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Washington Department of Revenue Property Tax Division

2023 Review of the Kitsap County Board of Equalization



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Overview

Introduction

The Department of Revenue (Department) conducted an interview with the Clerk of the Kitsap County Board of Equalization (Clerk). The interview focused on the Kitsap County Board of Equalization's (Board) processes and procedures.

Purpose

The Department's primary purpose of this review is to assist the Board in their processes and procedures to ensure compliance with state statutes and regulations.

An effective review of the methods employed by the Board in administering the assessment appeal process will promote fair, timely, and uniform property tax assessments.

Scope of review

The review is limited in scope. We reviewed administrative procedures for compliance with state statutes and regulations.

Information reviewed

To complete our review, we gathered information about the administration of the Board through interviews, documents provided by the Clerk, and independent verification. The areas we reviewed included, but were not limited to:

- Petitions for appeal 2022 assessment year for taxes payable in 2023.
- Hearing procedures.
- Deliberation process.
- Board orders.
- Regular convened session.
- Reconvening processes.
- Publications, forms, literature, and website.
- Board policies.

Acknowledgment

We thank the Board and Clerk for their cooperation throughout our review. We commend them for their willingness to look at opportunities to improve the uniformity and administration of property tax.

Executive Summary

About this review

The Department interviewed the Clerk and Board staff about the processes and procedures used in hearing appeals.

Categories of results

The Department has completed its review and grouped the results into two categories:

- The first category, *Requirements*, is of the greatest urgency for effective administration by the Clerk and the Board. A change is required to adhere to the law.
- The second category, *Recommendations*, requires the attention of the Board. The Department believes the Board could improve their performance and service to the public by making voluntary changes in procedures.

The Department bases requirements and recommendations contained in our reports on our review of the administrative procedures employed, existing state statutes and regulations, and areas we saw opportunities to improve processes, procedures, and communication.

Results

The Department identified three requirements and three recommendations directed toward improving the Clerk and Board's methods.

The items identified may be specific to the Clerk's duties, the Board's duties, county legislative authority duties, or they may have shared components of responsibility. A summary of these items follows.

Executive Summary, continued

Requirements

1. The Clerk is required to keep and publish a record of the Board's proceedings.
2. The Board is required to hold three meetings during the regular 28-day session.
3. The Board is required to provide the appellant a petition form provided or approved by the Department.

Recommendations

1. The Department recommends the Board create a desk reference manual for the the Clerk's administrative duties.
2. The Department recommends the Board post the dates of the three required meetings to be held during the regular convened session.
3. The Department recommends updating the control register to include additional information.

Requirement 1 – Record of hearing

Requirement

The Clerk is required to keep and publish a record of the Board’s proceedings.

What the law says

The law requires clerks to maintain a journal or record of the board of equalization’s proceedings and orders. The record must be published in the same manner as other proceedings of the county legislative authority (RCW 84.48.010 and WAC 458-14-095(5)).

What we found

The petition files examined did not contain the Board Clerks Record of Hearing as required by RCW 84.48.010. The Clerk was not aware of the requirement to post the Record of Hearing.

Action needed to meet requirement

The Board is required to take the following action:

- The Clerk must include a Record of Hearing in each appeal file and publish the record in the same manner as other county legislative authority proceeding meeting minutes. The Clerk could use the Department’s [Board Clerk’s Record of Hearing \(Form REV 60 0002\)](#). Then publish it in the same manner as the county legislative authority meeting minutes.

Why it’s important

Records of hearings provide the public with a summary of actions taken by a board for each hearing.

Requirement 2 – Board meeting dates

Requirement

The Board is required to hold three meetings during the regular 28-day session.

What the law says

Boards of equalization must meet annually for a minimum of three days, but not more than 28 calendar days, for the purpose of equalizing property values and hearing taxpayer appeals (RCW 84.48.010 and WAC 458-14-046).

What we found

The Board met on July 11, July 19, and November 1, 2021. These three required meetings were not held within the regular 28-day session for the 2022 assessment year.

Action needed to meet requirement

The Board is required to take the following actions:

- Hold three meetings during the regular 28-day session. The Board may wish to use the Department's [Notice of Meeting of County Board of Equalization form \(REV 64 0050\)](#) to document and publish their meeting dates.

