



State of Arizona  
Board of Equalization  
100 N. 15<sup>th</sup> Avenue Ste 130  
Phoenix, Arizona 85007  
(602) 364-1600

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**SUBSTANTIVE POLICY STATEMENT  
NUMBER SBOE-04-008  
EFFECTIVE AUGUST 25, 2004**

**THIS SUBSTANTIVE POLICY STATEMENT IS ADVISORY ONLY. A SUBSTANTIVE POLICY STATEMENT DOES NOT INCLUDE INTERNAL PROCEDURAL DOCUMENTS THAT ONLY AFFECT THE INTERNAL PROCEDURES OF THE AGENCY AND DOES NOT IMPOSE ADDITIONAL REQUIREMENTS OR PENALTIES ON REGULATED PARTIES OR INCLUDE CONFIDENTIAL INFORMATION OR RULES MADE IN ACCORDANCE WITH THE ARIZONA ADMINISTRATIVE PROCEDURE ACT. IF YOU BELIEVE THAT THIS SUBSTANTIVE POLICY STATEMENT DOES IMPOSE ADDITIONAL REQUIREMENTS OR PENALTIES ON REGULATED PARTIES YOU MAY PETITION THE AGENCY UNDER ARIZONA REVISED STATUTES SECTION 41-1033 FOR A REVIEW OF THE STATEMENT.**

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The first level of appeal for a taxpayer who believes his or her property has been improperly valued is petition for review with the assessor's office. The statutes require that the petitioner include "substantial information" to justify his or her opinion of value or classification. A.R.S. §§ 42-16051(B) & 42-16052. The assessor may reject a petition that fails to include substantial information. A.R.S. § 42-16053.

If an assessor mails a notice of rejection on or before June 15, A.R.S. § 42-16053(1) authorizes the petitioner to file an amended petition with the assessor. If the assessor mails a notice of rejection after June 15, A.R.S. § 42-16053(2) authorizes appeal to the State Board of Equalization ("SBOE" or "Board").

This substantive policy statement addresses how the Board will approach the issue of whether the petitioner has provided substantial information in two different appeal situations: (1) where the assessor has mailed a first notice of rejection after June 15 or (2) where the assessor mailed a first notice of rejection on or before June 15 and rejected a later amended petition.

### **1. Single Rejection After June 15**

If the assessor mails a notice of rejection after June 15 and it is a first rejection, on appeal the Board must first review the petition and supporting documentation submitted to the Board and determine if the petitioner has provided substantial information

pursuant to A.R.S. §§ 42-16051(B), 42-16052, or other applicable statutes. If the Board determines that the petitioner has not provided substantial information, then the Board will not hear petitioner's appeal and the assessor's valuation and classification will stand.

If the Board determines that the petition and supporting documentation comply with the statutory substantial information requirements, the Board will then proceed with the appeal. During the appeal, the Board will consider the information and testimony of all parties before it and determine whether the petitioner has presented sufficient evidence to overcome the presumption of correctness of the Assessor's classification and/or valuation.

## **2. Two or More Assessor Rejection Notices; Last Rejection Notice Mailed After June 15**

If the assessor mails a first notice of rejection on or before June 15, petitioner may submit an amended petition to the assessor pursuant to A.R.S. § 42-16053(1). If the assessor rejects this or any subsequent amended petition after June 15, then on appeal the Board may only consider the last amended petition and supporting documentation filed with the assessor in making an initial determination as to whether the petitioner has complied with the substantial information requirements. If the Board determines that the petitioner has not submitted substantial information, then the Board will not hear petitioner's appeal and the assessor's valuation and classification will stand.

If the Board determines that the last amended petition and supporting documentation submitted to the assessor do contain substantial information pursuant to statutory requirements, then the Board will proceed with the appeal. During the appeal, the Board will consider the information and testimony of all parties before it and determine whether the petitioner has presented sufficient evidence to overcome the presumption of correctness of the Assessor's classification and/or valuation.



