



**State of Tennessee**  
**Department of State**  
Administrative Procedures Division  
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**April 26, 2024**

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Nashville, TN 37243  
Sent via email only to: Address on File

**RE: KENNETH & TOSHA KRANZ V. SEQUATCHIE COUNTY ASSESSOR'S  
OFFICE, APD Case No. 53.01-241556J**

Enclosed is an *Initial Order*, including a *Notice of Appeal Procedures*, rendered in this case.

Administrative Procedures Division  
Tennessee Department of State

Enclosure(s)

**BEFORE THE ADMINISTRATIVE JUDGE ON BEHALF OF  
THE TENNESSEE BOARD OF EQUALIZATION**

**IN THE MATTER OF:**

**KENNETH & TOSHA KRANZ,**  
*Petitioners,*

**v.**

**SEQUATCHIE COUNTY ASSESSOR'S  
OFFICE,**  
*Respondent.*

**APD Case No. 53.01-241556J**

**No./Parcel: 144526 / 049 03302 000**  
**Tax Year 2023**

**INITIAL ORDER OF DISMISSAL**

On October 25, 2023, the taxpayers, Kenneth and Tosha Kranz, filed a direct appeal of the tax year 2023 assessment to the State Board of Equalization (“State Board”). The taxpayer did not appeal to the Sequatchie County Board of Equalization (“local board”). The State Board submitted the Due Process Hearing Request to the Administrative Procedures Division on March 21, 2024. The undersigned administrative judge conducted a hearing by Webex, on April 22, 2024. One of the taxpayers, Kenneth Kranz, represented the taxpayers. The Sequatchie County Assessor’s Office was represented by Robert T. Lee; James Condra, the Sequatchie County Property Assessor, testified.

**ISSUE AND DETERMINATION**

The Due Process Hearing Request was for an appeal of the valuation. However, the Sequatchie County Assessor’s Office raised the question of jurisdiction as a threshold issue. The issue to be determined is whether the taxpayers had reasonable cause for failure to timely appeal to the local board. Based upon the following findings of fact and conclusions of law, it is determined that the taxpayer did not have reasonable cause for failure to appeal to the local board and therefore the State Board does not have jurisdiction of this appeal.

### FINDINGS OF FACT

1. Tax year 2023 was a reappraisal year in Sequatchie County.
2. For tax year 2023, the deadline to file an appeal with the local board was June 23, 2023.
3. An assessment change notice was mailed to the taxpayers on April 28, 2023.
4. Mr. Kranz concedes that he received the assessment change notice but only discovered the unopened envelope among his personal files on April 19, 2024.
5. The Assessor's office correctly published a notice in a newspaper of general distribution regarding the filing requirements.
6. The taxpayers filed an appeal to the State Board on October 25, 2023.

### APPLICABLE LAW

The provision of TENN. CODE ANN. § 67-5-1412(b) that a taxpayer or owner of property must, prior to a hearing before the State Board of Equalization, make complaint and appeal to the local board of equalization is a jurisdictional prerequisite to seeking an appeal to the State Board. Parties to appeals cannot, by waiver or consent, confer jurisdiction to hear the appeal once this statutory deadline has expired. TENN. CODE ANN. §§ 67-5-1401 & 67-5-1412(b), see also Op. Atty. Gen. No. 92-62, Oct. 8, 1992, 1992 WL 545042.

When an appeal has been made directly to the State Board rather than to the local board, the threshold issue of jurisdiction must be determined. If a taxpayer can establish "reasonable cause" for the failure to timely appeal to the local board, the State Board may accept a direct appeal filed up to March 1 of the year after the year in which the time for appeal began to run. The provision in TENN. CODE ANN. § 67-5-1412(e) regarding "reasonable cause" is generally understood to mean "illness or other circumstances beyond the taxpayer's control."<sup>1</sup>

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<sup>1</sup> *Associated Pipeline Contractors, Inc.* (Final Decision & Order, Williamson County, Tax Year 1992, issued August 11, 1994).


ANALYSIS and CONCLUSIONS OF LAW

Upon a thorough review of the evidence submitted in this matter, the administrative judge is unable to find that circumstances beyond the taxpayers' control prevented them from appealing the tax year 2023 assessment for the subject property to the local board. Mr. Kranz filed the appeal while he believed the assessment change notice was never received. To his credit and in keeping with his past demonstrated good faith, Mr. Kranz conducted an additional search of his personal files on April 19, 2024. That is when he located the change notice in an unopened envelope. Mr. Kranz offered no explanation for the oversight during the period between April 28, 2023, when the Notice was sent and June 23, 2023, when the local board session ended.

It is therefore **DETERMINED** that the appeal for tax year 2023 for the subject property is **DISMISSED**.

It is so **ORDERED**.

This INITIAL ORDER entered and effective this the **26th day of April, 2024**.

  
RICHARD M. MURRELL  
ADMINISTRATIVE JUDGE  
ADMINISTRATIVE PROCEDURES DIVISION  
OFFICE OF THE SECRETARY OF STATE

Filed in the Administrative Procedures Division, Office of the Secretary of State, this the **26th day of April, 2024**.

