

Important Information About the Protest Process



The enclosed scheduling notice lists an appointment related to your protest. Your scheduling notice listed a date for your informal meeting with an HCAD appraiser and a date for a formal hearing with the Appraisal Review Board (ARB). Most protests will be “decoupled”, meaning you will receive one scheduling notice for the informal meeting, and a second notice, if necessary, for the formal hearing.

The initial scheduling notice will list a date for your informal meeting with an HCAD appraiser. If your protest is not resolved informally, you (or your agent) will be sent a second scheduling notice. At a later date, your protest will be heard by the Appraisal Review Board. Please note: If HCAD has previously sent you an online or mail settlement offer regarding your protest and you reject that offer, you will only be scheduled for the formal ARB hearing. The two appointments are described below.

Preliminary informal meeting with appraiser. The purpose of the preliminary meeting is to review and, if possible, settle your protest in an informal setting. You will meet with an HCAD appraiser who can settle your protest at the preliminary meeting. You and the appraiser will exchange information and review your evidence and HCAD's records to see if your issues may be resolved without a hearing. An informal meeting is not required by law. However, most concerns can usually be resolved once you and the appraiser look at all of the information. Most protests are resolved at this stage. If your protest is settled, you will not be scheduled for a formal ARB hearing. It is important to be on time for your appointment; this will help avoid long waits.

Formal hearing with the ARB. You will go on to a formal ARB hearing if your protest is not resolved informally. The ARB is not bound by any discussions or settlement offers made between you and the appraiser at the informal meeting. You must appear at the hearing in person, by an authorized agent, or by sworn affidavit to be considered present and; you must check in at the first floor check in counter. Individual owners must check in at least 15 minutes before the scheduled hearing time. Consultants with multiple dockets or agents must check in at least 30 minutes before the scheduled hearing time.

Three-member panels conduct ARB formal hearings which last approximately 15 minutes. All formal hearings are recorded. The ARB panel begins the hearing by introducing its members. Your account number and the type of hearing will be read into the record. Next, you and the appraiser will be asked to acknowledge that you both are under oath. Each panel member will then sign an affidavit stating that the members have not discussed anything about your property before the hearing. The chairperson may then ask the parties whether they have exchanged all evidence intended to be presented. If they have not, the parties will exchange evidence at this time. Next, the chairperson will ask the appraiser to briefly describe the property and basis of the protest, and state the noticed value. Listen carefully. The chairperson may ask whether you agree with the appraiser's statement. If you do not, the panel will determine any changes deemed necessary, and continue the protest hearing.

Next, the chairperson will ask you to explain your position. **You must provide four copies of all documents intended to be presented at the hearing (three for the panel and one for the HCAD representative),** or you may bring hearing evidence on a laptop for projection onto a screen. If you bring your evidence on a laptop, you still need to bring one hard copy of your evidence to leave as a file copy. After you finish, the district presents its evidence to the panel. Finally, brief closing remarks can be made.

After all parties have had an opportunity to speak, the chairperson will announce that testimony has ended. The panel will then confer to reach a decision. The chairperson announces the decision when it is reached by a majority, and may elaborate on the ruling. A form stating the panel's recommendation will be provided to you.

The entire ARB must approve this decision before it becomes final. The board meets monthly. Thus, a delay may occur between the day of your hearing and the time you receive the written board order. Occasionally, the full ARB does not approve a panel recommendation. If this occurs, a new hearing is scheduled before another panel. The final decision of the Appraisal Review Board is issued in writing and will be mailed to you by certified mail. This order directs the chief appraiser to change the district's appraisal records, if applicable.

Harris County Appraisal Review Board

Procedures to follow in a personal appearance by a property owner or representative

A. Order of Hearing

1. Announcement of account number and property owner.
2. Swearing of representatives and witnesses as required by Tax Code, Sec. 41.67(a).
3. Signing of affidavits.
4. Exchange of evidence.
5. Property description and basis for hearing presented by HCAD staff.
6. Presentation of issues and evidence by property owner.
7. Presentation of issues and evidence by HCAD staff.
8. The panel chair permits questions and brief closing remarks from both sides.
9. Deliberation and announcement of recommendation by ARB panel.
10. Formal determination of protest by entire ARB and written order sent.

B. Presentation and Receipt of Testimony & Evidence

1. Testimony shall be narrative in form and subject to question by members of both the ARB and HCAD representatives.
2. The ARB panel shall permit examination and cross-examination of witnesses and evidence by any party who has been sworn on the matters subject to the hearing.
3. The ARB shall decide what testimony and evidence will or will not be considered.
4. **Four copies of documentary evidence must be submitted. Copies must be made by the property owner or agent prior to the hearing at their expense.**
5. The ARB may take official notice of any fact that falls within the realm of public knowledge.
6. Hearings are generally limited to 15 minutes total duration.