George

*Arizona State  
Board of Equalization*

100 North 15<sup>th</sup> Avenue, Suite 130  
Phoenix, Arizona 85007  
(602) 364-1600

MEMORANDUM

To: All Board Members  
Hearing Officers  
Staff

From: Harold Scott *HS*  
Chairman

Date: September 16, 2004

Re: Arizona Revised Statutes (A.R.S.) §42-16053

As you are aware, A.R.S. §42-16051 requires that an owner's opinion of value must be supported by the inclusion of "substantial information"; when a petition is initially submitted. If this substantial information is not submitted, a petition can be rejected.

A.R.S. §42-16053 delineates that any petition rejected on or before June 15<sup>th</sup>, may be amended and refiled with the assessor within (15) days. Subsection two (2) of this section states that "the petitioner may appeal within fifteen (15) days to the State Board of Equalization" (SBOE), if the petitions are rejected after June 15<sup>th</sup>.

The correct way of treating these types of petitions was the subject of a lawsuit before the Arizona Tax Court. Through negotiations, the SBOE and Maricopa County have reached a settlement in this case and the Honorable Mark W. Armstrong signed a written judgment on August 25, 2004.

In order to remain consistent with the Tax Court's judgment, it is essential that all members and hearing officers adhere to the following:

**I. Single Rejection by Assessor After June 15**

- First determine whether or not the appeal has been "timely filed" within the 15-day statutory requirement.

- Using the "SBOE/REJECTION MINUTES SHEET" (attached), indicate whether or not the petitioner has submitted "substantial information". A description of the information should be included on the minutes sheet.
- If the panel or hearing officer concurs, please ensure it is properly reflected on the minute's sheet and the tape recording. This requires that a motion is made, seconded, and recorded on the "SBOE/REJECTION MINUTES SHEET".
- If the panel or hearing officer does not concur, the rejection should also be reflected on the minutes sheet and the tape recording as stated above. There is no need to proceed any further and the SBOE will cease any and all further review.
- To ensure that the SBOE record is complete, please indicate that the Member #'s are reflected in the "SBOE OUTCOME" section of the minutes sheet.
- If the panel or hearing officer feels that "substantial information" has been submitted, the merits of the petition should then be considered.
- Special (999's) narratives are being developed that will state that (2) motions and (2) two "seconds" have been performed by the panel or hearing officer.

## II Two or More Rejections by Assessor; Last Rejection After June 15

- In this scenario the SBOE will review the last amended petition and supporting documentation submitted by the owner/agent. The purpose of this initial review is only to determine whether the owner/agent did or did not comply with the substantial information statutory requirements when filing with the assessor.
- If the SBOE determines that the owner/agent did not provide the Assessor with their amended petition and the substantial information required by statute, then the SBOE will cease further review of the matter and will not hear the appeal and the Assessor's classification and/or valuation of the property will stand as proper.

- If the SBOE determines that the amended petition and supporting documentation submitted to the Assessor met the statutory requirements governing substantial information, then the SBOE will proceed to hear evidence on the issue(s) raised in the petition.
- Please note it is possible that substantial information was provided by an owner/agent on one approach to value while at the same time inadequate information was provided on other approaches to value. For example, if a taxpayer checked all three approaches (market, income and cost), it is possible that substantial information was provided in one or two approaches while not being provided on some approaches to value. In cases like this, the panel or hearing officer should note which approach has met the legal requirement for substantial information, and only hear testimony on those approaches to value.
- In either event, please ensure that the "SBOE/REJECTION MINUTES SHEET" has been filled-in completely, and it is obvious that the SBOE deliberately took all necessary considerations into account.

All attempts will be made by the SBOE staff to identify these types of appeals/petitions. The outside of the file folders will be marked with a stamp that states "A.R.S. §42-16053" and the physical layout of the inside of the folders should alert all board members and hearing officers of the need to pay special attention to that particular case. A supply of the SBOE/REJECTION MINUTES SHEET will be located in the Hearing Room. A word of caution; it is possible that an appeal/petition has NOT been properly identified.

