Board of Tax Appeals
FY 2023 Budget Hearing
February 10, 2022

Legislative Budget Book, 6-153
Agency Summary & Statutory Authority
The Board of Tax Appeals (Section 63-3801, Idaho Code) provides taxpayers the opportunity to appeal their ad valorem assessed valuations from a county board of equalization or tax decisions from the Idaho State Tax Commission. The three-member board provides an opportunity for appellants and respondents to present testimony and evidence at a quasi-judicial board hearing, rather than through a district court trial which can necessitate legal representation and expense.

Agency Highlights
• The Board of Tax Appeals currently has 5.00 FTP and has 85.44% of its budget in Personnel Costs.
• There are no open audit findings to report.
Agency Overview

- Established by the Legislature in 1969 as a quasi-judicial administrative tax tribunal. Title 63 Chapter 38, Idaho Code.

- Mission Statement –
  “To provide parties with a fully independent and fair review of taxpayer appeals.”

- Comprised of three citizen Board members.

- Hear appeals from county boards of equalization and certain appeals from decisions of the Idaho State Tax Commission.

- Board Members conduct hearings and deliberate on final decisions. At least 2 members must concur in the final decision.

- BTA appeal process less formal than district court. There are no filings fees to appeal to the BTA and most parties are self-represented.
Tax Appeal Process

Broad Overview
Appeal Process
Ad Valorem Appeals

VALUATION APPEALS

ASSESSMENT NOTICE RECEIVED

FILE APPEAL WITH BOE

BOE CONDUCTS HEARING

BOE DECISION ISSUED

FILE APPEAL OF BOE DECISION

FILE APPEAL OF BOE DECISION

APPEAL TO DISTRICT COURT (NO BTA ACTION)

EXEMPTION APPEALS

FILE EXEMPTION APPLICATION

DEC. BY COUNTY COMMISSIONERS

FILE APPEAL WITH BOE

BOE CONDUCTS HEARING

BOE DECISION ISSUED

FILE APPEAL OF BOE DECISION

APPEAL TO DISTRICT COURT (NO BTA ACTION)
Appeal Numbers

Appeal History

Performance Measures

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Ad Valorem - average days between perfected appeal filing and hearing date</td>
<td>actual 130.52 days</td>
<td>76.56 days</td>
</tr>
<tr>
<td></td>
<td>target &lt; 90 days</td>
<td>&lt; 90 days</td>
</tr>
<tr>
<td>2) Ad Valorem - average days between hearing date and decision draft</td>
<td>actual 50.34 days</td>
<td>94.26 days</td>
</tr>
<tr>
<td></td>
<td>target &lt;90 days</td>
<td>&lt;90 days</td>
</tr>
<tr>
<td>3) Ad Valorem - average days for Board approval/disapproval of decision draft</td>
<td>actual 8.97 days</td>
<td>5.49 days</td>
</tr>
<tr>
<td></td>
<td>target &lt;15 days</td>
<td>&lt;15 days</td>
</tr>
<tr>
<td>4) Ad Valorem - average days between hearing date and final decision issued</td>
<td>actual 62.05 days</td>
<td>101.34 days</td>
</tr>
<tr>
<td></td>
<td>target &lt;105 days</td>
<td>&lt;105 days</td>
</tr>
<tr>
<td>5) Ad Valorem - percentage of decisions issued by May 1</td>
<td>actual 75%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>target 100%</td>
<td>100%</td>
</tr>
<tr>
<td>6) Tax Commission - average days between perfected appeal filing and final decision</td>
<td>actual 63.38 days</td>
<td>191.38 days</td>
</tr>
<tr>
<td></td>
<td>target 180 days</td>
<td>181 days</td>
</tr>
</tbody>
</table>

Primary Goal

To timely process and fairly consider each appeal impartially, and to render a just final decision.
Governor’s Recommendation
FY 23 Base Adjustments

- BTA reverted approximately $115,000 from personnel in FY 2021.
  - This resulted largely from keeping the Tax Specialist position unfilled.

- For FY 2023, the Governor recommends the vacant position be removed and instead earmark roughly $40,000 to hire contract help when necessary, to fund continuing education, and for anticipated increased travel expenses.
Governor’s Recommendation
Inflationary Adjustment

- Governor recommends a $1,300 adjustment for rent inflation.