

MANUAL FOR  
LOCAL BOARDS  
OF EQUALIZATION

VIRGINIA DEPARTMENT OF TAXATION  
OFFICE OF CUSTOMER RELATIONS  
PROPERTY TAX UNIT  
POST OFFICE BOX 2460  
RICHMOND, VIRGINIA 23218-2460  
(804) 367-8020  
Revised – December, 2008

MANUAL FOR  
LOCAL BOARDS OF EQUALIZATION

TABLE OF CONTENTS

INTRODUCTION.....3

I. CONSTITUTIONAL AND STATUTORY  
PROVISIONS FOR REAL ESTATE TAXATION.....4

    Statutes.....4

II. VALUATION OF REAL ESTATE.....6

    Three Approaches to Value.....7

III. DEPARTMENT OF TAXATION.....8

    Ratio Study.....8

    Property Classification Codes.....8

    Coefficient of Dispersion (COD) Formula.....9

IV. BOARD OF EQUALIZATION RESPONSIBILITIES.....11

V. HIGHLIGHTS OF ASSESSMENT CASE LAW.....14

VI. ARTICLE 14, Code Sections.....18

VII. ATTORNEY GENERAL'S OPINIONS.....24

APPENDICES.....31

    Appendix A. Newspaper Advertisement Notice.....31

    Appendix B. Letter of No Change.....32

    Appendix C. Letter of Proposed Increase.....33

    Appendix D. Summary of Virginia Freedom of Information  
    Act & State & Local Conflict of Interest Act.....34

    Appendix E. Application.....38

    Appendix F. Order Form (907).....39

    Appendix G. Real Property Appeal Questionnaire.....40

    Appendix H. Annual Report .....41

## INTRODUCTION

Historically, the Commonwealth of Virginia has relied upon its citizen freeholders, organized as boards of assessors and boards of equalization, to establish and equalize real property tax assessments. This system worked well when real estate markets were fairly static and where properties were largely homogeneous in nature.

Recent decades have witnessed rapid changes in real estate markets in terms of both activity and complexity. Additionally, the growth of local government and a concurrent rise in local funding needs have helped to focus the public's attention on the property tax to an extent heretofore unknown. The time-honored system of assessments made by lay citizens has proved to be, for the most part, unworkable and likely to produce inaccurate and inequitable assessments.

In order to satisfy Virginia's constitutional mandate requiring fair market value, most localities have found it beneficial to employ professional appraisers/assessors either to assume legal responsibility for conducting reassessments or to act as technical assistants to local boards of assessors. The Department of Taxation has, since 1976, offered annual sessions of basic and advanced courses in Virginia for the purpose of improving appraisal knowledge and job skills.

The principle of citizen control over assessments is still observed, however, in the form of boards of assessors in many localities and boards of equalization in all localities. The General Assembly, in the 1979 session, amended Section 58.1-3374, Code of Virginia, to require that members and prospective members of local boards of equalization attend and participate in a basic course of instruction offered by the Department of Taxation in order to be eligible for appointments.

The training is mandatory for local boards of equalization; local boards of assessors are trained at the

discretion of the Department of Taxation.

This booklet has been produced as an aid to satisfy the requirement of Section 58.1-3374. It is not intended to be used as a "how to" guide either for real property valuation or for the conduct of local equalization proceedings. Answers to specific questions in these areas are best obtained from the local professional staff or from the Department of Taxation. This publication is intended to provide the prospective board member with an overview of the real estate tax system in Virginia and the role of the equalization board in that system. This should enable the local board member to better execute his or her duties and result in a more equitable tax system.

**I. CONSTITUTIONAL AND STATUTORY PROVISIONS FOR REAL ESTATE TAXATION**

The Constitution of Virginia, in Article X, mandates that all property shall be taxed. It is, therefore, exemption that must be legally established rather than taxation. Article X further provides that all taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax. The General Assembly is authorized to define and classify taxable subjects.

Other provisions of Article X require that all assessments of real estate and tangible personal property shall be at fair market value with the exception of those assessments of certain real estate devoted to agricultural, horticultural, forest and open space uses, which may be granted preferential assessments within the limits or conditions imposed by the General Assembly. Finally, Article X segregates real estate and tangible personal property as subjects of local taxation only, with the provision that these properties shall be assessed in such manner and at such times as the General Assembly may prescribe by general law.

**Statutes**

The statutes controlling real estate assessments and general reassessments are too numerous and complex for the scope of this discussion. However, an understanding of the general framework will be helpful.

Virginia law requires periodic reassessments of real estate in every taxing jurisdiction. The maximum time that may pass before a locality conducts a general reassessment is six years for counties and four years in the case of cities. The population of the locality determines the particular year in which a reassessment must be conducted. Localities may also adopt an annual assessment plan or a biennial general reassessment plan. Finally, there may be a general reassessment of real estate. The terms for members of boards of equalization in any city or county except those which have a permanent

estate in any county or city in any year if the governing body so directs by a majority vote.

Following general reassessment the levy imposed by the governing body is applied to the new values. Governing bodies are not permitted to reap revenue windfalls due to an increase in assessed values. Subsequent to a reassessment, the local governing body must reduce the levy to such a rate as would produce no more than 101 percent of the revenue generated in the previous year. If a higher rate is necessary, the governing body must advertise the increase and conduct a public hearing on the matter. This safeguard has been put into law since the responsibility for increasing local government expenditures should be properly borne by the governing body and not by the assessing officer. This limitation, of course, applies only to total revenues; the actual tax bill of an individual property owner may increase at a greater rate.

The assessed values established during a general reassessment are "locked in" until another general reassessment is made. A board of equalization or the appropriate circuit court may alter assessed valuations. The local assessing officer may make only those changes specifically permitted by law. Examples of these permitted changes are those caused by factual or clerical errors, rezoning, subdivision of land, and construction or destruction of buildings. New land parcels or new buildings cannot be assessed at current values but must be assessed comparably with the assessments made on similar property during the most recent general reassessment. The equalization board member should realize that, barring an appeal to the circuit court, both the taxpayer and the assessing officer will have to abide by the decisions of the board of equalization (and the results of such decisions) until another general reassessment is made in the locality.

board of equalization appointed according to law and except those operating under the county executive

or county manager form of government shall expire twelve months after the effective date of the assessment for which they were appointed. The effective date of the assessment is January for a calendar year or July for a fiscal year assessment.

If any locality fails to comply with the statutory provisions for conducting periodic general reassessments, the State Comptroller is required to withhold from that locality its share of the profits from the operation of the alcoholic beverage control system.

## II. VALUATION OF REAL ESTATE

As we have seen, the *Constitution of Virginia* requires that all assessments reflect fair market value. For many years this mandate was honored more in the breach than the observance. Most localities used a prescribed fraction of the appraised value as an assessed value and the fraction used often varied from one locality to the next and from one general reassessment to the next. This patchwork system sometimes helped to disguise inequalities and occasionally made it difficult for the taxpayer to compute the true tax rate or to compare the assessment made on his property with the assessment made on similar property in the locality. For example, using a 15 percent assessment ratio would reduce a \$10,000 appraisal error to a \$1,500 assessment error: a figure low enough to possibly avoid protest from the taxpayer. In 1975, the General Assembly amended Section 58.1-3201 of the *Code of Virginia* to require that all assessments effective in 1977 or after would be at 100 percent of fair market value.

Virginia does not have a statutory definition of fair market value. Instead, Virginia's definition has been provided by its application in a long series of cases over a number of years. In Virginia, fair market value is defined as:

"...the price which it will bring when offered for sale by one who desires, but is not obliged, to sell it, and is bought by one who is under no necessity of having it."

This generally means that in order to reflect fair market value a sale must occur between informed parties acting without duress.

The appraiser should also consider several other factors when weighing the merits of a particular sale.

- 1) Was adequate time allowed to sell the property?
- 2) Was the property properly exposed to the open market?
- 3) Was the sale an "arm's-length" transaction, i.e., one not involving

love and affection or other non-monetary consideration?  
4) Was the sale transacted on typical terms with regard to financing and conditions of sale?

Market value is a hypothetical concept, not an established fact. It is the estimated probable selling price of a property as of a given point in time. Market price, on the other hand, is a fact, i.e., the actual number of dollars at which a property is transferred. The two terms are not synonymous.

Again, market value is the estimated probable selling price of a property at a particular point in time. It is the point around which market prices will cluster.

The individual who makes an estimate of value is the appraiser. This requires assembling a considerable amount of information about the subject property and its location. This information includes, but is not limited to, the general economic conditions in the county or city, planning and zoning regulations, neighborhood boundaries, and sales and cost data. Among other things regarding an individual parcel, the appraiser must determine its location, topography, physical characteristics, use and size. If the property is improved with a building, he must ascertain its age, size, condition, type and quality of construction.

Sources of the above information include public records, real estate and construction professionals, property owners and physical inspections. With these facts in hand, the appraiser can begin analyzing them and apply his best judgement along with the correct appraisal methods and techniques in order to develop a reliable estimate of market value.

### Three Approaches To Value

The appraisal profession recognizes three avenues to an estimate of value. These are generally known as the **cost, market, and income approaches**. All are based on common sense and sound economic principles.

With the cost approach, the appraiser must determine the cost to construct a reproduction or suitable replacement of the subject property and deduct from that figure the accrued depreciation observed in the subject. The economic principle here is that of substitution; i.e., a prudent purchaser would not pay more for a property than the cost of building a reproduction, replacement or suitable substitute for it.

In the market approach, the appraiser analyzes the sale prices of properties similar to the subject, adjusts those prices to reflect any differences between the properties sold and the subject and applies the adjusted price to the subject as an indicator of value. Again, the principle is that of substitution, i.e., a prudent buyer would not pay more for a property than the price of purchasing a suitable replacement.

Using the income approach, an appraiser estimates the net income (before debt service) that a property can earn for its owner. That projected income is then capitalized into an estimate of value. The economic principle governing this concept is that of anticipation, that is, value equals the present worth of the future net benefits of ownership.

In the appraisal process, one approach may be more applicable than another depending on the circumstances. For example, investors in apartment buildings are not as interested in the cost of apartment buildings or the purchase prices of similar properties as they are interested in the quantity, quality and duration of the income stream produced by such a property.

In many geographical areas, recent sales of single-family homes make the market approach the most reliable

indicator of residential real estate value.

Special purpose properties, such as large manufacturing facilities, are seldom sold or leased. If sold or leased, they are often so unique as to render meaningless any comparison to other properties.

