

2006 ANNUAL REPORT



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY**

DIVISION OF PROPERTY ASSESSMENTS

DIVISION OF PROPERTY ASSESSMENTS

COMPTROLLER OF THE TREASURY

CORE IDEOLOGY/MISSION STATEMENT

OUR CORE VALUES:

Honesty and Integrity — We must be honest in all we do and all we say in order to reflect the highest degree of integrity.

Accuracy and Reliability — The work we produce must be relevant, correct, professional, timely, and objective. Decision-makers and their publics must be able to depend on our work.

Accountability — We must accept personal responsibility for the work we each perform and the Division must take organizational responsibility for the work we collectively perform.

OUR PURPOSE:

Our purpose is to serve the people of Tennessee by ensuring fair and equitable property tax administration.

OUR MISSION:

Our mission is to make government work better to improve the quality of life for all Tennesseans by ensuring superior administration of the property tax system.

Improving Assessment

EQUITY AND UNIFORMITY

LETTER FROM THE DIRECTOR

Members of the Board:

I am pleased to present the Division of Property Assessments' 2006 Annual Report in accordance with T.C.A. § 67-1-202(7). This report provides an overview of the Division's activities during the past year as we fulfilled our mission and administered Tennessee's outstanding property tax system.

We take great pride in our hard work, proficiency, and commitment to our purpose of ensuring fair and equitable property tax administration. While maintaining our focus on public service, we continually improve the quality of our work and become more efficient using tools of current technology.

This summary report represents assessments and tax billings effected on 3.2 million properties in all 95 counties and 285 municipalities. A comprehensive report will be available on the Division's web site at <http://www.comptroller.state.tn.us/cpdivpa.htm>

The dedicated effort of the Division staff to prepare this publication is recognized with our sincerest appreciation. I also wish to express my gratitude to those who support this Division and help us pursue our mission, including the Comptroller of the Treasury, the State Board of Equalization, and the Property Assessors.

Sincerely,



David Sherrill, CAE
Director - Division of Property Assessments
1400 James K. Polk State Office Building
505 Deaderick Street
Nashville, TN 37243-0277
Telephone - (615) 401-7778
Fax - (615) 741-3888
David.Sherrill@state.tn.us

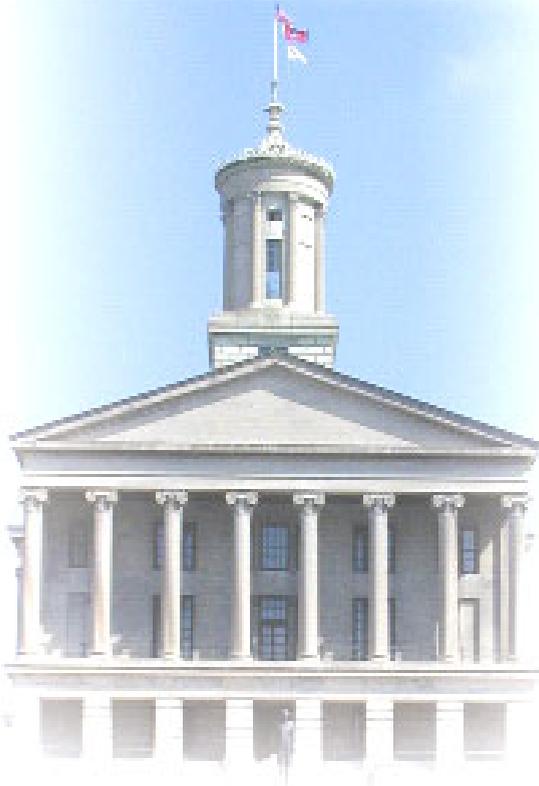


DIVISION OF PROPERTY ASSESSMENTS

This page left blank intentionally.

TABLE OF CONTENTS

Executive Summary	1
Organization	3
Goals and Objectives.....	4
Assessment Systems	5
Special Projects	
IMPACT	
Field Operations	8
TN County Assessment Information Map	
Legal Services	12
Property Tax Relief Program.....	14
Training.....	15
Office of Local Government GIS/Mapping.....	16
Analysis, Development and Redistricting	
Mapping	
TN Base Mapping Program Production Status Map	



This page left blank intentionally.

EXECUTIVE SUMMARY

Introduction

The 2006 Annual Report of the Division of Property Assessments (DPA) is submitted to the State Board of Equalization (SBOE) and contains reports on various programs administered by the DPA, as well as selected historical information.

The DPA has continued its effort to improve effective administration of the property assessment function in Tennessee. Improvements in the areas of division responsibility enumerated below ensure the DPA achieves the established goals.

The following comments briefly recap the activities of the DPA during the 2006 fiscal year. The remainder of this report summarizes the services and products of each section of the division. We continually pursue improvements in all these areas.

Assessment Systems

Computerized assessment records of real and personal property are maintained for 90 counties and 285 cities in tax billing programs.

The DPA has expanded deployment of GIS capability to assessor's offices in the form of a GIS viewing and analysis application known as *MapViewer*, enhancing assessment functions.

The DPA also sponsored the second joint seminar in August 2005 for county Assessors of Property and Trustees. Seminars were held in Nashville, Knoxville and Jackson, with a combined attendance of 236.

Field Operations

Appraisal ratio studies were performed in 31 counties for 2006 pursuant to T.C.A. § 67-5-1604 and 1605.

Eighteen counties were reappraised in accordance with reappraisal plans submitted by assessors of property and approved by the SBOE pursuant to T.C.A. § 67-5-1601.

Current Value Update analysis was performed in seven counties in accordance with T.C.A. § 67-5-1601.

Monitoring activities were conducted in all 95 counties to ensure the accuracy of the property characteristic data, sales information, mapping and administrative functions. County personal property audit programs initiated in January 2000 continue to improve the uniformity and equity of personal property.

State reappraisal grants totaling \$1,875,379 were administered to all 95 counties.

GIS/Mapping

Approximately 13,500 county property ownership maps were drafted reflecting changes in ownership and physical characteristics. There were also 57,627 maps reproduced resulting in \$70,124 in revenue.



EXECUTIVE SUMMARY



Legal Services

The following acts, that affect property tax administration, were passed during the 2006 Session of the 104th General Assembly: Public Chapter 640 amends the legislation TCA § 67-5-1412(b)(2), Public Chapter 823, Public Chapter 740, Public Chapter 861, Public Chapter 821, Public Chapter 521, Public Chapter 884, Public Chapter 739, Public Chapter 978, Public Chapter 672, Public Chapter 734, Public Chapter 881, Public Chapter 817, and Senate Joint Resolution 1.

Property Tax Relief

The income limit for elderly and disabled homeowners was increased to \$12,980 in 2005. The market value limit for the elderly and disabled was \$18,000 and \$150,000 for disabled veterans and their surviving spouses. There were approximately 75,000 claims for tax relief reimbursements.

Training

Schools and seminars were conducted across the state to provide professional and technical development for property assessors. The schools and seminars were attended by 399 participants. This effort was in concert with the continued cooperation between the DPA and the University of Tennessee County Technical Assistance Service (CTAS) to develop and implement courses designed to meet the changing needs of our county assessors. The Training Section received \$3,330 in gross tuition payments from private industry participants. The total number of participants and gross tuition represent estimates as of June 2006.