Attached you will find the relevant statutes and examples of rejection letters that the SBOE has received from Maricopa and Pima Counties. Also attached is a copy of the Tax Court decision on this matter.

Your attention to this matter is appreciated.

If you have any questions on this matter, please call me, or Phil Viator.

HS:PGV:lcc

attachments

# REJECTION MINUTES SHEET

(Concerning A.R.S. § 42-16053)

State Board of Equalization

Docket : \_\_\_\_\_

Date: \_\_\_\_\_

Please, only fill in one of the first two boxes that applies:

**First Rejection** \_\_\_\_ If the appeal was rejected by the Assessor only once and after June 15, members should make a determination if the filing with the Board met substantial evidence requirements.

The Board finds that the following Appeals Basis were Properly Raised and Met the Substantial Evidence Requirement:

Sales Comparison \_\_\_\_ Cost \_\_\_\_ Income \_\_\_\_ No Basis \_\_\_\_

**Second Rejection** \_\_\_\_ If the appeal was rejected by the Assessor more than once, did the last filing with the Assessor meet the substantial evidence requirements.

The Board finds that the following Appeals Basis were Properly Raised and Met the Substantial Evidence Requirement:

Sales Comparison \_\_\_\_ Cost \_\_\_\_ Income \_\_\_\_ No Basis \_\_\_\_

**Board Decision:** Reject Petition \_\_\_\_

Proceed with Hearing \_\_\_\_

Decision was : Moved by \_\_\_\_ and Seconded by \_\_\_\_

	Board #	Initials	Circle
Chair	_____	_____	Y/N
Secretary	_____	_____	Y/N
Member	_____	_____	Y/N

**A.R.S.**  
**§42-16053**

- C. The form shall be filed with the petition under article 2 of this chapter with the county assessor and the county board of equalization or the state board of equalization. Thereafter, notices issued by the assessor or by either board of equalization relating to reviewing the valuation of that property shall be sent to the agent.

**42-16002. Changes and corrections in tax roll to reflect determinations on appeal**  
**Amended by Laws 2002, Ch. 278, Sec. 1 (H.B. 2596)**

- A. The county assessor or county treasurer, whichever is appropriate, shall make the necessary changes in the tax roll and records to reflect the determinations on appeal under this chapter.
- B. In the year subsequent to an appeal, the valuation or classification of property is the valuation or classification that was determined in the preceding year at the highest level of appeal unless there is new construction, a structural change or a change of use on the property.
- C. This section does not limit the right of a property owner to appeal the valuation or classification of the property.

**ARTICLE 2.**  
**ADMINISTRATIVE REVIEW OF VALUATION BY ASSESSOR**

**42-16051. Petition for assessor review of improper valuation or classification**  
**Amended by Laws 2003, Ch. 251, Sec. 6 (S.B. 1168)**

- A. An owner of property which in the owner's opinion has been valued too high or otherwise improperly valued or listed on the roll may file a petition with the assessor on a written form prescribed by the department.
- B. The petition shall state the owner's opinion of the full cash value of the property and substantial information that justifies that opinion of value for the assessor to consider for purposes of basing a change in classification or correction of the valuation. For purposes of this subsection, the owner provides substantial information to justify the opinion of value by stating the method or methods of valuation on which the opinion is based and:
  1. Under the income approach, including the information required in section 42-16052.
  2. Under the market approach, including the full cash value of at least one comparable property in the same geographic area or the sale of the subject property.
  3. Under the cost approach, including the cost to build or rebuild the property plus the land value.
- C. The petition may include more than one parcel of property if they are part of the same economic unit according to department guidelines or if they are owned by the same owner, have the same use, are appealed on the same basis and are located in the same geographic area, as determined pursuant to department guidelines, and are on a form prescribed by the department.