The task of an appraiser is to select, or accord more weight to, the approach that is most applicable to the subject property.

The scope of this discussion neither permits nor warrants a detailed treatment of the appraisal process. Practice of the appraisal profession with any degree of confidence requires several years of experience and study (which the appraiser should continue throughout his career). The indispensable ingredient, of course, is good judgement, which education and even experience cannot always provide. Assistance with particular valuation problems is always available from a local professional staff or from the Department of Taxation.



**III. DEPARTMENT OF TAXATION**

As noted earlier, the *Constitution* identifies and segregates real estate as a subject of local taxation only, with the stipulation that it be assessed in such manner and at such time as the General Assembly may prescribe by general law. The agency of the Commonwealth that is charged with certain responsibilities in this area is the Department of Taxation (TAX).

The Tax Commissioner, who is appointed by the Governor and confirmed by the Legislature, heads TAX. The present Commissioner is Ms. Janie E. Bowen.

Several of the state's functions in the local property tax area consist of powers and responsibilities vested in the Commissioner. For example, if the governing body, local board of equalization, or any ten citizens requests, TAX provides advisory aid and assistance to such board in the matter of equalizing the assessments of real estate and tangible personal property among the property owners of the locality. State law also charges the Commissioner with the establishment of a real property classification system and the collection and publication of property tax data.

**Ratio Study**

Each year in every Virginia locality a sample is taken of the real estate sales transactions of the previous year. The size of the sample taken varies with locality size, ranging from 100 or fewer items to thousands of items. Sales prices of the individual properties in the sample are compared to the current assessed values of those properties, and each property's ratio of assessed value to sale price is computed. These individual ratios are then separated by property class and arrayed from highest to lowest.

**Property Classification Codes:**

- 1 - Single-Family Urban
- 2 - Single-Family Suburban
- 3 - Multi-Family Residential
- 4 - Commercial and Industrial

- 5 - Agricultural or Undeveloped, 20 to 100 acres
- 6 - Agricultural or Undeveloped, over 100 acres
- 7 - Tax Exempt (not used in study)

**Illustration of Ratio Sample**

Class 2 - Single Family Suburban

<b>Selling Price</b>	<b>Assessed Value</b>	<b>Ratio</b>
68,500	73,600	107.4%
101,000	99,200	98.2%
41,200	38,600	93.6%
57,000	50,700	88.9%
34,300	29,700	86.6%
75,500	64,600	85.6%
91,500	77,800	85.0%
43,000	34,300	79.8%
61,100	48,000	78.6%
38,900	30,300	77.9%

From this basic data several important statistics can be developed. The median ratio, in a sample, is a good indicator of the overall assessment level. The median ratio of one class can be compared to the median ratios of other classes in order to learn if that class of property is being assessed equitably in relation to other classes. In the illustration above the median ratio is 86.1 percent. If the sample of Class 4 properties (commercial and industrial) in the same locality should show a median ratio of 65 percent, for example, one may infer that the single family homeowner is bearing a disproportionate share of the real estate tax burden compared to commercial and industrial property owners.

Next, the coefficient of dispersion is computed for each class. This is a statistical measure of how closely the individual ratios in the sample are clustered around the median ratio. Obviously, a tight grouping (little dispersion) would indicate a high degree of equity and uniformity in the assessment.

**COD Formula**

The formula for the Coefficient of Dispersion is calculated by (1) subtracting the median from each ratio in the sample, (2) taking the absolute value of the calculated differences, (3) summing the absolute differences,

(4) dividing by the number of ratios to obtain the "average absolute deviation," (5) dividing by the median, and (6) multiplying by 100.

There is some disagreement among assessment experts as to what constitutes an acceptable coefficient of dispersion. Generally, a COD of 10 percent or less is considered to be excellent. Of course, one would expect to find a greater degree of dispersion in a large locality with a great diversity of property types than in a small locality with mainly similar properties.

The same data is also used to develop a regression index (sometimes known as a price related differential). This measure is defined as the mean ratio divided by the sales weighted average ratio. From the sample illustration above, we can compute the regression index as follows:

- 1) sales weighted average ratio equals total assessed value divided by total sales prices.
- 2) total assessed value = \$546,800
- 3) total sales price = \$612,000

Thus:  $\frac{546,800}{612,000} = .893$  sales weighted average

$\frac{.882}{.893}$  (mean ratio) = .99 Regression index (rounded)

A value of 1.00 indicates a uniform relationship between assessed values and selling prices. An index above 1.00 indicates that less expensive properties have a higher assessment/sales ratio than more expensive properties and, therefore, that the assessments are regressive. In other words, less expensive properties are assessed closer to market value than are more expensive properties. This inequity causes the tax to be regressive because the owner of the less expensive property would pay a greater proportion of tax in relation to value than would the owner of a more expensive property.

The regression index is an inexact measurement at best because one large sale can distort the index for a small sample. Again, there is some disagreement among assessment experts as to what constitutes an acceptable

regression index. Generally, an index between .95 and 1.05 is considered reasonable.

After the above statistics are computed for the individual property classes, the coefficient of dispersion and median ratio for the entire sample is computed. This aggregate median ratio is the figure that is published as the assessment ratio of the locality.

#### Estimate of True Value

The median ratio is used to estimate the true value of real estate in the locality. The total taxable assessed value is divided by the median ratio.

$\$800,000,000 / .80$  median ratio =  
\$1,000,000,000 Estimate of True Value

The true value of real estate is one of three components of the Virginia Department of Education composite index of local ability to pay, and it is the component given the most weight (50 percent). The index is used in determining the distribution of funding to localities for public education.

The median assessment ratio of a locality also is used to equalize the assessments of centrally assessed public service corporation property with other property in the locality.

Virginia law provides that any locality that is found to have an assessment ratio of less than 70 percent in the first study following a general reassessment or annual assessment will forfeit the use of its share of the net profits from the operation of the alcoholic beverage control (ABC) system until such time as the 70 percent standard is met. After the 70 percent assessment ratio is met, the locality's accumulated ABC profits will be paid less a penalty of 8 percent per year.

Finally, the ratio study is useful in spotting problem areas in the assessment program that can be addressed in a subsequent reassessment. The assessment/sales ratio study is presently the best means of discovery at the Commonwealth's disposal for determining the quality of local real

estate tax programs. Clearly, from the foregoing discussion, a locality that chooses to ignore the constitutional mandate of equitable fair market assessments is not acting in the best interests of its citizens and is operating to the financial detriment of the community.

#### **Continuing Education & Advisory Aid**

Another important function of the Department of Taxation is the continuing education program for assessing officials in Virginia. The Property Tax Unit of the Office of Customer Relations conducts basic training sessions several times a year in various areas of the State. Advanced courses are also offered in conjunction with the International Association of Assessing Officers. Successful completion of these courses satisfies the educational requirement for the IAAO's professional designation of Certified Assessment Evaluator.

In addition, the Department's property tax staff is available to any locality, upon request, to render advisory aid and assistance with the valuation of complex or unique properties as well as to explain legal requirements and assist with administrative problems relating to real property assessments.

#### IV. BOARD OF EQUALIZATION

Local boards of equalization are made up of a majority of local citizen freeholders appointed by the circuit court or by the governing body. Members must be broadly representative of the community, and at least 30 percent of the board must be comprised of current or former professionals in the real estate, construction, financial or legal fields. This includes commercial or residential real estate appraisers, other real estate professionals, builders, developers, or legal or financial professionals. In addition, at least one such member shall sit in all cases involving commercial, industrial or multi-family residential property, unless waived by the taxpayer.

The board of equalization, sometimes called a board of review, has specific powers that are limited to the review of real estate taxation. Chapter 32, Article 14 of Title 58.1 of the *Code of Virginia*, delineates the powers and responsibilities of local boards of equalization. An understanding of these statutes will assist the board member in the proper performance of his or her duties.

##### **A board of equalization must:**

- 1) hear or receive complaints concerning the fair market value or uniformity of real estate assessments from any taxpayer or his agent, (the taxpayer may be the owner or a lessee of the property);
- 2) hear or receive all complaints concerning objections to the real estate assessment of any taxpayer from the city or county attorney or the appointed representative of the city or county;
- 3) make public advertisement of its meetings;
- 4) keep minutes of its meetings and notify the property owner, the commissioner of the revenue or director of finance or real estate assessor of any assessment change;
- 5) correct any known duplication or omissions in the assessment roll;
- 6) hear complaints concerning special assessment for

agricultural, horticultural, forest and open space land use assessment (land use values are set by the commissioner of the revenue or permanent assessor, rather than by a board of assessors);

- 7) conduct its meetings in public;
- 8) prepare an annual written report of their actions and make such report available, upon request, to the public, the local governing body of the respective county, city or town and to the Tax Commissioner.

In order to facilitate the performance of its duties **the equalization board may:**

- 1) summons before it any taxpayer or any other person to furnish information relating to the real estate of any and all taxpayers; to answer, under oath, all questions touching the ownership and value of such real estate and to furnish books of account or other documents containing such information;
- 2) require the commissioner of revenue or assessor of the locality to attend its meetings (without additional compensation) and to inform the board of such inequalities in assessments as may be known to him;
- 3) enter and inspect any real estate subject to equalization by the board; and
- 4) increase or decrease any assessment so that the ends of justice will be served in that the burden of taxation will rest equality upon all citizens of the locality.

In the exercise of its duties the **board of equalization cannot:**

- 1) void a general reassessment or annual assessment;
- 2) order a new reassessment;
- 3) make overall (blanket) increases or decreases in assessments for the locality;
- 4) increase any assessment without first notifying the property owner and giving him an opportunity to show cause against such increase, unless such property owner has already been heard;

- 5) make assessment changes that are either retroactive for past years or prospective for future years;
- 6) alter assessments on any real estate assessable by the State Corporation Commission or the Department of Taxation;
- 7) classify property, (determine if the property is to be assessed as real estate or personal property);
- 8) exempt property; and
- 9) change the method of valuing a class of property.

Obviously if all assessments could be made at 100 percent of fair market value or any other percentage, perfect equalization would be achieved and a local board of equalization would be unnecessary. However, this is not possible, so we must accept that which is reasonable and concentrate on those problems which are most pernicious and for which solutions can be found.

Virginia courts have recognized that absolute and perfect equity is not attainable, holding that before relief from assessment can be granted it must appear that the assessment is not only out of line with those of other neighborhood properties which in character and use bear some relation to that of the petitioner but that it is out of line in a general way. It is insufficient to merely show that it is valued at a different rate.