Other

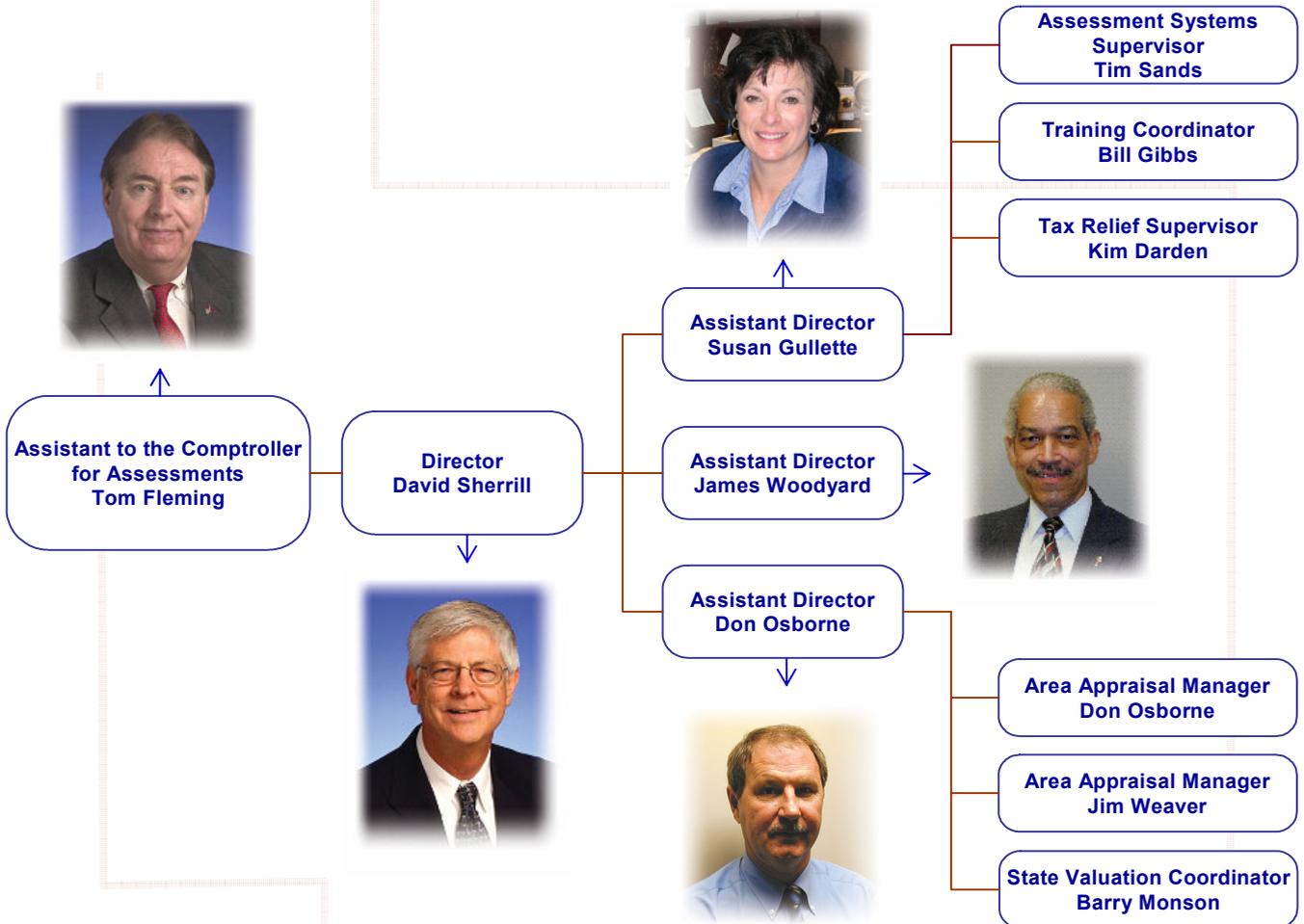
The DPA website remains a valuable resource. The site offers information regarding the assessment function, property tax relief for elderly or disabled persons, personal property information and property tax maps with ordering information. Lists of current assessors and trustees with property tax rates and reappraisal schedules are also available. A calendar of assessment education courses currently being offered by the DPA and the applicable registration form can be printed from the website. A list of current publications can also be referenced with ordering information, the 2006 Annual Report can be downloaded and several key DPA personnel can be contacted using their e-mail addresses provided on the website:

www.comptroller.state.tn.us/cpdivpa.htm

The DPA held the Fifteenth Annual Assessor Retreat September 12-14, 2005 at Montgomery Bell State Park. The retreat covered such topics as the Tennessee Base Mapping Program, Alternative Sewer Systems, Using GIS in Reappraisal and the Assessor Certification Changes. The retreat offers an opportunity for DPA, OSAP and SBOE staff to discuss assessment matters with assessors from across the state.



ORGANIZATION



Phone Numbers	Administrative Services	615-401-7737
	Appraisal Information	615-401-7737
	Assessment Systems	615-401-7757
	Legal Services	615-401-7737
	Mapping	615-401-7728
	Personal Property	615-401-7744
	Special Projects	615-401-7737
	Systems Support	615-401-7737
	Tax Relief	615-747-8871
	Training	615-401-7737
Local Government	615-401-7773	

Web Addresses	Comptroller of the Treasury - www.comptroller.state.tn.us
	Property Assessments - www.comptroller.state.tn.us/cpdivpa.htm
	State Board of Equalization - www.comptroller.state.tn.us/cpdivsb.htm
	State Assessed Properties - www.comptroller.state.tn.us/cpdivsap.htm
	State of Tennessee - www.tennesseeanytime.org
	County Technical Assistance Service - www.ctas.utk.edu
	International Association of Assessing Officers - www.iaao.org

GOALS AND OBJECTIVES

The Division of Property Assessments (DPA) was established in 1967 as the result of legislation enacted by the Eighty-fifth General Assembly. The duties of the DPA are enumerated in T.C.A. § 67-1-202. From 1967 through 1977 the division's primary function was supervision of the statewide mapping and reappraisal programs mandated by T.C.A. § 67-1718. This section was subsequently deleted.

Upon completion of the reappraisal programs begun in 1967, the DPA began work toward completion of a statewide computer-assisted tax billing system and a long-range plan for periodic reappraisal of locally assessed real property. The goal of achieving a statewide computer-assisted tax billing system was realized in 1985. The goal to establish a long-range plan for systematic reappraisal of locally assessed real property was realized with the passage of Chapter 495, Public Acts of 1989. The initial cycle of reappraisal in every county in the state, required by legislation enacted in 1980, was completed in 1991. The current, major goals of the DPA are as follows:



To ensure the professional administration of property tax programs in all taxing jurisdictions pursuant to T.C.A. § 67-1-201 through § 67-1-514, 1 through 10, T.C.A. § 67-5-101 through 67-5-1703.



To ensure a standardized record-keeping system for all property tax records through the continued use of the division's computerized appraisal and tax billing system.



To ensure an up-to-date and equitable property tax base in all taxing jurisdictions through continuing county reappraisal efforts and the maintenance of the division's Computer Assisted Appraisal System, pursuant to T.C.A. § 67-5-1601 through 67-5-1603.



To ensure a high degree of competency and a broad base of appraisal knowledge among all county property assessors and collecting officials through the division's assessment certification and education program.



To administer the Property Tax Relief Program in such a manner that all low-income elderly, disabled, disabled veterans and surviving spouses of disabled veterans who qualify will receive timely and accurate rebates in accordance with generally accepted governmental accounting standards.



To ensure county property ownership maps are accurate and current so assessing officials can correctly locate property boundaries and related information, and to ensure counties comply with T.C.A. § 67-5-806(b), which requires maps to be filed annually in the office of the Register of Deeds.



To accomplish appraisal ratio studies in every county as determined by the State Board of Equalization and pursuant to T.C.A. § 67-5-1604 through 67-5-1606.



