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# ARKANSAS REGISTER

## Transmittal Sheet



Sharon Priest  
Secretary of State  
State Capitol Rm. 026  
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 9/11/99 Code Number 177.00.99-001

Name of Agency PSC

Department Assessment Coordination Department

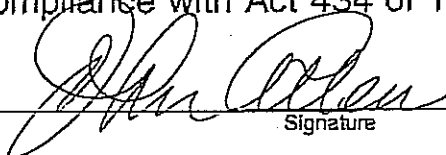
Contact Person Rita Rollins

Statutory Authority for Promulgating Rules ACA125-15-203

	Date
Intended Effective Date	
<input type="checkbox"/> Emergency	Legal Notice Published . . . . . <u>07/21-27/99</u>
<input checked="" type="checkbox"/> 10 Days After Filing	Final Date for Public Comment . . . . . <u>08/23/99</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . . <u>09/02/99</u>
	Adopted by State Agency . . . . . <u>09/11/99</u>

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with Act 434 of 1967 As Amended.

  
Signature

501/324-9240  
Phone Number

Director  
Title

09/01/99  
Date

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SEP - 1 PM 3:45  
STATE OF ARKANSAS

DEPARTMENT/AGENCY: Assessment Coordination Department  
DIVISION:  
DIVISION DIRECTOR: John Allen  
CONTACT PERSON: Bob Leslie, General Counsel  
ADDRESS: 1614 W Third, Little Rock, AR 72201  
PHONE NO.: (501) 324-9240  
FAX NO.: (501) 324-9242

### FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

#### SHORT TITLE OF THIS RULE:

Rules and Regulations of the Assessment Coordination Department of the State of Arkansas.

1. Does this proposed, amended, or repealed rule or regulation have a financial impact?  
Yes: ☒ X No: ☐

These are the first rules developed by this Department. They are primarily the operating rules of the Department that simply detail the procedures used for the last four or more years and should have no financial impact.

The rules implementing Act 1185 of 1999 are new. The Act requires counties to reassess all real property in the county every three years, however the counties are to be reimbursed by the State of Arkansas, through the Department, for their expenses up to \$7 per parcel per year for three years. It is therefore expected that the financial impact on the counties will be small.

2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation please give the incremental cost for implementing the regulation. N/A

#### 1999-2000 Fiscal Year

#### 2000-2001 Fiscal Year

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

General Revenue: \_\_\_\_\_  
Federal Funds: \_\_\_\_\_  
Cash Funds: \_\_\_\_\_  
Special Revenue: \_\_\_\_\_  
Other: \_\_\_\_\_  
Total: \_\_\_\_\_

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? None

#### 1999-2000 Fiscal Year

#### 2000-2001 Fiscal Year

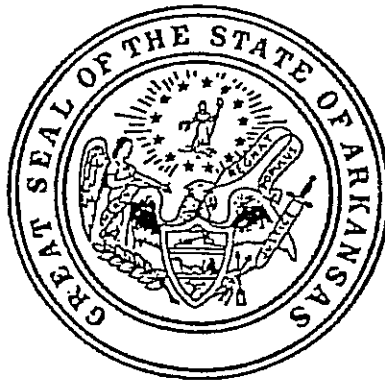
5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

#### 1999-2000 Fiscal Year

#### 2000-2001 Fiscal Year

\$7,000,000 derived from turnback funds  
otherwise received by the counties

\$14,000,000 derived from turnback funds  
otherwise received by the counties



ASSESSMENT COORDINATION DEPARTMENT

STATE OF ARKANSAS

RULES AND REGULATIONS

Adopted August 31, 1999

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## CHAPTER ONE

### GENERAL PROVISIONS

#### RULE 1.1

#### STATUTORY AUTHORITY CREATING ASSESSMENT COORDINATION DEPARTMENT

Act 436 of 1997 created the ASSESSMENT COORDINATION DEPARTMENT and pursuant to Arkansas Code Annotated 25-2-105 (Type 2 transfers) transferred the Assessment Coordination Division from the Public Service Commission to the Assessment Coordination Department.

#### RULE 1.2

#### GENERAL SCOPE OF AUTHORITY

STATUTORY AUTHORITY: A.C.A. 25-28-103 And 26-24-102

The ASSESSMENT COORDINATION DEPARTMENT has the full power and authority in the administration of the property tax laws of this state to exercise general and complete supervision and control over:

1. The valuation, assessment and equalization of all property in the state of Arkansas except that remaining under the jurisdiction of the Public Service Commission;
2. The several county assessors, county boards of review and equalization, and other officers charged with assessment or equalization of property throughout the state, to the end that all assessments on property in this state shall be made in relative proportion to the just and true value thereof, in substantial compliance with the law.

#### RULE 1.3

#### DESCRIPTION OF ORGANIZATION

The Assessment Coordination Department welcomes inquiries from the public. Areas of responsibility are assigned to Divisions within the Department.

The Assessment Coordination Department is composed of an Administrative body consisting of its Director, Deputy Director, Legal Counsel, Division Managers and support staff.

- 1) Division One is comprised of the Director, Deputy Director, Legal Counsel, and one Research and Development/Technical Support staff.
- 2) Division Two encompasses the following areas: Personal property assessment, business personal property data collection and assessment, educational programs, oil and gas assessment, agricultural land assessment, and the personal and business property ratio study. The manager of Division One shall be designated as the Ratio Study Coordinator for the sections of Personal and Business Personal Property.

3) Division Three encompasses the following areas: Computer operations, data management, statistical analysis, and overall coordination of the real estate property ratio study. The Manager of Division Two shall be designated as Ratio Study Coordinator for the sections of Market Value Real Estate Property and Agricultural Land.

4) Division Four encompasses the following operations: Personnel, budgeting/accounting, fiscal operations, compilation and formalization of annual ratio studies, collection and publication of assessment and millage data, auditing of and assistance with county millage rollbacks, and support services for interdepartmental divisions .

5) Division Five encompasses the following areas: Data collection and confirmation on real estate assessments, personal property assessments collection and field appraisals.

#### **RULE 1.4**

#### **PUBLIC INSPECTION**

All orders, decisions, opinions, rules and other written statements of policy or interpretations formulated, adopted or used by the ASSESSMENT COORDINATION DEPARTMENT in the discharge of its functions are available for copying and public inspection at its offices at 1614 West Third Street, Little Rock, Arkansas during the regular business hours of the custodian of the records which is generally between the hours of 8:00 a.m., and 4:30 p.m., Monday through Friday of each week, with the exception of state holidays.

#### **RULE 1.5**

#### **THE ARKANSAS FREEDOM OF INFORMATION ACT OF 1967**

STATUTORY AUTHORITY: A.C.A. 25-19-101 et. seq.

The Assessment Coordination Department shall fully comply with The Arkansas Freedom of Information Act of 1967, as amended. Photocopies of documents shall be 50¢ each.

## **CHAPTER TWO**

### **GENERAL RULES OF PRACTICE AND PROCEDURE**

#### **RULE 2.1**

##### **PETITIONS FOR DECLARATORY ORDERS**

**STATUTORY AUTHORITY:** A.C.A. 25-15-206

Pursuant to Acts 1967, No. 434, Petitions for declaratory orders as to the applicability of any rule, statute, or order enforced by The Assessment Coordination Department shall be in writing and signed by the Petitioner. Petitions shall be filed in duplicate with the Director of the Department, who shall have the date of receipt stamped thereon and return one copy to the Petitioner. All Petitions for Declaratory Orders shall be titled as such.

1. In those instances in which the Department's response to a petition for a declaratory order is to be based on the opinion of the Attorney General, the Director shall issue its Declaratory Order promptly on receipt of the official opinion of the Attorney General.
2. With respect to all other petitions, the Director shall issue a Declaratory Order in response to said petition within fifteen (15) working days from the date of filing by mailing a copy of the order to petitioner by certified mail.

#### **RULE 2.2**

##### **PUBLIC RIGHT TO PETITION**

**STATUTORY AUTHORITY:** A.C.A. 25-15-204

Any person has the right to petition for the issuance, amendment, or repeal of any rule. Within thirty (30) days after submission of a petition, the Assessment Coordination Department shall either deny the petition, stating in writing its reasons for the denial, or shall initiate rule-making proceedings.

## CHAPTER 3

### IMPLEMENTATION OF ACT 1185 OF 1999

#### RULE 3.1

##### APPRAISAL MANAGER EXAMINATION

STATUTORY AUTHORITY: Act 1185 of 1999.

The ACD shall contract with a qualified individual with adequate training and experience necessary to formulate an appropriate examination designed to test one's ability to perform as an appraisal manager.

The examination shall emphasize theory and practice of mass appraisal as opposed to conventional single property appraisal, be designed in two sections and shall include, but not be limited to: the first section of the appraisal manager exam shall be a multiple choice exam designed to test the individual's knowledge of mass appraisal terminology and theory.

The second section of the exam shall be a case study or studies. The case study portion of the exam will provide the student with a sample county, and require the student to work out the appropriate number of personnel, and budgets necessary to perform a countywide reappraisal. The proficiency exam will contain subject matter of the IAAO Administration Course, and will cover the Arkansas property valuation system, sales editing, neighborhood delineation, use of location factors, and effective ages.

#### RULE 3.2

##### PREREQUISITES FOR APPRAISAL MANAGER EXAM

Prerequisites for eligibility to take the exam shall include; Level 4 Appraiser as designated by the State of Arkansas Training and Certification Program, or IAAO educational equivalent, AND a minimum of four years experience in the mass appraisal field.

#### RULE 3.3

##### DATE OF APPRAISAL MANAGER EXAM

The first exam will be offered by a date no later than September 1, 1999.

