



# ***GUIDELINES FOR CYCLICAL REASSESSMENT***



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# Guidelines for Cyclical Reassessment

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# Guidelines for Cyclical Reassessment

## Overview

New York State Real Property Tax Law (RPTL) requires all properties in each municipality (except in New York City and Nassau County) to be assessed at a uniform percentage of market value each year. This means that all properties in each city, town or village must be assessed at market value or all at the same uniform percentage of market value each year. State Law also requires your assessor to include the estimate of the market value for each property, the assessment for each property and the uniform percentage for all taxable property on the tentative assessment roll.

## Statutory Requirements

- RPTL Section 301 – “All real property...assessed as of a March first taxable status date, shall be valued as of the preceding first day of July”
- RPTL Section 305 – “All real property in each assessing unit shall be assessed at a uniform percentage of [market] value...”
- RPTL Section 502 – “The assessment roll shall set forth the uniform percentage applicable to the assessing unit...pursuant to [RPTL Section 305], and shall provide for the entry with respect to each separately assessed parcel...the total assessed valuation, and the full value of each parcel.”

The fairness, or equity, of the real property tax depends on whether similar properties are treated alike. By keeping assessments up-to-date, assessors can go a long way toward ensuring that taxpayers do not pay more or less than their fair share of taxes.

## Benefits of Current Assessments

To encourage compliance with State law, New York State provides State Aid to municipalities that reassess at 100% of market value on a *cyclical* basis (for special assessing units, uniformity must be maintained within each class). Aside from State Aid, the benefits of maintaining current market value assessments include:

- **Assessment Equity for Taxpayers** – The longer it has been since a municipality has updated assessments, the more likely it is that some taxpayers are paying more or less than their fair share of taxes. Up-to-date assessments eliminate unfair assessments and the "sticker shock" that taxpayers experience when assessments are adjusted after years of neglect.
- **Improved Bond Ratings** – In addition to State Aid, many municipalities are receiving improved bond ratings as a result of efforts to keep assessments current. These municipalities are saving tens of thousands of dollars each year (and, in some cases, much more than that).
- **Fewer Court Challenges to Assessments** – By keeping assessments up-to-date, municipalities are likely to have fewer tax certiorari cases.
- **Increased State Land Assessments** – Because State land assessments are frozen at the year of the last municipal-wide reassessment conducted after 1990, reassessments allow municipalities to make changes in market value that could not otherwise be captured.
- **Transparency** – Improve taxpayer understanding of the process; easier to explain to taxpayers.

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## New State Aid Program

In the past, many municipalities would conduct reassessments without any plan to keep assessments at market value in future years – either annually or on a cyclical basis. Chapter 56 of the Laws of 2010 amended RPTL §1573, repealing the Annual and Triennial aid programs, and replaced them with a new program to provide aid to assessing units that implement reassessments on a cyclical basis. To be eligible for the new ***Aid for Cyclical Reassessments***, assessing units are required to submit a plan for future reassessments.

According to RPTL 102 (12a), ***“Revaluation”, “reassessment” or “update”*** is a systematic review of the assessments of all locally assessed properties, valued as of the valuation date of the assessment roll containing those assessments to attain compliance with the standard of assessment set forth in subdivision two of section three hundred five of this chapter.

Although [RPTL §1573](#) uses the term “revaluation”, this document and other ORPTS’ publications will continue to use the term “reassessment”.

## Requirements for Cyclical Reassessment – RPTL 1573 (1)

- Compliance with standards for quality assessment administration
- Reassessments at 100% of value (except in Nassau County and New York City)
- Reassessments ([complete reappraisals](#)) implemented pursuant to a plan approved by ORPTS
- Four-year plan at the minimum
- Reassessments (complete reappraisals) at least once every 4 years
- Reassessments (complete reappraisals) conducted in the first and last years of the plan
- Inventory collection at least once every 6 years
- Provision of a set of [supporting valuation documents](#) and files to ORPTS

## State Assistance for Cyclical Reassessment – RPTL 1573 (2)

- Up to \$5 per parcel for an assessment roll upon which a reassessment (complete reappraisal) is implemented in accordance with an approved plan, and up to \$2 per parcel for an assessment roll upon which a reassessment (complete reappraisal) is not implemented in accordance with an approved plan
- **An assessing unit that fails to implement a reassessment (complete reappraisal) pursuant to an approved plan shall repay to the state the full amount received for the assessment rolls following the one upon which the most recent reassessment (complete reappraisal) was implemented**
- Assessing units may withdraw from an approved plan, and will only be responsible for repayment of aid for non-reassessment years
- No aid payment shall exceed five hundred thousand dollars (\$500,000)

Under the former Triennial Aid program, assessing units that implemented “one-shot” reassessments were eligible for State assistance. Without a subsequent reassessment, however, assessment equity would begin to erode, and the effort and expense invested in the initial reassessment would essentially be wasted. Under this new aid program, assessing units must commit to complete reappraisals on a cycle. The payments in the non-reassessment years (not to exceed \$2/parcel) will allow assessing units to help pay for the next reappraisal effort in the plan, and assessing units can choose a reassessment cycle that works best for them. The program also seeks to maximize both the assessing unit’s and the State’s investment in the original reassessment.

