

FLORIDA REAL ESTATE ASSESSED VALUE APPEALS

The basic chronology for property assessment/tax appeals in Florida is as follows (the explanation is set forth in terms of the 2020 Tax Year):

- Each individual County mails a Notice of Proposed Assessment or TRIM Notice to every property owner during the month of August (most Counties mail the Notice towards the end of the month, but some do so earlier).
- The TRIM Notice advises the property owner of the following:
 - The proposed or likely taxable value effective January 1, 2020.
 - Whether the property owner enjoys any legal exemptions (homestead, agricultural, educational, religious, etc.).
 - An estimate of the taxes due for the year, depending on which version of the budget is ultimately passed by the County.
 - The right to file an appeal to challenge: (a) a valuation which the property owner deems to be too high; (b) the denial of a legal exemption; or (c) the extent or level of a legal exemption actually granted.
 - The deadline for filing appeals to the County's Value Adjustment Board: pursuant to Florida Statutes, the deadline for filing a Petition to the Value Adjustment Board Appeals is 25 days following the mailing of the TRIM Notice. In Dade, Broward and Palm Beach Counties, this translates to sometime in mid-September, 2020.

Notwithstanding the typical mid-September deadline, in limited instances, late-filed appeals may be allowed, provided the property owner sets forth a compelling excuse for filing late.

Assuming an Appeal has been filed, the chronology is as follows:

- The County will begin to schedule hearings in late-2020, and will strive to complete all of the hearings by May 1, 2021.
- The results of the hearing are generally available 2-3 weeks following the hearing date.
- In the case of a successful appeal, the County will issue a refund of the overpayment for taxes already paid approximately 2-3 months following the hearing date. If the taxes have not been paid, the County will issue a Revised Tax Bill approximately 4-6 weeks following the hearing date.
- Payment of the 2020 real estate taxes is due on or before March 31, 2021. Failure to make timely payment will result in dismissal of the appeal.

Tax Abatement, Inc.
T: (305) 358-6900
C: (305) 780-0240
mmontero@taxabatementinc.com
www.taxabatementinc.com

A few more points:

- The valuation established for all properties is “Market Value,” which by statute is defined as the amount a seller would receive in an arm’s length transaction, net of ordinary and reasonable costs of sale. Thus, foreclosed properties sold by lenders, short sales and transactions between related parties do not necessarily establish “Market Value.”
- For all properties, the 2020 Market Value is established as of January 1, 2020. The relevant market period considered in order to arrive at said value is the previous calendar year (2019). Transactions occurring subsequent to the date of assessment are generally irrelevant.
- In connection with Legal Exemptions, the property owner must fully qualify for the exemption as of January 1.
- Appeals directed at a property’s valuation are heard by Appraiser Magistrates; appeals directed at the denial of a legal exemption or the extent of a legal exemption actually granted, are heard by Attorney Magistrates.
- The manner of challenging the valuation of residential properties is primarily through comparable sales.
- The manner of challenging the valuation of commercial properties is through comparable sales, income approach to value and cost of construction approach to value.
- Notwithstanding having filed an appeal, we advise our clients to pay their tax bill as early as possible to avail themselves of discounts for early payment. If we are successful in the appeal, a refund will be issued to the individual or entity that paid the taxes originally (property owner, lender/escrow company).

Most of the companies engaged in this profession do so on a contingency fee basis. We charge a \$25 filing and processing fee (the actual filing fee per Petition is \$15). Additionally we charge a contingency fee in the amount of 35-50% for the year of the Appeal. You should note then, that taking advantage of the administrative appeals process is a good opportunity for property owners to potentially save hundreds or thousands of dollars in exchange for an insignificant risk - \$25 per property.

While the above explanation is fairly thorough, there are many other facets to our practice that we would be happy to discuss with you in more detail.

Tax Abatement, Inc.
T: (305) 358-6900
C: (305) 780-0240
mmontero@taxabatementinc.com
www.taxabatementinc.com