



Mailing Date: August 28, 2020

**NOTICE: A CIVIL PENALTY HAS BEEN APPLIED TO YOUR 2020 TAX BILL**

A civil penalty has been applied to your tax bill due to your failure to respond to three (3) previous notices regarding reclassification sent by the Maricopa County Assessor, pursuant to A.R.S. §42-12052(B)(2).

Arizona law requires the county to place residential properties into certain categories, which are basically described as follows:

- Owner-occupied (primary residence) - This category can include a property occupied by a qualifying family member. (Qualifying family members are listed on the appeal form and in the statute copied on the back of this form.)
- Non-primary residence (i.e. a vacation or secondary home)
- Rental properties

To ensure correct property classification of residential dwellings, property owners may receive reclassification notices from the Maricopa County Assessor for the following reasons:

- The owner has a mailing address outside the county in which the property is located.
- The owner has a mailing address, other than a post office box, that is different than the situs address of the property.
- The owner has the same mailing address listed for more than one parcel in Arizona.
- The owner appears to be a business entity.

Previously, the Maricopa County Assessor mailed two separate letters requesting information to confirm that your property is your primary residence. Since the county did not receive a response from you, a final letter was sent to notify you that your property has been reclassified as your non-primary residence. Per the statute (printed on the back of this letter), this reclassification results in a civil penalty in the amount shown on your 2020 tax bill and constitutes a lien on the property until all of the 2020 taxes are paid.

The penalty is included in the total amount of the tax statement which is divided into two separate payments shown on the enclosed tax bill. The first payment will be due on October 1, 2020 (delinquent after November 2, 2020), and the second payment is due on March 1, 2021 (delinquent after May 1, 2021). If your property taxes are paid by your mortgage company, your mortgage company will pay your tax bill from your escrow account. You may monitor your tax account at: [www.treasurer.maricopa.gov](http://www.treasurer.maricopa.gov).

**However, if you feel that the reclassification to non-primary residence is not correct, you may request a review of this action by using the enclosed form to file an appeal with the Maricopa County Board of Supervisors within 30 days of this notice. To do so, your property must meet the qualifications listed on the appeals form. You may get more information by calling 602-506-8511, or visiting the Clerk of the Board's Website at: <http://www.maricopa.gov/736/Property-Class-Appeal>.**

If you miss the 30-day deadline for filing an appeal directly with the Board of Supervisors and you still wish to be considered for primary residency, you may file a Notice of Claim with the County Assessor. You may download a Department of Revenue *Taxpayer Notice of Claim – Real Property*, form #82179B, at: <http://www.azdor.gov/Forms/Property.aspx>. However, please note that by law the County Assessor is not authorized to waive the civil penalty on your bill.

Regards,

Royce T. Flora  
Maricopa County Treasurer

## ARIZONA LAWS ESTABLISHING THE CRITERIA FOR PRIMARY RESIDENCE

### 42-12052. Review and verification of class three property; civil penalty; appeals (in part)

- A. Each county assessor shall review assessment information, on a continuing basis, to ensure proper classification of residential dwellings. The assessor may enter into intergovernmental agreements with the department for an exchange of information to ensure a coordinated and comprehensive review and identification of property that may be rented while classified as class three pursuant to section 42-12003.
- B. If the assessor has reason to believe that a parcel of property that is classified as class three pursuant to section 42-12003 is not used as the owner's primary residence or as a qualifying family member residence pursuant to section 42-12053, the assessor shall notify the owner, in a form prescribed by the department as provided by subsection D of this section, and request that the owner respond as to whether the property meets the requirements of section 42-12003 or 42-12053, is a secondary residence or is used as a rental property. If the owner fails to respond to the assessor within thirty days after the notice is mailed, the assessor shall mail the owner a final notice within thirty days requesting that the owner provide information as to whether or not the property meets the requirements of a primary residence, a secondary residence or is used as a rental property. If the owner fails to respond to the assessor within fifteen days after the final notice is mailed, the assessor shall:
1. Reclassify the property as class four. In addition to other appeal procedures provided by law, the owner of the property that is reclassified as class four under this paragraph may appeal the reclassification to the county board of supervisors within thirty days after the notice of classification is mailed. If the owner proves to the board's satisfaction that the property is occupied as the owner's primary residence, the board shall order the property to be reclassified as class three property pursuant to section 42-12003.
  2. Notify the county treasurer who shall assess a civil penalty against the property equal to the amount of additional state aid paid pursuant to section 15-972 with respect to the property in the preceding tax year. The civil penalty shall not be assessed if the ownership of the property has changed after notification. The owner of the property shall pay a penalty under this paragraph to the county treasurer within thirty days after the notice of the penalty is mailed. The owner may appeal the penalty to the county board of supervisors within the time required for payment. If the owner proves to the board's satisfaction that the property is occupied by the owner, the board shall waive the penalty, and the property shall be listed as class three pursuant to section 42-12003. Until paid or waived, the penalty constitutes a lien against the property. The county treasurer shall deposit all revenue received from penalties assessed under this paragraph in the county general fund.
- C. Beginning in 2013 and during each elective term of office thereafter the county assessor shall send notices under subsection B of this section to each owner of property classified as class three pursuant to section 42-12003 described by any of the following:
1. The owner has a mailing address outside the county in which the property is located.
  2. The owner has a mailing address, other than a post office box, that is different than the situs address of the property.
  3. The owner has the same mailing address listed for more than one parcel of class three property in this state.
  4. The owner appears to be a business entity.

### 42-12053. Criteria for distinguishing primary residential property, secondary residential property and rental property

- A. For the purpose of classifying residential property under sections 42-12003, 42-12004 and 42-12052, a parcel is not considered a secondary property or rental property if the property is occupied by a member of the owner's family, who must be:
1. The owner's natural or adopted child or a descendant of the owner's child.
  2. The owner's parent or an ancestor of the owner's parent.
  3. The owner's stepchild or stepparent.
  4. The owner's child-in-law or parent-in-law.
  5. The owner's natural or adopted sibling.
- B. For the purpose of classifying owner-occupied residential property under sections 42-12003, 42-12004 and 42-12052, the department shall adopt standard criteria for use in determining whether the property is considered to be the owner's or relative's primary residence, including:
1. The period of occupancy each year.
  2. The owner's registered voting precinct.
  3. The owner's driver license address.
  4. The registration address of the owner's motor vehicles.
  5. Other appropriate indicators of primary residency.