

Greenbook
LSC Analysis of Enacted Budget

Ohio Board of Tax Appeals

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ATTACHMENT:

Budget Spreadsheet By Line Item

Board of Tax Appeals

- BTA decides tax cases outside the court system
- GRF funding for BTA is reduced slightly in both FY 2018 and FY 2019 compared to FY 2017

OVERVIEW

The Board of Tax Appeals (BTA) provides an expert forum outside the court system to resolve controversies between taxpayers and taxing authorities. The agency is an independent, quasi-judicial, single-purpose body. Three Board members appointed by the Governor for six-year terms are authorized to determine all appeals regarding questions arising under Ohio tax laws, other than estate taxes. BTA's staff includes five attorney examiners who manage cases and preside at evidentiary hearings to determine the facts of these cases as the basis for decisions taken by vote of the Board members, and a paralegal. BTA also has an executive director and four administrative staff members, for a total of 14 employees including the three Board members.

Most appeals to BTA (86% in FY 2016) arise from real estate valuations by county boards of revision. Cases also arise from appeals of determinations or of rules adopted by the Tax Commissioner, including the Division of Tax Equalization. Other sources of cases include appeals of allocations by county budget commissioners of tax receipts to political subdivisions, appeals of decisions of municipal boards of appeal regarding municipal income tax obligations, and appeals of decisions by the Director of the Department of Development that enterprises are not qualified for tax incentive qualification certificates. Decisions of BTA may be appealed either to an Ohio court of appeals or to the Ohio Supreme Court.

Appropriation Overview

The enacted budget appropriates \$1.82 million for BTA in FY 2018, 2.3% less than spending in FY 2017, and \$1.86 million in FY 2019, an increase of 1.9%.

Appropriations by Fund Group, FY 2018-FY 2019 Am. Sub. H.B. 49					
Fund Group	FY 2017*	FY 2018	% change	FY 2019	% change
GRF	\$1,864,823	\$1,822,552	-2.3%	\$1,857,751	1.9%
TOTAL	\$1,864,823	\$1,822,552	-2.3%	\$1,857,751	1.9%

*FY 2017 figures represent actual expenditures.

ANALYSIS OF ENACTED BUDGET

The following table shows the line item that is used to fund the activities of the Board of Tax Appeals and the amounts appropriated in FY 2018 and FY 2019.

Appropriations for Board of Tax Appeals				
Fund	ALI and Name		FY 2018	FY 2019
General Revenue Fund				
GRF	116321	Operating Expenses	\$1,822,552	\$1,857,751
Total Funding: Board of Tax Appeals			\$1,822,552	\$1,857,751

Operating Expenses (116321)

The budget appropriates \$1.82 million to BTA in FY 2018, 2.3% less than actual outlays of \$1.86 million in FY 2017, then increases the agency's appropriation 1.9% to \$1.86 million in FY 2019. About three-fourths of BTA's budget is for payroll costs.

As a result of operating efficiencies and an online case management system, the Board continued to reduce its case backlog, to 1,430 active appeals at the end of FY 2016 from more than 8,000 four years earlier. With the backlog eliminated, the time to resolve new appeals has been cut to under nine months, on average. BTA pays a subscription fee for the online system. The Board's case management system is largely self-service. Most case documents are now filed electronically rather than as paper files. BTA, in FY 2013, began relying on the Central Service Agency, within the Department of Administrative Services (DAS), for budgetary and human resource management, freeing up BTA staff time.

BTA.docx/ts

FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2017 to FY 2018	Appropriation	FY 2018 to FY 2019		
			FY 2016	FY 2017	FY 2018	FY 2019		
					% Change	% Change		
Report For Main Operating Appropriations Bill			Version: As Enacted					
BTA Board of Tax Appeals								
GRF	116321	Operating Expenses	\$ 1,640,752	\$ 1,864,823	\$ 1,822,552	-2.27%	\$ 1,857,751	1.93%
General Revenue Fund Total			\$ 1,640,752	\$ 1,864,823	\$ 1,822,552	-2.27%	\$ 1,857,751	1.93%
Board of Tax Appeals Total			\$ 1,640,752	\$ 1,864,823	\$ 1,822,552	-2.27%	\$ 1,857,751	1.93%