

REFERENCE TITLE: **property tax; appeals; valuation; notice**

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

HB 4121

Introduced by
Representatives Crews: Cavero, Liguori

AN ACT

AMENDING SECTIONS 42-16105, 42-16157, 42-16158 AND 42-16252, ARIZONA
REVISED STATUTES; RELATING TO PROPERTY TAX APPEALS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-16105, Arizona Revised Statutes, is amended
3 to read:

4 42-16105. Appeal of valuation or legal classification from
5 county assessor to county board

6 A. If the county assessor denies all or part of a petition under
7 section 42-16055, and if a county board of equalization has been
8 established in the county, the petitioner may appeal the assessor's
9 decision to the county board by filing with the clerk of the county board,
10 within twenty-five days after the date that the assessor's decision was
11 mailed to the petitioner, a copy of the written basis of the decision
12 according to the instructions on the petition. **THE PETITIONER SHALL SEND**
13 **A COPY OF THE PETITION FILED WITH THE CLERK OF THE COUNTY BOARD TO THE**
14 **COUNTY ASSESSOR BY CERTIFIED MAIL. THE DEPARTMENT SHALL ADOPT STANDARD**
15 **INSTRUCTIONS FOR THE COUNTY ASSESSOR TO INCLUDE WITH THE COUNTY ASSESSOR'S**
16 **DECISION, IN BOTH PHYSICAL AND DIGITAL FORMATS, TO INFORM THE PETITIONER**
17 **OF THE REQUIREMENT TO SEND A COPY OF THE PETITION TO THE COUNTY ASSESSOR.**

18 B. The department may contest any proposed valuation or
19 classification or any proposed change in valuation or classification
20 before the county board. If, in the director's opinion, a decision of an
21 assessor is erroneous, the director may appeal the assessor's decision to
22 the county board within twenty-five days after the assessor's decision was
23 mailed to the taxpayer and the department. In such an action the taxpayer
24 shall raise any defense the taxpayer has to liability for the tax and any
25 additional tax sought to be imposed. If issues other than valuation or
26 classification are raised by either party, the action shall be tried as if
27 it were an action pursuant to section 42-11005 or 42-11052.

28 C. A property owner that receives a notice of valuation under
29 section 42-15105 may appeal the valuation or legal classification to the
30 county board as provided in subsection A of this section within
31 twenty-five days after the date of the assessor's notice.

32 Sec. 2. Section 42-16157, Arizona Revised Statutes, is amended to
33 read:

34 42-16157. Appeal of valuation or legal classification from
35 county assessor to state board of equalization

36 A. Except as provided in subsection C or D of this section, if the
37 county assessor denies all or part of a petition under section 42-16055,
38 and if a county board of equalization is not established in the county
39 where the property is located, the petitioner may appeal the assessor's
40 decision to the state board of equalization by filing with the state
41 board, within twenty-five days after the date that the assessor's decision
42 was mailed to the petitioner, a copy of the written basis of the decision
43 according to the instructions on the petition. **THE PETITIONER SHALL SEND**
44 **A COPY OF THE PETITION FILED WITH THE STATE BOARD TO THE COUNTY ASSESSOR**
45 **BY CERTIFIED MAIL.**

1 B. The department may contest any proposed valuation or
2 classification or any proposed change in valuation or classification
3 before the state board. If, in the director's opinion, a decision of an
4 assessor is erroneous, the director may appeal the assessor's decision to
5 the state board within twenty-five days after the assessor's decision was
6 mailed to the taxpayer and the department. In such an action the taxpayer
7 shall raise any defense the taxpayer has to liability for the tax and any
8 additional tax sought to be imposed. If issues other than valuation or
9 classification are raised by either party, the action shall be tried as if
10 it were an action pursuant to section 42-11005 or 42-11052.

11 C. A property owner who receives a notice of valuation under
12 section 42-15105 may appeal the valuation or legal classification to the
13 state board as provided in subsection A of this section within twenty-five
14 days after the date of the assessor's notice.

15 D. A property owner whose petition is denied, in whole or in part,
16 pursuant to section 42-19051 may only appeal the valuation or legal
17 classification to the state board as provided in subsection A of this
18 section within twenty days after the date of the assessor's notice of
19 refusal or decision.

20 E. The state board may contract with any county with a population
21 of less than five hundred thousand persons according to the most recent
22 United States decennial census to review and hold hearings and make
23 decisions on petitions filed under section 42-16105. These hearings shall
24 be conducted in the county in which the property of the subject hearings
25 is located.

26 Sec. 3. Section 42-16158, Arizona Revised Statutes, is amended to
27 read:

28 42-16158. Appeal of valuation or legal classification from
29 department to state board

30 A. A property owner who is not satisfied with the valuation or
31 legal classification of the property as determined by the department may
32 appeal to the state board by filing a petition with the state board that
33 is postmarked on or before October 1 or within fifteen days after the
34 department mails its decision to the property owner, whichever date is
35 later. The state board shall prescribe the form of and procedure for
36 filing the petition by administrative rule. **THE PROPERTY OWNER SHALL SEND**
37 **A COPY OF THE PETITION FILED WITH THE STATE BOARD TO THE DEPARTMENT BY**
38 **CERTIFIED MAIL.**

39 B. The state board shall notify the petitioner of the time and
40 place of the hearing. The petitioner:

41 1. May appear before the state board at such time as the **STATE**
42 board may direct.

43 2. Is entitled to be heard at any hearing regarding the valuation
44 or legal classification of the property.

1 D. The taxpayer may appeal any valuation or legal classification
2 issue that arises from the proposed correction as provided in this
3 section.

4 E. If the taxpayer consents to the proposed correction, or consents
5 to the proposed correction but disputes the proposed valuation or legal
6 classification as provided on the form prescribed by the department, the
7 tax roll shall be promptly corrected to allow property taxes to be levied
8 and collected in all subsequent tax years, but ~~no~~ ANY additional tax,
9 interest or penalty may NOT be imposed for the current tax year or any tax
10 year preceding the date of the notice of proposed correction.

11 F. If the taxpayer disputes the proposed correction or the proposed
12 valuation or legal classification, the tax officer shall meet with the
13 taxpayer or the taxpayer's representative in any case in which the
14 taxpayer has timely filed a written response to discuss the proposed
15 correction. If after the meeting the tax officer and the taxpayer reach
16 an agreement on all or part of the proposed correction, the tax officer
17 and the taxpayer shall each sign an agreement and the tax roll must be
18 promptly corrected to the extent agreed on.

19 G. If after the meeting the parties fail to agree on all or part of
20 the proposed correction, the tax officer shall serve a notice on the
21 taxpayer by certified mail within thirty days after the meeting date
22 advising the taxpayer that the tax roll will be corrected to the extent
23 agreed on. The taxpayer may file a petition on a form prescribed by the
24 department with the board of equalization AND SHALL SEND A COPY OF THE
25 PETITION TO THE TAX OFFICER BY CERTIFIED MAIL. THE PETITION MUST BE FILED
26 WITH THE BOARD within thirty days after the date of the notice or it is
27 barred. On receiving the petition, the board shall hold a hearing on the
28 disputed issues in the proposed correction within thirty days and shall
29 issue a written decision pursuant to the board's rules.

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