



GOVERNMENT OF THE DISTRICT OF COLUMBIA

THE REAL PROPERTY TAX

APPEALS COMMISSION

**TAX YEAR 2013
ANNUAL REPORT**



**GREGORY SYPHAX
CHAIRPERSON**

**RICHARD AMATO ESQ.
VICE CHAIRPERSON**

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

TAX YEAR 2013

**GREGORY SYPHAX
CHAIRPERSON**

**RICHARD AMATO, ESQ.
VICE CHAIRPERSON**

FULL-TIME COMMISSIONERS

**MAY CHAN
CLIFTINE JONES
HILLARY LOVICK
FRANK SANDERS**

PART-TIME COMMISSIONERS

**KARLA CHRISTENSON
ANDREW DORCHESTER
DONALD ISAAC
ALVIN JACKSON
SKIP WALKER
SEAN WARFIELD
TRENT T. WILLIAMS**

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REAL PROPERTY TAX APPEALS COMMISSION MEMBERSHIP

MEMBERS	ROLE	CONFIRMATION DATE	TERM ENDING
Gregory Syphax	Chairperson	July 13, 2012	April 30, 2018
Richard Amato, Esq.	Vice Chairperson	July 13, 2012	April 30, 2015
May S. Chan	Commissioner	July 13, 2012	April 30, 2014
Cliftine Jones	Commissioner	July 13, 2012	April 30, 2018
Hillary R. Lovick, Esq.	Commissioner	July 13, 2012	April 30, 2015
Frank Sanders	Commissioner	December 4, 2012	April 30, 2017
Karla Christensen	Part-Time Commissioner	May 9, 2013	April 30, 2017
Andrew Dorchester	Part-Time Commissioner	July 13, 2012	April 30, 2014
Donald Isaac, Jr.	Part-Time Commissioner	July 13, 2012	April 30, 2014
Alvin Jackson	Part-Time Commissioner	May 7, 2013	April 30, 2016
James “Skip” Walker, Jr.	Part-Time Commissioner	July 13, 2012	April 30, 2018
Sean Warfield	Part-Time Commissioner	December 4, 2012	April 30, 2016
Trent Williams	Part-Time Commissioner	July 13, 2012	April 30, 2015

REAL PROPERTY TAX APPEALS COMMISSION STAFF

Carlynn Fuller Jenkins	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

Executive Summary

The mission of the Real Property Tax Appeals Commission (RPTAC) is to conduct fair and impartial hearings to review disputed real property tax assessments (to ensure that properties are assessed at 100% of market value), to resolve claims of improper real property classifications, and homestead (domicile) and senior eligibility issues. This Annual Report covers the activities for Tax Year 2013.

Currently, the District of Columbia law provides real property owners with a three-level appeals process as it relates to real property taxation assessments. The first 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 third-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, seven part-time commissioners, with statutory authority to have up to 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 2013 Appeal Seasons Overview

For Tax Year 2013, the Commission received 3,467 appeals. This is a decrease of 810 appeals from Tax Year 2012. Of these appeals, 3,438 were “standard assessment appeals” which are valuation appeals that are automatically placed in the Office of Tax and Revenue’s tracking system. For Class 1 properties, the Commission received a total of 2,235 appeals, with 50 appeals being withdrawn, for a total of 2,185 appeals heard by the Commission. Of these cases, 1,732 (79%) were sustained, 308 (14%) were reduced, 145 (7%) were resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner.

Tax Class 1

Action	Assessed Value (AV)	Dollar Value (DV) (AV ÷ 100 x .85)
1 st Level Cases Appealed to RPTAC	\$2,557,119,490	\$21,735,515.67
2 nd Level Actions including Stipulations	\$2,466,367,523	\$20,964,123.95
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions including Stipulations)	\$90,751,967	\$771,391.72
2 nd Level Increases	\$0	\$0
2 nd Level Reductions	\$431,769,594	\$3,670,041.55
2 nd Level Stipulations (between the Petitioner and OTR)	\$60,449,586	\$513,821.49
2 nd Level Sustained	\$1,974,148,340	\$16,780,260.89

The Commission also received 1,203 appeals in tax Class 2; 38 were withdrawn leaving a total of 1,165 appeals that were heard by the Commission. Of these appeals, 5 (<1%) were increased, 748 (64%) were sustained, 300 (26%) were reduced, and 112 (10%) were resolved by way of Stipulation Agreements between the Office of Tax and Revenue and the Petitioner.

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	\$518,204,010	\$8,550,366.17
2 nd Level Actions including Stipulations	\$461,612,465	\$7,616,605.68
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions including Stipulations)	\$56,591,545	\$933,760.50
2 nd Level Increases	\$2,428,940	\$40,077.51
2 nd Level Reductions	\$95,956,774	\$1,583,286.78
2 nd Level Stipulations (between the Petitioner and OTR)	\$52,697,151	\$869,503.00
2 nd Level Sustained	\$310,529,600	\$5,123,738.40

Class 2 Properties (\$3 million+)

Action	Assessed Value (AV)	Dollar Value (DV) (AV ÷ 100 x 1.85)
1 st Level Cases Appealed to RPTAC	\$43,767,313,995	\$809,695,308.91
2 nd Level Actions including Stipulations	\$42,177,077,539	\$780,275,934.48
Impact (Difference between 1 st Level Cases Appealed to RPTAC and 2 nd Level Actions including Stipulations)	\$1,590,236,456	\$29,419,374.43
2 nd Level Increases	\$21,831,360	\$403,880.16
2 nd Level Reductions	\$11,510,495,387	\$212,944,164.66
2 nd Level Stipulations (between the Petitioner and OTR)	\$3,093,610,807	\$57,231,799.93
2 nd Level Sustained	\$27,551,139,985	\$509,696,089.73