To monitor on-site review and valuation of properties, provide valuation assistance, develop valuation indexes and audit assessor performance in accordance with T.C.A. § 67-5-1601 (d) (1).

ASSESSMENT SYSTEMS



Goals

Maintain Accurate Assessment Records – Assessment records will be an accurate reflection of the physical description of each property and those records will be updated as required by daily maintenance and reappraisal, and be available for analysis.

Access – County assessment staff, other government and educational entities, and the public have access to property descriptions, valuation data and assessment data for 90 counties.

Improvements – Assessment Systems strives to reduce errors and response times and discover enhancements and alternatives that will improve reliability and application.

Clients

Assessors of Property – Assessors rely on the Assessment Systems Section for computer maintenance and storage of all records essential for real and personal property appraisal.

State Board of Equalization (SBOE) – The SBOE uses the analysis of Assessment Systems to evaluate reappraisal performance and determine county assessment ratios.

Trustees – Trustees use final values generated from the appraisal programs and provided on assessment rolls for all tax billing and tax relief functions.

Federal and State Government Entities – Legislators and other government and educational entities use the county Assessment Summaries provided annually for funding, studying the impact of proposed legislation and tax relief analysis.

Private Citizens – Tennessee's citizenry use the data maintained by Assessment Systems to evaluate their appraisals, confirm the accuracy of descriptive data and perform individual research.

Businesses – Businesses use the extensive descriptive information regarding property to improve marketing and target services.

Systems

CAAS – Computer Assisted Appraisal System (CAAS) maintains computerized assessment records of real and personal property for 90 counties and 285 cities in tax billing programs. The records stored on the CAAS Website are accessed by visitors 2,500,000 times per year on average.

Local Assessor File – For counties that utilize the state's appraisal system, the local assessor file is a real property inquiring and reporting system which is supplied to counties and DPA regional offices that reside on local computers instead of the mainframe.



ASSESSMENT SYSTEMS

Processes

Storage and Maintenance of Property Tax Data – The Division of Property Assessments (DPA) and the Office of Management Services maintain and process property ownership and description data used to correctly assess all applicable real and personal property.

Property Card Printing – Assessment Systems prints approximately 1,500,000 property record cards annually. These cards are generated for assessor maintenance, personal property maintenance and reappraisal programs.

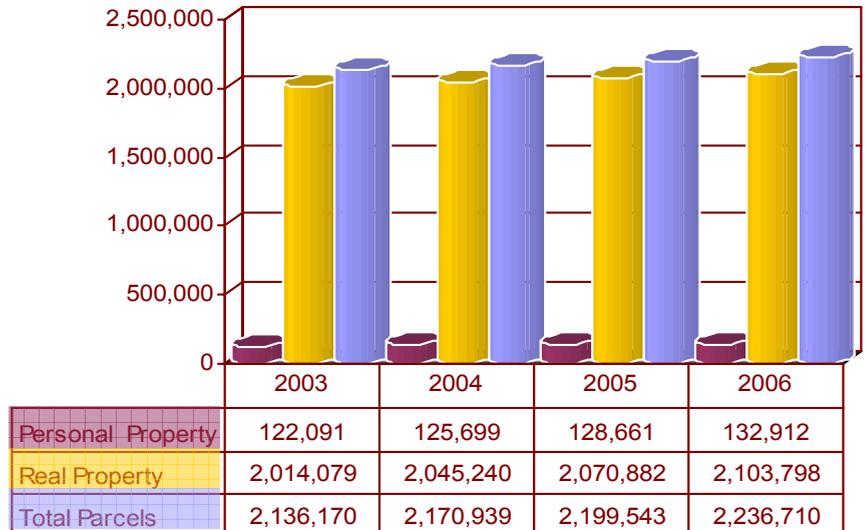
Coordinate County Local Files and State Mainframe

– County assessment staff can see appraisal results instantly when entering property characteristic data, and edits, at the time of data entry guard against invalid data. Appraisal changes made each day are reflected on the on-line assessment summary the following day.

Provide for Assessment Billing - Assessment change notices and assessment rolls are produced from the system to assist assessors in fulfilling legal responsibilities concerning proper notice to taxpayers. Tax notices, receipts, rolls and receipt registers are produced for city and county taxes.

Provide Accurate Assessment Information – Government officials and private citizens have access to property ownership data, property descriptions through property record cards and valuation data through the assessment summary. Summaries for 90 counties provide current market value for the county and assessment values for each property class.

Annual Parcel Counts



SPECIAL PROJECTS

Assessor / Trustee Seminars - Joint seminars for county Assessors of Property and Trustees were sponsored by the Division of Property Assessments for the second consecutive year. The purpose of these seminars is to encourage understanding and cooperation between Assessors and Trustees, and provide an opportunity for dialog about current issues affecting both offices. The attendance by location was: Jackson (67), Nashville (86) and Knoxville (83).

Tax Relief Study - A detailed internal study of the Property Tax Relief Program was completed during the latter part of 2005. The purpose of this effort was to study Tennessee's Property Tax Relief Program from a historical and current perspective in order to assist policymakers in shaping the future of Tax Relief.

A variety of internal and external sources were used to analyze the current method of providing relief. In addition, the administration of tax relief programs in other states was also reviewed. In conjunction with the study, enhanced logic for predicting the fiscal impact of income and value limit changes was developed and implemented.

For more information on Assessment Systems visit our website at www.comptroller.state.tn.us/cpdivpa.htm

ASSESSMENT SYSTEMS



Integrated Multi Processing of Administrative CAMA Technology

Current Status

Planning Phase - Gathering requirements for request for proposal.

Goals

- Consolidate** data residing in today's multiple systems and independent applications.
- Allow an easier**, more direct tracking of a parcel from inception through the Exempt or Appeals process.
- Streamline integration** with required outside systems and users.
- Allow new** and expanded functionality for users at the state and county levels.
- Reduce** paper generation.
- Streamline operations** to better serve the taxpayer.
- Enable increased** utilization of GIS technology and document management tools.
- Improve effective** communications with internal and external audiences.

Partners

- DPA / GIS** – The Division of Property Assessments and the Geographic Information System of Local Government
- SBOE** – The State Board of Equalization
- OSAP** – The Office of State Assessed Property
- IT/OMS** – The Information Technology Section of Office of Management Services

Users

- Counties and State** – Integrating systems should save time, eliminate redundancy and control spending for state and county government.
- Taxpayers** – The implementation of an integrated system should enhance information services for taxpayers.

Outcomes

Implement an integrated system, through the cooperative efforts of divisions in the Office of the Comptroller, for areas with statutory responsibility for property tax administration.

Encourage the collaborative Business and Technology Vision for continuous improvement of technology efforts within the Office of the Comptroller.

FOR ADDITIONAL INFORMATION VISIT IMPACT'S WEBSITE:

<http://www.comptroller.state.tn.us/impact.htm>

This page left blank intentionally.

FIELD OPERATIONS



Goals

Equity and Uniformity of Assessments – The Field Operations Section ensures the equity and uniformity of property assessments through its appraisal ratio study analysis.

County Compliance with Reappraisal Plan – The Field Operations Section monitors county maintenance, analysis, and valuation & depreciation schedule development essential to the successful completion of each appraisal cycle.

Equalization – The Field Operations Section assists counties, upon request, in appeal defense and analysis to ensure property values are equalized as indicated.

Accurate and Timely Assessment Information Management – Assessment data developed and maintained by the Field Operations Section is crucial to the future planning and day-to-day operations of several users at the municipal, county, and state level.