#### RULE 3.4

##### ADMINISTRATION OF APPRAISAL MANAGER EXAM

The author of the appraisal manager exam will be responsible for administering the first examination, and the ACD shall be responsible for administering later editions. No fee shall be charged for the first taking of the examination. A fee of \$100 will be charged for each subsequent taking of the examination.

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STATE OF ARKANSAS

### **RULE 3.5**

#### **SUBMISSION OF REAPPRAISAL PLANS**

Each county shall be required to submit a plan to the ACD detailing how a reappraisal, whether performed in-house or contracted, will be accomplished over a prescribed time period.

The purpose of the plan will be twofold - First, to be certain that all the needed tasks of a reappraisal are completed, and second, to insure that all reappraisal projects meet a statewide standard of quality and uniformity.

The plan will include the county or contractor's calendar of scheduled events in order for the appraiser to locate, identify, and appraise all taxable property in accordance with state laws and administrative procedures.

The plan will specify that the first phase of the plan will be to canvass all parcels, will include site inspection with improvements reviewed, and all pertinent quantitative and qualitative data gathered, and improvements will be measured when necessary.

Provision will be made in each year of the reappraisal plan for the discovery, listing, and valuation of newly discovered and newly constructed property. Additionally, the reappraisal plan will detail plans for revaluation notices and the appeals process for these types of properties.

The required reappraisal plan must include detailed information including parcel counts, existing resources, expected production levels, personnel needs, and budgets. The appraisal plan must also acknowledge pre-established requirements relating to minimum qualifications of various employees, minimum progress at various points in time, and minimum levels of quality in regard to property valuations before notices of revaluation are mailed.

### **RULE 3.6**

#### **DUE DATE FOR REAPPRAISAL PLANS**

On or before August 10, 1999, the ACD will mail a certified letter to each county assessor stating the year the county will be required to reappraise under Act 1185, and a date due for the first required reappraisal plan.

### **RULE 3.7**

#### **REAPPRAISAL PLANS FOR 2, 3, 4, OR 5 YEARS**

In the case of counties that fail an assessment ratio in 1999, the required reappraisal plan will describe a reappraisal which will be completed in 2001. For those plans, phase one (data collection) will cover the year 2000, and phase two (valuation) will cover the year 2001.

In the case of the first group of counties selected by the ACD to reappraise in 2002, the required reappraisal plan will describe a reappraisal which will be completed in 2002. For those plans, phase one (data collection) will cover the years 2000 and 2001, and phase two (valuation) will cover 2002.

In the case of the group of counties selected by the ACD to reappraise in 2003, the required reappraisal plan will describe a reappraisal which will be completed in 2003. For those plans, the first year, (2000) will cover the appraisal of new construction only, phase one (data collection) will cover the years 2001 and 2002, and phase two (valuation) will cover the year 2003.

In the case of the group of counties selected by the ACD to reappraise in 2004, the required reappraisal plan will describe a reappraisal which will be completed in 2004. For those plans, the first two years (2000 and 2001) will cover the appraisal of new construction only. Phase one (data collection) will cover the years 2002 and 2003, and phase two (valuation) will cover the year 2004.

#### **RULE 3.8**

##### **EXCEPTIONS TO RULE 3.7**

Exceptions to the requirements listed above would include those counties that have a reappraisal underway in 1999, whether a contracted reappraisal, or an in house reappraisal, with an anticipated completion date of 2000 or 2001. Those reappraisals will be allowed to continue, and will be eligible for funding beginning in January, 2000. When those reappraisals are completed in 2000 or 2001, the county will be required to submit a new, 3 year reappraisal plan, with an appropriate completion date of 2003, or 2004.

A further exception to RULE 3.7 would be that if a county is selected by the ACD to reappraise in 2004, but already has a reappraisal underway that is due to complete in 2000 or 2001, the reappraisal plan will not be limited to appraising new construction only in the first two years.

#### **RULE 3.9**

##### **FORMAT FOR REAPPRAISAL PLANS**

The ACD will provide a complete format for the reappraisal plan, and the plan will be required to be completed on this specific form.

#### **RULE 3.10**

##### **PARCEL COUNT INFORMATION**

Reappraisal plans shall contain detailed parcel count information, listing how many real estate parcels are contained in the county, and how many parcels are contained within each township. The reappraisal plan will contain a numerical summary breakdown in the following format:

##### **PARCEL BREAKDOWN**

###### **RURAL:**

Agricultural Vacant

Agricultural Improved

Non-Agricultural Vacant Residential

Non-Agricultural Improved Residential

Non-Agricultural Vacant Commercial/Industrial  
Non-Agricultural Improved Commercial/Industrial

**RURBAN:**

Vacant Residential  
Improved Residential

Vacant Commercial/Industrial  
Improved Commercial/Industrial

**CITY:**

Vacant Residential  
Improved Residential

Vacant Commercial/Industrial  
Improved Commercial/Industrial

**EXEMPT:**

Rural  
City  
Rurban

**RULE 3.11**

**ORDER OF REAPPRAISAL PROGRESS**

Reappraisal plans will specify exact order in which townships will be reviewed during phase one of the reappraisal. An alternative will allow the reappraisal plan to appraise all cities in a county first, and then appraise all non-city properties in township order. Regardless of which plan is utilized, appraisers will be required to meet or exceed the monthly production tables established in the reappraisal plan.

Reappraisal plans will specify expected progress by township or city, and number of parcels, planned for each month, during phase one (data collection) of the reappraisal.

**RULE 3.12**

**REAPPRAISAL MANAGER TO BE NAMED IN REAPPRAISAL PLAN**

Each reappraisal plan will name a specific person as manager of the reappraisal.

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**RULE 3.13**  
**EXISTING RESOURCES**

Reappraisal plans will list in reasonable detail the reappraisal resources already existing within a county. Those resources shall include but not be limited to: Computer hardware, mapping records, available office space, vehicles, existing personnel (listed by certification levels and current job duties).

In particular, the reappraisal plan will describe computer hardware and mapping records currently available, and will describe office space available for the purpose of real estate appraisal. The reappraisal plan will list in detail how much physical data has already been gathered by field appraisers and entered into the county's CAMA system. The reappraisal plan will also describe the level of data entry regarding real estate sales information.

**RULE 3.14**  
**REAPPRAISAL BUDGETS**

Each county that undertakes an in house reappraisal must provide and attach a copy of a reappraisal budget to the reappraisal plan. The reappraisal budget will be on a prescribed form furnished by the ACD and will cover all costs associated with the reappraisal of real estate.

**RULE 3.15**  
**MINIMUM EXPECTED PRODUCTION LEVELS FOR IN HOUSE REAPPRAISALS**

Manpower needs necessary for any reappraisal are calculated based on known parcel numbers, working days available, and anticipated production levels per worker. Production levels shown in rules 3.15.1 through 3.15.4 are minimum production levels, per worker, per day, to be used for the preparation of appraisal budgets for those counties which choose to perform in-house reappraisals.

**RULE 3.15.1**  
**FULL REAPPRAISAL PROGRAM USING SINGLE APPRAISERS**

Entry of sales data	100		
Residential		Commercial	
Physical data collection	25	Physical data collection	10
Physical data entry	40	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	150	Valuation	20

**RULE 3.15.2****FULL REAPPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS**

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Physical data collection	10
Qualitative data collection	50	Physical data entry	20
Physical data entry	40	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

**RULE 3.15.3****REVIEW APPRAISAL PROGRAM USING SINGLE APPRAISERS**

Entry of sales data	100		
Residential		Commercial	
Physical data collection	40	Physical data collection	10
Physical data entry	100	Physical data entry	20
Data entry review	250	Data entry review	30
Valuation	200	Valuation	20

**RULE 3.15.4****REVIEW APPRAISAL PROGRAM USING DATA GATHERERS AND REVIEW APPRAISERS**

Entry of sales data	100		
Residential		Commercial	
Quantitative data collection	25	Physical data collection	10
Qualitative data collection	75	Physical data entry	20
Physical data entry	100	Data entry review	30
Data entry review	250	Valuation	20
Valuation	200		

**RULE 3.16****ALLOWABLE EXPENSES**

All expenses associated with the cost of maintaining current real estate appraisals on county assessment records deemed appropriate, necessary, and reasonable by the ACD, shall be reimbursed to the county. Those expenses, in general, may be considered to include salaries, office expenses, computer purchase and support, vehicle mileage expenses, and public relations. No expense that is not shown in the original budget or original request for special needs funding will be considered for reimbursement.

**RULE 3.17**  
**FUNDING**

Funding for all reappraisals required under Act 1185 of 1999 will be in the form of a reimbursement for expenses first paid by counties, either to county assessor's budgets, or to reappraisal firms.

Appraisal plan and/or appraisal contracts must be approved before reimbursement begins.

**RULE 3.18**  
**IN HOUSE REAPPRAISAL PLANS - SIGNATURE REQUIREMENTS**

In-house reappraisal plans must be signed by the county assessor, county judge, appraisal manager, and approved by a quorum court appropriation ordinance.

**RULE 3.19**  
**CONTRACTED REAPPRAISAL PLANS - SIGNATURE REQUIREMENTS**

Contracted reappraisal plans must be signed by the county assessor, chairman of the Board of Equalization, county judge, an agent of the reappraisal company performing the reappraisal, appraisal manager, and approved by a quorum court appropriation ordinance.

**RULE 3.20**  
**PROGRESS REPORTS FROM APPRAISAL MANAGER TO ACD**

The appraisal manager will send to the ACD, by the twenty-fifth day of each month, a signed progress report, detailing reappraisal progress made for that month. The progress report will be on a specific form prescribed by the ACD. The reappraisal manager will provide a copy of the progress report to the county assessor, board of equalization, county judge and quorum court each month.

