

REFERENCE TITLE: **property tax errors; electronic communications**

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# **HB 2173**

Introduced by  
Representative Livingston

AN ACT

AMENDING SECTIONS 42-16252 AND 42-16254, ARIZONA REVISED STATUTES;  
RELATING TO PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-16252, Arizona Revised Statutes, is amended  
3 to read:

4 42-16252. Notice of proposed correction; response; petition  
5 for review; appeal; electronic communication

6 A. Subject to the limitations and conditions prescribed by this  
7 article, if a tax officer determines that any real or personal property  
8 has been assessed improperly as a result of a property tax error, the tax  
9 officer shall send the taxpayer a notice of proposed correction at the  
10 taxpayer's last known address by:

11 1. Certified mail, return receipt requested, if correction of the  
12 error results in an increase in the full cash value or change in legal  
13 classification of the property.

14 2. First class mail or, at the taxpayer's written request, delivery  
15 by common carrier or electronic transmittal, if correction of the error  
16 does not result in an increase in the valuation of the property.

17 B. The notice shall:

18 1. Be in a form prescribed by the department.

19 2. Clearly identify the subject property by tax parcel number or  
20 tax roll number and the year or years for which the correction is  
21 proposed.

22 3. Explain the error, the reasons for the error and the proposed  
23 correction of the error.

24 4. Inform the taxpayer of the procedure and deadlines for appealing  
25 all or part of the proposed determination before the tax roll is  
26 corrected.

27 C. Within thirty days after receiving a notice of proposed  
28 correction, the taxpayer may file a written response to the tax officer  
29 that sent the notice to either consent to or dispute the proposed  
30 correction of the error and to state the grounds for disputing the  
31 correction. A failure to file a written response within thirty days  
32 constitutes consent to the proposed correction. A taxpayer may file a  
33 request for an extension of time within thirty days after receiving the  
34 notice of proposed correction. The extension of time may not exceed  
35 thirty days. If an extension is granted, any response that is not filed  
36 within the extended due date constitutes consent to the proposed  
37 correction.

38 D. The taxpayer may appeal any valuation or legal classification  
39 issue that arises from the proposed correction as provided in this  
40 section.

41 E. If the taxpayer consents to the proposed correction, or consents  
42 to the proposed correction but disputes the proposed valuation or legal  
43 classification as provided on the form prescribed by the department, the  
44 tax roll shall be promptly corrected to allow property taxes to be levied  
45 and collected in all subsequent tax years, but no additional tax, interest

1 or penalty may be imposed for the current tax year or any tax year  
2 preceding the date of the notice of proposed correction.

3 F. If the taxpayer disputes the proposed correction or the proposed  
4 valuation or legal classification, the tax officer shall meet with the  
5 taxpayer or the taxpayer's representative in any case in which the  
6 taxpayer has timely filed a written response to discuss the proposed  
7 correction. If after the meeting the tax officer and the taxpayer reach  
8 an agreement on all or part of the proposed correction, the tax officer  
9 and the taxpayer shall each sign an agreement and the tax roll must be  
10 promptly corrected to the extent agreed on.

11 G. If after the meeting the parties fail to agree on all or part of  
12 the proposed correction, the tax officer shall serve a notice on the  
13 taxpayer by certified mail within thirty days after the meeting date  
14 advising the taxpayer that the tax roll will be corrected to the extent  
15 agreed on. The taxpayer may file a petition on a form prescribed by the  
16 department with the board of equalization within thirty days after the  
17 date of the notice or it is barred. On receiving the petition, the board  
18 shall hold a hearing on the disputed issues in the proposed correction  
19 within thirty days and shall issue a written decision pursuant to the  
20 board's rules.

21 H. A party that is dissatisfied with the decision of the board may  
22 appeal the decision to court within sixty days after the date the board's  
23 decision is mailed, but any additional taxes that are determined to be due  
24 must be timely paid before delinquency for the court to retain  
25 jurisdiction of the matter.

26 I. THE TAX OFFICER MAY ACCEPT AN ELECTRONIC RESPONSE TO A NOTICE OF  
27 PROPOSED CORRECTION FROM A TAXPAYER. IF THE TAXPAYER ELECTS TO SUBMIT THE  
28 RESPONSE ELECTRONICALLY, THE TAX OFFICER SHALL PROVIDE AN ACKNOWLEDGMENT  
29 OR RESPONSE OF RECEIPT TO THE TAXPAYER AND MAY PROVIDE RELATED  
30 COMMUNICATIONS ELECTRONICALLY, EXCEPT FOR ANY NOTICE THAT IS REQUIRED TO  
31 BE SERVED BY CERTIFIED MAIL PURSUANT TO SUBSECTION G OF THIS SECTION. THE  
32 TIME LIMITS AND PROCEDURAL REQUIREMENTS THAT APPLY TO WRITTEN  
33 COMMUNICATIONS UNDER THIS SECTION APPLY TO ELECTRONIC COMMUNICATIONS  
34 ALLOWED UNDER THIS SUBSECTION.

