



GOVERNMENT OF THE DISTRICT OF COLUMBIA

THE REAL PROPERTY TAX

APPEALS COMMISSION

TAX YEAR 2017

ANNUAL REPORT



GREGORY SYPHAX
CHAIRPERSON

RICHARD AMATO ESQ.
VICE CHAIRPERSON

**ANNUAL REPORT
OF
THE REAL PROPERTY TAX APPEALS COMMISSION**

TAX YEAR 2017

**GREGORY SYPHAX
CHAIRPERSON**

**RICHARD AMATO, ESQ.
VICE CHAIRPERSON**

TY 2017 FULL-TIME COMMISSIONERS

**MAY CHAN
CLIFTINE JONES
FRANK SANDERS
STACIE SCOTT**

PART-TIME COMMISSIONERS

**EDWIN DUGAS
DONALD ISAAC
ALVIN JACKSON
ERIC JENKINS
JOHN E. NEIL OLLIVIERRA
SKIP WALKER
TRENT T. WILLIAMS**

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**REAL PROPERTY TAX APPEALS COMMISSION MEMBERSHIP
TY 2017**

MEMBERS	ROLE	CONFIRMATION DATE	TERM ENDING
Gregory Syphax	Chairperson	July 13, 2012	April 30, 2018
Richard Amato, Esq.	Vice Chairperson	July 13, 2012; reconfirmed July 14, 2015	April 30, 2019
May S. Chan	Commissioner	July 13, 2012; reconfirmed April 17, 2014	April 30, 2018
Cliftine Jones	Commissioner	July 13, 2012	April 30, 2018
Frank Sanders	Commissioner	July 13, 2012; reconfirmed May 2, 2017	April 30, 2021
Stacie Scott Turner	Commissioner	July 14, 2015	April 30, 2019
Edwin H. Dugas	Part-Time Commissioner	November 30, 2016	April 30, 2020
Donald Isaac, Jr.	Part-Time Commissioner	July 13, 2012; reconfirmed September 24, 2014	April 30, 2018
Alvin Jackson	Part-Time Commissioner	May 7, 2013; reconfirmed May 2, 2017	April 30, 2021
Eric Jenkins, Esq.	Part-Time Commissioner	July 14, 2015	April 30, 2019
John Neil Ollivierra	Part-Time Commissioner	March 24, 2014	April 30, 2018
James “Skip” Walker, Jr.	Part-Time Commissioner	July 13, 2012	April 30, 2018
Trent Williams	Part-Time Commissioner	July 13, 2012; reconfirmed July 14, 2015	April 30, 2019
Vacant	Part-Time Commissioner		

REAL PROPERTY TAX APPEALS COMMISSION STAFF

Carlynn Fuller	Executive Director	Carlynn.fuller@dc.gov
Debra Spencer	Staff Assistant	Debra.spencer@dc.gov
Sophia Murray	Clerical Assistant	Sophia.murray@dc.gov
Judith Brightwell	Program Assistant	Judith.brightwell@dc.gov
Donald Freeman	IT Specialist	Donald.freeman2@dc.gov

Executive Summary

The mission of the Real Property Tax Appeals Commission (RPTAC) is to conduct fair and impartial hearings in disputed real property tax assessment appeal cases (to ensure that properties are assessed at 100% of market value), and to resolve claims of improper real property classifications, homestead (domicile), and senior eligibility issues. This Annual Report covers its activities for Tax Year 2017.

Currently, the District of Columbia law provides real property owners with a three-level appeals process as it relates to real property assessments. The 1st level appeal occurs with the Office of Tax and Revenue (“OTR”), where the Petitioner can appeal the assessment with the assessor of record. At this appeal level, the assessor can sustain, reduce, or, in some cases, increase the proposed assessed value of the property.

Once a Petitioner has received his or her Notice of 1st Level Decision and is aggrieved by the decision, the Petitioner has 45 days from the date of the notice to appeal to the 2nd level – The Real Property Tax Appeals Commission. Petitioners can represent themselves or be represented by counsel, which could be an attorney or non-attorney “tax consultant.” Finally, after the taxpayer has exhausted all avenues with the Commission, which sometimes includes requesting a rehearing, the Petitioner can appeal to the 3rd level of appeal – the Tax Division of the Superior Court of the District of Columbia.