**RULE 3.21**  
**REIMBURSEMENT TO COUNTIES IN EQUAL PAYMENTS**

Reimbursement for reappraisal costs from the state to the county will be made in even payments, once each month, at a level to be determined by dividing the total cost of reappraisal (as indicated by the original appraisal plan) by the total number of months indicated in the reappraisal plan, unless a revenue shortfall should occur. In that instance, at least one payment will be less than normal.

**RULE 3.22**  
**DIRECT DEPOSITS**

Reimbursements will be done in the form of a direct deposit. Each county/company must have an established account and submit necessary paperwork (voided check, signed permission form, etc.) before reimbursement process begins.

**RULE 3.23**  
**REVENUE SHORTFALLS**

In the event the total monies budgeted for reappraisals statewide runs higher than the fiscal year appropriation to the ACD, the June payment for each county or contractor will be reduced on a pro-rata per parcel basis to prevent deficit spending.

**RULE 3.24**  
**ACD TO CONDUCT PERFORMANCE AUDITS**

The ACD will periodically enter each county during phase one of the county's reappraisal to conduct a performance audit (hereinafter designated as a PA) of the collection and entry of physical data into the county's CAMA system. The purpose of these audits will be to ensure the data collection phase of a reappraisal progresses in a systematic fashion.

The ACD will also audit the reappraisal periodically during phase two of the county's reappraisal. The purpose of these audits will be to evaluate progress and accuracy of valuation procedures.

**RULE 3.25**  
**SCOPE OF PHASE ONE PERFORMANCE AUDITS**

The PA will measure both the quantity and quality of the following:

Collection and entry of sales information, field data, and general appraisal information.

The PA will compare total number of deeds recorded with the circuit clerk to the total number of deeds entered into the CAMA system, and will review quantitative data from a random sample of deeds.

The PA will compare gross progress of physical data collection and CAMA entry to the required progress established by the county's reappraisal plan. Additionally, the PA will review quantitative and qualitative data from the property record cards of a random sample of improved properties.

All warranty deeds which contain sales information helpful in the appraisal process must be entered into the county's CAMA system, and coded as "WD" for warranty deeds, and "SD" for special warranty deeds. Those deed entries must include sale date, book and page, revenue stamps, and grantor/grantee information.

The appraisal manager will assure that a reasonable attempt is made to obtain sales price and confirm validity of all warranty deeds without revenue stamps.

Interior inspections of residences are not required and inaccuracies involving those items will not be regarded as errors for the purposes of the audit.

## RULE 3.26

### DESIGN OF PROPERTY RECORD CARDS

The basic design of property record cards by each class must be approved by ACD. All fields in the following categories must have the following entries;

#### City and Rurban Cards:

- Parcel Number
- Ownership Record and Description  
(Include Property Address when available)
- Sales History
- Appraisal Summary
- Assessment Summary
- Land Record and Computation of Land Value  
(Lot size is recommended but not required. However, a breakdown of value per lot should be included)
- Review Record (where applicable)
- Number of Cards and Card Number (where applicable)
- All Applicable Data Collection and Valuation Fields
- Data Gathered Date, Data Gatherer's Initials
- Appraisal Date, Appraisers Initials
- Data Changed By and Date of Change (where applicable)

#### Rural Cards:

- Parcel Number
- Ownership Record and Description  
(Include Property Address when available)
- Sales History
- Appraisal Summary
- Assessment Summary
- Production Capability Pricing (When Applicable)
- Review Record (where applicable)
- Land Record and Computation of Land Value
- Land Size
- Review Record (where applicable)
- Number of Cards and Card Number (where applicable)
- All Applicable Data Collection and Valuation Fields
- Data Gathered Date, Data Gatherer's Initials
- Appraisal Date, Appraisers Initials
- Data Changed By and Date of Change (where applicable)

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Commercial/ Industrial Cards:

Parcel Number  
Ownership Record and Description  
(Include Property Address when available)  
Sales History  
Appraisal Summary  
Assessment Summary  
Land Record and Computation of Land Value  
(Lot size and value per lot is required.)  
Review Record (where applicable)  
Number of Cards and Card Number (where applicable)  
All Applicable Data Collection and Valuation Fields  
Data Gathered Date, Data Gatherer's Initials  
Appraisal Date, Appraisers Initials  
Data Changed By and Date of Change (where applicable)  
Property Description  
Structural Elements

**RULE 3.27**

**SCOPE OF PHASE TWO PERFORMANCE AUDITS**

The PA will determine if generally accepted valuation methods and techniques are being correctly employed.

ACD auditors will review sales analysis and other procedures used in the development of overall values. This includes, but is not limited to, audits of neighborhood delineation, lot values, and location factors.

Valuation entry fields on parcel cards will be checked for accuracy.

Sales ratio studies and coefficient of dispersion calculations will be utilized to audit final values.

**RULE 3.28.1**

**NEIGHBORHOOD DELINEATION FOR RESIDENTIAL NEIGHBORHOODS**

Residential neighborhood boundaries shall be displayed on city or county maps as appropriate.

A narrative description of each boundary line for each neighborhood shall be on file at the appraisal manager's office. In addition, a printout of the sales data base used in determining the boundaries shall be kept in the same file.

Residential neighborhoods that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. However, the narrative description of each boundary line shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude boundary location.

#### **RULE 3.28.2**

### **NEIGHBORHOOD DELINEATION FOR COMMERCIAL NEIGHBORHOODS**

Commercial neighborhood boundaries shall be displayed on city or county maps as appropriate.

A narrative description of each boundary line for each neighborhood shall be on file at the appraisal manager's office. In addition, a printout of the sales data base and rental data base used in determining the boundaries shall be kept in the same file.

Commercial neighborhoods that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. Rental data should be collected unless all commercial properties in the neighborhood are owner occupied. If neither sales nor rental data are available the narrative description of each boundary line shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude the boundary location.

#### **RULE 3.28.3**

### **NEIGHBORHOOD DELINEATION FOR RURAL AREAS**

Rural region boundaries shall be displayed on county maps.

A narrative description of each boundary line for each rural region shall be on file at the appraisal manager's office. In addition, a printout of the sales data base used in determining the boundaries shall be kept in the same file.

Rural regions that may be defined due to physical, economic, governmental, or social factors without the benefit of property sales are allowed. Whether sales data are available or not the narrative description of each boundary line shall include a statement outlining the physical, economic, governmental or social factors that lead the appraiser to conclude the boundary location. In addition, the appraiser shall list the property specific characteristics, i.e. paved road, municipal water, school district boundaries, etc., that are used to adjust from the general value trends and dollar influences each of these characteristics has on the property.

#### **RULE 3.29**

### **RESERVED FOR FUTURE USE**

#### **RULE 3.30**

### **MINIMUM ACCEPTABLE STANDARDS FOR PERFORMANCE AUDITS**

All deeds which necessitate a change of name or legal description, that are more than 20 days past their filing date must have been entered into the county's CAMA system. A finding that the county is more than 20 working days behind in deed entry will result in a report the reappraisal is out of compliance with progress established by the county's reappraisal plan.

Physical data gathered on land and improvements, data entry and valuation must be within 10% of the completion level provided by the county's reappraisal plan. A finding that the county is more than 10% behind in collection of physical data, data entry, or valuation will result in a report the reappraisal is out of compliance with progress established by the county's reappraisal plan.

During phase one of the county's reappraisal the ACD field crew will select a random sample of parcels from work completed by each data gatherer or appraiser, and audit sales information entered, general data entered, field data gathered, and field data entered. During phase two, valuation fields will be audited. The total errors and/or omissions shall not exceed 5% of the total entries. Total errors shall not exceed 5% in any category. If total errors and/or omissions exceeds 5% of the total entries, or 5% of a single category, the reappraisal shall be considered out of compliance with standards.

Failure to list a dwelling or other major improvement or placement of that improvement on wrong parcel may not occur on more than 2% of the parcels.

Individual perimeter measurements of one-story dwellings must be accurate within one foot. Estimated measurements will be allowed for additional levels and for items such as driveways or fences, but these estimates should be based on techniques resulting in reasonable accuracy.

All real estate improvements must be listed on each property record card. Those improvements that are deemed to have no contributory value by the appraiser must be listed with minimal description and coded uniformly by CAMA providers. Dimensional elements of NCV improvements are optional. Failure to list all such improvements will be counted on the PA as an error.

#### **RULE 3.31**

##### **FAILURE TO COMPLY WITH STANDARDS OF PERFORMANCE AUDIT**

Whenever a field audit, using the standards established elsewhere in these rules, performed by the ACD indicates a reappraisal is out of compliance with those standards, that finding will be reported by certified mail to the reappraisal manager, and funding for the reappraisal project will be immediately suspended. The aforementioned letter will be copied to the county assessor, board of equalization, county judge, quorum court, and agent of the appraisal company when applicable.

The appraisal manager will notify the ACD when necessary corrections have been made, at a point no later than 30 calendar days after the date of the original certified letter from the ACD. If the appraisal manager fails to take proper corrective action and make notification to the ACD, the reappraisal plan will be terminated immediately, and funding will be terminated.

#### **RULE 3.32**

##### **FALSE REPORTS OF PROGRESS**

Upon a finding that progress has been falsely reported on a required progress report, funding already disbursed to the county as a result of misrepresentation will be reimbursed to the state.

**RULE 3.33**  
**FORCE MAJEURE**

The foregoing provisions notwithstanding, the ACD may grant additional time in the event of delay caused by an act of God or force majeure.

**RULE 3.34**  
**CAMA SYSTEMS REQUIRED**

Each county must have a CAMA system before being eligible for funding.

