

July 30, 2025

IN RE: Arthur Kousombus

Docket No: 35WRMER5XP4AC

Statement of Record:

- 1) Mr. Arthur Kousombus (hereafter "Petitioner") filed a Petition for Appeal with the Tax Review Board (hereafter "TRB") on May 1, 2024. The petition requested a review of a bill charged to the petitioner's account for the property at 2438 N. Douglas St, Philadelphia by the Philadelphia Water Revenue Bureau (hereafter "WRB").
- 2) A 1st level public hearing before a Hearing Officer was held on September 23, 2024. The Hearing Officer continued and elevated this case to the full Tax Review Board for an "attorney from the City to review and address.
- 3) The case was scheduled for March 4, 2025.
- 4) After hearing the evidence and testimony, the Tax Review Board ordered a credit of \$8,865.75 to be issued by WRB from old owners account to new owner's account. Petitioner should then apply for a refund for that amount.
- 5) The City then requested a rehearing on March 5, 2025 due to certain jurisdictional and constitutional issues.
- 6) The Board considered and reviewed the City request, denying it noting, "these issues are better addressed by the Court of Common Pleas.
- 7) The City has filed an appeal with the Philadelphia Court of Common Pleas.

Findings of Fact:

- 1) Petitioner is Mr. Arthur Kousombos, owner of 2438 N. Douglas Avenue, Philadelphia. (Exhibit A-1).
- 2) At issue is the billing period from May 16, 2016 through September 15, 2023. At the time of the hearing, the principal balance, including service and usage, totaling \$ 10,607.50, with no liens or penalties in dispute. (Notes of Testimony- Water Revenue Bureau Hearings; Pg. 12; Ln. 2-4).
- 3) Petitioner asserts that the City's Water Revenue Bureau owes him a credit. Specifically, that at the time he purchased the property, he provided an additional \$12,000 to the title company to pay the outstanding estimated water/sewer bill on the property. However, the estimated bill was less than the \$12,000 he paid, therefore the overage charge should be a credit on his account. (Id.; Pg. 12-17).
- 4) The witness for WRB, Mr. Yong Huang, an accounting transaction supervisor, testified that he reviewed the account in question. He was asked to explain why a credit for \$10,607.50 was initially issued to the Petitioner's account was reversed in December 2023. Mr. Huang noted that the "high estimate read was billed and then the actual read found on September 7, 2023 was only 1901, so an inaccurate bill with a credit balance was issued. I reversed it, and I reviewed with the correct reading, 1901". (Id.; Pg. 22-23; Ln. 20-1).
- 5) Mr. Huang further explained that after he rebilled the account, he "updated ownership, and then the remaining balance automatically goes to the current owner's account. Then I transferred the credit back to the previous owner's account because the previous owner is the one who made the payment". (Id.; Pg. 23; Ln. 13-18).

- 6) The witness continued, "after I adjusted the account, there is \$8,000 credit left on the account...because the previous owner have already made the overpayment... [as of] the settlement date, it would be January 2, 2022". (Id.; Pg 27; Ln. 6-15).
- 7) In further questioning of Mr. Huang, he clarified that the \$10,607.50 was the incorrect credit that was corrected into \$8,865.75". (Id.; Pg. 44; Ln. 21-2).
- 8) Mr. Huang's reasoning regarding why he credited the previous owner's account was due to the settlement sheet, "there's a seller side and then there is a buyer's side... the seller side paid the \$12,000. So I believe the credit goes to the seller because he's the person". (Id.; Pg. 29; Ln. 3-7).
- 9) In review of the settlement sheet, City Exhibit 1, Mr. Huang testified that the "approximately \$12,600 payment...[was made] from the title company on the seller's table". (Id.; Pg. 33; Ln.-15).
- 10) After hearing the evidence, testimony, and arguments, the Board rendered its' determination and directed the Water Revenue Bureau to "transfer \$8,865.75 from the prior owner's account of this property to the current owner's account, our petitioner Mr. Kousombus, so that that credit belongs to him as the current owner of the property (Id.; Pg. 50; Ln. 4-9).

Conclusions of Law:

In an administrative hearing before the Tax Review Board, the burden of proof rests with the petitioning party to provide substantial evidence to establish that the Petition of Appeal should be granted. The taxpayer bears the burden to prove that the City's assessment is incorrect or warrants adjustment. See *City of Philadelphia v. Litvin*, 235 A.2d 157, Pa Super.1967.

The Board determined that the Petitioner did in fact meet his burden, as the argument put forward by the Petitioner in the hearing was persuasive and credible. Specifically, the Petitioner argued that he brought all the money to the settlement- not only the agreed upon sale price of the property but also the additional \$12,000 for the water bill he was told was outstanding by the title company and WRB. This is supported by the settlement sheet- Petitioner brought \$38,000 with the intent to clear the water bill. WRB's incorrect reading then resulted in overpayment, which was no fault of the Petitioner and should be credited to his account.

Concurred:

Paula Weiss, Chair

Nancy Kammerdeiner

Ryan Boyer