



ARIZONA BOARD OF TAX APPEALS

100 North 15th Avenue - Suite 140
Phoenix, Arizona 85007
602.364.1102

September 6, 2024

The Honorable Katie Hobbs
Governor of Arizona
State Capitol
Phoenix, Arizona 85007

Dear Governor Hobbs:

Enclosed is the FY 2026 budget request for the State Board of Tax Appeals in the amount of \$318,600.

The State Board of Tax Appeals is an impartial, independent, quasi-judicial entity comprising three Governor-appointed citizen-members who are considered experts in the field of taxation. The Board hears and decides appeals involving income, transaction privilege, use, luxury and estate taxes filed by taxpayers who have received adverse decisions from the Department of Revenue and/or the Office of Administrative Hearings. The Board also adjudicates jurisdictional disputes between municipalities regarding the imposition of transaction privilege and use taxes.

The mission and greatest priority of the Board continues to be its commitment to provide an affordable and efficient venue for taxpayers with the budget approved for FY 2026.

If you or your staff have any questions or require additional information, please contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "David V. Medina".

David V. Medina
Executive Director

DVM



State of Arizona Budget Request

State Agency

State Board of Tax Appeals

A.R.S. Citation: **A.R.S. § 42-1252**

Governor Hobbs:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2026.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Appropriated Funds		FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Total Amount Requested:		318.6	-	318.6
General Fund		318.6	-	318.6
Non-Appropriated Funds		FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
		-	-	-
State Board of Tax Appeals Total:		318.6	-	318.6

Agency Head: **David V. Medina**

Title: **Executive Director**

David V Medina 9/24/2024
(signature)

Phone: 6023641102

Prepared by: David V. Medina

Email Address: david.medina@bota.az.gov

Date Prepared: September 24, 2024

Revenue Schedule

Agency: State Board of Tax Appeals

Fund: AA1000 General Fund

AFIS Code	Category of Receipt and Description	FY 2024 Actuals	FY 2025 Estimate	FY 2026 Request
4372	Publications & Reproductions	-	0.1	0.1
General Fund Total:		-	0.1	0.1

Forecast Methodology

Sources and Uses

Agency: State Board of Tax Appeals

Fund:

Cash Flow Summary

	FY 2024 Actuals	FY 2025 Estimate	FY 2026 Request
Beginning Balance	-	-	-
Revenue (from Revenue Schedule)	-	-	-
Total Available	-	-	-
Total Appropriated Disbursements	-	-	-
Total Non-Appropriated Disbursements	-	-	-
Balance Forward to Next Year	-	-	-

Appropriated Expenditure

Expenditure Categories	FY 2024 Actuals	FY 2025 Estimate	FY 2026 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Appropriated Expenditure Sub-Total:	-	-	-
Appropriated Expenditure Total:	-	-	-
Appropriated FTE	-	-	-

Sources and Uses

Agency: State Board of Tax Appeals

Fund:

Non-Appropriated Expenditure

Expenditure Categories	FY 2024 Actuals	FY 2025 Estimate	FY 2026 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Non-Appropriated Expenditure Sub-Total:	-	-	-
Non-Appropriated Expenditure Total:	-	-	-
Non-Appropriated FTE	-	-	-

Funding Issue List

Agency: State Board of Tax Appeals

FY 2026

Priority	Funding Issue Title	Total FTE	Total Amount	General Fund	Other Appropriated Funds	Non- Appropriated Funds
		-	-	-	-	-
	Total:	-	-	-	-	-

Funding Issue Detail

Agency: State Board of Tax Appeals

Issue:

Calculated ERE:

Uniform Allowance:

Program:

Fund:

Expenditure Categories

FY 2026

Program/Fund Total:

-

Funding Issue Narrative

Agency: State Board of Tax Appeals

Issue:

Description of Issue:

Proposal:

**Alternatives
Considered:**

**Impact of Not
Funding This Year:**

Statutory Reference:

**Equipment to be
Purchased (if
applicable):**

**Classification of New
Positions:**

Annualization(s):