**RULE 3.35**  
**COMPUTER DATA PROPERTY OF COUNTY**

All data entered into a county's CAMA system immediately becomes the property of that county.

**RULE 3.36**  
**REQUIRED REPORTS**

All data stored in a county's CAMA system, whether located in the courthouse or a remote site (example: appraisal contractor's office) will be able to provide the following reports to the ACD, both on-site, and via phone modem: (1) parcel counts, (2) production reports, (3) sales reports, and (4) additional reports developed for audit-related purposes.

CAMA systems utilized by the county or appraisal contractor to perform a reappraisal must be able to tabulate a parcel count by the categories requested elsewhere in these rules.

Physical data must be entered in such a way that parcel counts required in these rules may be run in a single report.

**RULE 3.37**  
**DOWNLOADING CAMA DATA**

If necessary, the CAMA system vendors will cooperate fully to convert data from their CAMA system to that of another vendor. This will occur when a county has acquired a different CAMA system due to its own actions or has allowed an appraisal contractor to do so. A contract will be negotiated between the county and the vendor of the CAMA county. The data to be converted will be defined in the contract, but will include at a minimum the property record card data. If a fee is charged for this service it shall be limited to a reasonable amount.

#### **RULE 3.38**

#### **BID SPECS FOR CONTRACTED REAPPRAISALS**

All contracted reappraisals will utilize standardized bid specs and reappraisal contracts developed by the ACD. Any variations from these standardized contracts must be pre-approved by the ACD.

#### **RULE 3.39**

#### **BIDS REQUIRED FOR CONTRACTED REAPPRAISALS**

Each county that contracts reappraisal services will be required to advertise for bids for the planned reappraisal. In the event that the county chooses to employ an appraisal firm other than the firm which submits a low bid, the county assessor must submit a written narrative explaining the county's choice of firms. The narrative must be attached to the proposed appraisal contract, and explain in detail what criteria were utilized to make the decision to hire a firm other than the low bidder. Failure to comply with this rule will result in rejection of the proposed appraisal contract.

#### **RULE 3.40**

#### **PAYMENT IN KIND SERVICES**

All reappraisal contracts will allow for "payment in kind" services to be provided by county employees who participate in the reappraisal. This provision will require the appraisal contractor to reimburse the county for work contributed to the reappraisal project by county employees, on a pre-agreed basis. The provision will also provide for the appraisal contractor to have reasonable control over those employees regarding job duties, expected production, and work quality. The provision will also allow the appraisal contractor to reject poor quality work performed by a county employee, which will relieve the contractor of any obligation to pay for such work.

#### **RULE 3.41**

#### **REAPPRAISAL PLANS REQUIRED**

Every county must submit a reappraisal plan by a date specified by the ACD. With the consent of the county assessor, a contractor may submit an amended appraisal plan for approval by the ACD.

#### **RULE 3.42**

#### **REAPPRAISAL BUDGETS REQUIRED**

Any county that is performing an in-house reappraisal must submit a reappraisal budget on a form designated by the ACD, detailing projected expenses for personnel, office expenses, and all other expenses associated with the reappraisal of real estate, with the required reappraisal plan.

#### **RULE 3.43**

#### **REAPPRAISAL CONTRACTS REQUIRED**

Any county that is performing a contracted reappraisal, must submit a signed reappraisal contract, detailing total expense for the reappraisal, with the required reappraisal plan.

#### **RULE 3.44**

#### **REJECTION OF REAPPRAISAL PLANS**

Should any part of a reappraisal plan fail to meet generally accepted standards, the ACD shall reject the plan.

#### **RULE 3.45**

#### **CONFLICTS WITH ACTS 440 AND 836 OF 1997**

Those counties that are compelled to reappraise due to low assessment ratios are not relieved by Act 1185 of 1999 from the legal obligations previously established by Acts 440 and 836 of 1997. A county that fails an assessment ratio in 1999 must complete a countywide reappraisal by 2001. Funding will be available for those counties, but may not exceed the cost to reappraise, or a maximum of seven dollars per parcel, per year.

#### **RULE 3.46**

#### **SPECIAL NEEDS**

Each county will be allowed to submit a request for "special needs" funding to pay for extraordinary mapping needs, computer updates, etc., along with the county's reappraisal plan. After funding for reappraisals has been allocated, these special needs requests will be considered by the ACD.

#### **RULE 3.47**

#### **MINIMUM QUALIFICATIONS FOR APPRAISAL TASKS**

For the tasks listed in this section, certain minimum qualifications are hereby established, which must be met in order for the work performed to be considered valid. Before an employee, either county employee or appraisal contractor employee, may perform the following tasks, they must first have completed the ACD classes listed, or have attained the Appraiser Certification Level shown by the particular task.

#### **RULE 3.47.1**

#### **MINIMUM QUALIFICATIONS FOR APPRAISAL MANAGER**

Appraisal Manager- Level 4 Appraiser as certified by State of Arkansas Training and Certification Program, or IAAO educational equivalent, with a minimum of four years experience in the mass appraisal field, and successful completion of the reappraisal proficiency exam.

An appraisal manager may tentatively be responsible for a maximum of one hundred thousand parcels, with the exception of those reappraisal managers responsible for the reappraisal of individual counties with a parcel count exceeding one hundred thousand parcels. Exceptions to this rule may be granted by the ACD under certain conditions, dependent on distance and other factors.

#### **RULE 3.47.2**

##### **MINIMUM QUALIFICATIONS FOR OTHER APPRAISAL TASKS**

Abstracting - ACD 1,2,3,4

Collection of Qualitative Physical Data, Residential Property - Level 2

Collection of Quantitative Physical Data, Commercial Property - Level 3

Collection of Qualitative Physical Data, Commercial Property - Level 3

Establishment of Neighborhood Delineation/ Location Factors - Level 4

Preliminary Valuation - Level 4

Informal Appeals, Residential Properties - Level 3

Informal Appeals, Commercial Properties - Level 4

Board of Equalization Appeals - Level 4

County Court Appeals - Level 4

Circuit Court Appeals - Reappraisal Manager

#### **RULE 3.48**

##### **MAXIMUM ANNUAL FUNDING FOR REAPPRAISALS/ REVIEWS**

Whether the reappraisal discussed in these rules is simply a review of existing data, or a more extensive reappraisal where every improvement is measured, funding to any county will be for the actual appraisal cost, up to a maximum of seven dollars per parcel, per year.

#### **RULE 3.49**

##### **MAXIMUM FUNDING FOR APPRAISALS OF NEW CONSTRUCTION**

In those counties where only new construction will be appraised in 2000 or 2001, reasonable costs for that appraisal work, as determined by the ACD, whether conducted in-house or by an appraisal firm, will be eligible for reimbursement. Those appraisal expenses will be reviewed on a county by county basis.

#### **RULE 3.50**

##### **ASSESSORS DUTIES OTHER THAN REAPPRAISAL COSTS NOT ELIGIBLE FOR FUNDING**

Certain duties of the assessor's office, including day to day maintenance of ownership records, property owners/taxpayers inquiries, and the assessment of personal property or mineral rights are not parts of the reappraisal process, and are not eligible for funding under Acts 1155 and 1185 of 1999.

## **RULE 3.51**

### **DEFINITIONS RELATING TO CHAPTER 3 RULES**

**Agricultural lands** - Lands used for the production of timber, agricultural crops, or pasture.

**City lands** - Lands within the limits of an incorporated city.

**Contracted reappraisal** - A reappraisal conducted by non-county employees, and overseen by an appraisal manager who is an employee or principal in a reappraisal contracting firm.

**In house reappraisal** - A reappraisal conducted by employees of the county, and overseen by an appraisal manager who is a full time employee of that county.

**Neighborhood** - A portion of a larger community, or an entire community, in which there is a homogeneous grouping of inhabitants, buildings, or business enterprises...It is that area within which any change has an immediate and direct influence on the value of the subject property.

**Parcel** - All contiguous land capable of being conveyed on a single deed, except when that tract of land crosses taxing unit or township or section lines, or an improvement only. Any legal description shall not be listed on more than one parcel. Ownership of a parcel by multiple persons does not constitute multiple parcels. Control cards, information cards, and mineral rights parcels are not to be counted as parcels for use when applying Act 1185 of 1999.

**Reappraisal** - The estimating of the value of all taxable real property within the county as of a given date within a given time frame.

**Rurban lands** - Lands in a recorded, platted subdivision which lie outside the limits of any incorporated city.

## **RULE 3.52**

### **WAIVER**

In order to effect the successful implementation of Act 1185 of 1999, upon good cause being shown, the Director of the Department may waive or suspend any provision of the rules.

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## **CHAPTER FOUR**

### **IMPLEMENTATION OF SPECIFIC STATUTES**

#### **RULE 4.1**

##### **PROCEDURES GENERALLY - EXTENSION OF LEVY DATE**

STATUTORY AUTHORITY: A.C.A. 14-14-904 (Acts. 1997, No. 1300 Section 24)

1. All requests for an extension of time within which to levy taxes shall be addressed to the Director of the Department, dated and signed by both the County Judge and the County Clerk;
2. All requests must state the levy date which the county officials seek to extend and the reason for the request resulting from reappraisal or rollback of taxes.

#### **RULE 4.2**

##### **GENERAL AUTHORITY TO PROMULGATE RULES AND REGULATIONS & PRESCRIBE FORMS**

STATUTORY AUTHORITY: A.C.A. 25-15-203, 26-24-107, 26-26-308 and 26-26-409

#### **RULE 4.3**

##### **EXTENSION OF TIME**

STATUTORY AUTHORITY: A.C.A. 26-24-108 (Acts 1927, No.129 Section 12; Pope's Dig., Section 2038)

1. All requests for an extension of time shall be addressed to the Director and shall clearly describe the report which is the subject of the extension along with the time sought and the reason for the request.
2. All requests shall be signed by the person making the request and include that person's title.