Undoubtedly the most common error made by local boards of equalization is the granting of appeasement reductions to property owners. It is easier, unfortunately, to mollify a few angry and vocal taxpayers than it is to address the more substantive problem of equity in taxation. Furthermore, this type of change is sometimes made at the expense of other changes that need to be made but are not made because no complaint has been filed. A board of equalization is free to act whether or not a specific complaint has been made. In fact, the board has the duty to correct known erroneous assessments even though no complaint has been made.

In addition, local boards of equalization have the authority to review land use value assessments. Estimating the income producing

capabilities of the several soil classes suitable for agricultural, horticultural or forest uses is the method generally used to develop land use assessments. Net incomes from such uses are capitalized into estimates of value for each soil class. These values are published annually by the State Land Evaluation Advisory Council (SLEAC) for all of the localities that have special land use assessment programs.

Extreme care should be exercised in the review of land use assessments. Within the locality, the application of these values is objective in nature and does not require the exercise of significant judgment on the part of the local assessing officer. For example, one acre of class 3 soil in agricultural use receives the same land use assessment as every other acre of class 3 agricultural soil in the local land use program. Alteration of a land use assessment for any reason other than the correction of a most obvious error may, result in a greater inequity of assessment than had existed prior to the change.

In all cases brought before the board of equalization, the valuation determined by the assessor is presumed to be correct. The taxpayer bears the burden of proving that the property is valued at more than its fair market value, that the assessment is not uniform in its application, or that the assessment is otherwise not equalized. In order for the Board to award relief, the taxpayer must produce substantial evidence that the valuation determined by the assessor is erroneous and was not arrived at in accordance with generally accepted appraisal practice. Mistakes of fact, including computations that affect the assessment are deemed not to be in accordance with generally accepted appraisal practice. It is not necessary for the taxpayer to show that the assessment is a result of manifest error or disregards controlling evidence.

Under Virginia law, substantial evidence is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.

## V. HIGHLIGHTS OF ASSESSMENT CASE LAW

"Fair market value" defined.--The fair market value of property is the price which it will bring when it is offered for sale by one who desires, but is not obliged, to sell it, and bought by one who is under no necessity of having it. *Tuckahoe Woman's Club v. City of Richmond*, 199 Va.734, 101 S.E.2d 571 (1958); *American Viscose Corp. v. City of Roanoke*, 205 Va. 192, 135 S.E.2d 795 (1964).

Rule as to fair market value is the only legal rule provided by law for assessment of realty and tangible personalty.--The rule laid down in this section that all assessments of real estate and tangible personal property shall be at their fair market value is the only legal rule provided by the law for the assessment of real estate and tangible personal property situated in this Commonwealth. *Lehigh Portland Cement Co. v. Commonwealth*, 146 Va. 146, 135 S.E. 669 (1926); *Tuckahoe Woman's Club v. City of Richmond*, 199 Va.734, 101 S.E.2d 571 (1958).

Fair market value is not the value of the property to the owner.-- In estimating the fair market value, all the capabilities of the property and all the uses to which it may be applied or for which it is adapted, are to be considered, but it is not a question of the value of the property to the owner. *Tuckahoe Woman's Club v. City of Richmond*, 199 Va.734, 101 S.E.2d 571 (1958).

Fair market value is the present actual value of the land with all its adaptations to general and special uses, and not its prospective, speculative or possible value, based on future expenditures and improvements. *Fruit Growers Express Co. v. City of Alexandria*, 216 Va. 602, 221 S.E.2d 157 (1976).

Uniform assessment on the basis of fair market value, not on the basis of use, was the criterion established by the Constitution of 1902. *City of Waynesboro v. Keiser*, 213 Va.229, 191 S.E.2d 196 (1972).

The fundamental rule in assessing all

tangible properties for tax purposes is that such properties should be assessed at their highest and best use. *Norfolk & W.Ry. v. Commonwealth*, 211 Va. 692, 179 S.E.2d 623 (1971).

Assessment of property is not an exact science. *Southern Ry. v. Commonwealth*, 211 Va. 210, 176 S.E.2d 578 (1970); *Norfolk & W.Ry. v. Commonwealth*, 211 Va. 692, 179 S.E.2d (1971).

There are many factors to be considered in arriving at the fair market value of property. While size and cost of the property may be factors to be given weight, there are many other factors, which tend to increase or diminish such value; for instance, the design, style, location, appearance, availability of use, and the economic situation prevailing in its area, as well as other circumstances. *Smith v. City of Covington*, 205 Va. 104, 135 S.E.2d 220 (1964).

And no general rule can be prescribed. The value of land, buildings and tangible personal property is dependent upon many factors, which cannot be prescribed by any general rule. *Southern Ry. v. Commonwealth*, 211 Va. 692, 179 S.E.2d 623 (1971).

Evidence of the purchase price of the assessed property, while not conclusive, is to be accorded substantial weight on the issue of fair market value. *American Viscose Corp. v. City of Roanoke*, 205 Va. 192, 135 S.E.2d 795 (1964).

Depreciated reproduction cost as representing the value of the property to the present owner is not the basis for assessment fixed by the Constitution. Depreciated reproduction cost may be an element for consideration in ascertaining fair market value, but it cannot of itself be the standard for assessment. The value of the property to the owner is not the question and the answer to it does not supply the answer to the essential inquiry as to what is the fair market value. *Tuckahoe Woman's Club v. City of Richmond*, 199 Va. 734, 101 S.E.2d 571 (1958).

It was patently unfair to use depreciated reproduction cost as a standard for assessment where the property, a dam, had no commercial use value, was unsuited for generating electricity, and had been for sale for years without offer of purchase at any price. *First & Merchants Nat'l Bank v. County of Amherst*, 204 Va. 584, 132 S.E.2d 721 (1963).

An assessment based on reproduction cost less depreciation was excessive and should have been reduced when the assessor as well as other witnesses agreed that the property would not sell for this amount in the open market when comparable sales were considered. *Norfolk & W. Ry. v. Commonwealth*, 211 Va. 692, 179 S.E.2d 623 (1971).

Long-term contracts limiting use of real estate need not be taken into account.--In determining the fair market value of certain realty of a railroad company, the State Corporation Commission was not required to take into account long-term contracts which limited the use of the property. *Richmond, F. & P.R.R. v. Commonwealth*, 203 Va.294, 124 S.E.2d 206 (1962).

But limitations by grantors on taxpayers' interest must be considered. --An assessment was erroneous which failed to take into account the limited interest held by the taxpayers under the terms of the conveyance to them, the grantors having severely restricted the effective use of the property and having imposed obligations on it and reserved as easement. *First & Merchants Nat'l Bank v. County of Amherst*, 204 Va. 584, 132 S.E.2d (1963).

In the ascertainment of fair market value and the imposition of assessments upon those values, the taxing authority must implement and administer the annual assessment and equalization system in a manner which avoids all disuniformity reasonably avoidable. *Perkins v. County of Albemarle*, 214 Va. 416, 200 S.E.2d 566 (1973).

The dominant purpose of Art. X Sect.

1 and 2, is to distribute the burden of taxation, so far as is practical, evenly and equitably. *R. Cross Inc. v. City of Newport News*, 217 Va. 202, 228 S.E.2d 113 (1976).

This section requires an assessment of property to be uniform on the same class of subjects within the territorial limits of the authority levying the tax. *Southern Ry. v. Commonwealth*, 211 Va. 210, 176 S.E.2d 578 (1970).

Uniformity must be coextensive with territory to which tax applies.--Uniform taxation requires uniformity, not only in the rate of taxation and in the mode of assessment upon the taxable valuation, but the uniformity must be coextensive with the territory to which it applies. *Moss v. Tazewell*, 112 Va.878, 72 S.E.2d 945 (1911).

The legislature has no power to exempt the taxable persons and property in a town situated within the limits of a county and forming a part thereof, from county levies, as this section expressly provides that all taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax, and this uniformity extends not only the rate and mode of assessment, but also to the territory to be assessed. *Campbell v. Bryant*, 104 Va. 509, 52 S.E.2d 638 (1905).

Where the situs of property for taxation is still in a given district, the taxes thereon must be uniform with the taxes imposed upon all similar property, the situs of which is in that district. *Rixey's Ex'rs v. Commonwealth*, 125 Va.337, 99 S.E.2d 573, 101 S.E. 404 (1919).

Uniform method of valuation impossible.--This section does not prescribe that the valuation of all property for taxation shall be ascertained in the same way or manner. It is not even implied. In the nature of things, it could not be done. The many kinds or species of property with their diverse characteristics render it impossible. *R. Cross, Inc, v. City of Newport News*, 217 Va. 202, 228 S.E.2d 113 (1976).

If it is impractical or impossible to enforce both the standard of true value and standard of uniformity and equality, the latter provision is to be preferred as the just and ultimate end to be attained. But that does not mean that property in any taxing jurisdiction may be assessed in excess of and without relation to its fair market value as required by the Constitution. It means only that a taxpayer whose property is assessed at its true market value has a right to have the assessment reduced to the percentage of that value at which others are taxed so as to meet the uniformity required by this section as well as by the equal protection clause of the Fourteenth Amendment. *Smith v. City of Covington*, 205 Va. 104, 135 S.E.2d 220 (1964).

Where it is impossible to secure both the standard of true market value and the uniformity and equality required by the Constitution, the latter requirement is to be preferred. But that does not mean that property in any taxing jurisdiction may be assessed in excess of and without relation to its fair market value as required by the Constitution. *Fray v. County of Culpeper*, 212 Va. 148, 183 S.E.2d 175 (1971).

But courts insist upon uniformity in mode of assessment and rate of taxation.--The courts, while recognizing the general custom of undervaluing property and the difficulty of enforcing the standard of true value, have sought to enforce equality in the mode of assessment and in the rate of taxation. *Southern Ry. v. Commonwealth*, 211 Va. 692, 179 S.E.2d 623 (1971).

Before relief can be given it must appear that the assessment is out of line generally with other neighborhood properties, which in character and use bear some relation to that of a petitioner. It is not enough to show that it is valued above a rate apportioned to another nearby lot. The inequality must be not only out of line but out of line generally. *Southern Ry. v. Commonwealth*, 211 Va. 210, 176 S.E.2d 578 (1970).