Clients

Assessors of Property – The prime client for field operations, assessors receive technical assistance, field training, data analysis and performance analysis from the Field Operations Section.

Property Owners – The property owners of Tennessee rely on the Field Operations Section to ensure that values are fair and equitable, that reappraisals are completed in a timely fashion and that appraisal performance achieves established standards.

Local Governments – The Field Operations Section provides local municipal and county government leaders with information necessary to effectively predict revenue from ad valorem property taxes for budget preparation and planning.

Other Departments of State Government – Much of the assessment information and statistics developed by Field Operations is relied on by other Departments of Tennessee State Government to perform property related portions of their missions.

Divisions of the Comptroller's Office – The Field Operations Section works to ensure all elements of the Division of Property Assessments, Office of State Assessed Properties, State Board of Equalization, Office of Management Services and others receive the assessment and appraisal information each requires to complete their related missions.



FIELD OPERATIONS

Products/Services

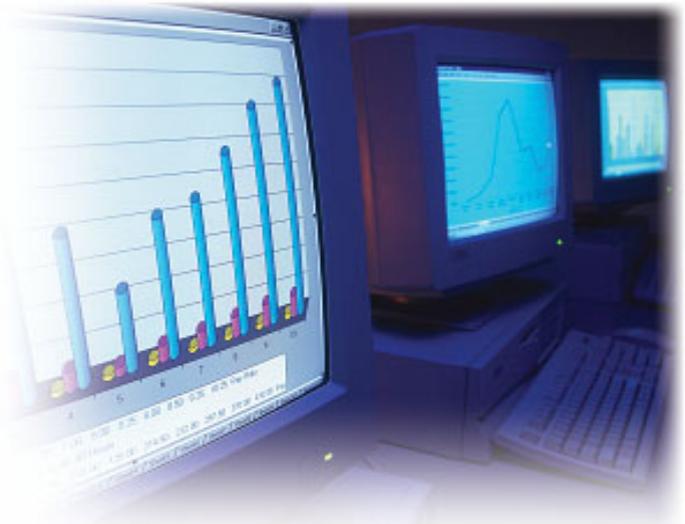
Appraisal Ratio Study - The Division of Property Assessments has statutory responsibility for conducting appraisal ratio studies in all counties in Tennessee at least once every two years. The division coordinates all phases of the study including data collection by assessors, sales data review by division field personnel, and the concluding analysis. [Visit our website for more information on Appraisal Ratios.](#)

Monitoring - A major function for Field Operations is monitoring all 95 counties annually based on the established criteria. Monitoring includes the visual inspection conducted by the assessor's staff to ensure the accuracy of the data essential for a successful reappraisal program and map maintenance regarding property boundary changes, ownership changes and sales data information.

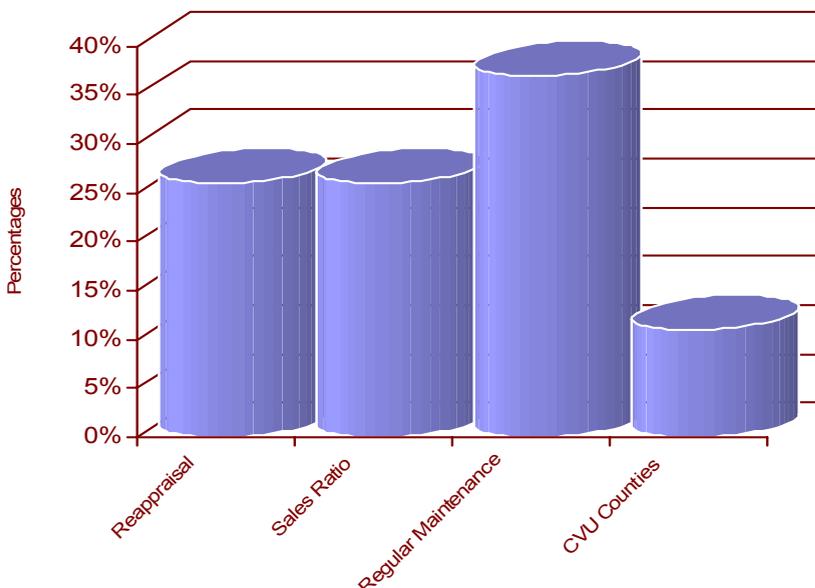
Summaries of the monitoring analysis are also transmitted to the Division of County Audit for inclusion in the annual audit reports.

Coordination - In addition to providing technical support of the Computer Assisted Appraisal System (CAAS) to counties, the field personnel review the assessor's data files using several edit programs designed for PC application.

Current Value Updating - Current Value Updating (CVU) is mandated through legislation enacted in 1993 and commonly referred to as the "90% law." The law requires that ratio studies be performed between appraisal cycles for all counties. The chart below illustrates the percentage of time spent on the primary functions of the field operations section.



2006 Assessment Activity



Reappraisal Grants - A total of \$1,875,379 was granted in FY 2005-2006 to be apportioned to all counties in the state for the purpose of conducting visual inspection and reappraisal according to T.C.A. § 67-5-1601. These funds, an appropriation of the State Board of Equalization Loan Fund, are intended for use by each county to defray any reasonable and necessary reappraisal costs and may not be used to reduce or to offset reductions in local funding for routine assessment functions distinct from reappraisal.

Appeal Assistance - The DPA provides appeal assistance to the assessor of property when requested or when a valuation technique used for a particular group of properties is appealed. During 2005-2006 the division received formal requests from twenty-seven (27) counties for appeal assistance.

FIELD OPERATIONS



Economic Development Agreements

Filing - Copies of industrial development leases and other similar agreements that include property tax incentives for business property are required to be submitted to the State Comptroller and to the county mayor and city mayor where the property is located. (TCA 4-17-301-305).

Analysis - Public Chapter 339 of 2001 amended TCA 7-53-305 to include an analysis of the costs and benefits for all agreements finalized after January 1, 2002. As of the end of fiscal year 2006 a total of one thousand and three (1003) agreements were filed with this office from sixty-one (61) counties. Seventy-two (72) agreements were filed this year from eighteen (18) counties.

Wetlands Acquisition Program

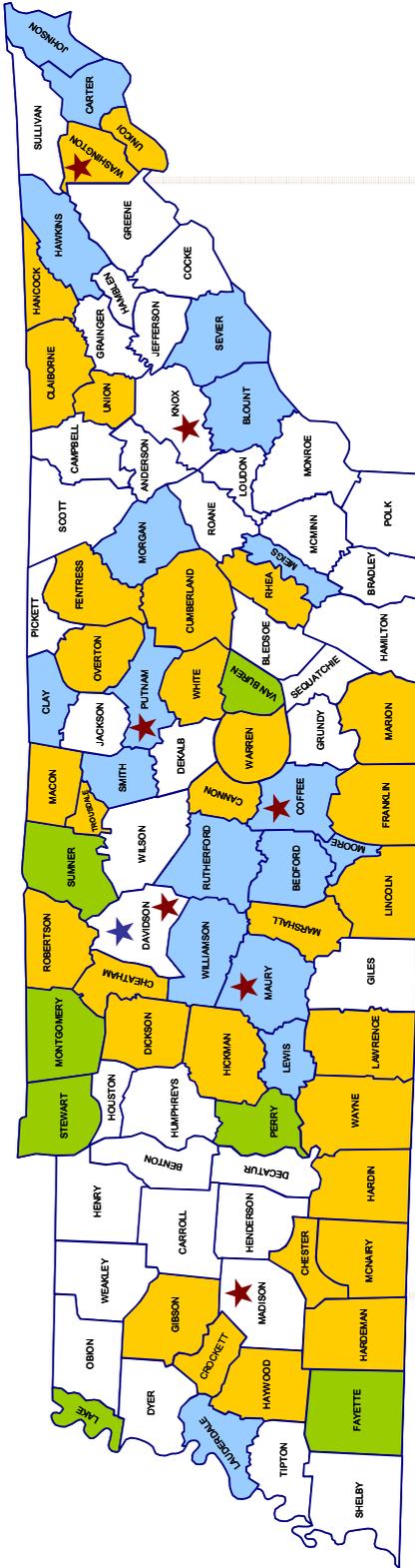
The division's responsibility under the wetlands acquisition program, as set forth in TCA 11-14-406(b), is to certify property tax revenue lost, due to the exemption of acquired property, to the state Commissioner of Finance and Administration.