The Commission is comprised of a full-time chair and vice chair, four full-time Commissioners and, currently, eight part-time Commissioners. The full-time Commissioners are District of Columbia Government employees, while the part-time Commissioners are paid on an hourly stipend basis.

Tax Year 2017 Appeal Seasons Overview

For Tax Year 2017, the Commission received three thousand nine hundred ninety-three (3,993) appeals. This is a decrease of three hundred fifty-one (351) appeals from Tax Year 2016. Of these appeals, three thousand nine hundred and eighty-two (3,982) appeals were “standard assessment appeals” which are valuation appeals that are automatically placed in the Office of Tax and Revenue’s tracking system; five Classification appeals, and six Homestead appeals. As of February 1st 2017, we had 230 cases outstanding; however, these cases were all disposed of 6 days later, on February 7th. The Commission received 58 requests for rehearing (1.5% of total hearings) claiming that the Commission committed plain error in its decisions. Of this total, 31 cases were accepted for rehearing and 27 were denied.

Tax Class 1 Appeals

For Tax Class 1 properties, the Commission received a total of three thousand and thirty-nine (3,039) appeals, with sixty-three (63) appeals being withdrawn, and four hundred and fourteen (414) appeals (14%) resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner. The Commission decided a total of two thousand five hundred and sixty-two (2,562) Tax Class 1 appeals. Of these cases, eight were increased, one thousand nine hundred and ninety-two (1,992), or seventy-eight (78%), were sustained, and five hundred sixty-two (562), or twenty-two percent (22%), were reduced.

Tax Class 1

Action	Assessed Value (AV)	Dollar Value (DV) (AV ÷ 100 x .85)
1 st Level Cases Appealed to RPTAC (excluding withdrawn cases)	7,326,704,652	\$62,276,989.54
1 st Level Cases Appealed to RPTAC resulting in 2 nd Level Stipulations (between the Petitioner and OTR)	950,312,500	\$8,077,656.25
2 nd Level Stipulation Agreements (between the Petitioner and OTR)	885,190,990	\$7,524,123.42
Impact (Difference between 1 st Level Cases Appealed and 2 nd Level Stipulation Agreements)	65,121,510	\$553,532.84
1 st Level Cases Appealed to and decided by RPTAC	6,597,783,057	\$56,081,155.98
2 nd Level (RPTAC) Actions	6,438,967,812	\$54,731,226.40
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions)	158,815,245	\$1,349,929.58
2 nd Level Increases	2,331,980	\$19,821.83
2 nd Level Reductions	1,428,541,680	\$12,142,604.28
2 nd Level Sustained	5,008,094,152	\$42,568,800.29

Tax Class 2 Appeals

The Commission also received nine hundred forty-one (941) Tax Class 2 appeals: sixty-five (65) or seven percent (7%) were withdrawn, and ninety-nine (99) or eleven percent (11%) were resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner. The Commission decided a total of seven hundred seventy-seven (777) appeals. Of these appeals, one was increased, six hundred forty-four (644) or eighty-three percent (83%) were sustained, and one hundred thirty-two (132) or seventeen percent (17%) were reduced. The Commission also received two Tax Class 3 appeals; both were sustained.

Class 2 Properties (\$3 million or less)

Action	Assessed Value (AV)	Dollar Value (DV) (AV ÷ 100 x 1.65)
1 st Level Cases Appealed to RPTAC (excluding withdrawn cases)	249,017,335	\$4,108,786.03
1 st Level Cases Appealed to RPTAC resulting in 2 nd Level Stipulations (between the Petitioner and OTR)	27,834,630	\$459,271.40
2 nd Level Stipulation Agreements	22,696,320	\$374,489.28
Impact (Difference between 1 st Level Cases Appealed and 2 nd Level Stipulation Agreements)	5,138,310	\$84,782.12
1 st Level Cases Appealed to and decided by RPTAC	221,182,705	\$3,649,514.63
2 nd Level (RPTAC) Actions	190,054,409	\$313,589,774.85
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions)	31,128,296	\$513,616.88
2 nd Level Increases	0	\$0
2 nd Level Reductions	32,780,050	\$540,870.83
2 nd Level Sustained	157,265,359	\$2,594,878.42

Class 2 Properties (\$3 million+)

