



John M Allen, Treasurer
301 West Jefferson St., Rm. 100
Phoenix, Arizona 85003

December 18, 2023

Attn: All Taxing Districts within Maricopa County

The following notification is provided to all taxing districts within Maricopa County.

It is anticipated that a Class Action judgment in *Qasimyar vs. Maricopa County*, Maricopa County Superior Court, No. TX2016-000882, will be issued by the end of this year. This ruling follows a remand from the Arizona Court of Appeals.

In 2021, the Arizona Court of Appeals made a ruling that will retroactively impact the property taxes collected in 2015-2021. Specifically, the Court held that under A.R.S. § 42-13302(A)(2), any transition from a Class 3 (primary residence) to a Class 4 (non-primary residence or rental), or vice versa, was a "change in use". As this ruling substantially altered the calculation of certain Limited Property Values (LPV) during those years, all taxing districts within Maricopa County will be impacted.

The Assessor's Office will be submitting to the Treasurer's Office approximately one-million resolutions applicable to Tax Years 2015-2021. We anticipate starting the processing mid-2024. In addition, we anticipate thousands of post-*Qasimyar* resolutions applicable to Tax Years 2022 and 2023 which the Treasurer's Office will begin processing in mid-December 2023. For perspective, the Treasurer's Office typically processes 20,000 resolutions annually. We are currently updating our internal solutions to handle this large quantity of resolutions in a timely manner.

As a result of the anticipated judgment, the Assessor's Office will be submitting property resolutions with updated LPVs (increases and/or decreases) which will be used to recalculate property taxes, resulting in the taxpayer/property owner receiving a refund (most situations) or an increase to future taxes. When a resolution results in a taxpayer refund, each taxing district will contribute to the refund in proportion to their tax levy/rate. The exact financial impact to each taxing district will not be known until after the resolutions have been processed. However, taxing districts should expect a reduction in funds when planning the Fiscal Year 2024-25 Budget.

Additional details will be shared on the Treasurer's website located at: [Qasimyar vs. Maricopa County](#), as they become known. For additional information regarding the Tax Court case, please visit the Maricopa County Assessor's Office website: <https://mcassessor.maricopa.gov/page/home/qasimyar>. To view information regarding the Tax Court case, please visit the Maricopa County Superior Court website: <https://superiorcourt.maricopa.gov/>. Tax Case No. TX2016-000882 will be available at Arizona Tax Decisions when the judgment has been finalized.

Sincerely,

Maricopa County Treasurer's Office