- D. The petition shall be filed within sixty days after the date the assessor mailed, delivered by common carrier or transmitted electronically, the notice of valuation under section 42-15101. United States postal service postmark dates are evidence of the date petitions were filed for purposes of this subsection.

**42-16052. Contents of petition based on income approach to value**

- A. A petition that is filed with the assessor, based on the income approach to value, shall include income and expense data relating to the property for the three most recent consecutive fiscal years of the petitioner ending on or before September 30 of the previous year. If the income and expense data are not available to the petitioner, the petitioner shall file with the petition such income and expense data as are available. The department, by rule, may establish additional information to be filed if the required income and expense data are not available.
- B. If a petitioner under this article uses the income approach to determine valuation, the petitioner, an officer of a corporate petitioner, a general partner or a designated agent shall file a sworn affidavit under penalty of perjury that the information contained in the petition is true and correct to the best of the petitioner's knowledge.

**42-16053. Rejection of petition for failure to include substantial information; amended petition; appeal**

If the county assessor rejects a petition because it fails to include substantial information required by sections 42-16051 and 42-16052, and if the notice of rejection is mailed:

1. On or before June 15, the petitioner may file an amended petition with the assessor within fifteen days after the notice of rejection is mailed.
2. After June 15, the petitioner may appeal within fifteen days to:
  - (a) The county board of equalization as provided by article 3 of this chapter, if a county board is established in the county.
  - (b) The state board of equalization, if a county board is not established in the county.

**42-16054. Meeting between assessor and petitioner**

- A. At the petitioner's written request, the assessor shall meet with the petitioner at a time and place designated at least ten working days in advance by the assessor.
- B. If the petitioner is unable to appear and meet with the assessor at the time and place set by the assessor, the petitioner may submit written evidence to support the petition if it is submitted before the date of the meeting.

**42-16055. Ruling on petition**

- A. In all cases the assessor shall consider the petition and shall rule on each petition filed under this article by August 15 of each year.
- B. In considering a petition filed under this article the assessor shall consider the valuation fixed by the assessor on other similar property that is similarly situated.

KEVIN ROSS  
ASSESSOR



OFFICE OF THE  
MARICOPA COUNTY  
ASSESSOR

DATE \_\_\_\_\_ PARCEL # \_\_\_\_\_ APPR # \_\_\_\_\_

Per A.R.S. 42-16053.1 and the Department of Revenue instruction 82130, your petition for Review of Real Property Valuation has been rejected for the following reasons:

- 1. Date Filed
- 2. Property Address/Legal Description
- 3. Multiple Parcel
- 4. Use of Property
- 5a. Owner's Name
- 5b. Mail Decision to
- 5c. Ownership Change and Documentation
- 6. Petition Completed by
- 7. Basis for this Petition
- 8. Current Year Value Shown on Valuation Notice
- 9. Owner's Opinion of Value
- 10. Signature of Owner or Representative
- 11. Other \_\_\_\_\_
- 12. Insufficient and/or outdated Agent Authorization.

You may refile your completed original petition with the Maricopa County Assessor within 15 days of the postmark of this notice. Please return this form when you refile your appeal.

301 West Jefferson, Suite 330 • Phoenix, Arizona 85003-2196 • (602) 506.3877 • Fax 506.3394 • TDD 506-2348

ASSESSOR'S RESPONSIBILITY

IT IS THE RESPONSIBILITY OF THE ASSESSOR TO LOCATE, IDENTIFY, AND APPRAISE AT CURRENT MARKET VALUE, LOCALLY ASSESSABLE PROPERTY SUBJECT TO AD VALOREM TAXES AND TO PROCESS EXCEPTIONS SPECIFIED BY LAW. THE ASSESSOR HAS NO JURISDICTION OR RESPONSIBILITY FOR AREA BUDGETS, TAX RATES, OR AMOUNTS OF TAXES PAID. THESE MATTERS ARE HANDLED BY THE VARIOUS AGENCIES PERFORMING THE SERVICES SUPPORTED BY PROPERTY TAXES, SUCH AS THE COUNTY GOVERNMENT, CITY GOVERNMENTS, SCHOOL DISTRICTS, AND OTHER TAXING DISTRICTS.