Action	Assessed Value (AV)	Dollar Value (DV) (AV ÷ 100 x 1.85)
1 st Level Cases Appealed to RPTAC (excluding withdrawn cases)	51,878,929,248	\$959,760,191.09
1 st Level Cases Appealed to RPTAC resulting in 2 nd Level Stipulations (between the Petitioner and OTR)	6,241,963,437	\$115,476,323.58
2 nd Level Stipulation Agreements	5,857,355,826	\$108,361,082.78
Impact (Difference between 1 st Level Cases Appealed and 2 nd Level Stipulation Agreements)	384,607,611	\$7,115,240.80
1 st Level Cases Appealed to and decided by RPTAC	45,636,965,811	\$844,283,867.50
2 nd Level (RPTAC) Actions	44,882,955,465	\$830,334,676.10
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions)	754,010,346	\$13,949,191.40
2 nd Level Increases	140,000,000	\$2,590,000.00
2 nd Level Reductions	7,418,882,244	\$137,249,321.51
2 nd Level Sustained	37,324,073,221	\$690,495,354.59

Total Number of TY 17 Assessment Cases Heard per Commissioner

Full-Time Commissioners

Commissioner	Case Count
Amato	722
Chan	1249
Jones	868
Sanders	794
Scott-Turner	1014
Syphax	853

Part-Time Commissioners

Commissioner	Case Count
Dugas	0*
Isaac	486
Jackson	1793
Jenkins	53
Ollivierra	587
Walker	71
Williams	1439

*Due to extenuating circumstances, Mr. Dugas was not able to hear cases in TY 2017.

In addition to standard assessment appeals, the Commission rendered decisions in appeals for Possessory Interests, Classifications not made in the current tax year, and Homestead Deductions. Since these appeals are not “standard assessment appeals” which are automatically placed into OTR’s tracking system; the Commission must notify OTR of these appeals, and then OTR manually places these decisions into its tracking system.

Major Issues Facing the Commission

The effort to meet the Commission’s statutory obligations to decide all appeal cases by February 1 of each year is a constant challenge. The Commission must decide all residential appeals (housing having one to four units) within 30 days after hearings, and all commercial and large residential apartment building appeals (having five or more units), within 80 days.

However, over the past five years, the Commission has done well, deciding 98.4% of its appeal

cases within the statutory deadlines. Based on OTR's 1st level reported caseload of over 10,000 appeals, the Commission expects approximately 4,200 to 4,500 valuation appeals for Tax Year 2018.

Although the Commission considers timeliness to be one of its main objectives, the Commission is aware that its ability to meet its statutory deadlines is obviously contingent upon the number of appeals that are filed each year. At some point, a great number of appeals could overwhelm the Commission and make it impossible for it to timely complete its caseload without sacrificing some degree of quality of service and/or performance. For this reason, the Commission continues to strategize ways of accomplishing its goals without sacrificing either the quality of service or the quality of the decisions it renders, through education, training, and streamlining the administrative processes.

Retaining full membership on the Commission is another issue that impacts the performance of the Commission. After losing two of its members last year, the Commission was very fortunate to fill those vacancies with very-qualified real estate professionals, who I believe will be great assets, since both have the kind of knowledge the Commission needs.

Continuing Education & Training

The Commission requires its members, both full-time and part-time Commissioners, to attend continuing education classes and training annually. Classes and training are focused on methods of real property valuation, principles and fundamentals of appraising, appraisal practices and standards, and applicable software programs.

The continuing education requirement can be met by attending classes provided by an approved professional appraiser organization or by other providers whose classes have been approved by the D.C. Board of Real Estate Appraisers or the D.C. Real Estate Commission. We

also have in-house training as well with specialized experts as guest speakers who address the Commission on pertinent issues. Online/On demand training classes have also proven to be effective in fulfilling Commissioner training requirements – especially for part-time members who may have time constraints during the “off season,” when training is normally scheduled. Although RPTAC rules and regulations do not address the number of hours of training each Commissioner must have, the Commission expects each Commissioner to complete a minimum of 12 hours per year.