**Alignment with
Agency's Strategic
Plan or Statutory
Responsibilities:**

**Impact on Historically
Underserved,
Marginalized, or
Adversely Affected
Groups:**

**How has feedback
been incorporated
from groups directly
impacted by
proposal?:**

**Description of how
this furthers the
Governor's priorities:**

Summary of Expenditure and Budget Request for All Funds

Agency: State Board of Tax Appeals

Appropriated Funds		FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Program:					
TXA-1-0	State Board of Tax Appeals	573.6	318.6	-	318.6
Appropriated Funds Total:		573.6	318.6	-	318.6
Expenditure Categories					
	FTE	6.0	3.0	-	3.0
	Personal Services	347.5	186.6	-	186.6
	Employee Related Expenditures	128.1	72.9	-	72.9
	Subtotal Personal Services and ERE	475.6	259.5	-	259.5
	Travel In-State	-	0.4	-	0.4
	Other Operating Expenditures	98.0	58.6	-	58.6
	Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:		573.6	318.6	-	318.6
State Board of Tax Appeals Total for All Funds:		573.6	318.6	-	318.6
Appropriated and Non-Appropriated		FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2025 Funding Issue	FY 2026 Total Request
TXA-1-0	State Board of Tax Appeals	573.6	318.6	-	318.6
State Board of Tax Appeals Total for All Funds:		573.6	318.6	-	318.6

Summary of Expenditure and Budget Request for Selected Funds

Agency: State Board of Tax Appeals

Fund: AA1000 General Fund (Appropriated)

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Program:				
TXA-1-0 State Board of Tax Appeals	573.6	318.6	-	318.6
General Fund (Appropriated) Summary Total:	573.6	318.6	-	318.6
Expenditure Categories				
FTE	6.0	3.0	-	3.0
Personal Services	347.5	186.6	-	186.6
Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
Travel In-State	-	0.4	-	0.4
Other Operating Expenditures	98.0	58.6	-	58.6
Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Board of Tax Appeals

FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Expenditure Categories

FTE	6.0	3.0	-	3.0
Personal Services	347.5	186.6	-	186.6
Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
Travel In-State	-	0.4	-	0.4
Other Operating Expenditures	98.0	58.6	-	58.6
Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6

Fund Source

Appropriated Funds

General Fund (Appropriated)	573.6	318.6	-	318.6
Appropriated Funds Total:	573.6	318.6	-	318.6
State Board of Tax Appeals Total:	573.6	318.6	-	318.6

Sub Program: TXA-1-1 State Board of Tax Appeals

Expenditure Categories

FTE	6.0	3.0	-	3.0
Personal Services	347.5	186.6	-	186.6
Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
Travel In-State	-	0.4	-	0.4
Other Operating Expenditures	98.0	58.6	-	58.6
Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6

**Program Budget Unit Summary of Expenditure and Budget Request
for All Funds**

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Sub Program: TXA-1-1 State Board of Tax Appeals

Fund Source

Appropriated Funds

General Fund (Appropriated)	573.6	318.6	-	318.6
Appropriated Funds Total:	573.6	318.6	-	318.6
State Board of Tax Appeals Total:	573.6	318.6	-	318.6

**Program Budget Unit Summary of Expenditure and Budget Request
for Selected Funds**

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Fund: AA1000 General Fund

Appropriated

Personal Services	347.5	186.6	-	186.6
Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
Travel In-State	-	0.4	-	0.4
Other Operating Expenditures	98.0	58.6	-	58.6
Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6
General Fund Total:	573.6	318.6	-	318.6
Program Total for Select Funds:	573.6	318.6	-	318.6

Sub Program: TXA-1-1 State Board of Tax Appeals

Fund: AA1000 General Fund

Appropriated

Personal Services	347.5	186.6	-	186.6
Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
Travel In-State	-	0.4	-	0.4
Other Operating Expenditures	98.0	58.6	-	58.6
Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6
General Fund Total:	573.6	318.6	-	318.6
Sub Program Total for Select Funds:	573.6	318.6	-	318.6

**Program Budget Unit Summary of Expenditure and Budget Request
for Selected Funds**

Agency: **State Board of Tax Appeals**

FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program Summary of Expenditure and Budget Request

Agency: State Board of Tax Appeals

Program: State Board of Tax Appeals

Program Summary		FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
TXA-1-1	State Board of Tax Appeals	573.6	318.6	-	318.6
	State Board of Tax Appeals Summary Total:	573.6	318.6	-	318.6
Expenditure Categories					
FTE	FTE	6.0	3.0	-	3.0
6000	Personal Services	347.5	186.6	-	186.6
6100	Employee Related Expenditures	128.1	72.9	-	72.9
	Subtotal Personal Services and ERE	475.6	259.5	-	259.5
6500	Travel In-State	-	0.4	-	0.4
7000	Other Operating Expenditures	98.0	58.6	-	58.6
8500	Non-Capital Equipment	-	0.1	-	0.1
	Expenditure Categories Total:	573.6	318.6	-	318.6
Fund Source					
Appropriated Funds					
AA1000	General Fund (Appropriated)	573.6	318.6	-	318.6
	Appropriated Funds Total:	573.6	318.6	-	318.6
	State Board of Tax Appeals Summary Total:	573.6	318.6	-	318.6