There are three acceptable methods used for appraising real estate - market data, capitalization of income, and reproduction cost less depreciation--since the property was income producing, income should be the primary consideration. *County of Arlington v. Ginsburg*, 228 Va. 633, 325 S.E.2d 352 (1985).

As a general rule, economic rent is the measure to be used, however, contract rent is relevant as evidence of economic rent. *County of Fairfax v. Nassif*, 223 Va. 400, 290 S.E.2d 822 (1982).

Economic rent is the amount that a typical lessee should be willing to pay for the right to use and occupy the premises for a stated period. That definition focuses upon the property that is being valued and plainly indicates that the determination of economic rent must be specific to the property under review as opposed to some abstract or theoretical property. *Smith v. County of Fairfax*, 234 Va 250, 361 S.E.2d. 351 (1987).

Economic rent is that rent which a market is currently paying for space. Market rent is the general market of office space throughout the county. Whether the county's approach is a true averaging or whether it results in theoretical, market-wide values it is at odds with the definition of economic rent, because it leads to values unrelated to the specific property being appraised. *Nassif II v. County of Fairfax*, 231 Va. 472, 345 S.E.2d 520 (1986).

*Nassif I*, would be an exercise in futility if all it did was to require an assessor to "think" about contract rent, then reject it as meaningless in arriving at economic rent. Contract rent is relevant evidence of economic rent and cannot be disregarded by the appraiser. In determining economic rent, contract rent must be factored into the formula; it cannot be disregarded. *Nassif II v. County of Fairfax*, 231 Va. 472, 345 S.E.2d 520 (1986).

Rents vary widely with location, physical condition, and other individual characteristics governing

the relative desirability of competing rental properties. *Smith v. County of Fairfax*, 234 Va. 250, 361 S.E.2d. 351 (1987).

The county's economic model was based on rents and expenses derived from commercial properties throughout the county. The assessor had available the actual income and expenses of the property under consideration, but because the properties geographical locations and other individual characteristics are not considered *County of Fairfax v. Donatelli & Kline*, 228 Va. 620, 325 S.E.2d 342 (1985), chose to base his appraisal exclusively on the county-wide economic rent model. In the name of uniformity, the county's model can produce assessment values that are greater than actual fair market value. The preference of uniformity of assessments must stop short of assessments greater than fair market value. *Smith v. County of Fairfax*, 234 Va. 250, 361 S.E.2d 351 (1987).

Where an assessment is based on the capitalization of income, contract rent and actual expenses must be considered in arriving at economic

income. *Smith v. County of Fairfax*, 234 Va. 250, 361 S.E.2d 351 (1987).

The more reliable method in determining expense ratios is to prorate expenses for each building over the square footage of rentable space in the building. *Smith v. County of Fairfax*, 234 Va. 250, 361 S.E.2d 351 (1987).

A taxpayer who is able to show that actual rents and expenses were ignored, or given only token consideration in the formulation of an assessment, will carry his burden of overcoming the presumption of correctness to which the assessment is entitled. At that point, the burden shifts to the assessing authority to go forward with evidence tending to prove that the actual rent and expenses do not fairly reflect economic net income for the particular property being appraised. If the assessor fails to carry that burden, the assessment should be corrected. *Smith v. County of Fairfax*, 234 Va. 250, 361 S.E.2d 351 (1987).

**VI. ARTICLE 14**  
**BOARDS OF EQUALIZATION**

- |            |   |            |   |
|------------|---|------------|---|
| 58.1-3370. | Appointment.  |            |   |
| 58.1-3371. | Appointment in counties with county executive or county manager form of government. | 58.1-3382. | Appeal.   |
| 58.1-3372. | Repealed.   | 58.1-3383. | Omitted real estate and duplicate assessments.  |
| 58.1-3373. | Permanent board of equalization.  | 58.1-3384. | Minutes and copies of orders.   |
| 58.1-3374. | Qualifications of members; vacancies.   | 58.1-3385. | Commissioner to make changes ordered; when order exonerates taxpayer.   |
| 58.1-3375. | Compensation of members.  | 58.1-3386. | Power of boards to send for persons and papers.   |
| 58.1-3376. | Organization and assistants; legal assistance.                                      | 58.1-3387. | Penalty for failure to obey summons.  |
| 58.1-3377. | Use of land books.  | 58.1-3388. | In counties not having general reassessment, or annual or biennial assessment, taxes to be extended on basis of last equalization made. |
| 58.1-3378. | Sittings; notices thereof.  | 58.1-3389. | Article not applicable to real estate assessable by Corporation Commission or Department.   |
| 58.1-3379. | Hearing complaints and equalizing assessments.                                      |            |   |
| 58.1-3380. | Taxpayer or local authorities may apply for equalization.                           |            |   |
| 58.1-3381. | Action of board; notice required before increase made.                              |            |   |

**ARTICLE 14.**  
Boards of Equalization.

§ 58.1-3370. **Appointment. -A.** The circuit court having jurisdiction within each city and each county other than those counties operating under § 58.1-3371 shall, in each tax year immediately following the year a general reassessment or annual or biennial assessment is conducted in such city or county, appoint for such city or county a board of equalization of real estate assessments, unless such county or city has a permanent board of equalization of appointed according to law.

**B.** The term of any board of equalization appointed under the authority of this section shall expire one year after the effective date of the assessment for which they were appointed. (Code 1950, § 58-895; 1975, c. 575; 1979, c. 577; 1983, c.304; 1984, cc.273, 675; 1991, c. 240.)

§ 58.1-3371. **Appointment in counties with county executive or county manager form of government.** - Unless the county has a permanent board of equalization appointed according to law, the board of supervisors or other governing body of any county operating under the county executive form of government, or the county manager form of organization and government provided for in Chapter 5 (§ 15.2-500 et seq.) or Chapter 6 (§ 15.2-600 et seq.) of Title 15.2, shall for the year following any year a general reassessment or annual or biennial assessment is conducted create and appoint for the county a board of equalization of real estate assessments. For any county operating under the county executive form of government, the board shall be composed of not less than three nor more than the number of districts for the election of members of the board of supervisors in the county. The terms of the members of any board so appointed shall expire on December 31 of the year in which they are appointed. Members of any board shall have the qualifications prescribed by § 58.1-3374 and shall conduct their business as required by § 58.1-3378. (Code 1950, § 58-897; 1950, p. 851; 1979, c. 577; 1983, c. 304; 1984, c. 675; 1995, c. 24.)

§ 58.1-3372: Repealed by Acts 1985, c. 62.

§ 58.1-3373. **Permanent board of equalization.** - Any county or city which uses the annual assessment method or the biennial assessment method authorized under § 58.1-3253 in lieu of periodic general assessments, may elect to create a permanent board of equalization in lieu of the board of equalization required under §§ 58.1-3370 and 58.1-3371. Such board shall consist of three or five members to be appointed by the circuit court of such county or city, or the circuit court having jurisdiction within such city, as follows: In the case of a three-member board, one member shall be appointed for a term of one year, one member shall be appointed for a term of two years, and one member shall be appointed for a term of three years. In the case of a five-member board, one member shall be appointed for a one-year term, one member shall be appointed for a two-year term, and three members shall be appointed for a three-year term. However, for any county operating under the county executive form of government, the number of members of the permanent board of equalization shall be no less than three nor more than the number of districts for the election of members of the board of supervisors in the county, and the members of the permanent board of equalization shall be appointed by the circuit court of such county for three-year terms. As the terms of the initial appointees expire, their successors shall be appointed for terms of three years. Members of such boards shall have the qualifications prescribed by § 58.1-3374, and shall conduct their business as required by § 58.1-3378. The compensation of the members of any such boards shall be fixed by the governing body.

(Code 1950, § 58-898.1; 1979, c. 577; 1984, c. 675; 1989, c. 390; 1995, c. 24.)

§ 58.1-3374. **Qualifications of members; vacancies; maximum terms.** - Except as provided in § 58.1-3371 or § 58.1-3373, every board of equalization shall be composed of not less than three nor more than five. All members of every board of equalization shall be residents, a majority of whom shall be freeholders, in the county or city for which they are to serve and shall be selected from the citizens of the county or city. Appointments to the board of equalization shall be broadly representative of the community. Thirty percent of the members of the board shall be commercial or residential real estate appraisers, other real estate professionals, builders, developers, or legal or financial professionals, and at least one such member shall sit in all cases involving commercial, industrial or multi-family residential property, unless waived by the taxpayer. No member of the board of assessors shall be eligible for appointment to the board of equalization for the same reassessment. In order to be eligible for appointment, each prospective member of such board shall attend and participate in the basic course of instruction given by the Department of Taxation under § 58.1-206. In addition, at least once in every four years of service on a board of equalization, each member of a board of equalization shall take continuing education instruction provided by the Tax Commissioner pursuant to § 58.1-206. Any vacancy occurring on any board of equalization shall be filled for the unexpired term by the authority making the original appointment.

In no case shall a person serve as a member of a board of equalization for more than nine consecutive years, and upon the expiration of such nine consecutive years such person shall not be eligible for reappointment for a period of three years. (Code 1950, § 58-899; 1979, c. 577; 1983, c. 304; 1984, c. 675; 1995, c. 24; 2003, c.)

§ 58.1-3375. **Compensation of members.** The members of every board of equalization shall receive compensation, for the time actually engaged in the duties of the board, to be fixed by the governing body of the county or city and paid out of the local treasury. The governing body of every county and of every city may limit the compensation to such number of days as in its opinion is sufficient for the completion of the work of the board. (Code 1950, § 58-900; 1984, c. 675.)

§ 58.1-3376. **Organization and assistants; legal assistance.** - A. Every board of equalization shall elect one of its members as chairman and another as secretary, and may employ necessary clerical and other assistants and call in advisors and fix their compensation, subject to the approval of the governing body of the county or city, to be paid out of the local treasury.

B. In any city with a population of more than 100,000, when the board of equalization, in fulfilling its functions, desire legal advice, the board shall request such advice from the attorney for the city or county for which they were appointed.

Notwithstanding any contrary provision of law, general or special, such attorney shall in a timely manner give his advice to the board.

If there is no such attorney or the attorney has a conflict, the board shall make a written request to the city or county governing body to employ an attorney to advise the board. The governing body shall respond in writing within ten days from the receipt of such request.

If the governing body refuses to honor the board's request, then the board shall apply to the circuit court that appointed it. The judge of such circuit court may authorize the employment of an attorney to advise the board and order that the attorney be paid out of the local treasury. (Code 1950, § 58-901; 1984, c 675; 1994, c. 509.)