#### **RULE 4.4**

##### **RATIO OF ASSESSED VALUE TO MARKET VALUE - EFFECT ON STATE AID OR TURN-BACK FUNDS**

STATUTORY AUTHORITY: A.C.A. 26-26-304 (Acts 1955, No. 153 Sections 9,12; Acts 1957, No. 304 Section 1; Acts 1959, No. 31 Section 1; Acts 1959, No. 244 Section 1; Acts 1969, No. 60 Section 1; Acts 1987, No. 838, Section 1; Acts 1997, No. 440 Section 2(g))

#### **RULE 4.4.1**

### **1. RATIO STUDY PERFORMANCE STANDARDS**

#### **A) PURPOSES:**

The ratio study performed annually by the Assessment Coordination Department has four purposes:

1. The determination of the average ratio of assessed value to the true and full market or actual value of real property, excluding agricultural lands, by classifications, in each of the counties and school districts of Arkansas;
2. The determination of the actual assessment level of real estate, including the value of agricultural lands that qualify for a use/productivity valuation, by classification such as residential, commercial/industrial, agricultural, etc.
3. The determination of the average ratio of assessed value to the true and full market-or actual value of personal property in each of the counties and school districts of Arkansas;
4. The determination of the weighted coefficient of dispersion about the median ratio for market value real estate.

#### **B) STATUTORY REQUIREMENT:**

The ratio study shall comply with (Ark. Code Ann. 26-26-304 Repl. 1997).

#### **C) BURDEN OF PROOF:**

The burden of proof is on the Assessment Coordination Department to show by the preponderance of the evidence that:

1. The county assessor has not placed the real and personal property in the county on the tax record at twenty percent (20%) of the true and full market or actual value for the assessment year or has not placed the agricultural real property in the county on the tax record at twenty percent (20%) of the use/ productivity valuation for the assessment year.
2. That the August first ratio for classifications of market value real estate, business personal property or personal property (auto and other) are below eighteen percent (18%) or above twenty-two percent (22%) of full market value for the second consecutive August one ratio study.

#### **D) OVERALL COUNTY RATIO:**

To obtain the overall ratio, the County's prior year Equalization Board Abstract shall be used to determine the total assessed value in each classification of property. The classification total assessed value is then divided by the classification ratio as determined by ACD to determine the Estimated Market Value for each class. The Estimated Market Value for the classifications are summed and then divided into the Total Assessed Value for all classes which results in the overall county ratio.

## **E) NOTIFICATION OF FAILURE:**

Each Assessor will be personally notified if the county has failed its ratio prior to the time that the news is made public unless the Assessor is not available for notification.

## **F) RATIO STUDY APPEAL PROCEDURE:**

Any informal appeal of a county's August 1 ratio study for any year shall be filed with the Director of the ACD on or before August 15 of that year.

An informal appeal of the results of a county's August 1 ratio should be written so as to fully and completely advise the Assessment Coordination Department in what respects the Department has failed to produce a ratio that meets its burden of proof and should set forth in plain language the alleged facts and any proof of such failure. Each allegation should be set forth in a separate numbered paragraph. If the appeal alleges as its basis for relief that certain samples were erroneously included, each sample should be described in a separate paragraph.

Upon receipt of an informal appeal, the appropriate Ratio Study Coordinator shall either accept or reject the separate allegations by paragraph number providing to the appellant an explanation as to the reason for the rejection within two weeks. The Ratio Study Coordinator shall respond to any other allegations of the appellant and, if appropriate, re-compute an Amended August 1 Ratio for the county.

Should a county wish to further appeal its August 1 Ratio Study or the Amended August 1 Ratio Study, the County should notify the Director of the Assessment Coordination Department within two weeks of the date of the determination by the Ratio Study Coordinator that it is thereby filing a Formal Appeal stating therein the Paragraphs of the Informal Appeal which it continues to pursue and whether the Assessor requests a personal hearing before the Director. If a personal hearing is requested, the Assessor should notify the Director prior to the hearing as to the identities of the people who will be present and participating in the hearing. The Ratio Study Coordinator shall be present at all hearings to defend the Ratio Study results.

In the event, a personal hearing is not requested before the Director, the Director shall make the determination within two weeks of the Formal Appeal based on the original allegations of the appellant and the response of the Ratio Study Coordinator.

## **2. COMPONENTS OF EACH COUNTY RATIO**

- A) Real Property/Agricultural Land
- B) Business Personal Property/Personal Property

### **A) REAL PROPERTY COMPONENT:**

The classifications are: (1) market value real estate which is further divided into urban residential, rural residential, urban and commercial industrial and (2) agricultural land which is valued by it's use/productivity.

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## MARKET VALUE REAL ESTATE CLASSIFICATION

1. This component of the ratio study shall be based on sales/assessment ratios, supplemented with appraisal/assessment ratios, as required, to meet generally accepted statistical techniques.

2. A. This component of the ratio study may include sales data for the three previous calendar years.

*Act 1079, p2.2 (April 5, 1999). " In those instances when the number of appropriate sales from the calendar year previous to the assessment year is insufficient to present a statistically sound sample, the sales/ assessment ratio study may include sales data for the three (3) calender years previous to the assessment year. "*

B. In a county that did not fail their last ratio study, Field Auditors shall use updated appraisal values for a neighborhood(s) in the assessment ratio study (a) only if there is ample evidence that all other neighborhood(s) which were undervalued have been properly adjusted and (b) only if there is also evidence that the remaining neighborhoods that were not revalued were properly appraised.

3. In conducting this component of the ratio study, the Arkansas Assessment Coordination Department shall use generally accepted valuation procedures, statistical compilation, and analysis techniques found in the International Association of Assessing Officers standards on ratio studies. (See *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or the most current edition thereof, hereafter referred to as "SORS") The standard incorporates selected chapters and appendices of the *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers (hereafter referred to as "PAAA").

## METHOD OF DETERMINING REAL ESTATE SAMPLES

To determine the number of market value real property samples, to be selected from the county and the location from which the samples are to be obtained, the total parcel count shall be computed every two years. Each school district shall be further broken down into rural, city, rurban and the number of samples actually obtained shall be computed by use of the formula and procedure described in section 8.3 Required Sample Size (See *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers and Appendix 20-3 "Sample Size" *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition with enough samples to assure that at the ninety-five percent confidence interval they are plus or minus ten percent accurate.

1. During the year preceding the assessment year, the Field Auditor, shall be provided with the requirements for the selection of samples for use in the Sales/Appraisal Sample Size for the county which lists each school district within the county and the number of rural, city rurban and agricultural (use) samples to be selected from each school districts. The samples selected shall be compared with the actual assessment of the particular parcel the following year. Any value changes made to a sample by the assessor after the sample was initially selected must be thoroughly investigated by the Field Auditors to determine whether the change was appropriate. The Field Auditor must document the assessor's explanation and the auditor's determination as to the appropriateness of the change and file the documentation with the Ratio Study Coordinator.

2. Prior to December first of each year, the county shall notify the Assessment Coordination Department if it has completed a reappraisal and placed those values on its records. If the notification is made and received in a timely manner, the Assessment Coordination Department shall prior to the publication of the February first ratio study update its samples to reflect the new values.
3. The number of commercial real estate samples to be obtained is roughly ten percent on the total number of real property samples selected.
4. Appraisals are to be utilized only when sales are not available.
5. Samples may be selected by use of the Deed Book kept by the Circuit Clerk & Recorder for the county, a deed register kept by the county assessor, or a computer generated list of the entire sales in the county. In the event the Auditor uses the Assessor's register or a computer generated list, the Auditor must first determine that the Assessor's records are complete and up to date by comparing the Assessor's records with a random selection of deeds taken from the Circuit Clerk's records or, if there be a computer program to determine the accuracy of the Assessor's records, that may be used. This process shall be documented by the Field Auditor.
6. Property sales transactions are considered to occur in a random manner. Samples shall be selected at random. The Field Auditors shall document the entire process by taking the record being used and logging a starting point and an ending point. The Field Auditor shall go through the record recording the deed book, page and deed number of each deed. If a sale is excluded, the reason shall be noted:
  - (i) The Field Auditor shall select no more than five samples per subdivision, regardless of the number of phases in that subdivision.
  - (ii) The Field Auditor shall have a maximum of ten unimproved lot samples in the overall sample.
  - (iii) Multiple parcel sales and splits are to be selected only if the field auditor is experiencing difficulty in locating the required number of samples.
  - (iv) Samples which reflect a newly constructed building(s) on a previously unimproved lot may be excluded. These samples shall remain in the data base for review by the Ratio Study Coordinator to determine if new construction is being properly added to the assessment rolls. If it is determined that new construction is not being properly added to the assessment rolls, then the Ratio Study Coordinator, after consultation with the Director, may reintroduce some or all of these samples without notification to the County Assessor.
  - (v) The following sales shall be excluded: sales of doubtful title; "right of way" sales, road district, drainage district, sewer district sales; those involving courts, federal, state or local governmental agencies, sheriff's sales, public utilities; those involving charitable, religious or educational institutions; those in which a financial institution is the buyer or seller and the lien holder, those involving administrators, executors, guardians, receivers or trustees and estates; those between related individuals or corporations; those in which the phrase "love and affection" are part of the consideration; those involving an "undivided interest" or "life estate"; those involving multiple parcels; those of only mineral interests or timber rights and those which contain a land use (agricultural) valuation.