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## Program Requirements

### Plan Length Options

There are **three** basic requirements affecting the length of plan:

- (1) Assessing units may submit a plan of any length, as long as it is for at least four years
- (2) A reassessment (complete reappraisals) must be implemented at least once every four years
- (3) A reassessment may be implemented in any year, but there must be a reassessment (complete reappraisal) in the first and last years of the plan

Plan Years	1	2	3	4	5
(1) Minimum Plan Length of at least 4 years	(3) Reappraisal	Optional Reassessment	Optional Reassessment	(3) Reappraisal	
(2) Reappraisal at least every four years	(3) Reappraisal	Optional Reassessment	Optional Reassessment	Optional Reassessment	(3) Reappraisal

### Reassessment Cycle Requirement

#### IAAO guidelines on reappraisal frequency

The IAAO's *Standard on Mass Appraisal of Real Property* addresses the frequency of reappraisals when reassessments are being done to maintain uniformity and level. It states, in part, that "trending factors based on criteria such as property type, location, size, and age can be developed and applied to groups of properties. These factors should be derived from ratio studies or other market analyses. Analysis of ratio study data can suggest groups or strata of properties in need of physical review. In general, trending factors can be highly effective in maintaining equity when appraisals are uniform within strata. However, such factors are not a substitute for physical reviews and individual reappraisals, which are required to correct lack of uniformity within strata. Although assessment trending can be effective for short periods, **properties should be physically reviewed and individually reappraised at least every four to six years.**"

Many assessing units in New York State will find there is insufficient market data to demonstrate uniformity within their groupings, let alone to determine trends for different groups of properties. Also, since all properties in a group do not appreciate or depreciate at the same rate, the development and on-site review of individual values will yield more accurate and equitable assessments.

#### Reappraisal requirement

With this in mind, [Rules](#) were established that require that any reassessment must be a complete "reappraisal" in order to be eligible for the reassessment aid (up to \$5 per parcel). *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, market, or 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 State aid criteria for the up to \$5 per parcel payment. This requirement is consistent with the [Uniform Assessment Standards](#) developed by the Real Property Tax Administration Committee ([RPTAC](#)).

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## Non-reappraisal “reassessments”

An assessing unit may revise its assessments as provided for in Real Property Tax Law (RPTL) to maintain uniformity and/or level of assessment, using means other than a full reappraisal in those years in which a full reappraisal is not conducted. Unless the assessing unit is **amending** its Plan to change a scheduled reappraisal, **the assessing unit must notify ORPTS of its intentions to conduct a non-reappraisal reassessment in writing (e-mail is sufficient) no later than 180 days prior to the applicable tentative roll (typically by November 1).** This will allow ORPTS to review the assessing unit’s documentation showing that it conducted a **systematic analysis** of all parcels, and then to verify the Level of Assessment (LOA) using the tentative roll compared to the estimated market values shared during the Pre-Decisional Collaboration (PDC) process. **Please note that if an assessing unit conducts a non-reappraisal reassessment without timely notification to ORPTS as just stated, that reassessment roll will NOT be used as the basis for ORPTS’ full value measurement for that year.** This means that the assessing unit’s full value measurement for that year will be developed using the most recent final roll with trends and/or ratios applied as appropriate instead of the current tentative roll. **This may affect ORPTS’ ability to confirm the locally stated LOA as the equalization rate and/or residential assessment ratio (RAR) for that year.**

Assessing units that conduct a non-reappraisal reassessment in an interim year of a cyclical reassessment plan will not be eligible for the aid of up to \$5/parcel, but will be eligible for the “non-reappraisal year” aid of up to \$2/parcel.

## IAAO guidelines on appraisal review

The IAAO’s *Property Appraisal and Assessment Administration* textbook discusses the appraisal review process in a chapter concerning “quality assurance”:

- *The appraisal review process evaluates data quality, the appropriateness of valuation models, the calibration of those models, and the application of the models. Appraisal review includes prereviews, field testing valuation models, office reviews, and final field reviews.*
- *Prereview combines elements of data collection, data review, and valuation model review. During Prereview, appraisers establish which factors require judgments, for example, quality grade, condition rating and land influence. Valuation techniques depend on the accuracy and consistency of subjective data items; these are often beyond the ability of ordinary data collectors to recognize and rate on exceptional property.*
- *Before new models are applied, they should be tested in the field on a representative cross section of sold and unsold properties. Valuation documents listing property characteristics and values should be produced for use in field review. Appraisers should start by reviewing data and values on properties that have sold recently.*
  - *Appraisers should then view properties that have not sold recently, first reviewing data and then testing value estimates produced by the model against their own judgments of value – judgments based on sale prices of sold properties.*
  - *The field test also alerts appraisers of the extent to which data and values will need to be field reviewed for the entire area.*
- *Whether to conduct a field review or an office review of the values generated is a critical decision. The field review may be avoided if the appraisers have previously reviewed property characteristics data. In some projects, appraisers review the subjective factors, such as condition, desirability, construction quality, and usefulness of the property, before valuation. If this is not done, field review of the values is important.*
- *Field review. Once the appraiser has completed a review of properties that have sold, a property-to-property review can verify data accuracy, especially of subjective data critical to determination of value. The appraiser should look for exceptional conditions that data collectors may have missed.*

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- *In ideal situations, appraisers should be able to conduct drive-by reviews, leaving the vehicle only rarely to check apparent listing errors.*
- *Jurisdictions with recent pictures of the properties may be able to conduct a particularly effective office review. [See exceptions in field review requirement below]*

### Field review requirement

The [Rules](#) state that review of all appraisal values is required as part of a reappraisal. This 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 in the reassessment year, or if the review utilizes oblique aerial, orthophoto or street-level photography that was taken within three years of the reassessment year. Please note that photographic images available through the Internet (e.g., Google Earth, Bing, etc.) do not qualify for use in an office review (please see guidelines for data collection for technical requirements).

