



JASON E. MUMPOWER
Comptroller

MEMORANDUM

TO: Registered Agents; Assessors of Property; Administrative Procedures Division

FROM: E. Robin Pope, Executive Secretary

DATE: Friday, May 31, 2024

RE: Subsequent Tax Years and Amending Appeals

In Tennessee, all assessments are made annually as of January 1, but only tangible personal property and state assessed property are revalued annually for tax purposes.¹ Regardless of when property is revalued, each year's assessment is independent and separately appealable, even if the assessment hasn't changed since the prior year.

This cyclical reappraisal system – wherein all real properties within a county are reappraised at the same time and then values generally remain unchanged until the next county-wide reappraisal – is used by every county in Tennessee.² The frequency of reappraisal across the state varies, with the majority of counties reappraising real property once every five (5) years.³

As detailed below, the framework for Tennessee's property assessments can result in a taxpayer having to file an appeal on the same property for various tax years, with each year at different points in the assessment process. To alleviate duplicate appeals that may result in multiple hearings using the same evidence, the State Board of Equalization ("Board" or "SBOE") permits the consolidation and amendment of a real property appeal to encompass subsequent tax years up through an entire reappraisal cycle.⁴

This memorandum provides background information and details the process where appellants may amend their appeal to include multiple tax years.

¹ Tenn. Code Ann. § 67-5-1601; Tenn. Code Ann. § 67-5-1301, et seq.; and Tenn. Code Ann. § 67-5-901, et seq.

² Tenn. Code Ann. § 67-5-1601.

³ Visit the Comptroller's website to view the current reappraisal cycle of every county.

<https://www.comptroller.tn.gov/office-functions/pa/tax-resources/assessment-information-for-each-county/reappraisal-schedule.html>

⁴ Tenn. Comp. R. & Regs. 0600-01-.10.

Tennessee's Assessment Appeal Timeline:⁵

Date	Assessment Administration Function	Citation
January 1	<ul style="list-style-type: none"> "Assessment Date" when all ownership records, assessments, and tax maps must reflect the status of property as of January 1 of each tax year. 	Tenn. Code Ann. § 67-5-502(a)(1) and Tenn. Code Ann. § 67-5-504(a).
March 1	<ul style="list-style-type: none"> Delinquency date for the preceding year's taxes Last day to file a reasonable cause appeal before the Board Correction of assessments must be requested by the taxpayer, or initiated by the assessor prior to March 1, no more than the second year following the tax year for which the correction is to be made. 	Tenn. Code Ann. § 67-5-2010(a)(1); Tenn. Code Ann. § 67-5-1412(e); and Tenn. Code Ann. § 67-5-509(d) & (f).
May 20	<ul style="list-style-type: none"> Assessments should be complete and change notices mailed 	Tenn. Code Ann. §§ 67-5-504(b) and 67-5-508(a)(1) & (3)
June 1	<ul style="list-style-type: none"> County Board of Equalization meets (except Shelby County, which convenes May 1) 	Tenn. Code Ann. §§ 67-1-404(a) and 67-1-404(c) for Shelby
August 1	<ul style="list-style-type: none"> General deadline for appeals to the Board is August 1 or within forty-five days of the date that the notice of the County Board action was sent, whichever is later 	Tenn. Code Ann. § 67-5-1412(e)
September 1	<ul style="list-style-type: none"> Last date of proration period (real and personal) 	Tenn. Code Ann. §§ 67-5-603 and 67-5-606

Those wishing to appeal their property assessment must generally file an appeal with the local county board of equalization.⁶ Some counties may offer an informal review process in addition to the county board of equalization appeals process.⁷ From the county level, an appellant may then file an appeal with the Board by the later of August 1 or forty-five (45) days of when notice of the county board action was sent. Appeals filed with the Board are heard and decided by administrative judges within the Administrative Procedures Division ("APD") of the Office of the Tennessee Secretary of State.

This timeline is best illustrated in an example:

John Smith's county underwent a reappraisal for tax year 2021. Mr. Smith received his 2021 property assessment and appealed it to the county board of equalization. Mr.

⁵ For additional helpful dates, visit the Comptroller's website at <https://www.comptroller.tn.gov/office-functions/pa/property-taxes/assessment-schedule.html>

⁶ See Tenn. Code Ann. §§ 67-5-1401 and 67-5-1412.

⁷ Tenn. Code Ann. § 67-5-307.

Smith's county board of equalization sent written notice of his decision on July 15, 2021. Mr. Smith files an appeal to the Board forty (40) days thereafter on August 24, 2021. Mr. Smith's appeal proceeds through the Board's life cycle of an appeal.⁸ Mr. Smith diligently prepares his appeal, procures an appraisal, and arranges for the appraiser to testify at his hearing. Once prepared, Mr. Smith is scheduled for a contested case hearing on June 15, 2022.

Throughout the appeal, Mr. Smith has maintained the property, but there have been no material changes to the property, market conditions, or other circumstances which would impact value.

Mr. Smith wants to know if his appeal will include his assessment for tax year 2022.