**NOTICE OF APPEAL PROCEDURES**

**REVIEW OF INITIAL ORDER**

The Administrative Judge's decision in your case **BEFORE THE ADMINISTRATIVE JUDGE ON BEHALF OF THE TENNESSEE BOARD OF EQUALIZATION (the State Board)**, called an Initial Order, was entered on **April 26, 2024**. The Initial Order is not a Final Order but shall become a Final Order unless:

1. **A party files a Petition for Reconsideration of the Initial Order:** You may ask the Administrative Judge to reconsider the decision by filing a Petition for Reconsideration with the Administrative Procedures Division (APD). Your Petition should include your name, the above APD case number, and state the specific reasons why you think the decision is incorrect. APD must **receive** your written Petition no later than 15 days after entry of the Initial Order, which is **May 13, 2024**. A new 15 day period for the filing of an appeal to the State Board of Equalization (the State Board) (as set forth in paragraph (2), below) starts to run from the entry date of an order ruling on a Petition for Reconsideration, or from the twentieth day after filing the Petition if no order is issued. Filing instructions are included at the end of this document.

The Administrative Judge has 20 days from receipt of your Petition to grant, deny, or take no action on your Petition for Reconsideration. If the Petition is granted, you will be notified about further proceedings, and the timeline for appealing (as discussed in paragraph (2), below) will be adjusted. If no action is taken within 20 days, the Petition is deemed denied. As discussed below, if the Petition is denied, you may file an appeal of the Initial Order within 30 days after an Order denying the Petition for Reconsideration is sent or 30 days after the 20<sup>th</sup> day after the Petition is filed if no Order has issued, whichever comes first. *See* TENN. CODE ANN. § 4-5-317.

2. **A party files an appeal to the State Board:** A party may appeal the Administrative Judge's decision to the State Board pursuant to TENN. CODE ANN. §§ 67-5-1501 and 67-5-1506, and TENN. COMP. R. & REGS. 0600-01-.12. TENN. CODE ANN. § 67-5-1501(c) provides that an appeal "must be filed within thirty (30) days from the date the initial decision is sent." TENN. COMP. R. & REGS. 0600-01-.12(2) provides that the appeal be filed with the Executive Secretary of the State Board at the address indicated below and that the appeal must "identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order; and identify how the rights of the petitioner have allegedly been prejudiced because the administrative findings, inferences, conclusions, or decisions are: (1) in violation of constitutional or statutory provisions; (2) made upon unlawful procedure; (3) arbitrary and capricious or characterized by abuse of discretion; or (4) unsupported by evidence that is both substantial and material in light of the entire record." Any appeal to the State Board should also be filed with APD.
3. **The State Board of Equalization may decide on its own motion to review the Initial Order:** The State Board may affirm, reverse, or modify the Initial Order. The State Board may also remand the case to the Administrative Judge for further proceedings.

If either of the actions set forth in paragraphs (2) or (3) above occurs prior to the Initial Order becoming a Final Order, there is no Final Order until the State Board renders a Final Order.

If none of the actions set forth in paragraphs (1), or (2) or (3), are taken, then the Initial Order will become a Final Order. **In that event, YOU WILL NOT RECEIVE FURTHER NOTICE OF THE INITIAL ORDER BECOMING A FINAL ORDER.**

**NOTICE OF APPEAL PROCEDURES**

**STAY**

In addition to the above actions, you may file a Petition asking the Administrative Judge for a stay that will delay the effectiveness of the Initial Order. A Petition for stay must be **received** by the APD within 7 days of the date of entry of the Initial Order, which is no later than **May 3, 2024**. See TENN. CODE ANN. § 4-5-316. A reviewing court may also order a stay of the Initial Order upon appropriate terms. See TENN. CODE ANN. § 4-5-322 and 4-5-317.

**REVIEW OF A FINAL ORDER**

When an Initial Order becomes a Final Order, a person who is aggrieved by a Final Order may seek judicial review of the Final Order by filing a Petition for Review in the chancery court where the disputed assessment was made or in the chancery court of Davidson, Washington, Knox, Hamilton, Madison or Shelby Counties, whichever county is closest in mileage to the situs of the property. If the property is located in Knox, Hamilton or Shelby County, the Petition for Review may alternatively be filed in the chancery court of Davidson County. See TENN. CODE ANN. § 67-5-1511(b). The Petition for Review must be filed within 60 days of (a) the date of entry of a Final Order; (b) the date the Initial Order becomes a Final Order; or (c) the date of a notice or certificate sent by the State Board when it has taken a final action, whichever date is latest. See TENN. CODE ANN. §§ 4-5-322 and 67-5-1506(b). A Petition for Review of the final decision of the State Board in a contested case involving centrally assessed utility property assessed in accordance with title 67, chapter 5, part 13, shall be filed with the middle division of the Tennessee court of appeals.

The filing of a Petition for Reconsideration is not required before appealing. See TENN. CODE ANN. § 4-5-317. A reviewing court also may order a stay of the Final Order upon appropriate terms. See TENN. CODE ANN. §§ 4-5-322 and 4-5-317.

**FILING**

Documents should be filed with the Administrative Procedures Division by email *or* fax:

Email: [APD.filings@tnsos.gov](mailto:APD.filings@tnsos.gov)

Fax: 615-741-4472

In the event you do not have access to email or fax, you may mail or deliver documents to:

Secretary of State  
Administrative Procedures Division  
William R. Snodgrass Tower  
312 Rosa L. Parks Avenue, 6<sup>th</sup> Floor  
Nashville, TN 37243-1102

Documents to be filed with the Executive Secretary of the State Board of Equalization should be filed by email *or* regular mail:

Email: [sb.web@cot.tn.gov](mailto:sb.web@cot.tn.gov)

Executive Secretary of the State Board of Equalization  
State Board of Equalization  
425 Rep. John Lewis Way N.  
Nashville, TN 37243