

▶ EFFECTIVELY
MANAGE PROPERTY
TAX ASSESSMENTS
AND APPEALS

Introduction

Managing property tax assessments is critical for enterprise organizations with large property portfolios. Property taxes often represent a significant financial burden, and inaccuracies in assessments can lead to overpayment or underpayment — resulting in financial strain, penalties, or missed savings opportunities.

However, the process of navigating property tax assessments can be complex and time-consuming, especially with manual methods or outdated systems. This guide offers insight into how property tax professionals can streamline their assessment processes, mitigate risks, and improve accuracy — positioning themselves as leaders in their field.



What are property tax assessments?

Property tax assessments are evaluations conducted by local authorities to determine the taxable value of a business's real estate and personal property. These assessments are based on various factors, such as market value, property improvements, and usage. For personal property — like machinery and inventory — the assessment may factor in cost, depreciation, and condition.

The goal of property tax assessments is to ensure businesses pay their fair share toward funding local services such as schools, infrastructure, and emergency services. Inaccurate assessments can result in overpayment or penalties for underpayment, which businesses must avoid to remain financially efficient.

Assessments are typically conducted annually or periodically, depending on local regulations. While the assessor is responsible for assigning the property's value, businesses must take a proactive approach to review and verify assessments. Overlooking inaccuracies could lead to financial loss or legal challenges.



According to Potentiate,
half of enterprise
companies are
contesting/appealing
real estate and
personal property tax
assessments more than
25% of the time

Challenges of property tax assessments

For enterprises managing multiple properties across different jurisdictions, property tax assessments can be overwhelming. Each jurisdiction may have distinct tax rates, assessment procedures, and compliance requirements. Handling these manually, often using spreadsheets, increases labor costs and introduces a higher risk of errors.

One major challenge is the risk of data entry errors. With large portfolios, small inaccuracies can add up, resulting in inflated tax bills or triggering penalties when discrepancies are uncovered by tax authorities. Keeping track of jurisdictional variations in deadlines and reporting requirements also compounds the complexity, further heightening the risk of noncompliance.

Manual processes also limit transparency. Without automated systems, businesses struggle to get a real-time view of their property tax liabilities, appeal opportunities, or over-assessments — potentially missing out on savings or facing unnecessary legal disputes.

According to Potentiate, enterprise companies are spending an average of **90.4 hours** (about 4 days) per week on real property tax management activities



Property tax appeals

Property tax appeals are an essential tool for ensuring that businesses aren't overpaying. When local authorities over-assess property values, businesses have the right to challenge those assessments through the appeals process.

Appeals are especially relevant for enterprise companies with large property portfolios. Common reasons to file include over-assessment, discrepancies in property details, or misclassification of property use. Acting quickly is crucial, as most jurisdictions offer a limited window — often just 30 days — to file an appeal.

The appeals process involves gathering supporting evidence, such as property appraisals, financial records, and market data, to demonstrate that the assessed value is incorrect. This process can be time-consuming, particularly for large businesses without in-house expertise, but the potential savings from a successful appeal could make it worth the investment.



How to improve your appeal outcomes

Successful property tax appeals require preparation and strategy. Start by gathering accurate data — such as market comparisons, depreciation records, and detailed assessments — to build a strong case. For real property, focus on comparable sales; for personal property, emphasize asset depreciation, usage records, and useful life.

Presenting a well-organized case with clear evidence is key. Use visual aids like charts and graphs to make the data compelling and easy to understand for the appeals board.

Leveraging automation tools can also improve your chances of success. Automated systems streamline data collection, track deadlines, and ensure that all documentation is organized, reducing the risk of missed deadlines or errors in the submission process.

According to Potentiate,
enterprise companies
are averaging
132 hours per week
on personal property tax
management activities



Why automation is key

Automation is transforming the way businesses manage property tax assessments. For enterprises with multiple properties, manual processes are inefficient and error-prone. Automated systems reduce data entry errors by pulling more accurate, regularly updated information from various sources and integrating it into assessments.

Automation also improves compliance by tracking jurisdictional requirements and deadlines, reducing the risk that businesses may miss critical filings or appeal windows. This is particularly valuable for enterprises managing property taxes across multiple locations.

Additionally, automation provides greater visibility into property tax obligations. Businesses can access real-time insights, allowing them to identify cost-saving opportunities, monitor appeal status, and respond quickly to any assessment issues.



How Avalara can help

Avalara Property Tax offers a comprehensive solution for streamlining property tax management. With Avalara, businesses can automate key tasks, reduce errors, and improve compliance with local regulations — saving time and resources for property tax professionals.

Avalara Property Tax centralizes data management, tracking assessments, tax bills, and returns in a secure hub. This eliminates the need for disparate systems and manual processes, providing easier access to all tax-related data. By automating data entry and compliance tracking, businesses can reduce costly errors and stay on top of deadlines.

Avalara simplifies the property tax appeal process by automating data collection, tracking appeal deadlines, and generating necessary reports. This helps businesses act quickly on over-assessments and reduce their tax burden.

Avalara also offers consultation and managed services for businesses that need expert guidance in setting up their property tax compliance systems or managing ongoing processes.

According to
Potentiate,

47%

of enterprise
companies find it
challenging to keep up
with jurisdictional
rules/changes



Case Study

Comcast changes the channel on property tax management

Tax challenges

Comcast property assets sprawl across jurisdictional boundaries, making property tax compliance a complex puzzle. “We’ve got cables and all sorts of other electronic infrastructure that doesn’t really recognize jurisdictional boundaries,” says Allyssa DeCenzo, a property tax manager at Comcast. “We were doing all allocations manually, and then printing and mailing the returns for each jurisdiction.” Property tax returns were due every two weeks of the first six months of each year.

The manual effort to process and file thousands of them was a severe drain on the team. Adding to the concern, the entire process was largely undocumented — it lived in the brain of a single compliance manager — creating another layer of risk. “We needed a consistent, centralized process that was accessible for everyone on the team,” says Allyssa.



PRODUCT USED | AVALARA PROPERTY TAX

Improved management of personal property and real property tax for businesses of all sizes.

Benefits

- Single, accessible solution for complex property tax management
- Significant reduction in time needed to process property tax returns
- Enhanced process for managing data sharing during tax audits

Tax Challenges

- Process inefficiency
- Tax complexity
- Employee burnout
- Compliance risk

Conclusion

Managing property tax assessments efficiently is essential for businesses with large portfolios. Manual processes are not only time-consuming but prone to costly errors and missed opportunities for savings. By leveraging compliance and understanding the appeals process, businesses can significantly improve their property tax outcomes.

Avalara Property Tax simplifies this process by providing the tools and automation needed to manage assessments and appeals with greater accuracy and efficiency. For businesses looking to optimize their property tax management, Avalara is a trusted partner to help achieve compliance and minimize tax liabilities.

Visit the [Avalara Property Tax](#) page to learn more, request a demo, or explore our extensive library of property tax resources.

Take Action

Learn more about how [Avalara Property Tax](#) can simplify your property tax management.

Request a demo today to see how Avalara Property Tax can help streamline your processes and minimize compliance risks.



Disclaimer

Tax rules and regulations change frequently. This content is for informational purposes and does not constitute legal or tax advice.

About Avalara

Avalara helps businesses of all sizes get tax compliance right. In partnership with leading ERP, accounting, ecommerce, and other financial management system providers, Avalara delivers cloud-based compliance solutions for various transaction taxes, including sales and use, VAT, GST, excise, communications, lodging, and other indirect tax types. Headquartered in Durham, Avalara has offices across the U.S. and around the world in Brazil, Europe, and India.