### Data Collection Requirement

#### Frequency of data collection

RPTL 1573 requires inventory be collected at least once every six years for each parcel. This may be done assessing unit-wide in one year, or spread out over a six-year period. Like the former Annual Aid program, assessing units must be able to ensure that all parcels have been physically inspected within the past six years for any given roll year. **IAAO standards (see below) should be followed to the extent possible.**

Assessing units may use inventory collection that occurred prior to the first year of their plan as contributing to the 6-year requirement for each parcel in their plan. See the illustration below:

Year	2007	2008	2009	2010	2011	2012	2013
Plan Year				1	2	3	4
Reappraisal				Reappraisal			Reappraisal
Data Collection	Full data collection						Full data collection
Years Since Data Collection		1yr	2yr	3yr	4yr	5yr	6yr

### IAAO Standards for data collection and maintenance of inventory data (2010 draft text underlined)

- Initial Data Collection
  - *A physical inspection is necessary to obtain initial property characteristics data. This inspection can be performed either by appraisers or by specially trained data collectors. In a joint approach, experienced appraisers would make key subjective decisions, such as the assignment of construction quality class or grade, and data collectors would gather all other details. Depending on the data required, an interior inspection might be necessary. At a minimum, a comprehensive exterior inspection should be conducted.*
- Maintaining Property Characteristics Data
  - *Property characteristics data should be continually updated in response to changes brought*

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*about by new construction, new parcels, remodeling, demolition, and destruction. There are several ways of doing this. The most efficient involves building permits. Ideally, strictly enforced local ordinances would require building permits for all significant construction activity, and the assessor would be given copies of the permits. This would allow the assessor to identify properties whose characteristics are likely to change, to inspect such parcels on a timely basis (preferably as close to the assessment date as possible), and to update the files accordingly.*

- *Aerial photographs also can be helpful in identifying new or previously unrecorded construction and land use.*
- *Some jurisdictions have used self-reporting, in which property owners are given the data in the assessor's records and asked to provide additions or corrections. Information derived from multiple listing sources and other third-party vendors can be used to update property records.*
- *A system should be developed for making periodic field inspections to identify properties and ensure that property characteristics data are complete and accurate. Properties should be periodically revisited to ascertain that assessment records are accurate and current. Assuming that most new construction activity is identified through building permits or other ongoing procedures, a physical review at least every four to six years should be conducted, including an on-site verification of property characteristics. A re-inspection should include partial re-measurement of the two most complex sides of improvements and a walk around the improvement to identify additions and deletions or independent review of the current measurements with specific requirements by an outside auditing firm or oversight agency. Photographs taken at previous physical inspections can help identify changes.*
- **Alternative to Periodic On-Site Inspections**
  - *As long as an initial physical inspection has been completed – and the requirements of a well-maintained data collection and quality management program are achieved – jurisdictions may employ a set of digital image technology tools to replace a routine cyclical field inspection with a computer assisted office review. This tool set should include:*
    - *Current high-resolution street-view images (at a sub-inch pixel resolution that enables quality grade and physical condition to be verified)*
    - *Orthophoto images (minimum 6" pixel resolution in urban/suburban & 12" resolution in rural areas, updated every 2 years in rapid growth areas, or 6-10 years in slow growth areas).*
    - *Low level oblique images capable of being used for measurement verification (four cardinal directions, minimum 6" pixel resolution in urban/suburban & 12" pixel resolution in rural areas, updated every 2 years in rapid growth areas or, 6-10 years in slow growth areas).*
  - **Please note that the Rules pertaining to the substitution of an office review for field visits require that the images must have been taken within three years of the reappraisal year. Photographic images available through the Internet (e.g., Google Earth, Bing, etc.) do not qualify for use in an office review.**

### Denial of Access

If access to a property is denied, the parcel should be observed from the public right-of-way to ascertain that the physical characteristics necessary for reappraisal are complete and accurate.

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## Plans for Cyclical Reappraisals

### Importance of the Plan – and Planning

While the actual “plan” that must be submitted to ORPTS is fairly simple, an assessing unit obviously must do some planning in order to ensure that it can successfully meet the demands of conducting reassessments on a cyclical basis in order to meet the State aid requirements – before it commits to a reappraisal cycle.

Working with their ORPTS’ Customer Relationship Manager (CRM), or on their own, assessing units should analyze the factors critical to the success of their intentions:

- Data: how current and accurate is the physical inventory and sales data?
- Skills: does the assessing unit have the experience and skills needed to perform all of the tasks for all property types?
- Resources: does the assessing unit have sufficient staffing and funding?
- Political support: is there understanding, willingness and commitment on the part of the stakeholders?

ORPTS’ website has publications for determining local capacity and alternatives for increasing local capacity, as well as guidelines for skills needed, suggested staffing and worksheets for estimating staffing needs for data collection and field review.

Once the condition of the data and staff skills and resources are analyzed, gaps – and options to fill those gaps – can be identified. The outcome will be to provide potential solutions to the appropriate stakeholders and decision-makers to ensure the successful implementation of the assessing unit’s plan. See the section on “ORPTS’ Role” for information on how ORPTS can assist.

