



Property Tax Reduction Strategies: CA Hotel & Lodging Real Estate

Property taxes are a significant recurring non-operating expense associated with hotel ownership. Kroll's Property Tax Services can reduce your tax liabilities and provide tax savings.

For owners that believe their property tax values are excessive and should be reviewed and appealed, Kroll will perform a complimentary review of your assessment.

Through integration of our valuation experts and property tax specialists, Kroll delivers national strength and local expertise, leading to results unmatched within the market. Our professionals have over 40 years of experience managing real estate taxes for our clients.

We represent properties in all 50 states, with a total property value in the tens of billions of dollars.

Hotel Real Estate Expertise

Kroll identifies tax savings opportunities for our clients by reviewing their property tax assessments and liabilities. We leave no stone unturned when reviewing financial documents and market data in supporting a fair and equitable value. Once we identify savings opportunities, we discuss the course of action to achieve such savings with the client and implement these strategies.

CA Property Taxation

California property taxes valuations are based on the most recent sales price of the property, and limited by Proposition 13, meaning that the acquisition price can be escalated as no more than 2% annually. As a result of the pandemic and subsequent economic and social events impacting many California communities, many hotels have been slow to recover, or have not recovered at all. Proposition 8 allows for temporary property tax adjustments for properties experiencing declining values.

Our Services

- Valuation appeals protest: Reduce excessive tax assessments on real estate and personal property through informal negotiations, administrative hearings and formal hearings. Prepare internal analyses using the cost, market, and income approaches to value. Further analysis to determine uniformity of assessments with competitive properties.

California Hotel & Lodging Association

- As a Vendor Member of CHLA, we are partnering with CHLA to bring our services to hotel and lodging members of the Association.
- CHLA has identified Kroll as a trusted partner to offer property tax appeal services to those members that seek to have their property tax assessments analyzed.
- Hotel and Lodging Members will contract with Kroll directly on a success basis to review their assessments.
- Only if we identify and achieve assessment reductions are you liable for any payment to Kroll and only after you've received a refund or reduced tax liability.

Time is of the Essence

- For most CA counties, the appeal deadline is **November 30**. If you want to challenge your assessment, you **MUST** file an appeal by November 30, otherwise the assessment will be final and cannot be challenged.
- Protective appeals can be filed to allow additional time to analyze the validity of the assessment and need to continue with the appeal. It is essential that you act timely to protect your appeal rights.

Contacts

Bruce Cartwright

Managing Director, Tax Services

+1 303 749 9003

bruce.cartwright@kroll.com

Michael Van Donselaar

Director, Tax Services

+1 303 749 9034

michael.vandonselaar@kroll.com



About Kroll

As the leading independent provider of risk and financial advisory solutions, Kroll leverages our unique insights, data and technology to help clients stay ahead of complex demands. Kroll's global team continues the firm's nearly 100-year history of trusted expertise spanning risk, governance, transactions and valuation. Our advanced solutions and intelligence provide clients the foresight they need to create an enduring competitive advantage. At Kroll, our values define who we are and how we partner with clients and communities. Learn more at [Kroll.com](http://kroll.com).

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