KEVIN ROSS  
ASSESSOR



OFFICE OF THE  
MARICOPA COUNTY  
ASSESSOR

DATE \_\_\_\_\_ PARCEL # \_\_\_\_\_ APPR # \_\_\_\_\_

Per A.R.S. 42-16053.2 and the Department of Revenue instruction 82130A, your petition for Review of Real Property Valuation has been rejected for the following reasons:

- 1. Date Filed
- 2. Property Address/Legal Description
- 3. Multiple Parcel
- 4. Use of Property
- 5a. Owner's Name
- 5b. Mail Decision to
- 5c. Ownership Change and Documentation
- 6. Petition Completed by
- 7. Basis for this Petition
- 8. Current Year Value Shown on Valuation Notice
- 9. Owner's Opinion of Value
- 10. Signature of Owner or Representative
- 11. Other \_\_\_\_\_
- 12. Insufficient and/or outdated Agent Authorization.

You may refile your completed original petition with the **State Board of Equalization** at 100 N 15<sup>th</sup> Avenue, Suite 130 Phoenix, AZ 85007 within 15 days of the postmark of this notice. Please return this form when you refile your appeal.

*Pima County Assessor's Office  
Petition Control Section*

*Ed Abrigo  
Division Manager*

*Vicky Curtis  
Section Supervisor  
740-8665*

RE: Parcel Code: \_\_\_\_\_

Date: \_\_\_\_\_

Petitioner: \_\_\_\_\_

You recently filed a Petition for Review of Valuation with our office regarding the above referenced property. Subsequently, this office returned your appeal due to the fact that it did not include substantial information supporting the owner's opinion of value as required by statute. We have received your appeal back, however, the appeal basis is still incomplete.

Beginning with the 2003 appeal year, we are strictly enforcing statutory requirements. We are returning your appeal, once again, so you have the opportunity to complete your basis according to statute.

Below is a copy of the Arizona Revised Statute that this office follows regarding the appeal basis. We have also enclosed a list of comparable properties. This listing may or may not contain all of the available comparable properties; you may still need to review additional information on your own on the internet, at several local libraries or at our Public Service Counter.

You have 15 calendar days from the date of this letter to resubmit your Petition for Review of Valuation with a substantial information to justify the appeal, if you wish to do so.

42-16051. Petition for assessor review of improper valuation for classification

- B. The petition shall state the owner's opinion of the full cash value of the property and substantial information that justifies that opinion of value for the assessor to consider for purposes of basing a change in classification or correction of the valuation. For purposes of this subsection, the owner provides substantial information to justify the opinion of value by stating the method or methods of valuation on which the opinion is based and:
1. Under the income approach, including the information required in section 42-16052.
  2. Under the market approach, including the full cash value of at least one comparable property in the same geographic area or the sale of the subject property.
  3. Under the cost approach, including the cost to build or rebuild the property plus the land value.

Pima County Assessor's Office  
Petition Control Section

d Abrigo  
Division Manager  
40-4396

Vicky Curtis  
Section Supervisor  
740-8665

PARCEL: 108-15-087C

5/28/2004

GOLDSMITH ROSALIE L  
EULER PAUL G TAX DETECTIVE LLC  
AGT REG # 980286  
PO BOX 65351  
85728-

Petitioner:

You recently filed a Petition for Review of Valuation with our office regarding the above referenced property. Unless otherwise indicated, you have 15 calendar days from the date of this letter to resubmit your appeal, if you wish to do so. We are returning the Petition to you for the following reason(s).