The Plan itself serves several different purposes:

- It is a local government record
- The development and submission of a plan helps ensure that resources have been considered, and that there is a commitment on the part of local officials to achieve and/or maintain equity at 100% of value through periodic reappraisals
- The methods and timetable contained within the plan provide a "roadmap" for the locality to follow, and a reference for ORPTS to use in monitoring the projects and verifying the results
- A comprehensive plan, including revisions as appropriate, can contribute to successful public relations and general acceptance of the process

The actual Plan is a local government record. It is subject to the same disclosure provisions in the State’s Freedom of Information Law (Public Officers Law, Article 6) as any other local government record. Local governments may not dispose of records except as authorized by the Commissioner of Education. The Commissioner, through the Local Government Records Bureau of the State Archives and Records Administration (SARA), issues schedules setting forth minimum retention periods, thereby authorizing disposal of records once they have been retained for the required period of time.

The Plan can help alleviate taxpayer fears and improve their understanding of the process. This must start with the understanding, support and commitment of the municipal chief executive officer and the members of the Town Board/City Council. While only the municipal chief executive officer signs the plan, it is strongly recommended that a copy be provided to all Town Board/City Council members. The act of drafting a plan may raise questions about the resources required to complete this work. These

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questions are generally resolved through discussions with and actions taken by the municipal chief executive officer and the Town Board/City Council members.

Once a plan has been drafted, it is strongly recommended that it be discussed at a public meeting prior to the onset of the project, for several reasons:

- This helps to raise public awareness of the assessment process
- It also helps to demonstrate that the municipality values the importance of providing equitable assessments to its property owners
- It also offers a much-needed show of public support to the work of the assessor(s) whose efforts are often unrecognized except when property owners become dissatisfied
- This begins the process of acclimating property owners to appropriate value changes

The value of this public awareness and municipal support cannot be overstated. Although the law requires that assessors maintain assessments at a uniform percentage of value as of the annual valuation date, many property owners are accustomed to assessments remaining stable except in cases of new construction or remodeling, or when a periodic municipal-wide reassessment is conducted. In fact, the adjustment of assessments based on changes in market value that vary by location or other factors may be viewed with suspicion or claims of "spot assessing". If feasible, the municipality should consider taping this presentation and having it broadcast repeatedly on public access television for maximum exposure.

ORPTS looks to use the results of reassessments in its equalization program by verifying that the stated Level of Assessment (LOA) has been achieved for each Major Type of property. The plan is a reference for the ORPTS' CRM in performing this verification. By knowing the municipality's general intentions for each year with respect to physical inspections and reappraisals, the CRM can proactively advise or assist the assessor(s) in completing the analysis or work required.

While the plan is intended to serve as a roadmap for a cycle, it is important to acknowledge that no one can accurately predict the movement of the market for all property types in advance. For this reason, it is vital that the plan be reviewed regularly, and revised as appropriate. All revisions should be submitted no later than 120 days prior to the roll being implemented (for assessing units on a standard assessment calendar, this will be by January 1st of the applicable roll year). Revisions to the plan should be shared with the ORPTS' CRM and with the municipal Chief Executive Officer and the members of the Town Board/City Council as soon as possible. It is strongly recommended that the revisions be discussed at a public meeting to maintain awareness of the program and to build credibility for the changes that will occur to the reappraisal cycle or the non-reappraisal reassessments. Public Information sessions provide transparency and may help facilitate partnerships with elected officials and property owners.

It is important to remember that, since the plan is a local government record, the public can monitor compliance with the plan. Local officials as well as ORPTS' personnel may be questioned on compliance. In addition, compliance with the plan will be one factor in the review of the project for State financial assistance.

### [Due date and general information](#)

**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.** Amended plans must also be submitted to ORPTS no later than 120 days prior to the tentative roll first affected by the changes (see the following section on "Amended Plans" for further detail).

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## Plan components (for original, amended or subsequent plans)

- **Names and signatures** of the “Assessor” of the assessing unit or CAP and the Chief Executive Officer of the municipality or each constituent municipality of a CAP. **Multiple copies of the first page should be inserted into the document to allow for CEO signatures in CAPs.**
- An assessing unit “Needs Analysis”
  - Property class breakdown of the municipality or CAP
  - A description of how the assessor will obtain the inventory and determine the value of complex or unique properties if advisory appraisals were not requested
  - A description of how the assessor will obtain the inventory and determine the value of utility properties if advisory appraisals were not requested
- Current inventory data collection/re-collection status
- Plan length and reassessment cycle chart, noting for each year:
  - **Assessment Roll Year** for each year of plan
  - **Reappraisal Cycle**
    - Reappraisal
    - (blank)
  - **Inventory Collection** (physical re-inspection)
    - Assessing unit-wide
    - Partial
    - (blank)

### Guidelines:

- *Plan must conform to the statute for plan length and reassessment (reappraisal) frequency.*
- *Plan chart must indicate a reappraisal in the assessment roll year of Plan Year 1 and in the last assessment roll of the plan.*
- *Plan chart should be blank after “final” reappraisal, and page 1 must conform to the chart with respect to the years covered in the plan.*
- *It is not necessary to indicate the last unit wide data collection prior to the first year of the plan in the chart; this is addressed elsewhere in the plan.*

### Example:

An assessing unit conducted a unit-wide data collection in 2010. It intends to perform a reappraisal for the 2011 assessment roll, and then do another reappraisal in 2014. Inventory collection will continue over a multi-year period to ensure that all parcels are physically re-inspected again over a six-year period. The plan should indicate the following:

- Page 1: **This Plan covers assessment roll years:                      From: 2011                      To: 2014**
- Page 3: Chart

Plan Year	1	2	3	4	5	6
Assessment Roll Year	2011	2012	2013	2014		
Reappraisal Cycle	Reappraisal			Reappraisal		
Inventory Collection	Partial	Partial	Partial	Partial		

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### Amended Plans

An assessing unit may decide to take a different course of action within the timeframe of its existing Plan than what was submitted with respect to either the reappraisal cycle and/or inventory collection.

