



OHIO BOARD OF TAX APPEALS

Annual Report Fiscal Year 2017

R.C. 149.01 requires the Ohio Board of Tax Appeals to file an annual report with the governor, the secretary of state and the state library, on every August first summarizing the official acts of the board...“and any suggestions and recommendations that are proper.”

This report fulfills the annual reporting requirement for the fiscal year ending June 30, 2017.

**Governor John R. Kasich
Secretary of State Jon Husted
State Librarian Beverly Cain**

Executive Summary:

Fiscal year 2017 was a year of continued operational success for the Board of Tax Appeals (BTA). The board continued to refine new processes and procedures and continued to streamline office processes and change long-held practices to better serve parties to tax appeals.

The board's overall active docket was 1613 which was a slight increase from the FY2016 1430 active case docket.

The BTA has fully leveraged its case management system to drive further efficiencies and customer service improvements. The case management system is cloud-based, user-driven and accessible to everyone 24/7/365 from anywhere in the world with internet access.

The board members and legal staff completed two separate four day seminars on advanced appraisal techniques given by the Appraisal Institute. The training the board and staff received is the same training an appraiser must complete before they can become an appraiser.

In FY2017, the board completed a much needed office renovation. As a result of the office renovation, in FY2018, the board will begin to realize a reduction in rent paid to the Department of Administrative Services. Those funds will be used to increase board efficiencies and ensure continued excellent customer service.

Finally, joining Chair David Harbarger and Vice-Chair Jasmine Clements as a board member in February of 2017, Governor John Kasich appointed Jeff Caswell CPA, to the board. Mr. Caswell started his career in public accounting where he worked on tax filings and audit assurance engagements. Post public accounting, his focus in finance and accounting has been with companies across a wide spectrum of industry and size from SEC registrant to small privately held businesses.

Fiscal Year 2018 will see the board continue to refine the improvements made in FY2017. The appeals process is now largely party-driven and is yielding improved operational efficiency and shortened resolution times. The larger result is greater clarity for all Ohio regarding tax related matters.



David Harbarger
Chairman



Jasmine Clements
Vice Chairperson



Jeffrey Caswell
Member

Mission

The mission of the Board of Tax Appeals, as Ohio's administrative tax court, is to provide taxpayers and taxing authorities with an accessible, fair and efficient appeals process and to resolve appeals in a timely and judicious manner by facilitating settlement or by issuing comprehensive written decisions, which are based upon Ohio statutes, case law, and board precedent.

Function

The BTA is Ohio's administrative tax court. It is a quasi-judicial body established by Ohio Revised Code 5703.02, and comprised of three (3) members appointed by the governor to overlapping six-year terms. The BTA adjudicates state tax disputes, relieving an overburdened state judicial system and providing taxpayers with a non-partisan forum in which to resolve tax disputes. In this forum, taxpayers are assured appeals will be addressed by individuals with considerable expertise focused exclusively on tax issues.

Process

Most appeals involve real property valuation disputes, for which the process is as follows:

1. A notice of appeal from a decision of a BOR is filed with the BTA.
 - a. On the appeal form, the appellant indicates whether they require an evidentiary hearing, or if a review of the existing BOR record will suffice
2. Depending on the appellant's decision, the board establishes either an evidentiary hearing date, or a date by which all written argument is due from the parties to the appeal.
3. The BOR files a transcript of the proceedings that occurred at the county level with the BTA within 45 days.
4. The discovery process is completed within 120 days.
5. All evidence is considered and a decision is rendered by the board thereafter.

Filers enter appeal information directly into the BTA's case management system from anywhere (with internet access) at any time (24/7/365). Once submitted, reviewed and accepted, all parties are notified electronically that an appeal has been filed, the case number assigned and the evidentiary hearing or written argument date.

After the evidentiary hearing or the written argument date, an Attorney Examiner reviews the entire record and drafts a decision for the board to consider. After consideration, the decision of the board is announced.

