



**Department of
Taxation and Finance**

Aid for Cyclical Reassessments

State Aid Program for Reassessments

- The program requires periodic reassessments - including full reappraisals - according to a schedule described in a plan
 - Up to \$5 per parcel in reappraisal years
 - Up to \$2 per parcel in the non-reappraisal years (described in statute, but has never been funded)
 - Maximum aid per municipality = \$500,000 per year
- Applies to assessment rolls with taxable status dates occurring on or after March 1, 2010

Basic Criteria

- Satisfy standards of quality assessment administration as established in the Rules
- Reassessment must be at 100% of value
- Reassessment implemented pursuant to a plan, approved pursuant to the Rules
 - Plan not less than four (4) years
 - Reappraisal in the first and last year of the plan
 - A reappraisal at least once every four (4) years
 - Inventory collection at least once every six (6) years
- The assessing unit provides a set of supporting valuation documents and files to ORPTS

Frequency of Reassessment

■ Requirements

- Plan must be at least four (4) years long
 - But can be any length beyond that
- Reappraisal in the first and last year of the plan
- Reappraisal at least every four (4) years

| Plan Year | 1 | 2 | 3 | 4 | 5 |
|---|-------------|---|---|-------------|-------------|
| <u>Minimum Plan Length</u> | reappraisal | | | reappraisal | |
| <u>Maximum Time Between Reappraisals</u> | reappraisal | | | | reappraisal |

Examples

| Roll year | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------------------|-------------|------|-------------|-------------|-------------|
| Every four years | Reappraisal | | | | Reappraisal |
| Every three years | Reappraisal | | | Reappraisal | |
| Every two years | Reappraisal | | Reappraisal | | Reappraisal |
| Plan year/length | 1 | 2 | 3 | 4 | 5 |
| Minimum Plan Length | Reappraisal | | | Reappraisal | |
| Maximum time between reappraisals | Reappraisal | | | | Reappraisal |

Why a Reassessment Cycle for Aid?

- Under the new aid program, assessing units must commit to maintaining uniformity on a cycle. Assessing unit will not receive aid for conducting a one-time reassessment.
- Assessing units can choose a reassessment cycle that works best for them

Reappraisal Requirement

- In order to receive the reappraisal aid (up to \$5 per parcel), a reassessment must be a complete “reappraisal”
 - Reappraisal means developing and reviewing a new determination of market value for each parcel, based upon current data, by the appropriate use of one or more of the three accepted approaches to value (cost, sales comparison and income)
 - The use of trending as the sole means of establishing a new market value for any parcel will not be considered a reassessment for the purpose of satisfying aid criteria

Reassessment Requirement (cont.)

- Review of the appraisal values is required and consists of a visit to each property, to include a review of the recorded inventory, examination and analysis of the appraisal estimates, and the determination and documentation of a final appraised value
- An office review may be substituted if appraisers have data collected or re-inspected the property characteristics data as part of the reappraisal, or if the review utilizes oblique aerial, orthophoto or street-level photography that was taken within three years of the reassessment year

Guidelines for Inventory Collection

- “Guidelines” recommend IAAO Standards regarding the options for collection and maintenance of property inventory data and will include:
 - Initial data collection
 - Maintaining property characteristics data, including
 - Physical review every 4 to 6 years
 - Walk-around with re-measurement of two sides
 - Review from public right-of-way if access is denied
 - Alternatives to on-site inspections

Frequency of Data Collection

- RPTL 1573 requires inventory to be collected at least once every six years for each parcel
 - Assessing units may count inventory collection that occurred prior to 2010 as contributing to the 6 year requirement for each parcel in their plan

| Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------|---------|------|------|--------|------|------|---------|
| Plan Year | | | | 1 | 2 | 3 | 4 |
| Reappraisal | | | | reappr | | | reappr |
| Data Coll. | collect | | | | | | collect |
| (years since) | | 1yr | 2yr | 3yr | 4yr | 5yr | 6yr |

Plans for Cyclical Reassessments

- Plan will consist of
 - Name/signature of Chief Executive Officer and Assessor
 - Property class summary
 - If advisory appraisals not requested for complex/unique or utility properties, assessor must explain how properties will be collected and valued
 - Data collection status/dates
 - Chart of when reassessments and data collection will be conducted by year
- **Initial plans** must be submitted to ORPTS no later than 120 days prior to the tentative roll that serves as Plan Year 1 (this will be the first complete reappraisal in the plan), typically by January 1

Plans for Cyclical Reassessments (cont.)

■ Subsequent Plans

- Subsequent plans follow the completion of an entire plan cycle. Subsequent plans may use the last year of the prior plan as the first year of the new plan. Subsequent plans are due no later than 90 days following the final roll of the last year of the prior plan, typically by October 1

■ Amended Plans

- Amended plans must also be submitted to ORPTS no later than 120 days prior to the tentative roll first affected by the changes, typically by January 1

■ New Plans

- A new plan is required when an assessing unit has “withdrawn” from the program and decides to re-enter the program at a later date. A new plan must also be submitted to ORPTS no later than 120 days prior to the tentative roll first affected by the changes, typically by January 1

Aid Applications

- Aid applications:
 - Due 90 days after final roll (typically Oct. 1)
 - Assessors will sign attestation that compliance with statutes and rules (as applicable) was achieved
 - ORPTS may audit an assessing unit for compliance with any of the standards that are in the attestation

Maintaining an LOA of 100

- Assessing units may revise assessments as provided for in RPTL to maintain uniformity and/or their level of assessment, using means other than a complete reappraisal
 - By definition, the reassessment must be a systematic analysis of all parcels
 - Assessing units must state in writing their intention to maintain their LOA at 100 no later than 180 days prior to the tentative roll (typically by November 1)
 - ORPTS will analyze the new tentative roll to verify the stated LOA
 - The assessing unit will not be eligible for the aid of up to \$5 per parcel