In this case, an amended plan must be submitted to ORPTS that meets the following criteria:

- **The amended plan must conform to the statutory and rules requirements in all respects**
- **The amended plan must be filed no later than 120 days prior to the tentative roll first affected by the change and signed by both the Assessor and municipality CEO**
- **If an amended plan that changes the reappraisal cycle is filed after the deadline, the assessing unit will be considered as having withdrawn from the program, and it**
  - **Will NOT be eligible to receive reassessment year aid OR non-reassessment year aid for that assessment roll year**
  - **May be required to repay to the state the full amount received for the assessment rolls following the one upon which the most recent reappraisal was implemented**
  - **May need to file a new plan to qualify for future state assistance**

**This chart summarizes the effects of failing to file an amended plan by the deadline:**

	<b>Amended Plan Filed on Time</b>	<b>Payback Required</b>	<b>Eligible for Aid (up to)</b>	<b>Considered as Withdrawal</b>	<b>Type of Plan Needed</b>
First year of plan; AU did not conduct reappraisal	n/a	None	No	Yes	New plan required to continue in program
“In-between” year of plan; AU opts not to or fails to conduct a reappraisal as stated in original plan	Yes	None	\$2	No	Amended plan to indicate no reappraisal for upcoming roll
	No	Aid since last reappraisal in approved plan	No	Yes	New plan required to continue in program
“In-between” year of plan; AU opts to conduct a reappraisal not stated in original plan (Ex. 1,3)	Yes	None	\$5	No	Amended plan to indicate reappraisal for upcoming roll
	No	None	\$2	No	None
Last year of 4-yr plan; AU opts to postpone or fails to conduct “last year” reappraisal (Ex. 2)	Yes	None	\$2	No	AU amended plan to reappraise in year 5
	No	Aid since last reappraisal in approved plan	No	Yes	New plan required to continue in program
Last year of 5-yr (or longer) plan; AU fails to conduct a reappraisal	n/a	Aid since last reappraisal in approved plan	No	Yes	n/a

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Examples of how an amended plan must conform to the statute and when it must be filed

### Example 1

Current Plan						
Plan Year	1	2	3	4	5	
Reappraisal	Reappraisal				Reappraisal	
Amended Plan						
Plan Year	1	2	3	4	5	
Reappraisal	Reappraisal		Reappraisal		Reappraisal	

- Amended plan conforms to the statute in that there is still a reappraisal in the first and last years of the plan
- Amended plan must be submitted no later than 120 days prior to the tentative roll for Year 3 of the original plan since it is now a reappraisal year in order to qualify for the up to \$5 per parcel payment for that year

### Example 2

Current Plan						
Plan Year	1	2	3	4		
Reappraisal	Reappraisal			Reappraisal		
Amended Plan						
Plan Year	1	2	3	4	5	
Reappraisal	Reappraisal				Reappraisal	

- Amended plan conforms to the statute in that there is still a reappraisal in the first and last years of the plan, and there is a reappraisal at least every four years
- Amended plan must be submitted no later than 120 days prior to the tentative roll for Year 4 of the original plan since it is no longer a reappraisal year in order to avoid repayment of aid received for years 2 and 3

### Example 3

Current Plan						
Plan Year	1	2	3	4	5	
Reappraisal	Reappraisal				Reappraisal	
Amended Plan						
Plan Year	1	2	3	4	5	6
Reappraisal	Reappraisal	Reappraisal				Reappraisal

- Amended plan conforms to the statute in that there is still a reappraisal in the first and last years of the plan, and there is still a reappraisal at least every four years
- Amended plan must be submitted no later than 120 days prior to the tentative roll for Year 2 of the original plan since it is now a reappraisal year (alternatively, a new plan could be submitted that begins with year 2 of the original plan as the new Plan Year 1, but an amended plan would suffice)

### New or Subsequent Plans

A “new” plan would only need to be submitted after the completion of the initial plan. Since the statute requires that reassessments be implemented in the first and last years of a plan, subsequent plans may use the last year of the prior plan as the first year for the new plan. A new plan would also be required when an assessing unit has “withdrawn” from the program and decides to re-enter the program at a later date.

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## Applications for State Aid

### Due date and general information

**Applications** are due **90 days** after the final roll for which aid is being sought (typically October 1), and assessing units must submit aid applications in every year of the plan.