5/28/2004

*Pima County Assessor's Office  
Petition Control Section*

*Ed Abrigo  
Division Manager  
740-4396*

*Vicky Curtis  
Section Supervisor  
740-8665*

Date: \_\_\_\_\_

Dear Petitioner:

Parcel Code: \_\_\_\_\_  
*Pima County Assessor's Office  
Petition Control Section*

You recently filed a Petition for Review of Valuation (Form 130 or 130R) with our office for the above referenced property.  
*Section Supervisor*

We are returning the Petition to you because you are not a registered agent with the State of Arizona board of Appraisal as described in the Arizona Revised Statutes. In order to become a registered agent, you need to contact the following:

Arizona Board of Appraisal  
ATTN: Ed Logan  
1400 W Washington Suite 360  
Phoenix, AZ 85007  
(602) 542-1539

(602) 542-1598 (fax)

You have 15 days from the above date to re-file your appeal, if you wish to do so. When re-filing, please include a copy of your check or money order to the Board of Appraisal.

If you have any questions, please call me at (520) 740-8665.

Sincerely,

Vicky Curtis, Section Supervisor

Kevin Ross  
Assessor



OFFICE OF THE  
MARICOPA COUNTY  
ASSESSOR

July 29, 2002

ARTHUR ANDERSEN & COMPANY  
P O BOX 3312  
GILBERT AZ 85299

Re: Amended Petition Dated June 13, 2002  
Parcel number: 148-26-163  
Appeal number: 312389

Dear Sir or Madam:

On May 29, 2002 the Maricopa County Assessor's Office sent you a Notice that your petition had been rejected for the following reason(s):

- Income: Failed to provide notarized form 300 per ARS 42-16052B.
- Cost: The cost to build or rebuild the improvements plus the land value.

Our office subsequently received a responsive submission from you on June 13, 2002. This submission, dated June 13, 2002 has been reviewed by the Assessor's Office. Based on our review, we have determined that your June 13, 2002 submission is unchanged from your initial petition. Specifically, your June 13, 2002 submission provides none of the additional information the Notice from the Assessor's Office had previously indicated was required. Therefore, this submission does not qualify as an amended petition under A.R.S. §42-16053.

Very truly yours,

Maricopa County Assessor

RECEIVED  
2002 AUG 14 P 3:56  
STATE BOARD OF  
EQUALIZATION

1 HELM & KYLE, LTD.  
2 1619 East Guadalupe, Suite One  
3 Tempe, Arizona 85283  
4 (480) 345-9500  
5 Roberta S. Livesay - 010982  
6 Lisa J. Bowey - 021437  
7 Special Counsel for Plaintiff Maricopa County

FILED  
AUG 27 2004 8:50 am  
MICHAEL K. JEANES, Clerk  
By Chaus  
Deputy

8 THE SUPERIOR COURT OF THE STATE OF ARIZONA  
9 IN THE ARIZONA TAX COURT

10 MARICOPA COUNTY, a political  
11 subdivision of the State of Arizona,

No. TX 2003-000195

12 Plaintiff,

JUDGMENT

COPY

13 v.

Title 42  
(Property Taxation)

14 ARIZONA STATE BOARD OF  
15 EQUALIZATION, an independent agency  
16 of the State of Arizona; GB INVESTMENT  
17 CO., et al.,

(Assigned to the Hon. Mark W.  
Armstrong)<sup>12</sup>

18 Defendants.

19 Plaintiff, Maricopa County, and Defendant, Arizona State Board of Equalization,  
20 having stipulated to the entry of following Judgment, and for good cause appearing:

21 IT IS ORDERED, ADJUDGED AND DECREED,

22 That A.R.S. § 42-16051(B) requires a property owner to submit substantial  
23 information with his petition to the Assessor justifying his opinion of the Property's  
24 value or classification so the Assessor will have some basis for considering a change in  
25 that classification or valuation.<sup>1</sup> If a petition does not contain substantial information as  
26  
27

28 <sup>1</sup> This requirement also applies to the Board. The Board recognizes that meeting the substantial information requirement does not obviate the need for the appeal and is not a *de facto* finding that the owner/agent has overcome the presumption of correctness. The Board must still



1 required by statute, the Assessor rejects the petition. The review of rejected petitions  
2 and supporting documentation by the Arizona State Board of Equalization is as follows:  
3

4 1. Single Assessor Rejection After June 15.