§ 58.1-3377. **Use of land books.** - Every board of equalization for a county not having a general reassessment of real estate shall procure for its use from the clerk of the circuit court of the county the copy of the land book on file in his office for the current year if available, otherwise for the preceding year, and the board shall return the land book to the clerk upon the completion of its work. Every board of equalization for a city having need of a copy of the land book for any year shall procure an existing copy if available for the purpose; otherwise the governing body of the city shall cause a new copy to be made and furnished the board at the expense of the city. (Code 1950, § 58-902; 1984, c. 675.)

§ 58.1-3378. **Sittings; notices thereof.** - Each board of equalization shall sit at and for such time or times as may be necessary to discharge the duties imposed and to exercise the powers conferred by this chapter. Of each sitting public notice shall be given at least 10 days beforehand by publication in a newspaper having general circulation in the county or city and, in a county, also by posting the notice at the courthouse and at each public library, voting precinct or both. Such posting shall be done by the sheriff or his deputy. Such notice shall inform the public that the board shall sit at the place or places and on the days named therein for the purpose of equalizing real estate assessments in such county or city and for the purpose of hearing complaints of inequalities wherein the property owners allege a lack of uniformity in assessment, or errors in acreage in such real estate assessments. The board also shall hear complaints that real property is assessed at more than fair market value. Except as otherwise provided by the Code of Virginia:

1. The fair market value of real property shall be established by the board as of January 1 of the applicable year; or

2. If a county or city has adopted July 1 as its tax day for real property pursuant to § 58.1-3011, then, for other than public service corporation property, the fair market value of real property shall be established by the board as of July 1 of the applicable year.

The governing body of any county or city may provide by ordinance the date by which applications must be made by property owners or lessees for relief. Such date shall not be earlier than 30 days after the termination of the date set by the assessing officer to hear objections to the assessments as provided in § 58.1-3330. If no applications for relief are received by such date, the board of equalization shall be deemed to have discharged its duties. Such governing body may also provide by ordinance the deadline by which all applications must be finally disposed of by the board of equalization. All

such deadlines shall be clearly stated on the notice of assessment. (Code 1950, § 58-903; 1976, c. 679; 1983, c. 304; 1984, c. 675; 1989, c. 300; 2000, c.383; 2003, c.)

**§ 58.1-3379. Hearing complaints and equalizing assessments.** - A. The board shall hear and give consideration to such complaints and shall adjust and equalize such assessments and shall, moreover, be charged with the especial duty of increasing as well as decreasing assessments, whether specific complaint be laid or not, if in its judgment, the same be necessary to equalize and accomplish the end that the burden of taxation shall rest equally upon all citizens of such county or city.

B. In all cases brought before the board, there shall be a presumption that the valuation determined by the assessor is correct, and the board shall be advised that it is not necessary that the taxpayer show that the assessment is a result of manifest error or disregard of controlling evidence, but rather that the standard of proof is in accordance with subsection C.

C. The burden of proof shall be upon a taxpayer seeking relief to show that the property in question is valued at more than its fair market value, that the assessment is not uniform in its application, or that the assessment is otherwise not equalized. In order to receive relief, the taxpayer must produce substantial evidence that the valuation determined by the assessor is erroneous and was not arrived at in accordance with generally accepted appraisal practice. Mistakes of fact, including computation, that affect the assessment shall be deemed not to be in accordance with generally accepted appraisal practice.

D. The commissioner of the revenue or other local assessing officer of such county or city shall, when requested, attend the meetings of the board, without additional compensation, and shall call the attention of the board to such inequalities in real estate assessments in his county or city as may be known to him.

E. Every board of equalization may go upon and inspect any real estate subject to adjustment or equalization by it.

F. The burdens and standards set out in subsections B and C shall apply in hearings before the board and nothing contained in this section shall be construed to change or have any effect upon the burdens and standards applicable to applications to correct erroneous assessments filed with circuit courts pursuant to §§ [58.1-3984](#) through [58.1-3987](#). (Code 1950, § 58-904, 1984, c. 675; 2003, c.)

**§ 58.1-3380. Taxpayer or local authorities may apply for equalization.** - Any taxpayer may apply to the board of equalization for the adjustment to fair market value and equalization of his assessment, including errors in acreage, and any county or city through its appointed representative or attorney may apply to the board of equalization to adjust an assessment of real property to its fair market value and to equalize the assessment of any taxpayer. (Code 1950, § 58-905; 1984, c. 675; 2003, c.)

**§ 58.1-3381. Action of board; notice required before increase made.** - A. The board shall hear and determine any and all petitions and, by order, may increase, decrease or affirm the assessment of which complaint is made; and by order, it may increase, decrease any assessment, upon its own motion. No assessment shall be increased until after the owner of the property has been notified and given an opportunity to show cause against such increase, unless such owner has already been heard.

B. Any determination of the assessment by the board shall be deemed presumptively correct for the succeeding two years unless the assessor can demonstrate by clear and convincing evidence that a substantial change in value of the property has occurred. This subsection shall apply to the city of Virginia Beach. (Code 1950, § 58-906; 1984, c. 675; 1993, c. 136; 2007, c. 813.)

**§ 58.1-3382. Appeal.** - The attorney for the county, city, or town or any taxpayer, aggrieved by any such order, may apply to the circuit court of the

county or city, for the correction and revision of such order, in the same manner and within the same time as is provided by law for the correction of erroneous assessment of real estate by any person who is aggrieved thereby. (Code 1950, § 58-907; 1984, c. 675.)

§ 58.1-3383. **Omitted real estate and duplicate assessments.** - The board may direct the commissioner of the revenue to enter upon the land books real estate which is found to have been omitted, and to cancel duplicate assessments of real estate. (Code 1950, § 58-908; 1984, c. 675.)

§ 58.1-3384. **Minutes and copies of orders.** - The board shall keep minutes of its meetings and enter therein all orders made and transmit promptly copies of such orders as relate to the increase or decrease of assessments to the taxpayer and commissioner of the revenue. The orders shall be recorded on forms prepared by the Tax Commissioner and provided to localities by the Department of Taxation or on forms prepared by the board that contain, at a minimum, all the information required on the forms prepared by the Tax Commissioner. (Code 1950, § 58-909, 1984, c. 675; 2003, c.)

§ 58.1-3385. **Commissioner to make changes ordered; when order exonerates taxpayer.** - The commissioner of the revenue shall make on his land book the changes so ordered by the board and, if such changes affect the land book for the then current year and such land book has been then completed, the commissioner of the revenue may for that year make a supplemental assessment in case of an increase in valuation. In case of a decrease in valuation, the order of the board shall entitle the taxpayer to an exoneration from so much of the assessment as exceeds the proper amount, if the taxes have not been paid by him and, in case the taxes have been paid, to a refund of so much thereof as is erroneous. (Code 1950, § 58-910; 1984, c. 675.)

§ 58.1-3386. **Powers of boards to send for persons and papers.** - Such board shall have authority to summon taxpayers or their agents, or any person: (1) to furnish information relating to the real estate of any and all taxpayers, (2) to answer, under oath, all questions touching the ownership and value of real estate of any and all taxpayers, (3) to bring before it their books of accounts or other papers and records containing information with respect to the valuation of real estate of the taxpayer or any other real estate subject to taxation within the county or city under review by the board. Such summons may be served in person or by registered mail. (Code 1950, § 58-911; 1984, c. 675.)

§ 58.1-3387. **Penalty for failure to obey summons.** - Any person refusing to answer the summons of the board of equalization, to furnish information or to produce his books of account, papers and other records, as required by this chapter, shall be deemed guilty of a Class 4 misdemeanor, and each day's failure to answer such summons, to furnish such information or to produce such books of account, papers and other records shall constitute a separate offense. (Code 1950, § 58-912; 1984, c. 675.)

§ 58.1-3388. **In counties not having general reassessment, or annual or biennial assessment, taxes to be extended on basis of last equalization made.** - In every county not having a general reassessment or an annual or biennial assessment of real estate, taxes for each year on real estate shall be extended on the basis of the last equalization made prior to such year, subject to such changes as may have been lawfully made. (Code 1950, § 58-913; 1979, c. 577; 1984, c. 675.)

§ 58.1-3389. **Article not applicable to real estate assessable by Corporation Commission or Department.** - This article shall not apply to any real estate which is assessable under the law by the State Corporation Commission or the Department of Taxation. (Code 1950, § 58-915; 1983, cc. 304, 570; 1984, c.675.)

## VII. ATTORNEY GENERAL'S OPINIONS

June 9, 1988

### THE HONORABLE L. WAYNE CARTER

Commissioner of the Revenue for the City of Salem

You ask whether a board of equalization has the authority in the second year of a biennial assessment cycle to equalize the real property assessment which were made effective January 1 of the first year of that cycle. If so, you also ask for what year or years the equalized assessment is effective.

#### I. Facts

Your jurisdiction assesses biennially and has a permanent board of equalization. There is no local ordinance providing the date by which application for relief must be made by taxpayers. The Notice of Real Estate Assessment Change sent by the local tax assessment office to taxpayers, however, states that all appeals to the board of equalization must be made within 30 days of the date on the Notice sent to the taxpayer.

#### II. Applicable Statutes

Section 58.1-3378 of the Code of Virginia provides:

Each board of equalization shall sit at and for such time or times as may be necessary to discharge the duties imposed and to exercise the powers conferred by this chapter. Of each sitting public notice shall be given at least ten days beforehand by publication in a newspaper having general circulation in the county or city and, in a county, also by posting the notice at the courthouse and at each voting precinct. Such posting shall be done by the sheriff or his deputy. Such notice shall inform the public that the board shall sit at the place or places and on the days named therein for the purpose of hearing complaints of inequalities wherein the property owners allege a lack of uniformity in assessment, or errors in acreage in such real estate assessments.

*The governing body of any county or city may provide by ordinance the date by which applications must be made by property owners or lessees for relief... Such governing body may also provide by ordinance the deadline by which all applications must be finally disposed of by the board of equalization. All such deadlines shall be clearly stated on the notice of assessment. (Emphasis added.)*

Salem, Va. Code § 2.6(d)(1981) provides, in part, that "(s)uch board of equalization shall have and may exercise the power to revise, correct and amend any assessment of real estate made by the assessor in the calendar year in which they serve". (Emphasis added.)