Tangible Personal Property

The assessment of tangible personal property is governed by Tennessee statutes and the Assessment of Commercial and Industrial Tangible Personal Property rules adopted by the State Board of Equalization (SBOE). The rules call for personal property to be appraised based on an original cost method of valuation while T.C.A. § 67-5-903 establishes depreciation schedules for determining value.

For more information on Field Operations visit our website at www.comptroller.state.tn.us/cpdivpa.htm





★ DPA MAIN OFFICE
 ★ DPA REGIONAL OFFICES
 ★ 2006 REAPPRAISAL COUNTIES
 ● 2006 CVU COUNTIES
 ● 2006 APPRAISAL RATIO STUDY COUNTIES

FIELD OPERATIONS

COUNTY	PARCEL COUNTS	APPRAISAL RATIOS	GRANTS	COUNTY	PARCEL COUNTS	APPRAISAL RATIOS	GRANTS	COUNTY	PARCEL COUNTS	APPRAISAL RATIOS	GRANTS
ANDERSON	35,905	1.0000	\$22,076	HAMILTON	143,920	1.0000	\$87,076	MORGAN	14,627	1.0000	\$8,712
BEDFORD	20,118	1.0000	\$12,213	HANCOCK	5,710	0.8059	\$3,510	OBION	19,405	0.9354	\$11,962
BENTON	16,164	1.0000	\$9,973	HARDMAN	20,337	0.8310	\$12,580	OVERTON	13,928	0.9274	\$8,496
BLEDSE	10,051	1.0000	\$6,101	HARDIN	23,935	0.8150	\$14,543	PERRY	7,429	0.9558	\$4,560
BLOUNT	62,494	1.0000	\$38,119	HAWKINS	37,300	1.0000	\$22,849	PICKETT	5,529	1.0000	\$3,425
BRADLEY	45,235	1.0000	\$27,725	HAYWOOD	11,600	0.9225	\$7,173	POLK	11,860	0.9259	\$7,183
CAMPBELL	28,040	1.0000	\$17,031	HENDERSON	17,052	1.0000	\$11,787	PUTNAM	34,058	1.0000	\$20,881
CANNON	7,372	0.8792	\$4,517	HENRY	25,154	1.0000	\$15,557	RHEA	22,822	0.8891	\$13,983
CARROLL	18,064	0.9346	\$11,111	HICKMAN	18,111	0.9000	\$11,134	ROANE	34,421	1.0000	\$20,924
CARTER	31,383	1.0000	\$19,215	HOUSTON	6,118	0.9784	\$3,774	ROBERTSON	32,131	0.8844	\$19,549
CHEATHAM	19,660	0.8556	\$12,021	HUMPHREYS	12,412	1.0000	\$7,632	RUTHERFORD	86,446	1.0000	\$51,107
CHESTER	8,922	0.9471	\$5,373	JACKSON	8,657	1.0000	\$5,313	SCOTT	14,134	0.9382	\$8,608
CLAIBORNE	21,887	0.8515	\$13,434	JEFFERSON	31,155	1.0000	\$19,015	SEQUATCHIE	10,256	1.0000	\$6,211
CLAY	6,574	1.0000	\$6,769	JOHNSON	13,337	1.0000	\$8,178	SEVIER	71,876	1.0000	\$43,073
COCKE	22,941	1.0000	\$13,969	KNOX	178,715	1.0000	\$107,930	SHELBY	340,268	1.0000	\$208,222
COFFEE	28,742	1.0000	\$17,692	LAKE	3,845	0.9597	\$2,346	SMITH	11,631	1.0000	\$12,077
CROCKETT	9,370	0.9381	\$5,761	LAUDERDALE	15,174	1.0000	\$9,294	STEWART	11,753	0.9282	\$7,274
CUMBERLAND	63,651	0.8545	\$39,235	LAWRENCE	23,036	0.9371	\$14,183	SULLIVAN	83,585	1.0000	\$51,432
DAVIDSON	217,394	1.0000	\$132,918	LEWIS	7,581	1.0000	\$4,644	SUMNER	65,091	1.0000	\$39,212
DECATUR	12,543	0.9465	\$7,704	LINCOLN	17,780	0.8211	\$10,866	TIPTON	28,918	0.9238	\$17,712
DEKALB	16,914	1.0000	\$10,317	LOUDON	30,523	1.0000	\$18,591	TROUSDALE	4,462	0.9310	\$2,701
DICKSON	24,833	0.8567	\$15,217	MCMINN	29,224	0.9121	\$17,964	UNICOI	11,064	0.7848	\$6,810
DYER	20,613	0.9500	\$12,661	MCMURRAY	17,403	0.9333	\$10,586	UNION	13,698	0.8411	\$8,235
FAYETTE	19,588	0.9022	\$11,865	MACON	12,828	0.9019	\$7,770	VAN BUREN	5,010	0.9361	\$3,076
FENTRESS	13,938	0.8327	\$8,518	MADISON	45,057	1.0000	\$28,593	WARREN	21,795	0.9814	\$13,464
FRANKLIN	23,466	0.8757	\$14,426	MARION	18,831	0.9229	\$11,590	WASHINGTON	53,583	0.9054	\$32,672
GIBSON	28,170	0.9350	\$17,262	MARSHALL	15,308	0.9078	\$9,319	WAYNE	12,307	0.9448	\$7,591
GILES	17,267	1.0000	\$10,573	MAURY	37,272	1.0000	\$22,629	WEAKLEY	20,120	0.9479	\$12,102
GRAINGER	14,610	1.0000	\$8,852	MEIGS	8,351	1.0000	\$4,901	WHITE	16,048	0.9000	\$9,883
GREENE	40,901	1.0045	\$25,028	MONROE	26,968	1.0000	\$16,556	WILLIAMSON	64,169	1.0000	\$37,909
GRUNDY	9,747	0.9859	\$5,952	MONTGOMERY	58,455	1.0000	\$35,312	WILSON	45,996	1.0000	\$27,775
HAMLEN	29,317	1.0000	\$17,932	MOORE	3,665	1.0000	\$3,803	TOTALS	3,059,108		\$1,875,379

LEGAL SERVICES



Goals

Legal Assistance - The Legal Services Section of the Division of Property Assessments provides legal services to the Division of Property Assessments, Assessors, Trustees and other government officials and reviews and comments on proposed legislation regarding property assessments.

Interpretation - The Legal Section interprets existing law that addresses property assessment and communicates conclusions to assessment and legislative staff members ensuring equity and uniformity.

Clients

Assessors of Property - Assessors and their staff rely on the Legal Section to communicate policy and procedure, interpret law and suggest legislative remedies for the successful appraisal of all Tennessee property.

Legislators - Legislators use the Legal Section to evaluate the legal impact and intent of proposed legislation regarding property assessment and to determine the fiscal cost of such legislation.

