

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7905**

**BILL NUMBER: HB 1921**

**DATE PREPARED:** Feb 1, 2001

**BILL AMENDED:**

**SUBJECT:** Review of Original Tax Appeals.

**FISCAL ANALYST:** Bob Sigalow; Chris Baker

**PHONE NUMBER:** 232-9859; 232-9851

**FUNDS AFFECTED: X**

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill specifies the items that must be included in the administrative record submitted to the tax court in an appeal from a decision by the State Board of Tax Commissioners. The bill specifies when the State Board of Tax Commissioners is a defendant in an original tax appeal to the tax court. This bill also provides procedures for notifying a party of the filing of an original tax appeal in the tax court.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** Under current law, the Secretary of the State Tax Board must transmit a certified transcript of the appeal proceedings to the court. This proposal would require the Secretary to submit a certified record of proceedings to the Tax Court when appeals are heard. The record must include copies of all notices, petitions, motions, pleadings, orders, briefs, requests, rulings, photos, and other written documents. The record must also include evidence received by or considered by the State Tax Board and information on a site inspection, if any. The State Tax Board already includes this information in the transcript of proceedings prepared under current law.

The bill would reduce expenditures, particularly for the Department of State Revenue, State Board of Tax Commissioners, Office of the Attorney General, and the Tax Court. The bill requires the Tax Court to review cases as an appellate court, which may improve the efficiency of the process of appeals. The bill would only require the State Board to be the defendant in cases were the State Board actually made the assessment of the property being appealed. Such appeals primarily include assessments made on utilities.

In the case of the Department of State Revenue, the Department would no longer be required to be a defendant in an original tax appeal as specified in the bill.

The Attorney General serves as the defender of both the State Board and the Department with appeals before the Tax Court. With fewer appeals made with either the State Board or the Department named as the

defendant, resources of the Attorney General that are devoted to the defense of Tax Court appeals could be reallocated.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Under the bill, the Tax Court would acquire jurisdiction over the County Property Tax Assessment Board of Appeal (PTABOA) and the Township Assessor. This provision could increase the use of county and/or township attorney resources if the county PTABOA or Township Assessor were named as a defendant in a property tax appeal where the State Board has acted in an adjudicatory manner.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:** Mark Webb, State Board of Tax Commissioners, (317) 233-9222.