#### III. Only Local Governing Body Has Authority to set Deadline for Appeal of Assessment

Section 58.1-3378 authorizes *only* the local governing body to set deadlines for application for relief from real estate assessments. There is no statute or other authority which permits the tax assessor to set such deadlines, as was done in the facts you present. See 1986-1987 Att'y Gen. Ann. Rep. 298. It is my opinion, therefore, that the 30-day deadline for taxpayers to appeal their assessment to the board of equalization, though clearly stated on the Notice of Real Estate Assessment Change, has no validity and is not binding upon the board because it was not authorized by an ordinance of the governing body.

#### IV. Board's Authority to Revise Assessment Limited to Year Assessment Made



Pursuant to Salem, Va. Code § 2.6(d), the authority of the board of equalization to revise real estate assessments is limited to the year in which the assessment is "made". In a biennial assessment jurisdiction, the general valuation assessment or reassessment is made effective January 1 of the biennial assessment cycle. See § 58.1-23531. No new valuation assessment is made in the second year of the biennial cycle unless a change occurs for which a statute permits an assessment outside of the general assessment cycle<sup>2</sup>. In the absence of such change, the board, pursuant to U 2.6(d), may make revisions to assessments only in the first calendar year of the biennial assessment or reassessment cycle.

**V. Board Has No Authority, In Facts Presented,  
to Equalize Assessments in Second Year of Biennial Cycle**

Based on the above, it is my opinion that, in the facts presented, the board of equalization has no authority in the second year of a biennial assessment to hear complaints of assessments which were made in the first year of that assessment cycle. All applications for relief must be received and disposed of during the calendar year in which the assessment was made. Since I conclude that such equalized assessments may not be made, a response to your second question is unnecessary.

---

<sup>1</sup>This statute permits local governing bodies to provide by ordinance for biennial assessments and provides that a reassessment is to be conducted biennially but may be completed over the course of the entire two-year period.

<sup>2</sup>See, e.g., 58.1-3285 (reassessment of lots subdivided or rezoned); § 58.1-3292 (assessment of new buildings); § 58.1-3293 (assessment when building damaged or destroyed or for removal of timber from timberland.)

**THE HONORABLE J. RONNIE MINTER**

Commissioner of the Revenue for the City of Martinsville

You ask whether a board of equalization appointed under § 58.1-3370 of the Code of Virginia may set (1) the date by which property owners or lessees must apply to the board for relief on real estate assessments, and (2) the deadline by which such applications must be disposed of by the board, where a locality elects not to adopt an ordinance pursuant to § 58.1-3378 setting such a date and deadline.

**I. Relevant Statutes**

Article 14, Ch. 32, Title 58.1-3370 *et seq.*, provides for the appointment of boards of equalization for real estate assessments and sets forth their powers and duties.

Section 58.1-3370(B) provides:

The term of any board of equalization appointed under the authority of this section shall expire ~~six months~~ one year after the effective date of the assessment for which they were appointed.

Section 58.1-3378 reads, in pertinent part:

Each board of equalization shall sit at and for such time or times as may be necessary to discharge the duties imposed and to exercise the powers conferred by this chapter. Of each setting public notice shall be given at least ten days beforehand by publication in a newspaper having general circulation in the county or city and, in a county, also by posting the notice at the courthouse and at each voting precinct. Such posting shall be done by the sheriff or his deputy. Such notice shall inform the public that the board shall sit at the place or places and on the days named therein for the purpose of hearing ~~all~~ complaints of inequalities wherein the property owners allege a lack of uniformity in assessment including errors in acreage in such real estate assessments.

The governing body of any county or city may provide by ordinance the date by which applications must be made by property owners or lessees for relief. ...Such governing body may also provide by ordinance the deadline by which all applications must be finally disposed of by the board of equalization. All such deadlines shall be clearly stated on the notice of assessments.

**II. Board of Equalization May Not Set Deadlines for Receipt or Disposition of Application for Relief**

The clear language of § 58.1-3378 authorizes only the local governing body of a city or county to set deadlines for application for relief from real estate assessments by property owners or lessees and final disposition thereof. I find no other section which permits a board of equalization to set such deadlines.<sup>1</sup>

---

<sup>1</sup>See, e.g., § 58.1-3379 (dealing with a board's power to hear complaints and equalize assessments, as well as to increase and decrease assessments); 58.1-3381 (permitting the board by order to increase, decrease or affirm an assessment upon complaint made, or upon its own motion); and 58.1-3386 (authorizing the board to summon taxpayers to obtain information relating to the real estate of any and all taxpayers).

In the absence of such deadlines, taxpayers may bring their complaints to

the board of lequalization at any time the board is sitting in accordance with § 58.1-3378. Section 58.1-3378 requires that the board "shall sit...for such time or times as may be necessary to discharge the duties imposed and to exercise the powers conferred by this chapter." Thus, the practice is for the board to sit for as many days as necessary following the ten-day public notice to taxpayers required by § 58.1-3378. See 1954-1955 Report of the Attorney General at 228.

**III. Conclusion: In Absence of Deadlines Ordained by Governing Body,  
Applications for Relief May Be Received at Any Time,  
but Board of Equalization's Work Must Be Completed Within Its Term.**

Accordingly, it is my opinion that a board of equalization appointed under § 58.1-3370 may not set the date by which taxpayers must apply to it for relief from real estate assessments or a deadline for final disposition of such applications. Section 58.1-3370 "shall expire one year after the effective date of the assessment for which they were appointed." All applications for relief, therefore, must be received and disposed of prior to the expiration of this one year period.

---

October 3, 1985

**THE HONORABLE C. RICHARD CRANWELL**  
Member, House of Delegates

You have asked me to provide you with an informal opinion interpreting the authority of a board of equalization to make adjustments of assessments under §§ 58.1-3379 and 58.1-3381 of the Code of Virginia. In particular, who wish to know whether the orders of the board of equalization must be limited to single parcels of property or whether a large group or class of parcels may be made subject to a single order contemplating a uniform reduction of the assessments for each and every parcel in the group or class. In the facts of the case you presented, I understand that the board of equalization wishes to make a decrease in the assessment of certain parcels enrolled in the land use assessment program.

It is my opinion that the board of equalization need not enter a separate order for each separate parcel of property. A single, comprehensive order may be entered covering a large group or class of parcels for which the board of equalization wishes to make a decrease in the assessment. Such a single order covering more than one parcel must include sufficient information from which the commissioner of the revenue can ascertain each and every specific place of property covered and the precise adjustment which is to be made to each and every such parcel, in order that he can make the proper changes to his land book in accordance with 58.1-3385 of the Code.

Proper identification of each parcel subject to the order can be accomplished by a listing within the order of all parcels to be affected by it. In the alternative, the order of the board of equalization may incorporate by reference some other public document which lists all such properties. Incorporation by reference of a public document which lists a greater number of properties than the number the order is intended to affect will only be legally effective and, hence, the order will only be valid if the incorporation by reference is accompanied by additional identifying features by which those parcels affected by the order can be ascertained with certainty and separated from the remaining parcels in the list.

One additional word of caution needs to be given concerning this procedure. The Virginia Supreme Court case of *City of Lynchburg v. Taylor*, 156 Va. 53, 157 S.E. 718 (1931), rejected the attempt of a board of equalization to order a general reduction in all items of the assessment suggesting that such an action "is, in effect, the making of a new general assessment by the local board of equalization, which is beyond the scope of its jurisdiction." *Lynchburg* at 62. The Court also stated that the authority of the board of equalization is limited to "the power to correct *individual items* of the assessment which are erroneous..." *Id.* at 61. "(I)ts function is to equalize the general assessment made by the land assessor, not to make a new general assessment." *Id.* at 62.

Given these limitations upon the authority of the board of equalization, it is my opinion that any single order affecting a group or class of parcels can only issue upon the premise that the board of equalization made a case-by-case determination for each of the parcels affected that those parcels, as a group or class of parcels, were assessed at a figure which resulted in an inequality of assessment which violates the principle "that the burden of taxation shall rest equally upon all citizens of such county or city," Section 58.1-3379 of the Code of Virginia. Any "across the board" adjustments to a group or class of individual items in the assessment which is attempted without the board of equalization first having reached their decision on a case-by-case basis would, in my opinion, violate the precepts of the *Lynchburg* case.

May 27, 1982

**THE HONORABLE DIANE BRUCE**

Clerk of the Circuit Court for Rappahannock County

This is in reply to your letter in which you inquired whether Form 907 issued by the Department of Taxation meets the notice requirements of § 58-906 (58.1-3381) (58.1-3370-3389) of the Code of Virginia (1950), as amended.

Sections 58-895 (58.1-3370) through 58-915 (58.1-3389) set forth the powers and duties of local boards of equalization. Section 58-906 (58.1-3381) empowers a board of equalization to issue an order increasing real property assessments after first providing notice of the proposed adjustment to the owner and an opportunity for him to be heard. Such notice and opportunity to be heard are required before the board may issue a final order adjusting a real property assessment. Form 907 is a form of final order only and does not provide the necessary notice nor does it advise the taxpayer of his right to be heard. In light of the foregoing, I am of the opinion that Form 907 should be used only when notice has previously been given to the property owner as contemplated by § 58-906 (58.1-3381).

You also asked if it is advisable to notify the owner of the proposed changes and of his right to be heard before the board within a stated time period before the proposed order is entered and becomes final. As indicated above, such notice is required by law.

---

<sup>1</sup>Section 58-906 (58.1-3381) states: "The board shall hear and determine any and all such petitions and, by order, may increase, decrease or affirm the assessment of which complaint is made; and, by order, it may increase, decrease any assessment, upon its own motion. No assessment shall be increased until after the owner of the property has been notified and given an opportunity to show cause against such increase, unless such owner has already been heard."

February 26, 1975

**THE HONORABLE EDWARD A. NATT**  
Commonwealth Attorney for Roanoke County

This is in response to your recent request for my opinion whether a county board of equalization has the power to equalize inequalities in the overall reassessment of county property, or whether the board is limited to the equalization of assessments of specific parcels. You state that the assessment of a group of properties in Roanoke County may be uniform among themselves, but that the assessment of the entire group may be out of line with the values accorded other groups of properties in the county by the same assessment. You also ask whether such an overall equalization, if permissible, would require an application by each aggrieved property owner.