State Agencies - The Comptroller's Office and other state agencies access the Legal Section for questions related to assessment law and the impact of proposed legislation.

Products – Legislative Summary

While the legislature always has several bills introduced affecting property tax issues only a few bills were pushed to passage during the 2006, 104th General Assembly. A brief synopsis of each follows, more detailed information may be found in the Division's Website.

Appeals

Direct Appeals to the State Board of Equalization - Public Chapter 640 amends the legislation TCA § 67-5-1412(b)(2).

Evidence Presented at a Hearing - Public Chapter 823.

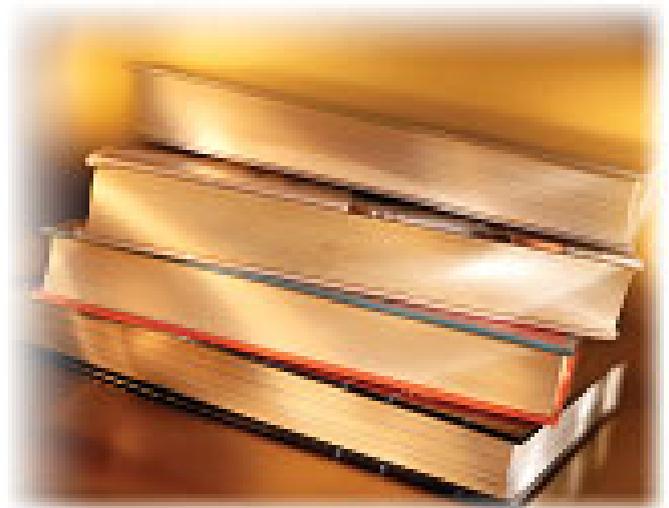
Exemptions

Religious, Charitable, Scientific or Nonprofit Education Property - Public Chapter 740.

Land Exemption - Public Chapter 861.

Greenbelt

Rollback Assessment - Public Chapter 861.



LEGAL SERVICES

Personal Property

Computer Software - Public Chapter 821.

Real Property

Storage Tanks - Public Chapter 521.

Property Tax Relief / Assistance

Income Limits and Value - Public Chapter 1019.

Disabled Veterans - Public Chapter 884.

Property Tax Relief Offered by Local Governments - Public Chapter 739.

Constitutional Amendment - Senate Joint Resolution 1 - Proposes an amendment to Article II, Section 28 of the Tennessee Constitution to give the general assembly, by general law, the authority to authorize counties and municipalities to adopt a resolution or ordinance to create a program of tax relief for certain elderly homeowners in the form of a tax freeze.

Disabled Veterans Surviving Spouse - Public Chapter 978.

Public Utilities

Motor Bus and Truck Companies - Public Chapter 672.

Miscellaneous

Shelby County Board of Equalization - Public Chapter 734.

Sale of Tax Receivables - Public Chapter 881.

Redemption of Property Sold for Delinquent Property Taxes - Public Chapter 817.



Attorney General Opinions

Lack of County Authority to Assess and Audit Properties of Centrally-Assessed Taxpayers (Opinion No. 05-092).

Authority to Compromise Contested Property Tax Assessments (Opinion No. 05-102).

Delinquent Tax Sales Conducted by Clerk and Master (Opinion No. 05-156).

Governmental Entity's Authority to Contract with Private Firm to Audit, Assess, or Collect Taxes (Opinion No. 05-181).

County Assessor's and Board of Equalization's Powers to Compel Witnesses (Opinion No. 06-059).

For more information on Legal Services visit our website at www.comptroller.state.tn.us/cpdivpa.htm

PROPERTY TAX RELIEF PROGRAM



Goals

Provide Property Tax Relief to all Qualified Applicants – The Property Tax Relief Section will ensure that all qualified applicants receive tax relief payments that are accurate and are processed in a timely manner.

Trustee and City Collector Coordination – The Tax Relief Section will work in coordination with the trustee and the city collectors of each county to ensure that accurate accounting standards are complied with regarding qualification and payment of relief to qualified recipients.

Clients

Elderly Homeowners, Disabled Homeowners, Disabled Veterans and their Surviving Spouses – The elderly and disabled homeowners represent the majority of all claims processed while disabled veterans and their surviving spouses make up the remainder of those receiving tax relief benefits.

County Trustees and City Collectors – The county trustee's office and many city collectors rely on the Property Tax Relief Section to identify qualified applicants and to administer the tax relief payments.

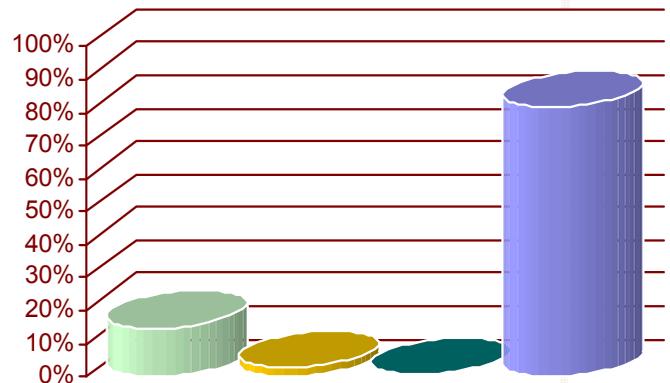
Products

Reimbursements – Eleven employees process the applications for reimbursement payments for approximately 75,000 claims annually. Reimbursements are limited to the first \$18,000 of market value for the property for elderly and disabled homeowners. Disabled veterans and their surviving spouses receive reimbursements on the first \$150,000 of market value for the property. In addition, the elderly and disabled applicants must have income of \$12,980 or less annually to qualify.

Enhancements

The Property Tax Relief Section has experienced significant success through the implementation of the Web Based Application. Jurisdictions have the option of submitting ACV's and DV's through the Tax Relief Web. As a result, the majority of the new and returning applicants are processed through the web.

PERCENTAGE OF ANNUAL TAX RELIEF BY GROUP



	Disabled	Disabled Veterans	Widow(er) of Disabled Veteran	Elderly
Number of Claims	10,490	2,114	623	55,967
Average Payment per Claim	\$108.98	\$631.95	\$652.94	\$123.37
Total Amount of Payments	\$1,143,200	\$1,335,942	\$406,781	\$6,904,649

For more information on Property Tax Relief visit our website at www.comptroller.state.tn.us/cpdivpa.htm

This page left blank intentionally.

TRAINING

Goals

Administer the Assessment Certification and Education Program – The Training Section administers certification testing for county and state assessment staff, monitors certificate requirements and requests certificates from the State Board of Equalization.

Provide a Comprehensive Training Program – The Training Section offers a course calendar each year that allows participants to develop appraisal skills and achieve professional certification. County Equalization Board Seminars are also provided to improve equalization.

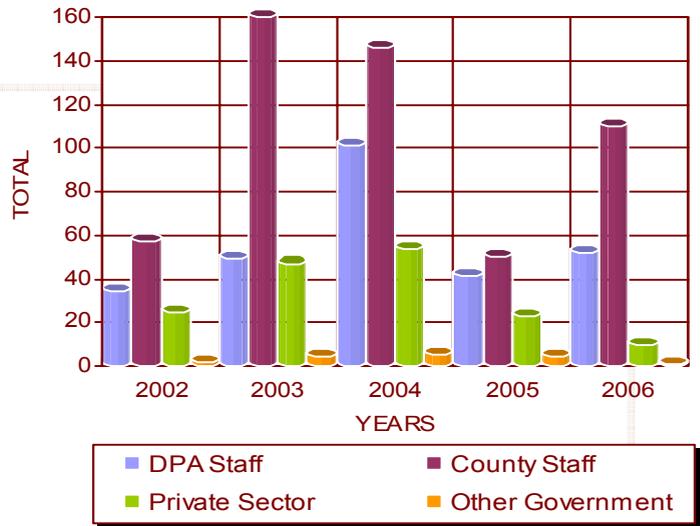
Maintain Accurate Training Files on Participants – The section updates training files from course grade reports, individually submitted continuing education forms and from certificates of other appraisal organizations.