### Application components

- **Names and signatures** of the “Assessor” of the assessing unit or CAP and the Chief Executive Officer of the municipality or each constituent municipality of a CAP. **Multiple copies of the first page should be inserted into the document to allow for CEO signatures in CAPs.**
- **Type of aid being applied for**
  - Reappraisal year aid (up to \$5 per parcel)
  - Non-Reappraisal year aid (up to \$2 per parcel)
- A **verification statement** to be completed and signed by the Assessor, affirming the following:
  - Parcels on the data file have complete and accurate inventories as of taxable status date.
  - Pertinent sales data on the data file is complete and accurate.
  - Parcels on the assessment roll filed pursuant to Article 15-C of the RPTL have valid property tax exemption codes.
  - The final assessment roll meets the requirements of Part 190 of this Title.
  - Data files required pursuant to Article 15-C of the RPTL and Part 190 of this Title are filed in accordance with Section 1590 of the RPTL.
  - Notice of assessment inventory was published as required by section 501 of the RPTL.
  - Notice of tentative assessment roll was published as required by section 506 of the RPTL.
  - Assessment change notices were sent as required by section 510 of the RPTL.
  - Assessment disclosure notices as required by section 511 of the RPTL are sent and required meetings have been held.
  - The tentative and final assessment rolls were posted on the Internet as required by section 1590 of the RPTL.
  - Notice of final assessment roll was published as required by section 516 of the RPTL.
  - Renewal forms for the senior citizens' exemptions were sent as required by section 467 of the RPTL.
  - Notices of denial for the STAR exemptions were sent as required by section 425 of the RPTL.
  - The uniform percentage appears on the tentative assessment roll or in instances where a tentative assessment roll is not printed, a sign that contains the uniform percentage is posted in a conspicuous location.
  - In a reassessment year, all parcels were reappraised and reviewed in accordance with Subpart 201-3.2(b) of the Rules.
  - In accordance with the Assessing Unit’s plan to ensure that all parcels are re-inspected at least once every six years, the Assessing Unit has performed the activities as described below:

<b>Collection of Inventory Data Requirement</b>	<b>Residential</b>	<b>Commercial</b>	<b>Vacant</b>	<b>Utility</b>
Percentage of parcels physically inspected during this year	%	%	%	%
Cumulative percentage of parcels that have been physically inspected within the last six (6) years	%	%	%	%

# Guidelines for Cyclical Reassessment

## ORPTS' Role

The primary roles for staff in connection with reassessment projects include:

- ❖ Consulting Services
  - Advise/assist in project planning/preparation of a Plan for Cyclical Reappraisals
  - Advise/assist with preparation of a Request for Proposal (RFP)
  - Advise/assist in a public information program
  - Attend project status meetings/prepare periodic status reports
  - Advise/assist in Town Board/City Council presentations
  - Provide Real Property System (RPS) software and support
- ❖ Provide advisory appraisals
  - Complex utility property
  - Other complex properties (resources permitting)
  - State-owned forest land
- ❖ Monitor and verify the reassessment results
  - Level of assessment (for Full Value Measurement and State Aid)
  - Assessment uniformity (for State Aid)

### Advisory Appraisals

Complex utility, industrial and commercial advisory appraisals may be provided upon request of a city, town or a county conducting a reassessment. Note: ORPTS does not provide advisory appraisals for wholly exempt properties. **A request for a State advisory appraisal must be received at least 12 months in advance of the taxable status date before its use to facilitate scheduling of possible fieldwork.** The [advisory request forms](#) (RP-5050 and RP-7021) can be found on ORPTS' website.

Providing values for these property types is made easier when there is cooperation between ORPTS and local officials. This partnership is vital when identifying, collecting inventory and valuing the property. Local officials need to notify ORPTS when inventory changes have occurred, so an accurate updated advisory value can be determined.

### **Utility Property**

The Valuation Services Bureau will provide updated values on structural and mass properties, inclusive of inventory and market changes. If significant new construction or demolition has occurred, a site re-inspection will be done prior to establishing the value. **Non-complex utility structures and land appraisal are the responsibility of the assessor.** Appraisals will be in the style of computer assisted mass appraisals, not detailed narrative appraisals.

Advisory appraisals will include:

- Values to match Roll Section 6 (Section, Block, Lot) if locality has standardized (UCARS)
- All mass property (poles, cables, wire, transmission and distribution property)
- Complex utility structures, such as; Municipal water properties
- Generating plants
- Compressor stations
- Electric substations
- Water treatment plants

# Guidelines for Cyclical Reassessment

Advisory appraisals will NOT include:

- Cell towers
- CATV Head End structures
- Utility owned office buildings
- Telephone central office buildings
- Utility service, maintenance and conference centers
- Utility warehouses and garages

**A municipality that has received utility advisory appraisals for a preceding year's reassessment will not have to file a new utility advisory appraisal request in the next year. In the event the assessor becomes aware of any changes (new construction or demolition, movement of a parcel between roll sections, etc.), the CRM or the Valuation Services Bureau should be alerted as soon as possible. A new request will have to be filed no later than 180 days prior to the applicable tentative roll (typically by November 1), when there has been no reassessment in the preceding year.**

Participation in the Utility Company Assessment Roll Standardization (UCARS) Program facilitates identifying and relating the values of the properties to the assessment roll. Municipalities interested in this program should contact their CRM or the Valuation Services Bureau (VSB) in Albany.

## **Industrial and Complex Commercial Property**

The Regional Services Bureau may provide advisory appraisals for industrial or complex commercial properties if resources are available.