At the time of the pulling of the samples, sales are screened which are patently invalid on the face of the deed, as outlined in Acquisition and Analysis of Sales Data, Sections 6.1 through section 6.42 of the *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers.

## VERIFICATION, EDITING AND ADJUSTMENTS TO REAL ESTATE SAMPLES

1. Following the selection of the sample, sales are further verified and edited based on Acquisition and Analysis of Sales Data: section 6.1 through section 6.4.2 of the *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or corresponding provisions contained in any superceding edition of same.
2. With respect to section 6.4.2 through section 6.6 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers, there shall be no adjustment for those circumstances described in section 6.5.2 through section 6.6 except there is an adjustment to the sales price when there is a stated amount of personal property included in the sales price, except in the event there be circumstances as described in section 6.5.2 and section 6.5.3 discovered by the Auditor or brought to the attention of the Assessment Coordination Department, then those samples shall not be used. This provision shall be applicable to the corresponding sections of any superceding editions of said standards of ratio studies.
3. The ultimate decision as to whether a sample should be included shall be made by the Ratio Study Coordinator; while recognizing that the statistical validity of the ratio study is of prime importance.

## MISCELLANEOUS

1. On receipt of the February first Preliminary Ratio Study, The Assessor shall promptly determine whether any of the samples proposed for inclusion in the study are objectionable.
2. All objections shall be made in writing and filed with the Ratio Study Coordinator by the Assessor on or before May 31. Each sample to which there is an objection must be identified and a full explanation provided as to why the sample should not be included. For example: if there is an objection that the sample parcel is adjoining one owned by the purchaser, documentation must be provided. If the requested exclusion is based on information provided by another person, identify that person and obtain a signed statement from that person. The statement must contain the person's address, telephone number and the source of the information.
3. All objections shall be considered and, if warranted, further investigation shall be conducted to determine if the objection is valid. Failure to fully document the request may be grounds to refuse the objection; however, it is the overriding goal of the Ratio Study Coordination to delete all improper samples. Failure to make the objection in a timely manner, absent some compelling circumstance which prevented the Assessor from discovering the problem with the sample, shall automatically result in the rejection of an Assessor's request for deletion of a sample. No deletions shall be made after July 31.
4. The Ratio Study Coordinator may determine that a questioned sale sample should be included in the ratio study. A copy of the Assessors edit request report shall be returned to the assessor with notations as to which sales were included, and why they were included, or excluded from the sample

and those which need additional investigation by the field auditor. Field auditors shall review the edit report with the Assessor and recommend changes to the Ratio Study Coordinator if any changes are warranted in the judgement of the auditor.

5. Field Auditors shall discuss their findings regarding objections with the Assessor prior to August first, if the Ratio Study Coordinator for Market Value Real Estate has not done so.

### ***AGRICULTURAL LAND CLASSIFICATION***

In conducting this component of the ratio study, the Arkansas Assessment Coordination Department shall use generally accepted valuation procedures, statistical compilation, and analysis techniques found in the International Association of Assessing Officers standards on ratio studies. (See *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or the current edition of same, hereafter referred to as "SORS", which incorporates selected chapters and appendices of the *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition, hereafter referred to as "PAAA").

A) DEFINITION OF TERMS: Terms used in connection with the ratio study on market value real property shall be as defined in Section 14, "SORS." AND "PAAA."

B) The ratio study on agriculture land shall be based on a physical examination of the records of each assessor's office to determine the degree of compliance with the criteria established in the Assessment Coordination Department Agricultural Land Values Publication.

C) Agriculture samples are pulled in the year preceding the ratio study. Sales are not used.

### **METHOD OF DETERMINING AGRICULTURAL LAND SAMPLES**

1. If it is determined that a County had adopted the schedule of values established by the ACD, a minimum of fifty agricultural parcels shall be selected from each county; however, if it is determined that the County has not adopted the schedule of values, seventy-five samples shall be selected. If the county's ratio is below fourteen percent, 100 samples shall be selected. If the County has adopted the schedule of values established by the ACD and there are minor problems relating to disparity, 60 samples shall be selected. A rural parcel count shall be taken of the county. The appropriate number of samples shall be divided in accordance with the proportion of rural parcels per school district.

### **SELECTION OF SAMPLES**

At the same time as the other real estate sample requirements are provided the Field Auditor, instructions as to the number of agriculture samples to be obtained shall be provided.

Prospective samples shall be selected at random. Those which bear a notation that the values have been modified for reasons other than poor management by the property owner shall not be used in the study. Any prospective sample to be excluded in this manner shall be recorded and documentation as to the validity of the exclusion obtained, otherwise the sample shall be included.

The Field Auditor shall be provided a County map with school districts denoted thereon. Each year for a period of three years, the Field Auditors shall note thereon the sections from which each year's samples have been pulled. A parcel shall not be included in the sample more than once in a three year period. Field Auditors must visually inspect each parcel site to determine its use.

## PROCEDURE

In July of each year the ACD will perform a ratio study to determine whether the county has used the Agriculture Land Value Tables published by the ACD in compliance with Arkansas code 26-26-407. The following is the procedure used by ACD in determining each county's Agricultural Land ratio:

1. Publications by the Assessment Coordination Department containing the Agricultural Land Value Tables for the Southwest, Delta, Ozark and Ouachita regions of Arkansas shall be used to determine land values for agricultural land. The tables represent the Land Capability Classification System, as designated by the U.S. Department of Agriculture's Natural Resource and Conservation Service (NRCS). There are four categories of agricultural land consisting of Crop, Rice, Pasture, and Timber each with a value representing the productivity of the eighteen soil classes, if applicable, (represented by an *ACD NUMBER*) this is in compliance with Arkansas code 26-26-407.
2. For each sample, a ratio is computed using the county's assessed value and the total parcel value calculated by the ACD Field Auditor.
3. To determine the county assessment ratio on agricultural land of the samples being used, totals are calculated of the county's assessments and of the total land values as determined by the ACD Field Auditors. The total assessment is then divided by the ACD total land values, and that total is multiplies times 100 to establish the percent ratio for the county.
4. Field Auditors will discuss their findings regarding irregularities in agricultural land with the Assessor prior to August 1.

## B) PERSONAL PROPERTY COMPONENT:

The classifications are:

- (1) Business Personal
- (2) Personal-Auto/other

## ***BUSINESS PERSONAL CLASSIFICATION***

This component of the ratio study shall be based on a physical examination of the current year's records of each assessor's office to determine the degree of compliance with the criteria established in the Commercial Personal Property Appraisal Manual published by the Arkansas Assessment Coordination Department.

When the field work commences for the current year, instructions as to the number of business personal commercial samples shall be provided.

## **METHOD OF DETERMINING NUMBER AND LOCATION OF SAMPLES**

The minimum sample size for each county shall be determined by the population of the county as reflected in the latest final census figures and the number of businesses therein. Those counties with populations: of 29,999 and below shall have 20 samples; of 30,000 through 69,999 shall have 40 samples; of 70,000 through 199,999 shall have 50 samples and of 200,000 and above shall have 90 samples.

## **SELECTION OF SAMPLES**

After determining the total business personal parcels in the county, the number of samples needed shall be divided into that figure to set the selection interval; however, if a business tentatively selected by this method results in a sample that does not fit into a category recognized in the square foot section of Commercial Personal Property Appraisal Manual, then the next business shall be selected.

## **PROCEDURE**

1. When the Commercial Personal Property Sample Form has been completed on all of the businesses selected for use in the study, the Field Auditor shall go to the business site, compute the square footage, grade the inventory and the furniture and fixtures as to density and quality.
2. In July the Field Auditor shall return to each county, after the county has completed its personal property assessments for the current year, and complete the Commercial Personal Property Takeoff Form.

## **RATIO COMPUTATION**

1. If the county has been provided a good rendition by the business which included a fixed assets' listing and applied the ACD's suggested depreciation schedule to those assets, the County shall automatically receive a twenty percent on those fixed assets and the inventory; if not, the proper assessment shall be computed by the square foot method described in the manual.
2. A comparison of the actual assessed value and the value computed by the Field Auditor produces the ratio.
3. The ratios for all of the businesses are then ranked and the median ratio is determined by county, by school district and by cities in that county. This results in the Current Year Commercial Personal Property Median Ratio.

## ***AUTO/OTHER CLASSIFICATION***

This component of the ratio study shall be based on a physical examination of the current year's records of each assessor's office to determine the degree of compliance with the criteria established in the current year edition of the Personal Property Assessment Manual published by the Arkansas Assessment Coordination Department.

## METHOD OF DETERMINING NUMBER AND LOCATION OF SAMPLES

The minimum sample size for each county size shall be determined by the population of the county as reflected in the latest final census figures and the number of businesses therein. Those counties with populations: of 29,999 and below shall have 40 samples; of 30,000 to 69,999 shall have 70 samples; 70,000 to 199,999 shall have 100 samples and of 200,000 and above shall have 180 samples.

## SELECTION OF SAMPLES

The Field Auditor shall be instructed to get samples of automobiles from the current year through the last fifteen years and of trucks from the current year through the last fourteen years. Only one vehicle shall be taken from each assessment.

## PROCEDURE

Since there is no consistent method of filing assessments containing automobiles, i.e., some being filed alphabetically by school district, some alphabetically by county and in many instances, the computer is available for us, samples shall be selected randomly by the Field Auditor who notes the method chosen.

## RATIO COMPUTATION

A comparison of the actual assessed value and the value computed utilizing the manual by the Field Auditor produces the ratio by county, by school districts and by cities in that County.

