



MT. LEBANON ASSESSMENT APPEAL PROGRAM
Frequently Asked Questions (FAQs)

Q: Who sets the assessed value on a property?

A: Allegheny County, through the Office of Property Assessment, sets the assessed values for all properties in the county.

Q: Can Mt. Lebanon set or change the assessed value of a property?

A: No. It is set by the County. However, any taxing body (municipality, school district or Allegheny County), owner or other party with a direct financial interest in the property may challenge the assessed value by filing an appeal with the Allegheny County Board of Property Assessment, Appeals and Review (BPAAR). The BPAAR makes the determination of assessed value following an initial appeal hearing.

Q: What was the impetus for Mt. Lebanon appealing assessed values?

A: After the 2013 county-wide reassessment, many homeowners appealed, citing over-assessment. Mt. Lebanon, in the interest of equity across all residential property, chose to appeal properties that met the criteria for under-assessment set by the municipality. For properties reviewed in 2015, 1,590 properties that sold for more than \$200,000 had assessed values below the sales prices, with 215 of those having an assessed value more than 75 percent less than sales price.

Q: What properties have been appealed?

A: **For 2015:** Commissioners revised the criteria in order to find the most egregiously underassessed properties. The new criteria also will be able to be used in future years.

- All residential properties were examined regardless of years of sale. After filtering for valid sales and any sales discrepancies, all properties with a sale price of more than \$200,000 were examined. (2,693 properties)
- A standard inflation factor was applied based on the Federal Housing Finance Agency Housing Price Index (HPI) to bring all sales prices up to the third quarter 2014 value. For properties with an assessed value/HPI adjusted sales price below 50 percent (41 properties), we looked at comparable properties.
- Any remaining property with a difference between the comparable value and the assessed value of more than \$100,000 were selected for appeal.
- As a result, 26 properties were selected, with a total underassessed value of \$5.2 million. The greatest discrepancy in assessment vs. comparable value in a single property was \$356,600 and the lowest discrepancy was \$112,133.

Year of Sale	No. of Properties	Total underassessed using comparable data
1989	1	243,833
1991	2	423,599
1994	1	143,333
1999	1	127,533
2000	2	534,800
2001	2	446,699
2002	4	626,266
2003	2	436,600
2004	4	859,565
2005	2	314,604
2014	5	1,020,565
Total	26	5,177,397
Average		199,130
Lowest		112,133
Highest		356,600

For 2014: The Municipality appealed the assessed value of residential properties that met the following criteria:

- Sales price greater than \$100,000;
- Difference between sale price and assessed value of \$58,000 or more;
- Ratio between assessed value and sale price of 80% or less for sales in 2006 through 2010 and sales in 2013.
- Total properties appealed: 286

For 2013: The Municipality appealed the assessed value of residential properties that met the following criteria:

- Sales price greater than \$100,000;
- Difference between sale price and assessed value of \$58,000 or more;
- Ratio between assessed value and sale price of less than 85% for sales that occurred in 2011 and 2012;
- Total properties appealed: 150

Q: Is this a newcomers tax?

A: No. Only 5 of the 26 properties appealed were from sales in 2014. Sales dates range from 1989 through 2014.

Q: What is the cost for appealing properties?

A: At the first level of appeals, the Municipality will pay \$175 per appeal.

Q: Have other taxing bodies (municipal or school district) filed appeals of individual residential properties?

A: Yes, including many of our neighboring South Hills jurisdictions.

Q: Will Mt. Lebanon negotiate with owners on assessed values?

A: The County does not allow stipulated settlements on appeals at the BPAAR (level 1). Mt. Lebanon will negotiate stipulated values with home owners who have an appeal before the Board of Viewers (level 2). You must have filed an appeal with the BOV in order to reach a settlement. Settlements can be negotiated before you receive a hearing date.

Q: What can I do if I didn't file an appeal of my results from the BPAAR with the BOV?

A: Every owner and taxing body has the right to file an appeal at the BPAAR each year. The filing deadline is March 31 of any year.

Q: At what point will my assessed value be changed for tax billing purposes?

A: Once a disposition has been issued by BPAAR, or the BOV if the appeal is at that level, the three taxing bodies (municipality, school district, Allegheny County) receive an official change order from the County. The taxing bodies will revise your tax bill accordingly. If a change is made subsequent to the appeal disposition, you will receive an additional bill or a refund.

Q: Will Mt. Lebanon have a group settlement rate?

A: No. The municipality will consider settling any individual appeal on a case-by-case basis once it has received notice that an appeal is at the BOV.



Q: What are the stages of the appeal process?

A: Level 1 Board of Property Assessment, Appeals and Review

Any owner, interested party or taxing body can initiate an appeal by filing an Assessment Appeal Form with the BPAAR. The BPAAR notifies all parties of the date, time and location of the appeal hearing. The hearing is conducted by a hearing officer who will recommend an assessed value to the BPAAR. The BPAAR may accept the hearing officer's recommendation or revise it.

Once the BPAAR approves the assessed value, the owner and all taxing bodies are mailed a disposition notice with the new value. All parties have the right to appeal the BPAAR decision within 30 days of the mailing date of the notice. Appeals of the BPAAR value are made to the Board of Viewers.

Level 2 Board of Viewers (BOV)

The BOV notifies the owner and all taxing bodies that an appeal has been filed. Once the hearing is scheduled, a notice is mailed to the owner and all taxing bodies informing them of the date, time and location of the hearing. All parties are entitled to participate in the hearing. Prior to a formal hearing, a conciliation is held with a special/lay master, the owner and any taxing body participating. The conciliation process encourages negotiation to settle on a value prior to going to a full hearing. A hearing is not held if all participating parties agree on a value at, or prior to, conciliation. The BOV is a judicial proceeding and the rules of evidence will apply at a certain point of the proceedings.

An owner and taxing body may settle on a value before going to a conciliation or hearing. The parties simply sign a Tax Appeal Stipulation form and it is filed with the BOV. If a value is reached at the conciliation or in a hearing, the Tax Appeal Stipulation is signed at that time and filed. Filing a stipulation form completes the appeal process.