Under this example, Mr. Smith may:

- File an appeal to his county board of equalization for the 2022 tax year; OR
- Seek to amend his currently pending appeal with the Board to include tax year 2021 and tax year 2022.

Amending an appeal with the Board to include a subsequent tax year:

There is a presumption of reasonable cause for an appellant to file directly with the Board if the appeal for the prior year is still pending by the time the appellant is due to file an appeal for the subsequent year.⁹

Like other aspects of an appeal, amendments are ultimately up to the administrative judge to decide and rule upon. The administrative judge has discretion whether to carry forward the value, determine whether the amendment is timely, and determine how to address the subsequent year(s).¹⁰

There are two ways in which an appellant may amend their appeal.

1. File a notice to amend to include a subsequent tax year.

The appeals process is meant to be informal. As such, an appellant may file an informal notice of their intent to have their appeal amended to include the subsequent tax year. Although no specific format is required, an appellant should ensure their notice to amend:

- Provides notice to the assessor and trustee;
- Identifies the SBOE Case Number and/or APD Case Number for the appeal to be amended;
- Is filed with the correct office;¹¹

⁸ To see the "Life Cycle of an SBOE Appeal," visit the Board's website at

<https://www.comptroller.tn.gov/boards/state-board-of-equalization/value-appeals.html>

⁹ "There is a presumption of reasonable cause when an original real property appeal has not been heard by the time the appellant is due to file an appeal for any subsequent assessment year." Tenn. Comp. R & Regs. 0600-01-.10(2).

¹⁰ Tenn. Comp. R & Regs. 0600-01-.10(2).

¹¹ The Administrative Procedures Division maintains a separate physical office and filing system from the staff assigned to the Board.

- Identifies the tax year to be included;
- Is timely filed;¹²
- Is filed before the prior year appeal receives a hearing on the merits and/or is resolved through settlement or withdrawal.¹³

Filing a notice is free and can be accomplished quickly, but it is up to the appellant to make sure any subsequent years are addressed in all orders. Failure to address subsequent years in a settlement, withdrawal, during a hearing before an administrative judge, or to timely raise the issue after issuance of an Initial Decision and Order or Final Decision and Order may result in the waiver of any challenge regarding subsequent years.

For appeals assigned an APD Case Number and being handled by an administrative judge, appellants should follow the filing instructions of the Administrative Procedures Division. You can find their filing instructions online or follow the filing instructions included in the notice of hearing or notice of pre-hearing conference for the appeal being amended.

For appeals not assigned an APD Case Number and which haven't been transferred to the Administrative Procedures Division, appellants can file their notice to amend via email with sb.web@cot.tn.gov or mail a paper copy to the Board.

Orders of an administrative judge, a submitted withdrawal order, or a submitted compromise and settlement order are processed *as written*. If an order does not address a subsequent tax year previously noticed through the amendment process, that order and any unaddressed tax years will become final and only appealable in accordance with the notice of appeal rights attached to the judge's order, if any. A new, original appeal to the Board should not be filed.

2. File an additional appeal form to include the subsequent tax year.

Alternatively, appellants may create an additional appeal form through the Board's online filing system. An appellant who elects to amend their appeal by submitting an additional appeal form should take steps to make sure all parties are aware of the additional form, including:

- Provide notice to the assessor and trustee;
- Follow the below steps when completing the online form;
- Is filed timely;¹⁴
- Is filed before the prior year appeal receives a hearing on the merits and/or is resolved through settlement or withdrawal.¹⁵

¹² See Tenn. Code Ann. § 67-5-1412(e) "The taxpayer has the right to a hearing and determination to show reasonable cause for the taxpayer's failure to file an appeal [to the county board of equalization] . . . the [state] board shall accept such appeal from the taxpayer up to March 1 of the year subsequent to the year in which the time for appeal to the state board began to run."

¹³ Id.

¹⁴ Id.

¹⁵ Id.

During the filing process the Board's digital Value Appeal form will ask the reason you did not first appeal to the County Board of Equalization. If you are filing for the subsequent tax year you should:

- Identify the reason the property was not appealed to the county board of equalization for the current year was because the prior tax year was still pending with the Board;
- Identify the prior year's SBOE Case Number; and
- Reference SBOE Rule 0600-01-.10.

Once the additional appeal form is received and processed the subsequent tax year will be assigned a new SBOE Case Number. The subsequent year will then proceed through the same life cycle of all appeals to the Board.¹⁶

For appeals where the prior year has been assigned an APD Case Number and is being processed by an administrative judge, appellants should file a request to have the subsequent year consolidated with the pending prior year appeal. Appellants should follow the filing instructions of the Administrative Procedures Division and identify both the APD Case Number of the prior appeal and the SBOE Case Number assigned to the subsequent year. You can find the Administrative Procedures Division's filing instructions online or follow the filing instructions included in the notice of hearing or notice of pre-hearing conference for the appeal being amended.

If you have general informational questions about the amendment process, please email sb.web@cot.tn.gov.

¹⁶ See "Life Cycle of an SBOE Appeal" at <https://www.comptroller.tn.gov/boards/state-board-of-equalization/value-appeals.html>