**Total Number of cases heard per Commissioner
(Not Including Homestead and Classification)**

Full Time Commissioners

Commissioner	Regular	Other
Amato	554	258 – Stipulations
Chan	1086	
Jones	1120	9 - Dissents
Lovick	913	
Sanders	1250	
Syphax	1710	

Part Time Commissioners

Commissioner	Regular	Other
Christensen	741	3 - Dissents
Dorchester	1080	1 - Dissent
Isaac	131	
Walker	161	
Warfield	19	
Williams	400	

In addition to the standard assessment appeals, the Commission rendered decisions on appeals for Possessory Interest; Classification Appeals that are not in the current tax year; Homestead Exemption; and New Property Owner Appeals¹. Because these appeals are not “standard assessment appeals” and cannot be automatically placed into OTR’s tracking system, the Commission must notify OTR which manually places these decisions into its tracking system.

¹ For Tax Year 2013, the Board received no Water and Sewer Special Assessments appeals.

Major Issues Facing the Commission

The major issues facing the Commission continue to be tied to timeliness. There are a number of statutory time requirements that the Commission must adhere to if it is to be successful in meeting its mission. Under the statute, all real property appeals cases filed during the prior calendar year must be decided by February 1st of each year. The statute also requires that residential cases must be decided within 30 days after the hearing while decisions on commercial cases must be completed within 80 days after the hearing after the hearing.

The prior Board (Board of Real Property Assessments and Appeals) had failed to meet these deadlines over the past several years as a result of having an inadequate number of active Board members to handle the overwhelming number of appeals. The Commission therefore made the challenge of “how to meet its statutory deadline requirements” its main objective. The Commission’s plan was to meet these deadlines through training, and developing strategies for streamlining its administrative processes, without sacrificing either the quality of its service or the quality of the decisions it renders. The plan worked. The Commission accomplished its objective by writing more descriptive and detailed decisions than previous Boards, and completed all of its decisions within the statutory deadlines in TY 2013.

Another challenging issue that faced the Commission in TY2013 was the drafting of emergency rules and regulations which would enable the Commission to conduct its operations fairly and efficiently. The drafting of these rules and regulations was one of the primary objectives of the Commission since it convened on July 16, 2012. The draft of the new rules and regulations was initially submitted to the Office of the City Administrator on September 26, 2012 for review. After two emergency rulemakings, one in 2012, and one in 2013, a final

rulemaking was adopted by the Commission on June 7, 2013 and became effective upon its publication in the *D.C. Register* on July 5, 2013.

Commission Accomplishments

Legal Accomplishments

The Commission has subscribed to both the D.C. Official Code (in 23 volumes) and to Westlaw Next in order to apply both the applicable statutory and case law to its decisions. These tools enable the Commission to circulate decisions of the District of Columbia Court of Appeals and the Supreme Court of the United States among its members so that it can serve the citizens of the District of Columbia in accordance with applicable law. Relevant and controlling decisions are circulated to the Commissioners and are discussed among them in order that the decisions of the Commission can be informed, articulate, and uniform in application.

Continuing Education and 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.

Since July 16, 2012, most of the Commissioners have successfully completed 24 hours of classroom instruction and training in Appraisal Principles & Procedures, Financial Analysis of Investment Properties, Using the HP 12-C Financial Calculator, DC Rent Control Law, and two training classes with the Office of Tax and Revenue. Additional courses and technical training shall be scheduled later in the year.

Proposed Legislation

The Office of the Attorney General (OAG) has prepared legislation for the Mayor that would make RPTAC decisions appealable to the DC Superior Court. Currently, a Petitioner may appeal to DC Superior Court after the 2nd level appeal process; however, the assessed valuation, not the RPTAC decision, is the basis of the appeal. The DC Superior Court has a backlog of appeals and, because the court cannot consider RPTAC decisions and must start from the proposed assessment, this adds to the backlog.

The Office of Tax and Revenue (OTR) has prepared legislation that would affect certain commercial properties with specific tax use codes. These are properties required to file Income and Expense (I&E) reports with OTR by April 15th. The deadline currently conflicts with the deadline of April 1st to file a 1st level real property tax assessment appeal. For these properties the deadline for filing 1st level appeals would be moved to a later date in order to allow OTR to receive the most recent and relevant I&E reports. The RPTAC deadline for deciding those cases would also be moved from February 1st to a later date.

New Initiatives

At the end of the 2013 fiscal year, RPTAC entered into a contract with File & Serve Xpress to begin the process of accepting appeals via electronic filing. This will improve the administrative process in the way petitions are received, scheduled for hearing, deliberated, and how Petitioners are notified of the Commission's decisions via electronic "on line" mailings on the internet.

The Commission will continue to work with OCTO to enhance the website in a way that is user-friendly with easy to navigate prompts for general information. Added features will

include Commissioners bios, convenient “fill-in” applications and forms, “how to” procedures, and links to other related websites.

The Commission will continue to publish on the internet, with respect to each decision, the assessment and classification resulting from the administrative review; the assessment and classification determined by the Commission and the names of the Commissioners who served on the panel that issued the decision, and whether the participating Commissioner agreed with or dissented from the decision of the panel.

The Commission has implemented digital archiving which will provide for better preservation and retrieval than paper records. Once digitized, the case files can be imported into a document management system and database. The database will be linked to the Commission’s public website and will contain a series of search options for users.

In an effort to implement greater outreach activities, the Commissioners will continue to visit ANC meetings, neighborhood and civic organizations, community centers, etc., to provide the community with an opportunity to meet the Commissioners and to discuss the real property tax appeal process. The goal is to inform the public of their rights, responsibilities, and what is needed to put together a well presented appeal.