### 3. FORMULA UTILIZED AND TESTS CONDUCTED

1. *Coefficient of variation* (See section 7.5.2 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition - to select sample sizes)
2. *Weighted Mean* (See section 73.3 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition)
3. *Weighted Coefficient of Dispersion about the Median* (CODw)

$$\text{Formula for CODw} = ((\sum |A - (S * \frac{A}{S})| / (s * (N-1))) / \frac{A}{S}) * 100$$

$\sum$  = sum of

$| |$  = absolute value

A = assessed value of observation

S = selling price of observation

$\frac{A}{S}$  = median assessment sales ratio

s = average selling price of group

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- N = number of observations
- = minus sign
- \* = multiplication sign
- / = division sign

4. *Median* (See section 73.1 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers or current edition)

5. Not required, but also computed:

a) *Mean* (See section 7.3.2 *Standard on Ratio Studies*, approved July 1990, Association of Assessing Officers or corresponding provisions contained in any superceding edition of same)

b) *Average absolute deviation* (Chapter 20, Page 532-534, *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition)

c) *Coefficient of Concentration*:

1. Of the samples that are used, the percentage of observations which are within plus or minus ten percent of the legal ratio of 20 percent.
2. Of the samples that are used, the percentage of observations which are within plus or minus ten percent of the median ratio.

d) *Coefficient of dispersion* (See section 7.5. 1 *Standard on Ratio Studies*, 1990, International Association of Assessing Officers or current edition)

e) *Standard deviation* (Chapter 20, Page 535,536, *Property Appraisal and Assessment Administration*, published by the International Association of Assessing Officers, 1990 edition or current edition)

f) *Price-related differential* (See section 7.7 *Standard on Ratio Studies*, approved July 1990, International Association of Assessing Officers)

#### 4. DEFINITION OF TERMS

Terms used in connection with the ratio study on market value real property shall be as defined in Section 14, "SORS." AND "PAAA."

## **RULE 4.5**

### **GENERAL RULES FOR APPRAISAL CONTRACTORS**

The ACD shall maintain an Annual Register of Appraisal Companies and shall not approve a contracted appraisal plan of an Appraisal firm which has not registered with the ACD by submitting the following information:

1. Name, physical address, mailing address, telephone number of appraisal firm;
2. Type of entity, corporation, partnership or sole proprietorship;
3. If a corporation, Certificate of Good Standing;
4. If a corporation, list the stockholders and officers and provide three professional references for each;
5. If a partnership, provide three professional references for each partner;
6. If a sole proprietorship, provide three professional references;
7. For each stockholder and officer, partner or sole proprietor, fully describe the qualifications of each, including all mass appraisal experience;
8. List of all personnel employed by the appraisal firm who will be performing mass appraisal work in Arkansas stating whether they are full time or part time employees, the appraiser qualification level of each, and the number of years of experience in mass appraisal;
9. All appraisal personnel must meet the qualification requirements established under Act 48 of 1980, and all Level Three and Level Four appraisers must meet the continuing education requirements of 30 hours every three years in order to maintain their qualification levels;
10. List of each county in Arkansas where the appraisal company has performed for the last five years with the year or years when the work was performed, whether the work was maintenance (new construction) or revaluation, and a reference source on each job;
11. A copy of all current insurance documents and bonds covering the company;
12. A statement as follows: The appraisal company recognizes that the information contained herein shall be used by counties in determining whether to contact with it and used by the Assessment Coordination Department in determining whether the firm can adequately perform under a proposed contract; therefore, the appraisal company agrees that all information contained herein will be updated in a timely manner;
13. Any other information the ACD or the appraisal company deems relevant;
14. All information submitted will be made public information and is intended for use by counties who are contemplating employing appraisal companies;

15. The appraisal company must demonstrate that it is financially sound and possesses sufficient operating capital to perform the contract and its other outstanding contractual obligations. If the appraisal company is a corporation and it does not meet the criteria, the principals may elect to sign as individuals and assume personal liability on the contract with the county.

#### **RULE 4.6**

#### **COUNTYWIDE REAPPRAISAL OF PROPERTY**

STATUTORY AUTHORITY: A.C.A. 26-26-306 (Acts 1997, No. 836 Section 2)

STATUTORY AUTHORITY: A.C.A. 26-26-308 (Acts 1997, No. 836 Section 4)

#### **RULE 4.7**

#### **COMPLETION OF REAPPRAISAL - SUSPENSION OF PENALTIES**

STATUTORY AUTHORITY: A.C.A. 26-26-307 (Acts 1997, No. 836 Section 3)

STATUTORY AUTHORITY: A.C.A. 26-26-308 (Acts 1997, No. 836 Section 4)

In keeping with the intent of Act 836 of 1997, newly discovered and newly constructed property will be appraised and assessed at the value prevailing before the implementation of Act 758 of 1995.

1. In the year any reappraisal is being completed, the assessor shall maintain a list of newly constructed or newly discovered property encountered during the reappraisal.
2. To insure that all property within a county is equitably assessed, an assessor whose county did not fail its last ratio study, may revise property values in a particular neighborhood (s) only if all other neighborhoods in the county have been surveyed and there is evidence that they are correctly appraised at full market value.
3. A Plan under Act 836 of 1997 which must be in progress on the third Monday in November in a year must be submitted by the first of September and approved no later than the third Monday in November.
4. The ACD shall prepare and distribute to the counties an "In-House Countywide Reappraisal Plan" form No. A-9 and a "Contracted Countywide Reappraisal Plan" which contains the minimum criteria for Plans which shall be accepted by the ACD.
5. The ACD retains the authority to reject a Plan which may meet the minimum criteria as published, but which it determines is not submitted in good faith.
6. There may be additional safeguards which should be inserted into the forms. The form is not meant to be complete or exhaustive. It is the responsibility of each county to determine the specific language for inclusion in its final plan and contract.
7. A county which has contracted with a private appraisal company and subsequently learns that the private appraisal company is not fulfilling its contractual obligations shall promptly notify the Assessment Coordination Department and file a complaint in writing stating the allegations

giving rise to the complaint. The Assessment Coordination Department shall then notify said private appraisal firm that a complaint has been filed, enclosing a copy of the complaint.

8. Any member of the staff of the Assessment Coordination Department, or a member of the public, who learns of a possible violation of the contractual obligations of a private appraisal company and the county, may also file a complaint with the Assessment Coordination Department.

9. The Director of the Assessment Coordination Department shall then set a conference date no earlier than thirty days from the date that the private appraisal firm, the Assessor, and the complaining party are notified by certified mail, return receipt requested, setting a place and time for the conference and advising the complaining party, private appraisal firm and the Assessor of their right to be present to present the allegations and any rebuttal. Said conference shall be open to the public and attended by members of the staff of the Assessment Coordination Department as designated by the Director.

10. Should the Director of the Assessment Coordination Department or his appointee determine that the private appraisal firm has failed to abide by the appraisal standards of the International Association of Assessing Officers and that the failure is significant and pervasive resulting in substandard appraisals that if the private appraisal company does not agree to immediately correct the problem at its own expense, and do so, that the Assessment Coordination Department shall not approve any future plans involving that private appraisal company until such time as the defects are substantially corrected.

11. If a county fails to abide fully by the terms of a filed Plan and the Director of the ACD has reached a preliminary decision to terminate the Plan, the ACD shall not do so unless it has notified the County, setting out the factors giving rise to its decision to terminate and affording the County an opportunity to appear before the Director to show cause why the Plan should not be terminated for good cause. The ACD shall notify all signatories to the Plan, by certified mail, in the event of a preliminary decision to terminate the Plan and the time and place shall be set for a full consideration of the matter and their right to appear and participate. On termination of a Plan, the ACD shall promptly notify the proper fiscal officers disbursing state aid and turn-back funds that the County does not have an approved Plan which is being implemented and ask that the full range of penalties provided by law be applied to the County.

12. Any action or pending action by the ACD involving allegations that an appraisal firm has failed to abide by its contractual obligations to a county shall not in any manner preclude the filing of an action in the appropriate court of this State by any of the parties to the contract.

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RULE 4.8

**PROCEDURE FOR ADJUSTMENT OF TAXES AFTER REAPPRAISAL OR REASSESSMENT OF PROPERTY**

STATUTORY AUTHORITY: A.C.A. 26-26-402 (Acts 1981, No. 848, Section 1; Acts 1997, No. 1300, Section 22)

STATUTORY AUTHORITY: A.C.A. 26-26-409 (Act 1981, No. 848 Section 9)

The following definitions apply to Amendment 59 to the Arkansas Constitution: Act 1981, No. 848.

1. REAPPRAISAL - The estimating of value of all taxable real property within the county as of a given date within a given time frame.
2. MASS APPRAISAL - Estimating the value of a group of properties as of a given date, within a given time frame using generally accepted techniques.
3. REASSESSMENT - Process of placing reappraisal values in the official assessment record.
4. COUNTY-WIDE REAPPRAISAL - Mass appraisal of certain classes of properties within a county, provided those other classes of property not reappraised have had their values reviewed and are currently assessed at acceptable levels.
5. PREVAILING VALUE - Value of a property as determined by the existing appraised values of other similar properties in the county.
6. NEWLY DISCOVERED PROPERTY - Property that has never been on the assessment roll.
7. NEW CONSTRUCTION AND IMPROVEMENTS - Changes to property that have occurred to property already on the assessment roll.
8. BASE YEAR - Year when reassessed values are entered on assessment roll.
9. MARKET VALUE - Most probable sale price of a property in terms of money in a competitive and open market, assuming that the buyer and seller are acting prudently and knowledgeable, allowing sufficient time for the sale, and assuming that the transaction is not affected by undue pressures.
10. BONA FIDE AGRICULTURAL LAND - Land that is devoted to the production of commercial quantities of plant products to be used for human consumption, animal feed, or as a textile.
11. BONA FIDE PASTURE LAND - Land to benefit grazing animals, or growing forage crops with the intent of selling or storing for future use.
12. BONA FIDE TIMBER LAND - Forest land that is producing, or capable of producing, crops of industrial wood and is not withdrawn from timber utilization (Appendix, pg 30, "*Forest Resources of Arkansas*" Southern Forest Experiment Station, Resource Bulletin SO-169, Feb. 1992).