Statistical Summary

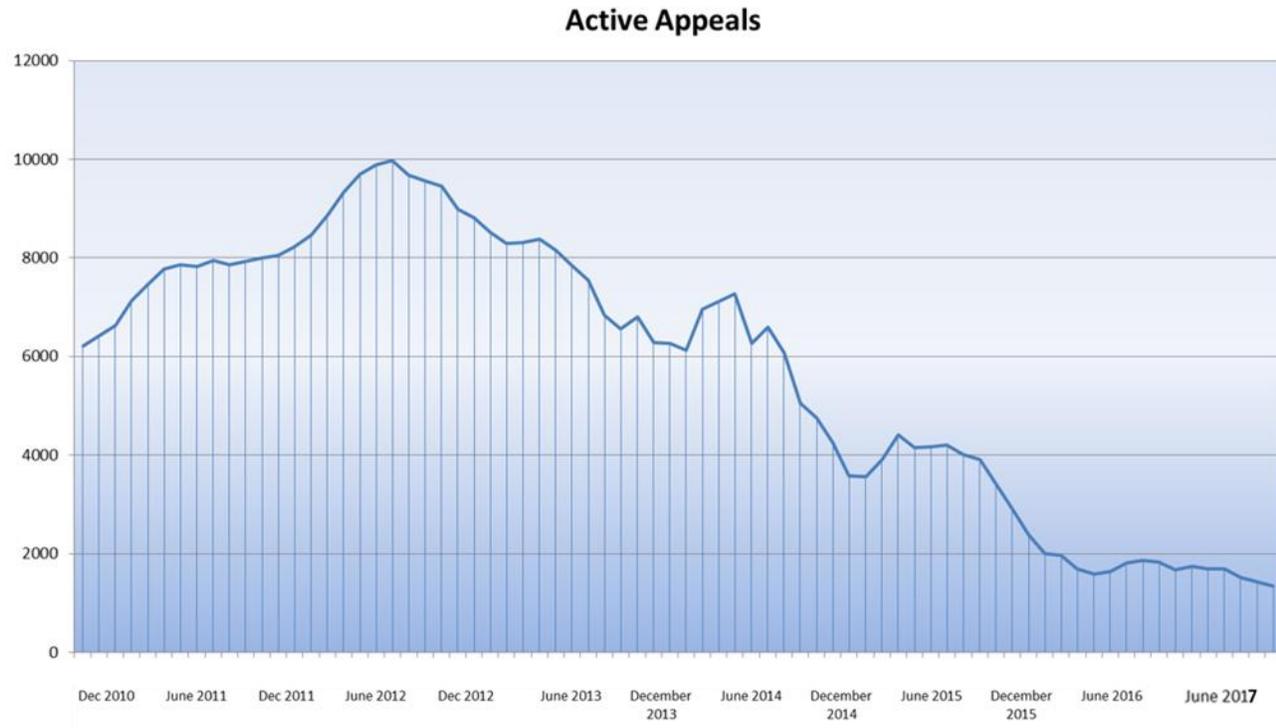
BTA Decisions Summary				
		FY 2016	FY 2017	%
BOR		2,483	2,183	-12%
TAX Commissioner		297	355	20%
CAT		17	16	-6%
Sales/Use		108	175	62%
Exemption		85	66	-22%
All Other Tax		87	98	13%
Municipal Income		2	5	150%
Budget Commission		-	-	
Total Decisions		2,782	2,543	-9%
Appeals Filed		2,588	2,771	7%

In FY2017, the board implemented additional procedural changes to better meet the needs of Ohio's taxpayers.

In FY2017, the BTA implemented the following changes:

- The board continued refining its online case management system, to include allowing cases to be consolidated, simpler entries for changing counsel, electronic submission of subpoena requests, electronic submission of notices of appeal to higher courts, and internal workflow improvements

Technology enhancements and procedural efficiencies have enabled the board to eliminate its previous backlog, and to resolve new appeals, on average, in less than nine months. New Board of Revision appeals are lower than previous years due to the rebounding real estate market and the rotating county real property valuation cycle. Appeals from final determinations of Ohio's Tax Commissioner represent an increasing share of the board's docket where more cases are being brought to a hearing. The board continues to provide a high level of service in the face of this shift in its docket toward more complex cases of statewide application.

Results – Active Case Docket FY2011-FY2016**Official Acts**

The BTA met 14 times in FY2017. During the fiscal year, the board issued 2771 decisions and orders which resolved active appeals.

Suggestions and Recommendations

BTA board and staff members will continue to focus on value-added activities, increasing process efficiency and keeping the board's docket current while issuing high quality decisions.