Appraisal Review Board Official Standards of Documentation

1. A person who offers evidence at an informal meeting must sign an affirmation form attesting that the person is authorized to represent the owner and that all evidence submitted will be true and correct. Persons appearing at formal hearings and intending to testify are sworn in by an ARB panel member.
2. Evidence offered by a property owner or agent must be signed and dated by the presenter. Each document should be marked indicating, as appropriate, that it is a summary prepared by the presenter or that the information represents copies of true and correct business records kept by the property owner.
3. It is expected that the testimony and evidence offered by the owner or consultant in informal and formal hearings alike will be a true and complete disclosure of all facts that could reasonably be expected to have a bearing on the property's market value. Thus, all persons appearing for a hearing are expected to be fully knowledgeable of the facts.
4. If the presenter is unwilling, unprepared, or otherwise fails to submit documentation requested by the ARB panel members, the panel members reserve the right to subpoena the necessary documentation before they finalize their deliberations. Upon the motion of any party or on the ARB's own motion, the ARB may subpoena witnesses and/or books and records of the appraisal district or the property owner. If the need for a subpoena is raised at a hearing, the panel may recess the hearing until the good cause hearing for the subpoena can be held and, if applicable, until the information being requested is submitted.
5. Copies of all information submitted in evidence by either party (formal or informal) will not be returned as they become part of the permanent ARB hearing file. This specifically includes maps, photographs, the complete text of all appraisals performed by others, rent rolls, contracts of sale, charts, diagrams, surveys, closing statements, plans and drawings, etc. In the case of business personal property, the following types of information must be retained: copies of books and records, financial statements, IRS returns, CPA statements, independent appraisals, and similar information.
6. **Information offered as evidence should be copied in advance at the presenter's expense: one hard copy if you are presenting by electronic projection; four copies if you are not.** For lengthy documents: you may submit one copy along with four copies of an executive summary.
7. If third party evidence is submitted, the information must contain a statement of authenticity or be accompanied by a business records affidavit.
 - a) Certified statements as to current and historical occupancy, market rental rates, and actual rental rates should be submitted where the property is being leased to others. Effective market rental rates should also be included and be substantiated by examples of actual, executed leases.
 - b) All sales or current and prior offerings of the subject property will be fully documented. Such documentation should include a signed copy of the listing form and offering, or the closing statement and a complete copy of the signed sales contract.
 - c) Comparable sales will be verified and will be given greater weight if accompanied by actual photographs and detailed information concerning location, year of construction, land area, building area, extent of remodeling if applicable, contract date, sales price, financing terms, etc. Time-dated photographs are preferred.
- d) Third party certification of costs of repairs or cost of construction should be submitted, if applicable. If an architect is involved, the construction costs expended as of January 1 will be documented by submitting a properly executed copy of the AIA *Application and Certificate for Payment*, document G702, complete with detail. If a contractor is involved, a copy of the signed contract, draw schedule with amendments, and all change orders should be included.
8. The following items exemplify the standards of documentation for Real Property Value Hearings.

Sale of the Property under Protest
Closing statement - a full and complete document signed and dated, which includes a legal description of the property being transferred.

Income Approach
Previous year rent roll and income statement - typically, three years of data should be provided although additional years' data may be required. Documentation of lease offering rates and lease concessions from leasing agent as of January 1 of the subject tax year and an explanation of any line items.

Cost Approach
Construction contract(s) - signed and dated, including a detailed description of the work to be performed.
Certified A.I.A. documents, in detail.
Subcontracts - documentation must reflect all hard and soft costs.
IRS records.

Market Approach
Independent fee appraisals - complete copy of the appraisal report.
Confirmed sales of comparable properties including: photographs, property description, location, land area, building area, year built, grantor, grantee, date of contract, sales price, financing terms, basis of sale, actual or Pro forma income and source.
9. The items listed below are examples of the types of documentary evidence which should be presented in business personal property value hearings:
 - a) CPA statements,
 - b) Certified balance sheets,
 - c) IRS returns,
 - d) Actual books and records showing acquisitions by year or purchase, or
 - e) Receipts, invoices, or leases

We recommend that the above-specified documents contain a statement of authenticity or have an affidavit of authenticity attached. The statement or affidavit should have the signer's name and title clearly visible and be properly signed by either the owner or an authorized officer.
10. Evidence in exemption and productivity value hearings should reflect the property use on January 1 of the subject tax year.
 - a) Organizations claiming total exemption should submit copies of their charter and by-laws, and evidence that their primary purpose is to perform one or more of the charitable functions outlined in the Texas Tax Code.
 - b) Property owners seeking to prove eligibility for agricultural or timber valuation should provide copies of leases; timber management agreements; records reflecting the sale of livestock, crops or timber; and evidence of improvements to the land and of qualifying agricultural or timber use in at least five of the prior seven years.