Clients

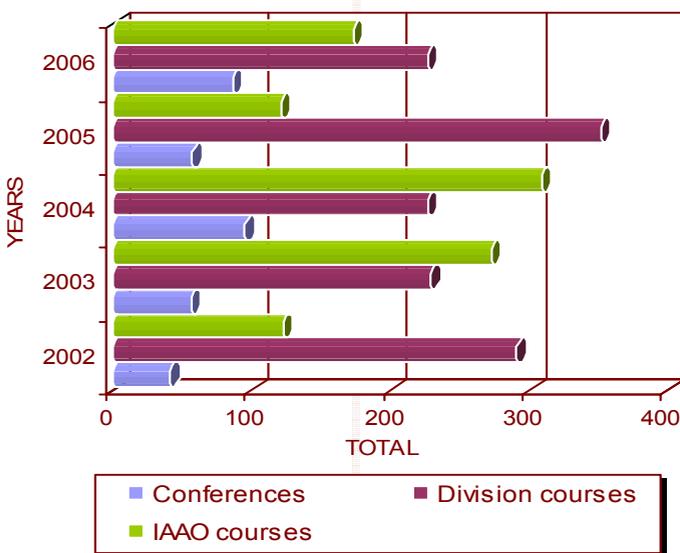
State and County Assessment Staff – The section administers technical training for approximately 1,200 state and county employees and oversees the development of roughly 400 in the Assessment Certification Program.

County Boards of Equalization – County Board Seminars are scheduled each year across the state for assessors and their respective board members to improve equalization and equity of assessments.

IAAO ATTENDANCE BY GROUP



CONFERENCE AND TRAINING ATTENDANCE



Products

Assessment Certification Program - The training section of the division, under the auspices of the State Board of Equalization, administers the Assessment Certification Program. This program is designed to encourage technical and professional development for all assessment employees through the achievement of prescribed levels of Assessment Certification.

Education Calendar - Assessment education is offered to all state and county employees involved in assessment for ad valorem taxation as well as paying private sector participants.

Course Scheduling - The division schedules between ten to fourteen classes per year in conjunction with the seminars and conferences that are attended annually.

Attendance - Because counties have a more significant turnover ratio, their attendance numbers are greater relative to other groups. The above histogram represents annual attendance for the previous five years. The histograms display total attendance, by group and organization, annually for 2002 through 2006.

For more information on Appraisal Training visit our website at www.comptroller.state.tn.us/cpdivpa.htm

This page left blank intentionally.

ANALYSIS, DEVELOPMENT AND REDISTRICTING

Goals

Improve Assessment Equity and Uniformity through a Statewide Tennessee Base Mapping Program (TNBMP) - The Office of Local Government Geographic Information System (OLG GIS) and the Office of Information Resources (OIR), GIS Services section, created and maintain a statewide, seamless GIS database through a partnership known as the Tennessee Base Mapping Program (TNBMP).

Provide GIS Leadership - OLG GIS has a leadership role in a statewide initiative for GIS data distribution, application development, and redistricting efforts.

Continual Improvement of Technology and Awareness - As a lead agency in the TNBMP,

the OLG GIS is instrumental in developing tools to support GIS Mapping and to build awareness of the program through its outreach to county assessors. OLG GIS also coordinates the maintenance of the parcel data produced by the Base Mapping Program by providing technical assistance, monitoring, and support for participating county assessors and keeps the Comptroller's GIS technology current.

Clients

State and County Assessment Staff - OLG GIS uses GIS technology to assist both the Division of Property Assessments (DPA) as well as county assessors in reappraisals, current value updates (CVU), appeals, monitoring, and the daily activities within an assessor's office. In general, GIS technology improves the efficiency and equalization of property assessments across the state.

US Census Bureau - OLG GIS serves as liaison to the US Census Bureau for Tennessee's redistricting program.

Other Federal and State Agencies - Various OLG GIS programs enable federal and state agencies to share and exchange GIS data and information, reducing costs and improving information consistency.

Products

Tennessee Base Mapping Program (TNBMP) - This GIS program and its products provide significant benefit to the State and to county assessors. By linking the digital property data and the State's assessment database (CAAS), the parcel-based GIS gives assessment personnel the ability to view and query assessment data in an entirely new way.

Research and Development - OLG GIS works to continuously improve GIS functions within State government through the use of Enterprise GIS data repositories, standard GIS data models based on proven design, adoption of open database structures, open GIS standards, mobile GIS (GPS), and implementing programmatic solutions aimed at streamlining state business processes.

Future Developments

GIS has evolved into a useful and necessary tool in the assessment process. In the future, local governments, state government and all divisions in the Comptroller's office will utilize GIS in some aspect of their work. GIS is the tool of the future that is here today.



Goals

Complete and Accurate Ownership Map Inventory – The GIS/Mapping Section's primary goal is a complete and accurate inventory of all property within each county's physical boundaries. Using deed descriptions from the Office of the Register of Deeds, the Assessor begins the updating process. Parcel splits and consolidations are mapped on parcel maps and submitted to the state on a biennial cycle where technicians capture and transfer the updates to either the original source document (mylar) or to a computer database using Geographic Information System (GIS) software and tools.

Assessor Compliance with T.C.A. § 67-5-806(b) - Assessors of Property in non-metropolitan counties are required by T.C.A. § 67-5-806(b) to file a copy of their

maps in the Office of the Register of Deeds by October 1 of each year. After counties file their maps they must certify the filing to the OLG GIS/Mapping Section by October 15. Maps also must reflect the status of ownership as of January 1. The OLG GIS/Mapping Section must submit a report to the State Board of Equalization by November 15 summarizing county compliance with this statute.

Conversion of all County Parcel Maps to Digital Format - Since 1996, the state has been involved in the Tennessee Base Mapping Program (TNBMP) which requires all county parcel maps to be converted to a digital format. The contractor for this project is Tennessee Geographic Information (TGI) who is responsible for the conversion and production of digital products for all Tennessee counties. Currently, TGI has produced digital products for 68 counties and is scheduled to complete the remaining counties by the summer of 2007. (Reference Production Status map on page 19)

Clients

County Assessors and State Assessment Staff - Appraisal programs require an accurate inventory and description of all property within the respective county's boundaries. A timely and accurate ownership mapping program is the first step to a successful reappraisal.

County and City Governments, Utility Districts and E-911 - Planning and zoning boards rely on accurate map displays for land use decisions. Utility districts use particular layers of the map to plot future utility development, and E-911 have integrated their data into the GIS/Mapping application for better identification and response.

Public - Through the Comptroller's website information concerning map availability, cost and revision dates for 95 counties in Tennessee is available to the public. The OLG GIS/Mapping section serves as a repository for the 55 counties maintained by this office. Map copies which are reproduced from the source documents may be purchased for a fee and are available in two sizes. The large maps measure 2' x 3' and the 'mini maps measure 11" x 17" .



MAPPING

Products

Biennial Map Revisions - Parcel splits and consolidations are mapped on parcel maps and submitted to the state on a biennial cycle where technicians capture and transfer the updates to either the original source document (mylar) or to a computer database using Geographic Information System (GIS) software and tools.

