



Ohio Board of Tax Appeals

**Testimony of Kathleen Crowley, Executive Director
Board of Tax Appeals
Finance Subcommittee on
State Government and Agency Review
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Chairman Faber, Ranking Member Patterson and members of the Finance Subcommittee on State Government and Agency Review my name is Kathleen Crowley, and I am the Executive Director of the Ohio Board of Tax Appeals. Thank you for the opportunity to present information on the Board of Tax Appeals budget request for fiscal years 2018-2019.

The Ohio Board of Tax Appeals' mission, as Ohio's administrative tax court, is to provide taxpayers and taxing authorities with an accessible, fair and efficient process to resolve tax appeals in a timely and judicious manner by issuing written decisions which are based upon Ohio statutes, case law and Board precedent.

The Board of Tax Appeals resolves cases from seven (7) different types of governmental agencies and 62 different tax types. The agency relieves the overburdened state judicial system from having to adjudicate these appeals, and satisfies the constitutional requirements of due process. This process is conducted by an agency unaffiliated with any potential parties to a case. In addition, taxpayers are assured their appeals will be reviewed and considered by Board members and a staff of attorney examiners who focus exclusively on tax issues and have considerable expertise in tax matters.

The Board of Tax Appeals is composed of three members and currently employs eleven (11) full-time employees. The employees consist of the Executive Director, four (4) administrative personnel, five (5) attorneys and one (1) paralegal.

The 2018-2019 budget, as proposed in House Bill 49, will allow the Board to continue to fulfill its mission and serve the citizens of Ohio. The total proposed budget for the Ohio Board of Tax Appeals is \$1,850,307.00 in FY2018 and \$1,886,042.00 in FY2019. This request is a decrease from our 2016-2017 budget.

The BTA has made significant operational changes to increase the efficiency with which appeals are managed. These changes allow for the most effective use of Ohio's tax dollars while ensuring the integrity of the decisions issued by the Board.

In FY2016 and FY2017, the Board eliminated the need for temporary workers and decreased its full time staff through utilization of the Board's online case management system. Additionally, all staff have been cross trained, which provides the appropriate staff the ability to "fill in" when necessary. The Board also is currently in the process of reducing unneeded office space and will realize a reduction in rent as result. The Board presently maintains a current docket and is able to resolve most appeals in less than a year from the filing date.

The Board of Tax Appeals understands that the certainty of future revenue and expense streams contributes to a "job friendly climate" and encourages investment and job creation. However, parties to a tax appeal are effectively put into a financial holding pattern while their case is pending before the Board, and cases that linger unresolved for years create uncertainty and contribute to fiscal constraint.

If the Board is funded below the requested amounts, the Board will need to eliminate at least two full-time positions in FY2018 due to increased employment costs (routine compensation and fringe increases). With a reduced staff it is likely, even with a minimal increase in filing, the Board will return to previous multi-year backlogs, lengthy customer delays, and the unnecessary tie-up of taxpayer dollars.

In order to continue to deliver high quality decisions in a timely manner, the Board of Tax Appeals respectfully requests our budget be funded in FY2018 at \$1,850,307.00 and in FY2019 at \$1,886,042.00.

Again, thank you for the opportunity to testify today. I am happy to answer any questions.