## **Private Forest Property**

A municipality that achieves or maintains equity through the use of procedures that meet the definition of reassessment must value taxable state-owned land (TSOL) and private forest parcels at the same uniform percentage of value of all other property. An ORPTS' forestry specialist can assist the municipality's efforts by supplying assessors with the following data:

- ❖ Summary Value Report, which includes a breakdown of bare land, timber, and lakeshore contributory values for each TSOL parcel
- ❖ A list of vacant land sales by market area used to develop forest bare land schedule
- ❖ Private Forest Stumpage Summary Report, derived from private forest selections in the region valued with the most current stumpage schedule
- ❖ Property Inventory and Valuation Report, a listing of the most current TSOL forest stand inventories available
- ❖ Lake Front Property Report of TSOL, which identifies all frontage by lakeshore category
- ❖ The following information is available on the ORPTS portion of the DTF website:
  - Bare land schedule by town
  - Stumpage price schedule by forest region
  - Lakeshore schedule by lake

See <http://www.tax.ny.gov/research/property/assess/forestmap.htm>

## **Project Monitoring and Verification**

For most reassessment projects, ORPTS' regional staff will develop a Memorandum of Understanding (MOU) – usually in conjunction with the assessor – that outlines the roles and responsibilities of the municipality and ORPTS in the reassessment process. The document is then signed by the municipality's CEO, Assessor and the ORPTS' Regional Director. The goal of the ORPTS is to optimize state and local

## Guidelines for Cyclical Reassessment

resources by working toward an integrated, efficient and equitable real property tax system that coordinates your reassessment process with our equalization study. This goal aligns ORPTS Full Value Measurement Program with municipal assessment improvement activity by utilizing the reassessment data in the equalization process. ORPTS staff will verify, in accordance with our reassessment verification process, that the stated uniform level of assessment has been achieved and that all steps to achieve equity have been implemented. Additionally, this review will provide the basis for making the determinations for payment of State Aid and the level of assessment to be applied to the special franchise valuations and state owned land parcels in your locality. This review will also be used in the approval process if application is made for Approved Assessing Unit Status (homestead and non-homestead tax rates).

As mentioned in the Overview of these guidelines, several ORPTS' programs are dependent on the products derived from the reassessment process. Official procedures for each of these programs include varying degrees of verification by ORPTS before the product can be utilized. The desired intent is for ORPTS' staff to monitor the project on an on-going basis and review value decisions as they are made as part of the pre-decisional collaboration (PDC) process.

Verification efforts will be coordinated and consolidated into the existing **Local Reassessment Project Review and Analysis** (LRPRA) document that, in effect, becomes a summary document of all ORPTS' review and analysis efforts. As stated in 9 NYCRR 201-3.5(b), *"The determination made pursuant to the procedures for the applicable Full Value Measurement as provided in 9 NYCRR 186-2.15 shall be conclusive as to whether a reassessment occurred and a uniform percentage of value was attained."* ORPTS' staff records data in the document that attests to the municipality's compliance with the reassessment standards.

The plan developed by the assessing unit is reviewed when initially submitted and recorded in each region with key dates and milestones identified. These key dates and milestones will be integrated into a regular review process. Information obtained from multiple sources to analyze the results of the reassessment for Full Value Measurement and State aid purposes, such as municipal reports, samples, statements, ORPTS' transmittal records, communication logs, verification documents, etc., will be centralized within each regional office.

### Reassessment Verification Documentation

**As part of the Aid requirements, RPTL 1573 (1) requires assessing units to provide a set of supporting valuation documents and files to ORPTS.** Regardless of whether an assessing unit that reassesses intends to apply for State aid, the assessing unit must retain a set of supporting valuation documents and files to demonstrate the systematic analysis performed and to support the values developed for its reassessment roll. Please be aware that ORPTS' staff may request any or all such documentation, as actually produced, in conjunction with the verification of the reassessment roll. Please note that the provision of ORPTS' PDC documents as the sole evidence that a local systematic analysis has been performed will NOT qualify the assessing unit as having completed a reassessment. **In the event that requested documentation for one or more major types is not provided (typically by tentative roll date), ORPTS will proceed on the basis that a reassessment has not been implemented.** This means that the assessing unit's full value measurement for that year will be developed using the most recent final roll with trends and/or ratios applied as appropriate instead of the current tentative roll. **This may affect ORPTS' ability to confirm the locally stated LOA as the equalization rate and / or residential assessment ratio (RAR) for that year.**

## Guidelines for Cyclical Reassessment

The MOU described above includes an appendix describing the documents that may be requested, and includes the following:

- Access to parcel inventories that comply with the Rules.
- Copy of Request for Proposal (RFP), proposal, contract, or work plan (if project was not contractor assisted), which should include the following:
  - Time line (schedule of events)
  - Assignment of resources (staffing for each activity)
  - Software to be used for inventory maintenance (if applicable)
  - Software to be used for valuation (if applicable)
- Sales listings used in valuation analysis (minimum of valid sales occurring one year prior to valuation date) and sales periods used:
  - Residential
  - Commercial/Industrial
  - Vacant/Farm
- Documentation (reports and/or description) of analysis for evaluating the uniformity and level of the assessments; examples include:
  - Sales ratio analysis
  - Mass appraisal (sale substitution)
  - Unit comparison (value-to-inventory)
  - Tracking of value trends (cost, income, market)
- Description of all valuation methodologies used and accompanying documentation
  - Description of land valuation procedure, if applicable
  - Cost documentation
    - Base Cost Table (include identification of source)
    - Depreciation Schedule
  - Market documentation
    - Valuation Model (supply all of the following which are applicable):
      - ◆ Sales adjustments (time, physical characteristics)
      - ◆ Regression coefficients
      - ◆ Feedback coefficients
      - ◆ Component unit values
      - ◆ Commercial/Industrial market unit factors
  - Income documentation
    - Commercial/Industrial Income Factors including:
      - ◆ Gross Income per Unit
      - ◆ Vacancy Rates
      - ◆ Expense Ratios
      - ◆ Capitalization Rates
    - Income and Expense Source Data (if available)
  - Trending (if values were updated by applying factors, percentages or indices in a non-reappraisal year to maintain the LOA)