#### **RULE 4.9**

#### **COMPREHENSIVE COUNTYWIDE REAPPRAISALS - APPLICABILITY**

STATUTORY AUTHORITY: A.C.A. 26-26-401 (Act 1981, No. 848 Section 8)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. When an Assessor is of the opinion that a "comprehensive countywide reappraisal" has been completed, Form No. A-11 shall be completed immediately, signed and notarized and submitted to the Director of the ACD for investigation, determination and certification.
2. When any member of the county equalization board, quorum court, taxing unit or taxpayer within the county is of the opinion that a "comprehensive countywide reappraisal" has been completed and so informs the ACD in writing giving those facts on which the opinion is based, the ACD will investigate and determine whether certification is required.
3. In determining whether a comprehensive countywide reappraisal has occurred, the ACD shall consider that since it provides tables for use in valuing agriculture and timber lands that those properties have been reappraised each year. Likewise, all personal property shall be considered to have been reappraised each year.
4. On receipt of a properly completed form, the Director of the Assessment Coordination Department shall determine whether the County has completed a Comprehensive Countywide Reappraisal, and if so, shall certify the reappraisal.
5. In determining whether a comprehensive countywide reappraisal has been completed, the following Definition of terms shall be utilized:
  - a. Reappraisal - A re-estimation of values using mass appraisal techniques.
  - b. Mass appraisal - Estimating the value of a group of properties as of a given date, within a given time frame.
  - c. County-wide reappraisal - The mass appraisal of certain classes of properties within a county, provided those other classes of property not reappraised have had their values reviewed and are currently assessed at acceptable levels.

#### **RULE 4.10**

#### **CERTIFICATION OF ASSESSED VALUE DATA**

STATUTORY AUTHORITY: A.C.A. 26-26-403 (Act 1981, No. 848, Sections Two and Nine.)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. Form No. CC - 4 entitled Base Year Certification of Assessment Data on Real Estate is adopted to comply with this statute.
2. Form No. CC - 5 entitled School District Calculation to Determine Minimum Millage Required by Amendment 74 is adopted to comply with this statute.

#### RULE 4.11

#### COMPUTATION AND CERTIFICATION FORM

STATUTORY AUTHORITY: A.C.A. 26-26-404 (Act 1981, No. 848 Section Three)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

Form No. GB-1 entitled Base Year Millage Rollback Computation and Certificate Form is adopted to comply with this statute.

#### RULE 4.12

#### PERSONAL PROPERTY INTERIM MILLAGE ADJUSTMENT

STATUTORY AUTHORITY: A.C.A. 26-26-405 (Act 1981, No. 848 Section 4)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

Form No. CC-2 entitled Personal Property Interim Millage Adjustment is adopted to comply with this Statute.

#### RULE 4.13

#### VALUATION GUIDELINES

STATUTORY AUTHORITY: A.C.A. 26-26-304 and 26-26-407

1. Manual entitled Assessors' Replacement Cost Real Estate Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.
2. Publication entitled Agricultural Land, Pasture Land and Timber Land Guidelines is promulgated to comply with this Statute. **USE OF THIS PUBLICATION IS MANDATORY.**
3. Manual entitled Personal Property Assessment Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.
4. Manual entitled Commercial Personal Property Appraisal Manual is promulgated to comply with this Statute. This manual may be used as a guide and is not mandatory.

#### RULE 4.14

#### IMPLEMENTATION OF MILLAGE ROLLBACK IN FRINGE SCHOOL DISTRICTS

STATUTORY AUTHORITY: A.C.A. 26-26-408 (Act 1981, No. 848, Section Seven)

STATUTORY AUTHORITY: A.C.A. 26-26-410 (Act 1997, No. 1300, Section 23)

1. Form No. CC-3 entitled Fringe District Rollback is adopted to comply with this Statute.
2. In a case where a fringe district is engaged in a reappraisal the millage rates shall be rolled back, immediately fringed and levied in both counties.

#### **RULE 4.15**

##### **TRAINING CRITERIA FOR APPRAISERS**

STATUTORY AUTHORITY: A.C.A. 26-26-503 (Acts 1980 (1st Ex. Sess.) No. 48, Sections One, Two; 1985, No. 392, Sections One, Two)

1. Form No. M-1 entitled Application for Admission - Arkansas Assessment Training Program.
2. Training and Certification Program as described in Form No. M-2 entitled Training and Certification Program for Appraisers Employed by State and County Officials is adopted.

#### **RULE 4.16**

##### **PROPERTY USED FOR OTHER THAN CHURCH PURPOSES**

STATUTORY AUTHORITY: A.C.A. 26-26-1113 (c)(1); (Act 1987, No. 1040, Sections One, Two)

The Assessment Coordination Department shall promulgate reasonable rules and regulations to effectuate the provisions of this chapter.

#### **RULE 4.17**

##### **ASSESSMENT OF PERSONAL PROPERTY TAXES BY MAIL OR BY TELEPHONE**

STATUTORY AUTHORITY: A.C.A. 26-26-1114 (c); (Act 1989, No. 517, Section One; Act 1991, No. 291 Section One; Act 1993, No. 1261, Section One)

When assessing by telephone, record forms containing information taken by telephone shall be clearly identified as telephone assessments on the property owner signature line and shall bear the signature of the assessor or deputy assessor who conducted the telephone interview with the property owner.

#### **RULE 4.18**

##### **VALUATION PROCEDURES**

STATUTORY AUTHORITY: A.C.A. 26-26-1202; (Act 1883, No. 114, C. & M. Dig., No. 9919, Pope's Dig. No. 13653)

For the purpose of this Act, the following term(s) are defined:

1. Real property is the physical parcel of land, and improvements attached to the land, such as buildings.
2. Fixtures which can be severed from the realty without substantial damage either to itself or to the realty are personal property.

## **CHAPTER FIVE**

### **ASSESSMENT COORDINATION DEPARTMENT VALUATION GUIDES AND FORMS**

#### **RULE 5.1**

#### **VALUATION GUIDES**

ARKANSAS ASSESSORS' REAL ESTATE COST MANUAL  
ACT 153 of 1955 as Amended

ARKANSAS COMMERCIAL PERSONAL PROPERTY MANUAL  
ACT 153 of 1955 as Amended

ARKANSAS PERSONAL PROPERTY MANUAL  
ACT 153 of 1955 as Amended

AGRICULTURAL LAND, PASTURE LAND AND TIMBER LAND GUIDELINE  
PUBLICATION

#### **RULE 5.2**

#### **FORMS**

#### **FOR USE BY ASSESSORS:**

- A- 1. COMMERCIAL/INDUSTRIAL REAL ESTATE RECORD CARD
- A- 2. RESIDENTIAL REAL ESTATE RECORD CARD
- A- 3. RURBAN REAL ESTATE RECORD CARD
- A- 4. RURAL REAL ESTATE RECORD CARD
- A- 5. MANUFACTURERS' INVENTORY REPORT
- A- 6. COMMERCIAL PERSONAL PROPERTY ASSESSMENT FORM  
COMMERCIAL PERSONAL PROPERTY ASSESSMENT INFORMATION
- A- 7. ASSESSOR'S ABSTRACT (A.C.A. 26-26-304)
- A- 8. SUMMARY REPORT OF COUNTY ASSESSMENTS
- A- 9. IN-HOUSE COUNTYWIDE REAPPRAISAL PLAN
- A-10. COUNTY REAPPRAISAL PROGRESS REPORT
- A-11. CERTIFICATION OF COUNTY AS TO COMPLETION OF COMPREHENSIVE  
COUNTYWIDE REAPPRAISAL

**FOR USE BY COUNTY CLERK:**

- CC-1. SUMMARY REPORT OF COUNTY ASSESSMENTS FOR THE YEAR
- CC-2. PERSONAL PROPERTY INTERIM MILLAGE ADJUSTMENT (A.C.A. 25-26-405)
- CC-3. FRINGE DISTRICT ROLLBACK
- CC-4. CERTIFICATION OF ASSESSED VALUE DATA (A.C.A. 26-26-403)
- CC-5. SCHOOL DISTRICT CALCULATION TO DETERMINE MINIMUM MILLAGE  
REQUIRED BY AMENDMENT 74

**FOR USE BY GOVERNING BODIES OF TAXING UNITS:**

- GB-1. COMPUTATION AND CERTIFICATION FORM. BASE YEAR MILLAGE  
ROLLBACK COMPUTATION AND CERTIFICATION FORM (A.C.A. 26-26-404)

**FOR USE BY EQUALIZATION BOARD & COUNTY CLERK AS EX-OFFICIO  
SECRETARY OF THE COUNTY EQUALIZATION BOARD:**

- E-1. EQUALIZATION BOARD MEMBERS AND ADDRESSES
- E-2. EQUALIZATION BOARD ABSTRACT OF ADJUSTED ASSESSMENT (A.C.A. 26-26-  
304, 26-27-319)
- E-3. EQUALIZATION BOARD RESOLUTION

**MISCELLANEOUS:**

- M-1. APPLICATION FOR ADMISSION - ARKANSAS ASSESSMENT TRAINING  
PROGRAM
- M-2. TRAINING AND CERTIFICATION PROGRAM