A local board of equalization is one of the agencies charged by law with the responsibility of executing the mandate of Article X, Section 1, of the Constitution of Virginia, that local real estate taxes "shall be uniform upon the same class of subjects within the territorial limits of the authority levying the tax." This requirement of uniformity is the predominant constitutional consideration relating to local real estate taxation. See *Fray v. County of Culpeper*, 212 Va. 143, 163 S.E.2d 175 (1971). The "territorial limits" within which it applies are the actual boundaries of the political subdivision levying the tax. See *Robinson v. City of Norfolk*, 108 Va. 14, 60 S.E. 762 (1908).

Inequalities may exist, and the requirement of uniformity may be violated when a group of properties is assessed differently from other groups within the county, as well as when individual parcels are assessed differently. See *Perkins v. County of Albemarle*, 214 Va. 240, 200 S.E.2d 566 (1973).

Section 58.1-3378 empowers local boards of equalization to sit at enumerated times and places "for the purpose of hearing complaints of inequalities including errors in acreage in...real estate assessments." Section 58.1-3379 provides:

The board shall hear and give consideration to such complaints and equalize such assessments and shall, moreover, be charged with the especial duty of increasing as well as decreasing assessments, whether specific complaint be laid or not, if in its judgment the same be necessary to equalize and accomplish the end that the burden of taxation shall rest upon all citizens of such county or city. The Commissioner of the Revenue of such county or city shall, when requested, attend the meetings of the board, without additional compensation, and shall call the attention of the board to such inequalities in real estate assessments in his county or city as may be known to him. Every board of equalization may go upon and inspect any real estate subject to equalization by it.

Based on the foregoing, a board of equalization has the power and the obligation to correct erroneous groups of assessment to achieve equality and uniformity of taxation. Under § 58.1-3379, such an equalization does not require an application by each aggrieved property owner. If any assessment is increased, however, the property owner must be given notice and an opportunity to be heard pursuant to § 58.1-3381.

SAMPLE ADVERTISEMENT FOR NEWSPAPER

PUBLIC NOTICE

BOARD OF EQUALIZATION

for

County/City of \_\_\_\_\_

Public notice is hereby given that the Board of Equalization for (County/City) will meet on the days hereafter listed for the purpose of hearing complaints of inequalities including errors in acreage. Upon hearing such complaints, either oral or written, the Board will give consideration **AND INCREASE, DECREASE OR AFFIRM** such real estate assessments. Before a change can be granted, the taxpayer or his agent, must overcome a clear presumption in favor of the assessment. The taxpayer or agent must provide substantial evidence that the assessment of the property is not uniform with the assessments of other similar properties or that the property is assessed in excess of its fair market value.

Appointments will be scheduled every 15 minutes to minimize waiting. To appear before the Board of Equalization, please call (Phone Number), from 0:00 A.M. and 0:00 P.M. Meetings of the Board to hear objections will be held at (location). The date(s) and time(s) are:

**March 20, 20\_\_ 9:00 AM to 4:00 PM**

**March 23, 20\_\_ 1:00 PM to 5:00 PM**

**March 27, 20\_\_ 6:30 PM to 10:00 PM**

(Additional dates and times will be scheduled if necessary and advertised)

By order of the

County/City Board of Equalization.

**APPENDIX: B**

**LETTER OF NO CHANGE TO ASSESSMENT**

(Date) City/County Map No. \_\_\_\_\_

(Taxpayer/Agent Name)  
(Address)  
(City, County)

RE: Action of Board of Equalization

As requested during a recent public hearing, the assessment on the property under review by the board has been carefully considered.

It is the opinion of this board that no justification for changing the value has been established since your property does not appear to be appraised in excess of fair market value, nor does it appear to be out of line with similar properties. The value remains as shown on the notice of assessment mailed to you prior to this hearing.

Please be assured that the Board of Equalization has given your request for adjustment serious consideration, and we appreciate your interest and cooperation.

Sincerely,

Board of Equalization

**APPENDIX: C**

**LETTER OF PROPOSED INCREASE IN ASSESSMENT**

(DATE)

CITY/COUNTY MAP NO. \_\_\_\_\_

(OWNER'S NAME)

(ADDRESS)

(CITY/COUNTY)

RE: PROPOSED INCREASE IN ASSESSMENT

Dear:

The Board of Equalization of (City/County), has reviewed your property, assessed at \$\_\_\_\_\_ and described as (Land Book Description). The board, after reviewing other property, finds it necessary to increase your assessment to \$\_\_\_\_\_. You have an opportunity to show cause against such increase. You must contact this office no later than (Date, Time). If you fail to contact this board by such date and time, the board will order such proposed increase.

Any appeal from the Order, must be to the Circuit Court of this city/county within the time provided for by law.

You may correspond with us in writing, by telephone or appear in person, however, no later than (date and time), if you choose to exercise your right of appeal.

You may contact the Clerk to the Board of Equalization at (Phone No.) from (Time).

Board of Equalization

APPENDIX: D

SUMMARY  
THE VIRGINIA FREEDOM OF INFORMATION ACT

§ 2.2-3700. Short title; policy.

A. This chapter may be cited as "The Virginia Freedom of Information Act."

B. By enacting this chapter, the General Assembly ensures the people of the Commonwealth ready access to public records in the custody of a public body or its officers and employees, and free entry to meetings of public bodies wherein the business of the people is being conducted. The affairs of government are not intended to be conducted in an atmosphere of secrecy since at all times the public is to be the beneficiary of any action taken at any level of government. Unless a public body or its officers or employees specifically elect to exercise an exemption provided by this chapter or any other statute, every meeting shall be open to the public and all public records shall be available for inspection and copying upon request. All public records and meetings shall be presumed open, unless an exemption is properly invoked.

The provisions of this chapter shall be liberally construed to promote an increased awareness by all persons of governmental activities and afford every opportunity to citizens to witness the operations of government. Any exemption from public access to records or meetings shall be narrowly construed and no record shall be withheld or meeting closed to the public unless specifically made exempt pursuant to this chapter or other specific provision of law. This chapter shall not be construed to discourage the free discussion by government officials or employees of public matters with the citizens of the Commonwealth.

All public bodies and their officers and employees shall make reasonable efforts to reach an agreement with a requester concerning the production of the records requested.

Any ordinance adopted by a local governing body that conflicts with the provisions of this chapter shall be void.

(1968, c. 479, § 2.1-340; 1976, c. 467, § 2.1-340.1; 1989, c. 358; 1990, c. 538; 1999, cc. 703, 726; 2001, c. 844; 2002, c. 393.)

I. OFFICIAL RECORDS

"Public records" means all writings and recordings that consist of letters, words or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photography, magnetic impulse, optical or magneto-optical form, mechanical or electronic recording or other form of data compilation, however stored, and regardless of physical form or characteristics, prepared or owned by, or in the possession of a public body or its officers, employees or agents in the transaction of public business. Virginia Code Ann. § 2.2-3701.

## II. MEETINGS

"Meeting" or "meetings" means the meetings including work sessions, when sitting physically, or through telephonic or video equipment pursuant to § [2.2-3708](#), as a body or entity, or as an informal assemblage of (i) as many as three members or (ii) a quorum, if less than three, of the constituent membership, wherever held, with or without minutes being taken, whether or not votes are cast, of any public body. The gathering of employees of a public body shall not be deemed a "meeting" subject to the provisions of this chapter. Virginia Code Ann. § 2.2-3701.

### SUMMARY

#### STATE & LOCAL GOVERNMENT CONFLICT OF INTERESTS ACT

§ 2.2-3100. Policy; application; construction.

The General Assembly, recognizing that our system of representative government is dependent in part upon (i) citizen legislative members representing fully the public in the legislative process and (ii) its citizens maintaining the highest trust in their public officers and employees, finds and declares that the citizens are entitled to be assured that the judgment of public officers and employees will be guided by a law that defines and prohibits inappropriate conflicts and requires disclosure of economic interests. To that end and for the purpose of establishing a single body of law applicable to all state and local government officers and employees on the subject of conflict of interests, the General Assembly enacts this State and Local Government Conflict of Interests Act so that the standards of conduct for such officers and employees may be uniform throughout the Commonwealth.

This chapter shall supersede all general and special acts and charter provisions which purport to deal with matters covered by this chapter except that the provisions of §§ [15.2-852](#), [15.2-2287](#) and [15.2-2289](#) and ordinances adopted pursuant thereto shall remain in force and effect. The provisions of this chapter shall be supplemented but not superseded by the provisions on ethics in public contracting in Article 6 (§ 2.2-4367 et seq.) of Chapter 43 of this title and ordinances adopted pursuant to § [2.2-3104.2](#) regulating receipt of gifts.

This chapter shall be liberally construed to accomplish its purpose. (1987, Sp. Sess., c. 1, § 2.1-639.1; 1990, c. 672; 2001, c. 844; 2003, c. 694.)

§ 2.2-3115. Disclosure by local government officers and employees.

A. The members of every governing body and school board of each county and city and of towns with populations in excess of 3,500 shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is specified on the form set forth in § [2.2-3117](#) and thereafter shall file such a statement annually on or before January 15.

The members of the governing body of any authority established in any county or city, or part or combination thereof, and having the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year, shall file, as a condition to assuming office, a disclosure statement of their personal

interests and other information as is specified on the form set forth in § [2.2-3118](#) and thereafter shall file such a statement annually on or before January 15, unless the governing body of the jurisdiction that appoints the members requires that the members file the form set forth in § [2.2-3117](#).

Persons occupying such positions of trust appointed by governing bodies and persons occupying such positions of employment with governing bodies as may be designated to file by ordinance of the governing body shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is specified on the form set forth in § [2.2-3117](#) and thereafter shall file such a statement annually on or before January 15.

Persons occupying such positions of trust appointed by school boards and persons occupying such positions of employment with school boards as may be designated to file by an adopted policy of the school board shall file, as a condition to assuming office or employment, a disclosure statement of their personal interests and other information as is specified on the form set forth in § [2.2-3117](#) and thereafter shall file such a statement annually on or before January 15.

B. Nonsalaried citizen members of local boards, commissions and councils as may be designated by the governing body shall file, as a condition to assuming office, a disclosure form of their personal interests and such other information as is specified on the form set forth in § [2.2-3118](#) and thereafter shall file such form annually on or before January 15.

C. The disclosure forms required by subsections A and B shall be provided by the Secretary of the Commonwealth to the clerks of the governing bodies and school boards not later than November 30 of each year, and the clerks of the governing body and school board shall distribute the forms to designated individuals no later than December 10 of each year. Forms shall be filed and maintained as public records for five years in the office of the clerk of the respective governing body or school board. Forms filed by members of governing bodies of authorities shall be filed and maintained as public records for five years in the office of the clerk of the governing body of the county or city.

