

## NEWS ALERT

# REAL ESTATE & RETAIL, RESTAURANT & HOSPITALITY



## Six Steps Property Owners Should Take in the Event of a Revaluation

By Nicholas W. Vitti Jr. | December 1, 2021

Greenwich, Hartford, New Haven and Trumbull are on a list of nearly 40 Connecticut municipalities that are conducting a general revaluation on the October 1, 2021 Grand List. In a revaluation, the assessor determines the value of every parcel of real property in the municipality as of the October 1st revaluation date. Connecticut law requires municipalities to conduct a general revaluation at least once every five years. Therefore, in the ordinary course, the assessment established on the revaluation date will be used to determine the taxes to be levied for the next five years. Taking an appeal immediately after a revaluation maximizes a property owner's potential tax savings.

The key issue in a property tax appeal is the property's true value as of the October 1 revaluation date. Even if an assessment has decreased since the last revaluation, an excessive assessment will result in the property owner bearing a disproportionate share of the tax burden.

Local assessors gather property-related data and information on an ongoing basis but ramp up efforts in the months leading up to a revaluation. If your municipality is conducting a general revaluation for the October 1, 2021 Grand List, you will receive a notice of tax assessment change. Once the notices are issued, there may be a chance to meet informally with the assessor or his/her representative(s) to discuss the new assessed value; however, if a property owner wishes to challenge the assessment formally, a written appeal must be filed with the local Board of Assessment Appeals by the February 20, 2022 statutory deadline (unless the town extends the deadline 30 days, making it March 20, 2022).

### What steps should a property owner take when there has been a revaluation?

1. Watch for notice from the municipality related to the revaluation. This notice usually contains information on the new assessed value, the opportunity to meet informally with the assessor or his/her representative(s) and the deadline (February 20) to appeal to the local Board of Assessment Appeals.

## TAX APPEAL YIELDS MILLIONS IN SAVINGS



Nicholas W. Vitti Jr. recently secured an award for a firm client that significantly reduced the tax assessment on its large office building in Stamford, Connecticut. In doing so, the client will receive a tax savings of approximately \$3.5 million.

Astonishingly, the fair market value for the property was reduced by nearly \$37 million (\$25.9 million in assessed value).

This matter highlights the importance of the statutory appeals process. Taxes are generated for property owners based upon the municipality's opinion of a property's value which can often be flawed if assessments are based solely on mass appraisals. "The mass appraisal system utilized by municipalities is a necessary evil as it would be impossible for a town to conduct separate, property specific appraisals on every piece of real estate within its borders. The efficiencies of mass appraisal allow municipalities to churn tax bills, prepare budgets and operate on a daily basis. However, I cannot stress the importance of the appeals process enough, as it recognizes that all properties cannot be neatly categorized into classes and assigned corresponding values. Site specific conditions of a property are fleshed out in an appeal and the ultimate goal is to arrive at an appropriate fair market value for that property", said Vitti. Mr. Vitti understands the complex nature of real estate tax appeals and valuation and he has extensive experience counseling clients on how to earn significant tax savings, where appropriate.

Attorney Vitti is a Real Estate Partner in Murtha Cullina's Business & Finance Department. In addition to tax appeal and tax certiorari work, he regularly represents clients in the areas of commercial real estate and land use development.

2. Review the notice carefully. Does it accurately identify your property? Do you own other parcels for which you did not receive notices? If the assessor's new value is stated in the notice, do you believe that it reflects the property's true fair market value as of October 1, 2021, based on market conditions and property-specific facts?
3. If you believe the new value is too high, assemble information and documentation which supports your position. Recent appraisals, listings for sale and offers to purchase, sales of comparable properties, income and expense statements, leases and the like are all helpful in determining a property's value. Of course, data close in time to the October 1, 2021 revaluation date will be most relevant.
4. Confer with experienced legal counsel. In consultation with counsel, all matters related to the property's value as of the revaluation date and appropriate legal and valuation grounds for an appeal will be discussed, and a go-forward strategy will be formulated.
5. Decide whether to attend an informal meeting or to appeal to the Board of Assessment Appeals. Often, factual errors or mistakes may be corrected during an informal meeting with the assessor or his/her representative(s). The formal appeal process, however, begins with filing a written appeal with the Board of Assessment Appeals. Unless extended, the deadline to do so is February 20, 2022, although an appeal should be prepared well in advance of the deadline. Except in unusual circumstances, you will lose the ability to challenge the October 1, 2021 assessment if a timely appeal to the Board is not filed.
6. Once the Board issues its decision, decide whether to appeal to the Superior Court. If a property owner remains dissatisfied with the Board's decision, the only recourse is to appeal to the Superior Court. A court appeal must be filed within two months of the Board's decision, or the right to appeal is lost.

As with any contested administrative or court proceeding, the decision as to whether to pursue a tax appeal should not be made lightly. A thoughtful, critical analysis of whether an appeal is essential will usually result in a financial benefit to the property owner, whether an appeal is ultimately pursued or not. Once an appeal is underway, the property owner and counsel must work as a team to prepare a compelling presentation to the Board and if necessary, to the Court, utilizing fact and expert witnesses, and documentary evidence to establish that the municipality's value is excessive, and that the taxpayer's proposed value is correct.

*If you have any questions about the revaluation process in your city or town, or about how to appeal the revaluation of your property, please contact Nicholas W. Vitti Jr. at 203.653.5435 or [nvitti@murthalaw.com](mailto:nvitti@murthalaw.com).*