5 If the Assessor mails a notice rejecting a petition for failure to provide substantial  
6 information required by A.R.S. §§ 42-16051(B), 42-16052 or other applicable statute, to  
7 a property owner or his tax agent after June 15 of that year, and that notice is the first  
8 rejection notice issued that year involving the Subject Property, then the Arizona Board  
9 of Equalization may hear the owner's appeal of the Assessor's classification or valuation  
10 of the Subject Property. IN 12-14 FAX

11  
12  
13 ① During the appeal, the Board will first review the petition and supporting  
14 documentation as submitted to the Board, and determine whether the owner/agent has  
15 complied with the substantial information requirements set forth in A.R.S. §§ 42-  
16 16051(B), 42-16052 or other applicable statutes.

17  
18 ② If the Board determines that the owner/agent has not provided <sup>to whom?</sup> substantial  
19 information to support his opinion of value, then the Board will cease further review of  
20 the matter. In that case, the Assessor's classification and/or valuation of the property  
21 will stand as proper.

22  
23 ③ If the Board determines that the petition and supporting documentation comply  
24 with the statutory requirements, then the Board will proceed with the appeal. The Board  
25 will consider the documentation and testimony of all parties before it and determine  
26

27  
28 consider all the evidence before it and determine whether the evidence is, 1) correct and/or  
applicable, 2) sufficient to overcome the presumption that the Assessor's value or classification  
is correct, and 3) sufficient to support a change in the value or classification.

1 whether the owner/agent has presented sufficient evidence to overcome the presumption  
2 of correctness of the Assessor's classification and/or valuation.  
3

4 2. Two Or More Assessor Rejection Notices; Last Rejection Notice Mailed  
5 After June 15.

6 If the Assessor mails a notice rejecting a petition for failure to provide substantial  
7 information required by A.R.S. §§ 42-16051(B), 42-16052 or other applicable statute, to  
8 the property owner or his tax agent on or before June 15 of that year, the owner/agent  
9 may submit an **amended** petition to the Assessor pursuant to A.R.S. § 42-16053(1).  
10

11 If the Assessor rejects the amended petition for failure to comply with the  
12 substantial information requirements, and mails the rejection notice after June 15 of that  
13 year, regardless of the number of rejections sent on or before June 15 of that year  
14 regarding the Subject Property, then the Arizona State Board of Equalization may  
15 review the last amended petition and supporting documentation submitted by the  
16 owner/agent to the Assessor. The purpose of this initial review is only to determine  
17 whether the owner/agent did or did not comply with the substantial information statutory  
18 requirements.  
19

20  
21 The Board will first review the last amended petition and supporting  
22 documentation submitted by the owner/agent to the Assessor. The Board will determine  
23 whether the owner/agent complied with the substantial information requirements set  
24 forth in A.R.S. §§ 42-16051(B), 42-16052 or other applicable statutes. If the Board  
25 determines that the owner/agent did not provide the Assessor with his amended petition  
26 and the substantial information required by statute, then the Board will cease further  
27  
28

1 review of the matter and will not hear the appeal. The Assessor's classification and/or  
2 valuation of the property will stand as proper.  
3

4 If the Board determines that the amended petition and supporting documentation  
5 submitted to the Assessor met the statutory requirements governing substantial  
6 information, then the Board will proceed to hear evidence on the issue(s) raised in the  
7 petition. During this part of the hearing, the Board will review the information and the  
8 testimony of all parties before it and determine whether the owner/agent has provided  
9 sufficient information to overcome the presumption of correctness of the Assessor's  
10 classification and/or valuation.  
11

