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PROPERTY TAX ATTORNEYS

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**Question: Should our association pay tax appeal legal fees from our budget or bill the unit owners back?**

This is a business decision for your board. We will tell you what the law says and give you some of the pros and cons of billing back or not.

The Act provides that tax appeal costs are common expenses. This means the Association is entitled to pay these costs from their budget as they would any other association expense.

The Condominium Act provides as follow:

*(c) Upon authorization by a two-thirds vote of the members of the board of managers or by the affirmative vote of not less than a majority of unit owners at a meeting duly called for such purpose, or upon such greater vote as may be required by the declaration or bylaws, the board of managers acting on behalf of all unit owners shall have the power to seek relief from or in connection with the assessment or levy of any such taxes, special assessments or charges, and to charge and collect all expenses incurred in connection therewith as a common expense.*

Many associations, however, choose to bill their unit owners for their share of tax appeal costs.

<b>Why would an Association want to pay tax appeal costs from their budget?</b>	<b>Why would the Association want to bill back?</b>
<ul style="list-style-type: none"> <li>✓ This is what the law provides</li> <li>✓ This treats tax appeal costs like any other association expense</li> <li>✓ Billing and collecting from unit owners creates additional work for the association managers</li> <li>✓ Billing unit owners inevitably prompts questions that time for the association to answer</li> </ul>	<ul style="list-style-type: none"> <li>✓ To avoid impacting the association's budget</li> <li>✓ To keep association dues under control</li> </ul>

These are some of the reasons why Association might choose to bill back or not. We hope this helps you to make an informed decision.