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Board of Tax Appeals
Program:	State Board of Tax Appeals
Fund:	AA1000 General Fund (Appropriated)

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Program Expenditures				
TXA-1-1 State Board of Tax Appeals	573.6	318.6	-	318.6
General Fund (Appropriated) Summary Total:	573.6	318.6	-	318.6
Appropriated Funding				
6000 Personal Services	347.5	186.6	-	186.6
6100 Employee Related Expenditures	128.1	72.9	-	72.9
Subtotal Personal Services and ERE	475.6	259.5	-	259.5
6500 Travel In-State	-	0.4	-	0.4
7000 Other Operating Expenditures	98.0	58.6	-	58.6
8500 Non-Capital Equipment	-	0.1	-	0.1
Expenditure Categories Total:	573.6	318.6	-	318.6
Fund AA1000 - A Total:	573.6	318.6	-	318.6
State Board of Tax Appeals Total:	573.6	318.6	-	318.6

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

FTE				
FTE	6.0	3.0	-	3.0
Expenditure Category Total:	-	-	-	-

Fund Source				
Appropriated Funds				
AA1000 General Fund (Appropriated)	6.0	3.0	-	3.0
Appropriated Funds Total:	6.0	3.0	-	3.0
Fund Source Total:	6.0	3.0	-	3.0

Personal Services				
Personal Services	347.5	186.6	-	186.6
Expenditure Category Total:	347.5	186.6	-	186.6

Fund Source				
Appropriated Funds				
AA1000 General Fund (Appropriated)	347.5	186.6	-	186.6
Appropriated Funds Total:	347.5	186.6	-	186.6
Fund Source Total:	347.5	186.6	-	186.6

Employee Related Expenditures				
Employee Related Expenses	-	72.9	-	72.9
FICA Taxes	26.0	-	-	-
Medical Insurance	51.6	-	-	-
Basic Life	0.0	-	-	-
Long-Term Disability (ASRS)	0.4	-	-	-
Dental Insurance	0.4	-	-	-
Workers' Compensation	2.9	-	-	-
Arizona State Retirement System	33.3	-	-	-
Alternate Retirement Contributions – Reemployed Retirees	7.3	-	-	-
Personnel Board Pro-Rata Charges	3.0	-	-	-
Information Technology Pro Rata Charge	2.1	-	-	-
Accumulated Sick Leave Fund Charge	1.1	-	-	-
Expenditure Category Total:	128.1	72.9	-	72.9

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Program: TXA-1-0 State Board of Tax Appeals				
Fund Source				
Appropriated Funds				
AA1000 General Fund (Appropriated)	128.1	72.9	-	72.9
Appropriated Funds Total:	128.1	72.9	-	72.9
Fund Source Total:	128.1	72.9	-	72.9

Travel In-State				
Travel In-State	-	0.4	-	0.4
Expenditure Category Total:	-	0.4	-	0.4

Fund Source				
Appropriated Funds				
AA1000 General Fund (Appropriated)	-	0.4	-	0.4
Appropriated Funds Total:	-	0.4	-	0.4
Fund Source Total:	-	0.4	-	0.4

Other Operating Expenditures				
Other Operating Expenses	-	58.6	-	58.6
Risk Management Charges to State Agencies	2.0	-	-	-
Internal Service Computer Processing, Hosting, Maintenance and Support Costs	0.5	-	-	-
External Programming and System Development Costs	4.0	-	-	-
Charges Imposed Related to AFIS.	0.5	-	-	-
External Telecommunications Charges	6.5	-	-	-
Certificate of Participation (COP) Building Rent Charges to State Agencies	74.8	-	-	-
Miscellaneous Rent	0.7	-	-	-
Internal Accounting, Budgeting & Financial Services	6.1	-	-	-
Repair & Maintenance - Other Equipment	1.0	-	-	-
Office Supplies	1.9	-	-	-
Postage & Delivery	0.0	-	-	-
Expenditure Category Total:	98.0	58.6	-	58.6

Fund Source

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
Program: TXA-1-0 State Board of Tax Appeals				
Appropriated Funds				
AA1000 General Fund (Appropriated)	98.0	58.6	-	58.6
Appropriated Funds Total:	98.0	58.6	-	58.6
Fund Source Total:	98.0	58.6	-	58.6

Non-Capital Equipment

Non-Capital Resources	-	0.1	-	0.1
Expenditure Category Total:	-	0.1	-	0.1

Fund Source

Appropriated Funds				
AA1000 General Fund (Appropriated)	-	0.1	-	0.1
Appropriated Funds Total:	-	0.1	-	0.1
Fund Source Total:	-	0.1	-	0.1

Employee Retirement Coverage

	FTE	Personal Services	Fund#
Retirement System			
Arizona State Retirement System	3.0	186.6	AA1000-A

