we believe the cost could be up to \$25,000 for each party.



The new **Commercial Appraisal Review Panel** is to be a three-member panel with two members required to be fee appraisers or have a Registered Mass Appraisal designation on the listing maintained by the Kansas Department of Revenue. The third member would need knowledge in real property. BOTA or COTA prior board members may not serve on the panel.

Hearings would be scheduled within 60 days of filing to the Commercial Appraisal Review Panel with a period of 30 days for anyone to proceed to the BOTA Regular Division. There will be a filing fee for the new Panel Reviews and credited to the filer if they choose to aggrieve their appeal to the next level.

The Panel Reviews would last about an hour per appeal: 20 minutes for the property owner and 15 minutes for the county appraiser with a 5 minute rebuttal. The last 20 minutes would be allotted for deliberation. The value would be issued at the parcel review. The review would be considered an informal discussion with no legal process. The next level appeal would be a trial de novo.

We believe this is the most cost effective and efficient way to resolve cases without starting the litigation process.