



The taxpayer's watchdog for 80 years

ARIZONA TAX RESEARCH ASSOCIATION

ATRA SUPPORTS SB1113

Require Property Tax Statements Include Tax Information

Arizona's property tax system is one of the most complicated in the country, and therefore, taxpayer education is imperative.

The county assessor annually determines both the Full Cash Value (FCV) and the Limited Property Value (LPV), and no later than March 1st each year, is required to mail the property notice of valuation (NOV) to all property owners.

During the budget process, local governments make tax and expenditure decisions to determine their annual budgets. Counties, in particular, go to great lengths to educate taxpayers how much of their tax bill is levied by the various taxing entities. More importantly, local jurisdictions are required to publish notice and hold Truth-in-Taxation (TNT) hearings when they intend to increase property taxes.

Once those budgeting decisions are made, tax rates and levies are adopted in August. The county treasurer is then responsible for collecting the applicable taxes after applying the adopted tax rates to all taxable values. The tax statement is the only place a homeowner sees their bill, plus information about their "homeowner rebate," where the state pays 48% of the K-12 primary property tax obligation.

In 2019, the Legislature passed SB1033, which required all fifteen county treasurers mail property tax statements to every property owner. ATRA advocated for this legislation after learning that a handful of county treasurers had ceased sending tax statements to property owners of mortgaged property. Consequently, the property owner was never notified of their property tax liability.

Although all county treasurers complied with the new requirement this last tax cycle, one county treasurer failed to provide any tax information for the various amounts owed to each jurisdiction taxing the property as other counties. Instead, they only provided the total amount of tax due. Rather, property owners were directed to log on to the county treasurer's complex website to find the taxes imposed by the jurisdictions taxing their property.

The property tax statement serves as a transparent link between government and taxpayers. It reflects the final decisions made by the various taxing jurisdictions during the budgeting process. Property owners should not be told to log in to a website in order to retrieve information that can easily be printed on the notice they receive in the mail.

ATRA ASKS LAWMAKERS TO VOTE YES ON SB1113!