12  
13 3. That the property valuation Decisions of the Arizona State Board of Equalization  
14 for the 2004-tax year for the Subject Properties identified in this litigation will remain  
15 unchanged and unaffected by this settlement.  
16

17 4. That the policy language set forth in this Judgment will be incorporated in a  
18 Substantial Policy Statement and filed with the Office of the Arizona Secretary of State;

19 5. That the policy set forth in this Judgment shall be adopted by the Chairman  
20 and/or Board prior to the first appeal involving an Assessor rejection of a petition, heard  
21 by the Board during calendar year 2004 for the 2005 tax year, and shall remain in effect  
22 until such time as there is a change in the law;  
23

24 6. That the parties shall bear their own attorney's fees and costs;

25  
26 7. This Judgment is a product of settlement between the parties and shall not be  
27 used for any other purpose except as a reference for drafting future Arizona State Board  
28

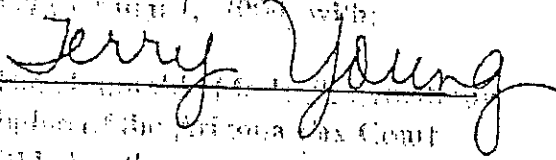
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ORIGINAL and TWO (2) COPIES  
of the foregoing LODGED this 24<sup>th</sup>  
day of August, 2004, with:

The Honorable Mark W. Armstrong  
Judge of the Arizona Tax Court  
Old Courthouse  
125 W. Washington, Suite 101  
Phoenix, Arizona 85003

COPY of the foregoing mailed this  
24<sup>th</sup> day of August, 2004 to:

Rex C. Nowlan  
Assistant Attorney General  
OFFICE OF THE ATTORNEY GENERAL  
1275 West Washington  
Phoenix, Arizona 85007  
Attorney for Defendant  
Arizona Board of Equalization

with:  
  
Judge of the Arizona Tax Court  
Old Courthouse

1 of Equalization rules, policies, or legislation, or as a reference during Board appeals or  
2 hearings wherein petition rejections are at issue.  
3

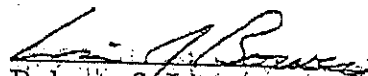
4 DONE IN OPEN COURT this 25 day of August, 2004.

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6 


7  
8 Honorable Mark W. Armstrong  
9 Judge of the Superior Court

10 APPROVED AS TO FORM AND SUBSTANCE:

11 HELM & KYLE, LTD.

12  
13   
14 ~~Robertia S. Livesay~~  
15 Lisa J. Bowey  
16 1619 East Guadalupe Road, Suite One  
17 Tempe, Arizona 85283  
18 Special Counsel for Plaintiff Maricopa County

19 TERRY GODDARD  
20 Attorney General

21   
22 Rex C. Nowlan  
23 Assistant Attorney General  
24 15 South 15<sup>th</sup> Avenue  
25 Phoenix, Arizona 85007  
26 Attorney for Defendant State Board of Equalization  
27  
28

ARIZONA TAX COURT

TX 2003-000195

08/27/2004

HONORABLE MARK W. ARMSTRONG

CLERK OF THE COURT  
C. Danos  
Deputy

FILED: 08/31/2004

MARICOPA COUNTY

ROBERTA S LIVESAY

ARIZONA STATE BOARD OF  
EQUALIZATION, et al.

REX C NOWLAN

MARICOPA COUNTY ASSESSOR-  
LITIGATION DIV

MARICOPA COUNTY

JUDGMENT SIGNED - PROPERTY TAX

Pursuant to stipulation and good cause appearing,  
**IT IS ORDERED** approving and settling formal written Judgment, signed by the Court  
on August 25, 2004, and filed (entered) by the Clerk on August 27, 2004.

Let the record reflect that the original Judgment is attached to a copy of the minute entry  
for copying and mailing to the County Board of Supervisors.

cc: Maricopa County Board of Supervisors