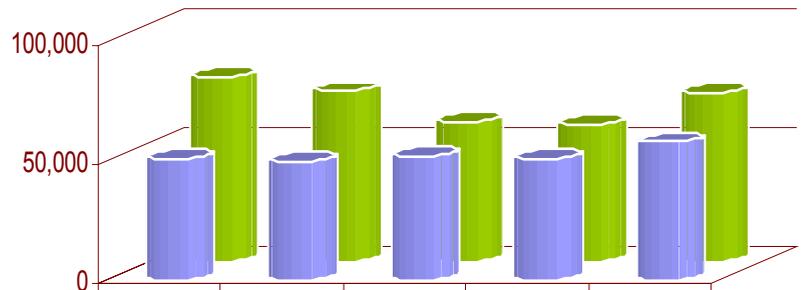
Tennessee Base Mapping Program -

The mapping process is undergoing a transition from updating parcel paper maps by hand to updating parcel data in a digital format. In 1996 the Comptroller's Office partnered with the Department of Finance and Administration to implement the statewide Tennessee Base Mapping program (TNBMP). This program requires all county parcel maps (source documents) to be converted to a digital format.

In 1996 the Comptroller's Office partnered with the Department of Finance and Administration to implement the statewide Tennessee Base Mapping program (TNBMP). This program requires all county parcel maps (source documents) to be converted to a digital format.

Map Replication Services - The OLG GIS/Mapping Section serves as a repository for the 55 counties maintained by this office. Replication services are provided for the general public and all governmental entities. Map copies which are reproduced from the source documents may be purchased for a fee and are available in two sizes. The large maps measure 2'x 3' and the mini maps measure 11" x 17".

OWNERSHIP MAP SALES REVENUE AND PRODUCTION



	2002	2003	2004	2005	2006
Map Reproduction	50,528	49,141	52,012	50,332	57,627
Map Sales Revenue	\$77,440	\$71,041	\$57,972	\$57,102	\$70,124

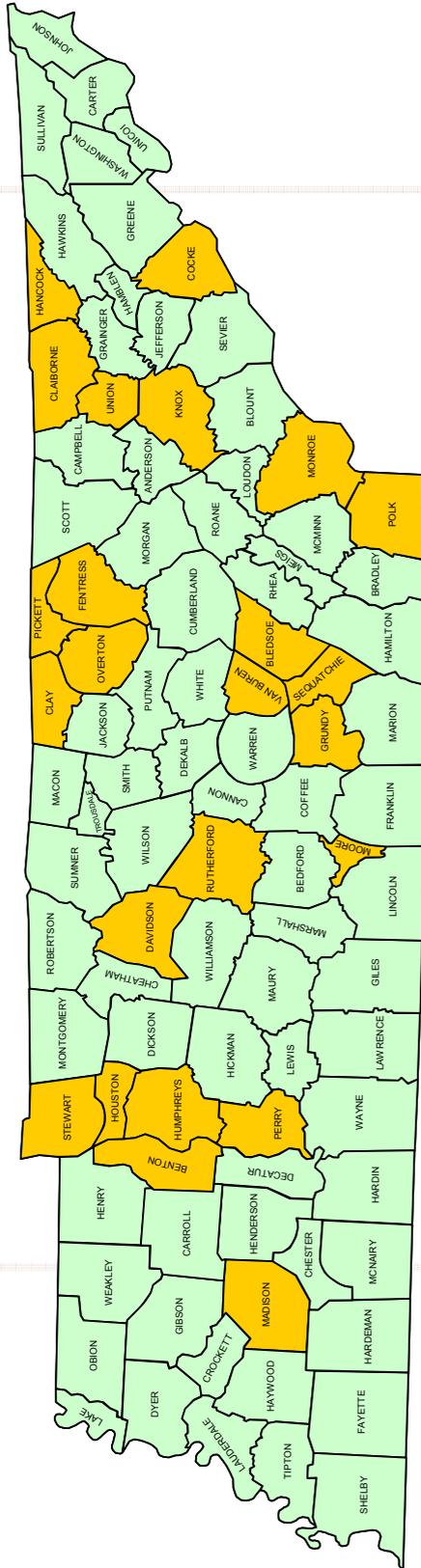
Future Developments

During the past several years the OLG GIS/Mapping Section has been updating county maps on a biennial cycle. While this cycle has worked well with the state and most counties it does not allow the parcel map to stay current with the assessment data. With the development of GIS and more counties choosing to perform local maintenance through the TNBMP, it is our intention to progress to an annual updating cycle.

For more information on GIS/Mapping visit our website at www.comptroller.state.tn.us/cpdivpa.htm



TENNESSEE BASE MAPPING PROGRAM CURRENT PRODUCTION STATUS



Complete
 In Progress

COMPLETED COUNTIES

ANDERSON
 BEDFORD
 BLOUNT
 BRADLEY
 CAMPBELL
 CANNON
 CARROLL
 CARTER
 CHEATHAM
 CHESTER
 COFFEY
 CROCKETT
 CUMBERLAND
 DECATUR
 DEKALB
 DICKSON
 DYER
 FAYETTE
 FRANKLIN
 GIBSON
 GILES
 GRAINGER
 GREENE
 HAMBLEN
 HAMILTON
 HARDEMAN
 HARDIN
 HAWKINS
 HAYWOOD
 HENDERSON
 HENRY
 HICKMAN
 JACKSON
 JEFFERSON
 JOHNSON
 LAKE

IN PROGRESS

BENTON
 BLEDSOE
 CLAIBORNE
 CLAY
 COCKE
 DAVIDSON
 FENTRESS
 GRUNDY
 HANCOCK
 HOUSTON
 HUMPHREYS
 KNOX
 MADISON
 MOORE
 MONROE
 OVERTON
 PERRY
 PICKETT
 ROBERTSON
 SCOTT
 SEVIER
 SHELBY
 SMITH
 SULLIVAN
 SUMNER
 TIPTON
 TROUSDALE
 UNICOI
 WARREN
 WASHINGTON
 WAYNE
 WEAKLEY
 WHITE
 WILLIAMSON
 WILSON

HISTORY

*T*hirty-nine years ago the Eighty-fifth General Assembly of the state of Tennessee established the Division of Property Assessments (DPA) in the office of the Comptroller of the Treasury. Governor Buford Ellington signed the law establishing the division on May 25, 1967. The initial role of the DPA was to supervise the statewide mapping and reappraisal programs. As property tax legislation and technology evolved so did the role of the DPA. Over the course of its thirty-nine year history the DPA has added the oversight and administration of the Property Tax Relief Program, the technical and professional training for state and county assessment personnel, the personal property program, the support and service of the computer appraisal system, appraisal ratio studies and current value updating to those initial responsibilities.

The DPA began with four employees in the Capital Boulevard Building. By 1970 the DPA had moved to the Andrew Jackson Building and remained there until October of 1974. From October 1974 through October 1976 the DPA was housed at 301 14th Avenue North, while the computer section remained in the Andrew Jackson Building. In October 1976 the entire division was relocated to 289 Plus Park Boulevard and remained there until the move in 1980 to the current location in the James K. Polk State Office Building.

While the DPA has experienced change throughout its tenure the one constant has been in the office of the Comptroller of the Treasury. With the retirement of William R. Snodgrass in fiscal year 1999 the office of the comptroller lost a remarkable employee with an illustrious career in public service. The present Comptroller of the Treasury, John G. Morgan, has managed a seamless transition owing to his long affiliation with Mr. Snodgrass and their common goals. This stability in leadership has ensured continuity during the DPA's continual evolution.

www.comptroller.state.tn.us/cpdivpa.htm