D. Candidates for membership in the governing body or school board of any county, city or town with a population of more than 3,500 persons shall file a disclosure statement of their personal interests as required by § [24.2-502](#).

E. Any officer or employee of local government who has a personal interest in any transaction before the governmental or advisory agency of which he is an officer or employee and who is disqualified from participating in that transaction pursuant to subdivision A 1 of § [2.2-3112](#) or otherwise elects to disqualify himself, shall forthwith make disclosure of the existence of his interest, including the full name and address of the business and the address or parcel number for the real estate if the interest involves a business or real estate, and his disclosure shall be reflected in the public records of the agency for five years in the office of the administrative head of the officer's or employee's governmental or advisory agency.

F. In addition to any disclosure required by subsections A and B, in each county and city and in towns with populations in excess of 3,500, members of planning commissions, boards of zoning appeals, real estate assessors, and all

county, city and town managers or executive officers shall make annual disclosures of all their interests in real estate located in the county, city or town in which they are elected, appointed, or employed. Such disclosure shall include any business in which such persons own an interest, or from which income is received, if the primary purpose of the business is to own, develop or derive compensation through the sale, exchange or development of real estate in the county, city or town. Such disclosure shall be filed as a condition to assuming office or employment, and thereafter shall be filed annually with the clerk of the governing body of such county, city or town on or before January 15. Such disclosures shall be filed and maintained as public records for five years. Forms for the filing of such reports shall be prepared and distributed by the Secretary of the Commonwealth to the clerk of each governing body.

G. An officer or employee of local government who is required to declare his interest pursuant to subdivision A 2 of § [2.2-3112](#) shall declare his interest by stating (i) the transaction involved, (ii) the nature of the officer's or employee's personal interest affected by the transaction, (iii) that he is a member of a business, profession, occupation, or group the members of which are affected by the transaction, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes of his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day. The officer or employee shall also orally disclose the existence of the interest during each meeting of the governmental or advisory agency at which the transaction is discussed and such disclosure shall be recorded in the minutes of the meeting.

H. An officer or employee of local government who is required to declare his interest pursuant to subdivision A 3 of § [2.2-3112](#), shall declare his interest by stating (i) the transaction involved, (ii) that a party to the transaction is a client of his firm, (iii) that he does not personally represent or provide services to the client, and (iv) that he is able to participate in the transaction fairly, objectively, and in the public interest. The officer or employee shall either make his declaration orally to be recorded in written minutes for his agency or file a signed written declaration with the clerk or administrative head of his governmental or advisory agency, as appropriate, who shall, in either case, retain and make available for public inspection such declaration for a period of five years from the date of recording or receipt. If reasonable time is not available to comply with the provisions of this subsection prior to participation in the transaction, the officer or employee shall prepare and file the required declaration by the end of the next business day.

(1987, Sp. Sess., c. 1, § 2.1-639.14; 1988, c. 849; 1995, c. 495; 1996, c. 526; 2000, c. 317; 2001, cc. 217, 844; 2003, c. 694.)

APPENDIX: E

THIS APPLICATION MAY ONLY BE REQUIRED BY ORDINANCE

APPLICATION TO THE BOARD OF EQUALIZATION

County/City of \_\_\_\_\_  
Address  
Phone No. (000) XXX-1000

DATE APPLICATION RECEIVED: \_\_\_\_\_.

(Use one form for each parcel appealing):

OWNERS NAME \_\_\_\_\_ (As Listed On Land Book)

OWNERS ADDRESS \_\_\_\_\_

Address of Property if Different from above:

\_\_\_\_\_

Tax Map Number: \_\_\_\_\_

Reason for Appeal (Check): ( ) Land Value; ( ) Building Value; ( ) Total Value;

REQUIRED:

\_\_\_\_\_  
Signature of Owner, Taxpayer or Officer of Company

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

Telephone (home) \_\_\_\_\_ (work) \_\_\_\_\_

Notary: \_\_\_\_\_ My Commission Expires \_\_\_\_\_

(Agent or Representative appearing on behalf of the property owner. A signed letter of authorization by property owner must be submitted along with application for review).

i

Optional Information:

Other reasons: \_\_\_\_\_

\_\_\_\_\_

List comparable or similar properties for Board to review:(by Tax Map Number)

1) \_\_\_\_\_

2) \_\_\_\_\_

Date of Hearing: \_\_\_\_\_; Time of Hearing: \_\_\_\_\_.

COMMONWEALTH OF VIRGINIA  
Board of Equalization of Real Estate Assessments

YEAR \_\_\_\_\_

Name of Owner _____		
Street Address _____		
City _____	State _____	Zip Code _____

Map Number \_\_\_\_\_  
Order Number \_\_\_\_\_

**ORDER EQUALIZING REAL ESTATE ASSESSMENT OF THE**

City/County \_\_\_\_\_  
 Incorporated Town \_\_\_\_\_  
 District/Ward/Borough \_\_\_\_\_  
 Description \_\_\_\_\_  
Lot, block and section, if applicable

	Number of acres in each tract	VALUE OF LAND		Value of buildings and improvements	Value of standing timber trees owned by OTHERS than the owners of the land or lot	TOTAL VALUE	
		Fair market value of land or lot and standing timber trees owned by the same person; or value of land or lot exclusive of standing timber trees not owned by the owner of the land or lot.	Use value of eligible land including the value of standing timber trees owned by the owner of the land and the fair market value of the other land including the land area required by the farmhouse or any other structure not related to special use			Total fair market value of land or lot and standing timber trees owned by the owners of the land or lot, buildings and improvements; also standing timber trees owned by others and the owners of the land or lot.	Total use value of eligible land including the value of standing timber trees owned by the owner of the land or lot and the fair market value of other land and buildings and improvements; also standing timber trees owned by others than the owner of the land or lot
Assessment on Land Book							
Equalized Assessment							

THIS ORDER, equalizing the real estate assessment aforesaid, in the manner aforesaid, is this day made by this board of equalization in conformity with law, after giving all notice required by law; and it is directed that this order be entered in the minutes of this board, and that one copy of this order be promptly transmitted to the taxpayer aforesaid and one copy to the commissioner of the revenue of this county.

Given under our hands this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Chairman.

**Teste:** \_\_\_\_\_  
Secretary

NOTES

This order must be prepared in triplicate and copies disposed of as above indicated. A separate order is required for each assessment charged.

**Appendix G**

Map No. _____
Order No. _____

**Real Property Appeal Questionnaire**

*(To be completed by the board of equalization upon the final determination of each appeal)*

Name of Owner: \_\_\_\_\_

Property Address: \_\_\_\_\_

Property Description: \_\_\_\_\_

Classification of property :

Residential: \_\_\_\_\_

Commercial: \_\_\_\_\_

Multifamily: \_\_\_\_\_

Industrial: \_\_\_\_\_

Agricultural: \_\_\_\_\_

Assessed value on appeal \$ _____
Value determined by Board of Equalization \$ _____

Reason for appeal (check each reason that is applicable):

Assessment not uniform in relation to comparable property: \_\_\_\_\_

Assessment exceeds fair market value: \_\_\_\_\_

Assessment based on incorrect data: \_\_\_\_\_

Assessment not determined in accordance with generally accepted appraisal practice: \_\_\_\_\_

Other reasons (please explain): \_\_\_\_\_  
\_\_\_\_\_

Reason for change, if any (check all applicable reasons):

Assessment not uniform in relation to comparable property: \_\_\_\_\_

Assessment exceeded fair market value: \_\_\_\_\_

Assessment based on incorrect data: \_\_\_\_\_

Assessment not determined in accordance with generally accepted appraisal practice: \_\_\_\_\_

Other reasons (please explain): \_\_\_\_\_  
\_\_\_\_\_

Annual Report

Board of Equalization

City/County of \_\_\_\_\_

Assessment Year: \_\_\_\_\_

Names and Occupation (if retired, give former occupation) of Members of Board of Equalization or Review: \_\_\_\_\_

How Often Does Your Locality Conduct Reassessments? \_\_\_\_\_

Total Number of Appeals Received: \_\_\_\_\_

Locality subtotals by property classification:

Residential: \_\_\_\_\_

Commercial: \_\_\_\_\_

Multifamily: \_\_\_\_\_

Industrial: \_\_\_\_\_

Agricultural: \_\_\_\_\_

Number of Appeals Where Values were changed: \_\_\_\_\_ Reduced

\_\_\_\_\_ Increased

\_\_\_\_\_ Total

Locality subtotals by property classification:

	Reduced	Increased	Total
Residential:	_____	_____	_____
Commercial:	_____	_____	_____
Multifamily:	_____	_____	_____
Industrial:	_____	_____	_____
Agricultural:	_____	_____	_____

Comment: Page: 1  
Text box or use an existing drop down box from other TAX applications which lists the localities.

Comment: Page: 1  
Numeric box "9999"

Comment: Page: 1  
This should allow for five names and their occupations. Two separate fields for name and occupation.

Comment: Page: 1  
Drop down box with numbers one through six. The field should say "years"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999"

Comment: Page: 1  
Numeric box "999,999" This box should be programmed to automatically total the "reduced" and "increased" fields.

Comment: Page: 1  
Numeric box "999,999" for each column under "Reduced" and "Increased".  
"Total" column should be programmed to automatically total the "Reduced" and "Increased" row.

---

Please indicate locality subtotals for each category of "reasons for appeal" below. In instances with more than one reason, please include only the main or controlling reason.

Reasons for Appeal:

Assessment not uniform in relation to comparable property: \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

**Assessment exceeded fair market value:** \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

Assessment based on incorrect data: \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

**Assessment not determined in accordance with generally accepted appraisal practice:** \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

Other reasons: \_\_\_\_\_

Comment: Page: 2  
Comment Text Box.

---

Please indicate locality subtotals for each category of "reasons for change" below. In instances with more than one reason, please include only the main or controlling reason.

Reasons for Change:

Assessment not uniform in relation to comparable property: \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

**Assessment exceeded fair market value:** \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

Assessment based on incorrect data: \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

**Assessment not determined in accordance with generally accepted appraisal practice:** \_\_\_\_\_

Comment: Page: 2  
Numeric box "999,999"

Other reasons: \_\_\_\_\_

Comment: Page: 2  
Comment Text Box

---