Online/On Demand Classes are allowed to be taken by Commissioners, at the Commission’s expense, if the class applies to the issues, skills, and/or knowledge of real property valuation. Each Commissioner has to provide proof of completion, such as a certificate of completion, which can be downloaded from the course provider, and can bill the Commission for his/her time. If the course is identified, for example, as a 7-hour course, the Commissioner is expected to produce a certificate that states that the 7-hour course was completed. Only then will a Commissioner be able to bill the Commission for time (example: 7 hours x \$50/hour = \$350.00).

Major Accomplishments

The Commission continues to push for greater use of the *File & Serve* system by Petitioners. This system improves the administrative process for filing petitions, scheduling hearings, deciding appeals, and notifying Petitioners of the Commission’s decisions via on-line mailings. The system allows for paperless archiving of cases, without physical storage space. All of the Commissioners have attended classes on how to use the service.

However, the major challenge with the *File & Serve* system has been changing the mindset of people who resist the use of technology or have no internet access. While major law

firms and tax representatives have embraced electronic filings, individual filers are more reluctant. Nevertheless, the Commission has continued to push for greater use of the *File & Serve* system by directing Petitioners to the instructions on our website. As a result, the public usage of *File & Serve* has now increased by 120%, from 887 electronic cases filed in TY 2015, to 1,948 cases filed in TY 2017.

The Commission produced two new Public Service Announcements that have been recorded by DC Cable Television. In the effort to improve the Commission's community outreach efforts, the Commission produced short segments for DC Cable's "*Did You Know*" program and started running the ads in February 2017. The segments inform the public of their rights to appeal their real property assessments if they have reason to believe that the value rendered by the Office of Tax & Revenue is excessive or inaccurate.

The Commission obtained a legislative change to our statute which had required that all Class 1 - residential property decisions (single-family dwellings and apartment buildings) be completed within 30 days of the hearing. The Commission pushed for an extension of the decision deadline for large apartment buildings (having 5 or more units) because the law did not reflect that the valuation of large apartment buildings are more complex, and require more time to review, than single-family dwellings or smaller apartment buildings.

This Commission, as well as the previous Board of Real Property Assessments and Appeals (BRPAA), has operated based on the notion that Class 1 residential property included multi-family dwellings, regardless of their size or the number of units they may have. As a result, large apartment buildings, which may have hundreds, or even thousands, of apartment units were classified and treated the same as single-family dwellings in the appeal process, requiring the Commission to make its decisions on such properties within the same 30-day time frame. The Commission believed that the 30-day decision deadline was not intended to be applied to large

multi-family apartment buildings, and the Commission did not find anything in the legislation that specifically mandated that result. The Commission therefore took the initiative to push for a change in the statute, recognizing that large residential apartment buildings are complex properties which require the same scrutiny, consideration, and expertise as large office buildings and should therefore have the same 80-day decision deadline as commercial properties have.

The Mayor responded to our request and made that legislative change. As a result, our performance rating for rendering timely decisions on residential properties in TY 2017 increased dramatically from the 65% to 86% for 1 to 4-unit dwellings and to 99.9% for multi-family apartment buildings. The Commission greatly appreciates the efforts of Mayor Bowser and Chairman Evans in securing the enactment of this desired legislation.

Community Outreach

RPTAC is expected to engage in community outreach annually to promote the Commission as a quasi-judicial body for citizens to resolve their tax assessment disputes with the Office Tax & Revenue (OTR), or classification disputes with the Department of Consumer & Regulatory Affairs (DCRA). The Commission has appeared before the public at a number of Advisory Neighborhood Commission (ANC) meetings, has distributed fliers, produced a Public Service Announcement (PSA) that was broadcast on DC Cable/Channel 16 informing the public of the Commission and its mission, and has had “workshops” which were open to the public to discuss the appeal process and how one should prepare for making an appeal before RPTAC. The Commission produced two (2) new 30-second PSA’s for D.C. Cable’s “Did You Know” segment, which aired in February and March 2017.

The Commission has worked hard to be more transparent than the previous tax appeal board by opening its doors for public meetings, conducting workshops for the public, and meeting regularly with the Apartment & Office Building Association (AOBA) and with

representatives of the Office of Tax & Revenue and the Department of Consumer & Regulatory Affairs (DCRA). The Commission is always willing to listen and consider the concerns of the public, as well as the concerns of government agencies, and intends to keep an “open-door” policy for anyone to come in to talk about the appeal process.