Sub Program: TXA-1-1 State Board of Tax Appeals

FTE

FTE	6.0	3.0	-	3.0
Expenditure Category Total:	-	-	-	-

Fund Source

Appropriated Funds				
AA1000 General Fund (Appropriated)	6.0	3.0	-	3.0
Appropriated Funds Total:	6.0	3.0	-	3.0
Fund Source Total:	6.0	3.0	-	3.0

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Sub Program: TXA-1-1 State Board of Tax Appeals

Personal Services

Personal Services	347.5	186.6	-	186.6
Expenditure Category Total:	347.5	186.6	-	186.6

Fund Source

Appropriated Funds

AA1000 General Fund (Appropriated)	347.5	186.6	-	186.6
Appropriated Funds Total:	347.5	186.6	-	186.6
Fund Source Total:	347.5	186.6	-	186.6

Employee Related Expenditures

Employee Related Expenses	-	72.9	-	72.9
FICA Taxes	26.0	-	-	-
Medical Insurance	51.6	-	-	-
Basic Life	0.0	-	-	-
Long-Term Disability (ASRS)	0.4	-	-	-
Dental Insurance	0.4	-	-	-
Workers' Compensation	2.9	-	-	-
Arizona State Retirement System	33.3	-	-	-
Alternate Retirement Contributions – Reemployed Retirees	7.3	-	-	-
Personnel Board Pro-Rata Charges	3.0	-	-	-
Information Technology Pro Rata Charge	2.1	-	-	-
Accumulated Sick Leave Fund Charge	1.1	-	-	-
Expenditure Category Total:	128.1	72.9	-	72.9

Fund Source

Appropriated Funds

AA1000 General Fund (Appropriated)	128.1	72.9	-	72.9
Appropriated Funds Total:	128.1	72.9	-	72.9
Fund Source Total:	128.1	72.9	-	72.9

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Sub Program: TXA-1-1 State Board of Tax Appeals

Travel In-State

Travel In-State	-	0.4	-	0.4
Expenditure Category Total:	-	0.4	-	0.4

Fund Source

Appropriated Funds

AA1000 General Fund (Appropriated)	-	0.4	-	0.4
Appropriated Funds Total:	-	0.4	-	0.4
Fund Source Total:	-	0.4	-	0.4

Other Operating Expenditures

Other Operating Expenses	-	58.6	-	58.6
Risk Management Charges to State Agencies	2.0	-	-	-
Internal Service Computer Processing, Hosting, Maintenance and Support Costs	0.5	-	-	-
External Programming and System Development Costs	4.0	-	-	-
Charges Imposed Related to AFIS.	0.5	-	-	-
External Telecommunications Charges	6.5	-	-	-
Certificate of Participation (COP) Building Rent Charges to State Agencies	74.8	-	-	-
Miscellaneous Rent	0.7	-	-	-
Internal Accounting, Budgeting & Financial Services	6.1	-	-	-
Repair & Maintenance - Other Equipment	1.0	-	-	-
Office Supplies	1.9	-	-	-
Postage & Delivery	0.0	-	-	-
Expenditure Category Total:	98.0	58.6	-	58.6

Fund Source

Appropriated Funds

AA1000 General Fund (Appropriated)	98.0	58.6	-	58.6
Appropriated Funds Total:	98.0	58.6	-	58.6
Fund Source Total:	98.0	58.6	-	58.6

Program Expenditure Schedule

Agency: State Board of Tax Appeals

	FY 2024 Actuals	FY 2025 Expenditure Plan	FY 2026 Funding Issue	FY 2026 Total Request
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Program: TXA-1-0 State Board of Tax Appeals

Sub Program: TXA-1-1 State Board of Tax Appeals

Non-Capital Equipment

Non-Capital Resources	-	0.1	-	0.1
Expenditure Category Total:	-	0.1	-	0.1

Fund Source

Appropriated Funds

AA1000 General Fund (Appropriated)	-	0.1	-	0.1
Appropriated Funds Total:	-	0.1	-	0.1
Fund Source Total:	-	0.1	-	0.1

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
Arizona State Retirement System	3.0	3.0	AA1000-A

Program Expenditure Schedule

Agency: **State Board of Tax Appeals**

Administrative Costs Summary

	FY 2026
Personal Services	7.1
ERE	3.3
All Other	16.0
Administrative Costs Total:	26.4

Administrative Costs / Total Expenditure Ratio

	Request	Admin %
FY 2026	318.6	8.3%

TAX APPEALS BOARD (TXA)

ORGANIZATIONAL CHART

STATE BOARD OF TAX APPEALS

(August, 2024)

