

- Modernization includes the purchase of a new case tracking system.
- This budget provides an 11.17% increase in GRF funding for FY 2002.

Board of Tax Appeals

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ROLE

The Board of Tax Appeals (BTA) is an independent, quasi-judicial, single purpose body, as re-established in 1976 by Am. Sub. H.B. 920. The board is comprised of three members appointed by the Governor for six-year terms. The board's purpose is to provide a forum outside the overburdened court system to resolve controversies between taxpayers and the taxing authorities, and to satisfy constitutional requirements of due process. The board is authorized to hear and determine all questions of law and fact arising under the tax laws of the state of Ohio or under the rules and decisions of the Tax Commissioner. Appeals can arise from any decision, order, determination, or any action of any tax administrative agency. In addition, appeals from County Boards of Revision regarding real estate valuations, and appeals from County Budget Commissioners on the allocation of tax receipts to political subdivisions, can be taken either to the county court of common pleas or to the Board of Tax Appeals. Decisions of the Board of Tax Appeals may themselves be appealed to either the appropriate Ohio Court of Appeals or directly to the Ohio Supreme Court.

BTA decisions have a direct impact on school districts and local governments. The board's decisions on property valuations impact the revenues collected from property taxes. The distribution of Local Government Funds (LGFs) can also be impacted by BTA decisions due to the fact that the municipal property values are a factor in the distribution formula. This is most pronounced in large tangible personal property disputes.

Agency In Brief					
Number of Employees	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2002	2003	2002	2003	
34	\$2.5 million	\$2.5 million	\$2.5 million	\$2.5 million	Am. Sub. H.B. 94

OVERVIEW

The budget provides GRF funding of \$2,462,245 in FY 2002 (an increase of 11.17 percent over the FY 2001 expenditures) and \$2,531,188 in FY 2003 (an increase of 2.8 percent over the previous year's appropriations).

The BTA has only one item not funded through the GRF: the Reproduction of Decisions line. This fund will remain open in state accounting, but the BTA has ceased using the fund. The board used to charge a fee to those who request copies of decisions. These moneys were used to offset reproduction costs and to purchase small equipment items needed to reproduce printed materials. The board now posts all decisions


on their web site, making requests for decisions rare. The BTA currently charges a fee to reproduce decisions that are over 1000 pages. The revenue collected from these rare occurrences is deposited into the General Revenue Fund.

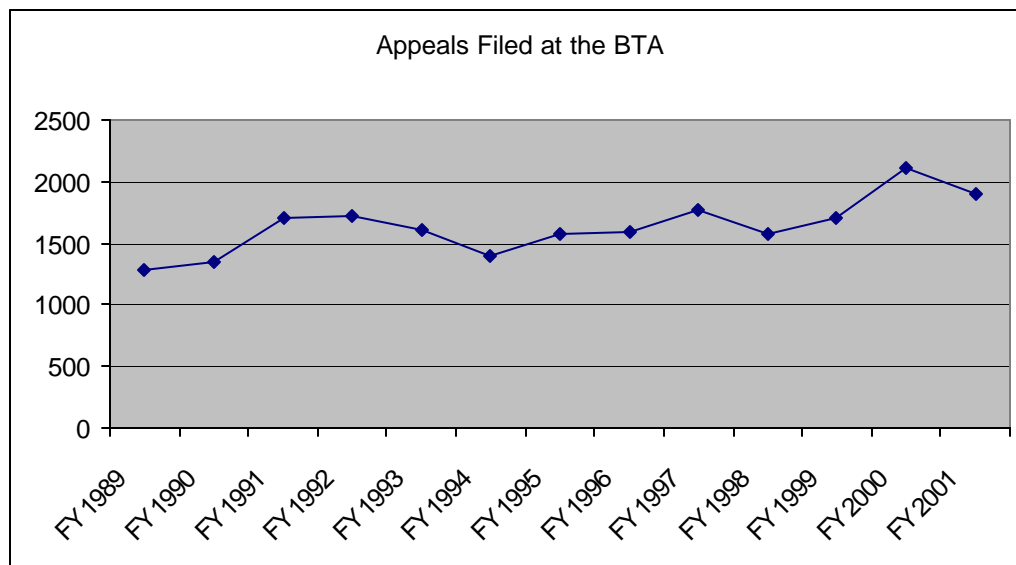
BUDGET ISSUES

TRACKING SYSTEM / HEARING SCHEDULE

The budget provided for an increase in GRF funding to fund the purchase of a new tracking system / hearing schedule. This system will replace the 12-year old case tracking system and allow computerization of the hearing schedule. Large hand written block-style calendar sheets were being used to schedule hearings.

INCREASED CASE LOAD

As the table below demonstrates, the number of appeals filed at the Board of Tax appeals has been steadily increasing. The trend in the number of cases is due to the fact that property in Ohio is reappraised every six years and updated every 3 years, and the majority of the BTA's cases are property assessment appeals. The FY 2002-2003 biennium is expected to bring another increase in caseload largely due to sexennial reappraisals in the large counties. Hamilton and Franklin county appeals should arrive at the BTA beginning in early FY 2002. Cuyahoga, Lucas, Stark, and Lake county appeals should arrive in FY 2003. The appropriation levels for the BTA will not allow them to hire additional attorney examiners to handle the increase in caseload. Thus, some case backlog is expected over the biennium. 



FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

<i>Line Item Detail by Agency</i>			<i>FY 1999:</i>	<i>FY 2000:</i>	<i>FY 2001:</i>	<i>FY 2002 Appropriations:</i>	<i>% Change 2001 to 2002:</i>	<i>FY 2003 Appropriations:</i>	<i>% Change 2002 to 2003:</i>
Report For: Main Operating Appropriations Bill			Version: Enacted						
<i>BTA Tax Appeals, Board of</i>									
GRF	116-100	Personal Services	\$ 1,997,978	\$ 2,149,952	\$2,063,411	\$ 0	-100.00%	\$ 0	N/A
GRF	116-200	Maintenance	\$ 102,609	\$ 106,093	\$121,796	\$ 0	-100.00%	\$ 0	N/A
GRF	116-300	Equipment	\$ 123,868	\$ 5,685	\$29,569	\$ 0	-100.00%	\$ 0	N/A
GRF	116-321	Operating Expenses	----	----		\$ 2,462,245	N/A	\$ 2,531,188	2.80%
General Revenue Fund Total			\$ 2,224,455	\$ 2,261,730	\$ 2,214,776	\$ 2,462,245	11.17%	\$ 2,531,188	2.80%
439	116-602	Reproduction of Decisions	\$ 1,120	\$ 845	\$1,872	\$ 7,500	300.57%	\$ 7,500	0.00%
General Services Fund Group Total			\$ 1,120	\$ 845	\$ 1,872	\$ 7,500	300.57%	\$ 7,500	0.00%
<i>Tax Appeals, Board of Total</i>			\$ 2,225,575	\$ 2,262,575	\$ 2,216,649	\$ 2,469,745	11.42%	\$ 2,538,688	2.79%