35 Sec. 2. Section 42-16254, Arizona Revised Statutes, is amended to  
36 read:

37 42-16254. Notice of claim; response; petition for review;  
38 appeal; electronic communication

39 A. If a taxpayer believes that the taxpayer's property has been  
40 assessed improperly as a result of a property tax error, the taxpayer  
41 shall file a notice of claim with the appropriate tax officer, either  
42 personally, electronically or by certified mail, as follows:

43 1. If the alleged error concerns the valuation or classification of  
44 property by the county assessor, the notice shall be filed with the

1 assessor. On receiving the notice, the assessor shall immediately  
2 transmit a copy to the department.

3 2. If the alleged error concerns the valuation or classification of  
4 property by the department, the notice shall be filed with the department.

5 3. If the alleged error concerns the imposition of any tax rate,  
6 the notice shall be filed with the county board of supervisors. The clerk  
7 of the board of supervisors shall notify each affected taxing entity to  
8 allow the entity to file a response to the claim.

9 B. The notice shall:

10 1. Be in a form prescribed by the department.

11 2. Clearly identify the subject property by tax parcel number or  
12 tax roll number and the year or years for which the correction is  
13 proposed.

14 3. State the claim and the evidence to support the claim for  
15 correcting the alleged error.

16 C. Within sixty days after receiving a notice of claim, the tax  
17 officer may file a written response to the taxpayer to either consent to  
18 or dispute the error and to state the grounds for disputing the error. A  
19 failure to file a written response within sixty days constitutes consent  
20 to the error, and the board of supervisors shall direct the county  
21 treasurer to correct the tax roll on the taxpayer's written demand  
22 supported by proof of the date of the notice of claim and the tax  
23 officer's failure to timely dispute the error.

24 D. If the tax officer disputes the error, the tax officer shall  
25 notify the taxpayer of a time and place for a meeting between a  
26 representative of the tax officer and the taxpayer or the taxpayer's  
27 representative within sixty days to discuss the basis for the dispute.

28 E. If, after the meeting, the parties agree on all or part of the  
29 notice of claim, the tax roll must be corrected promptly to the extent  
30 agreed on and any taxes that have been overpaid shall be refunded pursuant  
31 to section 42-16259.

32 F. If the parties fail to agree on all or part of the notice of  
33 claim, the taxpayer may file a petition with the board of equalization on  
34 a form prescribed by the department and shall send a copy to the tax  
35 officer by certified mail. The petition must be filed with the board  
36 within ninety days after the date of the meeting or it is barred. On  
37 receiving the petition, the board shall hold a hearing on the disputed  
38 issues in the notice of claim within thirty days and shall issue a written  
39 decision pursuant to the board's rules.

40 G. A party that is dissatisfied with the decision of the board may  
41 appeal the decision to court within sixty days after the date the board's  
42 decision is mailed, but any additional taxes that are determined to be due  
43 must be timely paid before delinquency for the court to retain  
44 jurisdiction of the matter. In addition, in order for a taxpayer to  
45 recover a refund for taxes paid in a preceding tax year as a result of an

1 error, all taxes that were levied and assessed against the property for  
2 the tax year must be paid before delinquency in order for the court to  
3 retain jurisdiction of the matter.

4 ~~H. If a tax officer accepts electronic notice of claim from a~~  
5 ~~taxpayer, the tax officer shall provide an electronic acknowledgement of~~  
6 ~~receipt to the taxpayer.~~

7 H. THE TAX OFFICER MAY ACCEPT AN ELECTRONIC NOTICE OF CLAIM FROM A  
8 TAXPAYER. IF THE TAXPAYER ELECTS TO SUBMIT THE NOTICE OF CLAIM  
9 ELECTRONICALLY, THE TAX OFFICER SHALL PROVIDE AN ACKNOWLEDGMENT OR  
10 RESPONSE OF RECEIPT TO THE TAXPAYER AND MAY PROVIDE RELATED COMMUNICATIONS  
11 ELECTRONICALLY, EXCEPT FOR ANY COMMUNICATION THAT IS REQUIRED TO BE SERVED  
12 BY CERTIFIED MAIL PURSUANT TO SUBSECTION F OF THIS SECTION. THE TIME  
13 LIMITS AND PROCEDURAL REQUIREMENTS THAT APPLY TO WRITTEN COMMUNICATIONS  
14 UNDER THIS SECTION APPLY TO ELECTRONIC COMMUNICATIONS ALLOWED UNDER THIS  
15 SUBSECTION.