Why it's important

As required by law, boards of equalization must meet to publicly examine and equalize the assessments extended in the current year on the taxable property of the county and to correct all errors in valuation, description, or qualities of property assessed by the assessor.

Requirement 3 – Forms and letters

Requirement

The Board is required to provide the appellant a petition form provided or approved by the Department.

What the law says

Appeals must be submitted to boards of equalizations on a form provided or approved by the Department (RCW 84.40.038 & WAC 458-14-087).

What we found

The Board uses their own Denial letter, Notice of Hearing letter, and Board Order form, which have these issues:

- The Denial letter does not provide the reasons for a good cause waiver or information to the appellant about their appeal rights should their petition be denied.
- The Notice of Hearing letter includes a “Statement of Acceptance of Assessor’s Recommendation” section, which provides the wrong petition number. See Petition 054-21 for an example.
- The Board Order form lists original and current values, the recommended value, and the Board’s reason for their decision. See Petition 162-21 for an example. The current value should be removed.

Actions needed to meet requirement

The Board is required to take the following actions:

- For the Denial letter:
 - Add the good cause reasons to the Appeal Denial notice sent to appellants when denying a petition (WAC 458-14-056(3)). If the appellant does not request a good cause waiver, and meets one of the good cause reasons, the Board must deny the petition. The decision to either accept or deny the appellant’s request to waive the filing deadline is not appealable to the Board of Tax Appeals.
 - Add information regarding the taxpayer’s appeal rights and the appeal process should their petition be denied.
- For the Notice of hearing letter, remove the “Statement of Acceptance of Assessor’s Recommendation” section located at the bottom of the letter. This will ensure that correct information is provided to the petitioner.
- For the Board order form, remove the “current value” section. Board orders should only list the original and recommended values and the Board’s reason for their decision.

Why it’s important

The law states a petition must be submitted on the form provided or approved by the Department. Clear and accurate information given to the appellants will help them understand the appeal process.

Recommendation 1 – Desk reference manual

Recommendation

The Department recommends the Board create a desk reference manual for the the Clerk’s administrative duties.

What we found

The Board does not currently have a desk reference manual for the Clerk’s administrative duties.

Action recommended

The Department recommends the Board take the following actions:

- Develop a desk reference manual, which may include policy information and specific steps to administer the duties of the Board.

Why it’s important

Desk reference manuals are useful for training staff, maintaining consistency within the office, and retaining institutional knowledge.

Recommendation 2 – Board meeting dates

Recommendation

The Department recommends the Board post the dates of the three required meetings to be held during the regular convened session.

What we found

The Board held three meetings during the regular convened session for the 2022 tax year, as required by WAC 458-14-046, but did not publish the dates.

Action recommended

The Department recommends the Board take the following actions:

- Publish the dates of the three required meetings in the Assessor’s office, courthouse bulletin board, and newspaper, using the [Notice of Meeting of County Board of Equalization \(Form 64 0050\)](#).

Why it’s important

Posting the Board’s meeting dates serves as a public record and provides transparency of government process.

Recommendation 3 – Control register

Recommendation

The Department recommends updating the control register to include additional information.

What we found

The Clerk has a control register that includes the petition number, hearing date, and taxpayer contact information. Including additional information, such as the petition's received date, the Board's decision, and dates of correspondence and deadlines, would allow the Clerk to efficiently track the progress of each appeal.

Actions recommended

The Department recommends the Board take the following actions:

- Include more information in the control register, so the status of each appeal can be tracked throughout the appeal process. This may include, but is not limited to, the following additions:
 - Hearing notice date.
 - Incomplete and untimely filed notice date and the deadline for petitioner's response.
 - Assessor's answer date.
 - Order mailing date.
- Use an excel spreadsheet to create a control register, allowing the Clerk to add or remove categories.

Why it's important

Tracking the progress of each petition helps to ensure all deadlines for an appeal are met.

Next Steps

Prioritizing Requirements and Recommendations

Once the Clerk and Board receive a final copy of this review, the Department will (if requested) consult with them to prioritize the items listed in the report.

Follow-up

The Department will follow up next year to review the changes implemented. This will give the Board an opportunity to provide information to the Department about any issues encountered during the implementation process.

Questions

For questions about specific requirements or recommendations in our report, please contact us at:

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