## Guidelines for Cyclical Reassessment

- Description of market areas (neighborhoods) and supporting documentation for the development of factors, percentages or indices, in each market area
- Any other appropriate valuation documentation that supports your determination of market value
- Valuation Neighborhood Maps (if applicable)
- Advisory Appraisals:
  - Statement as to whether utility advisory appraisals were used in part or in their entirety
  - Statement as to whether commercial/industrial advisory appraisals were used in part or in their entirety
- Review:
  - List or file of predicted values (if available)
  - Access to review documents (review documents must be saved)
  - Access to a list of parcels that were re-inspected and/or reappraised this year
  - List of (or file containing) informal review changes (if applicable)
- Tentative Roll:
  - Copy of tentative roll or file containing tentative assessments
  - New statement of uniform percent, if different from original agreement
  - List of parcels with court ordered assessments (if any)
- Final Roll:
  - Copy of final roll or file containing final assessments
  - List of BAR changes

# Guidelines for Cyclical Reassessment

## Appendix A

These questions and answers originally appeared as some of the "FAQs" found on the ACR program page on ORPTS' website. The selections below are intended to clarify or emphasize some of the points that may or may not be found in these guidelines.

### PROGRAM REQUIREMENTS

**P1. In addition to the reappraisal requirements, the aid program requires municipalities to meet the standards for quality assessment administration. What are the standards? (10/15/10)**

See [Section 201-3.2](#) of the Rules 

**P2. For the \$2 aid, what is required in the years between reappraisals? (10/15/10)**

Municipalities must meet the standards for quality assessment administration that are outlined in [Section 201-3.2](#) of the Rules 

**P3. For the once every six-year inventory requirement, what are the requirements for "physical review"? (10/15/10)**

Onsite inspection from the public right-of-way is required for "physical review." The International Association of Assessing Officers (IAAO) recommends that initial data collection consist of a physical inspection to obtain primary property characteristic data. According to the IAAO, a re-inspection should include partial re-measurement of the two most complex sides of improvements and a walk around the improvement to identify additions and deletions. These are recommendations and not requirements to receive ACR, but the assessing unit must meet the requirement to collect inventory data at least once every six years.

**P4. How do we prove that we have met the requirements for ACR? (10/15/10)**

You will sign the aid application, verifying what you have done. ORPTS may audit for compliance.

**P5. Can satellite imagery (for example, Google Earth) be used to meet the field review requirements? (Updated 11/17/10)**

Generally, satellite imagery (such as Google Earth) does not qualify.

**P6. Can imagery from the [New York State GIS Clearinghouse](#) be used for the field review requirements? (11/24/10)**

Yes, as long as the imagery can be confirmed as being current within three years. As is the case with any photography or imagery, the image must provide adequate views of the structure and improvements so that a value judgment can be made. Otherwise, it would not be acceptable.

**P 7. Are all types of properties (including wholly exempt, government-owned, utility, etc) required to be physically inspected in the 6-year time period? (12/8/10)**

Yes - inventory data for all types of property must be collected.

**P8. When conducting an office review, are photos of vacant land required? (12/8/10)**

If the office review is serving as an alternative to visiting the vacant land, then photos of the land would be required. Photos can provide information on topography, views, wetness, and other characteristics

## Guidelines for Cyclical Reassessment

that are important to determining value. If you do not have adequate photos, a field visit will be required.

### REAPPRAISAL YEAR CHANGES

**R1. If an assessing unit submits a plan indicating a reappraisal every year, but does not complete a full reappraisal one year, is it eligible for \$2 that year? (10/15/10)**

No, unless an amended plan that meets the requirements is submitted prior to the deadline (120 days prior to tentative roll).

**R2. If an assessing unit in a reappraisal year does not qualify for the \$5 aid, will it be required to pay back the previous interim years' \$2 payments? (10/22/10)**

Yes.

**R3. If the real estate market changes, and I want to do a reassessment sooner than in my plan, can I change the plan? (10/15/10)**

Yes, as long as you submit an amended plan prior that meets the program requirements prior to the deadline.

### MISCELLANEOUS

**M1. Can equalization rates be more or less than 100 in the years between reappraisals? (10/15/10)**

Yes. Equalization rates can increase or decrease in non-reassessment years when assessments are remaining the same, but the market value of the town is changing. The assessing unit will still be eligible for the interim payment of up to \$2 per parcel.

**M2. Is a resolution of the town board or city council required to participate in the program? (10/22/10)**

A resolution is not required, but it is desirable. A resolution solidifies the commitment of the municipal body.

**M3. Is the municipality required to file an advisory appraisal request for each year that they want utility property values from ORPTS? (10/22/10)**

A request is not required to be re-submitted if ORPTS provided utility values for the previous year's assessment roll. Although a new request may not be necessary, the assessor should review the utility section of their roll and notify ORPTS staff if any changes have occurred.

**M4. If an assessing unit in a reappraisal year does not qualify for the \$5 aid, will it be required to pay back the previous interim years' \$2 payments? (10/22/10)**

Yes.

**M5. For municipalities in CAPs, are all of the municipalities required to conduct reappraisals in the same year? (10/15/10)**

Yes.