



2014

ANNUAL REPORT

July 1, 2013 - June 30, 2014

Division of Property Assessments

OUR GOALS ARE...

- 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 mass 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 through the division's Assessment Certification and Education Program.
- To administer the Property Tax Relief Program in a manner that all qualifying low-income elderly, disabled, disabled veterans and surviving spouses of disabled veterans will receive timely and accurate rebates.
- To monitor and assist local jurisdictions with the Property Tax Freeze program through use of the Comptroller's web-based Tax Freeze System.
- 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).



War Memorial Plaza-Nashville



To achieve success in administering Tennessee's Property Tax System, we hold to our Core Values in everything we do.

HONESTY - INTEGRITY - ACCURACY - RELIABILITY - ACCOUNTABILITY

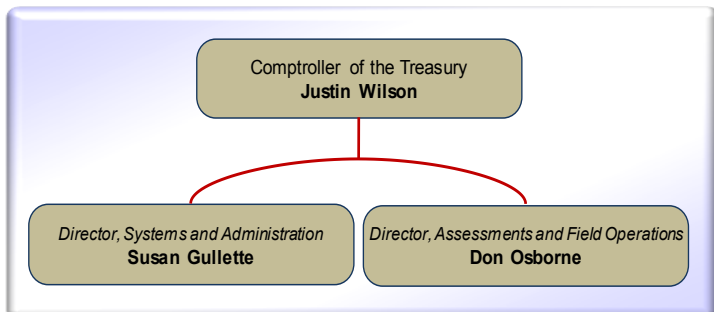
The Core Values of the Division of Property Assessments are those values we hold which form the foundation on which we perform our work and conduct ourselves. We have many values, but some of them are so crucial, so important to us that throughout the changes in society, government, politics, and technology they are still the Core Values we will abide by. In an ever-changing world, Core Values are constant. Core Values are not descriptions of the work we do or the plans we implement to accomplish our mission. The Values underlie our work, how we interact with each other, and which strategies we employ to fulfill our mission. The Core Values are the basic elements of how we go about our work. They are the practices we use every day.

ADMINISTRATION

The Administration section is responsible for managing the Assessor Certification and Education Program in addition to the development, implementation, and monitoring of the division's annual operating budget. Administration also oversees the annual strategic plan and risk assessment for the division.

- During Fiscal Year (FY) 2014, technical appraisal training was provided to 373 students through 22 courses and workshops that were held in various locations across the state.
- The County Equalization Board Seminars were attended by approximately 283 participants in 5 locations across the state.
- The 2013 Assessor Retreat was attended by approximately 192 state and county government participants representing 66 counties from across the state.
- Currently the Assessment Certification and Education Program has a total of 15 Certified Assessment Evaluator (CAE), 66 Tennessee Master Assessor (TMA), and 89 Tennessee Certified Assessor (TCA) designation/certification holders that are active.
- The Assessment Certification and Education Program awarded 5 TMA, 3 Assessment Level IV, 4 Assessment Level II, and 20 Assessment Level I certifications this fiscal year. There were no TCA certifications awarded.
- The State Board of Equalization will make incentive compensation payments (county employees only) to 5 CAE, 43 TMA and 23 TCA designation/certification holders in good standing.

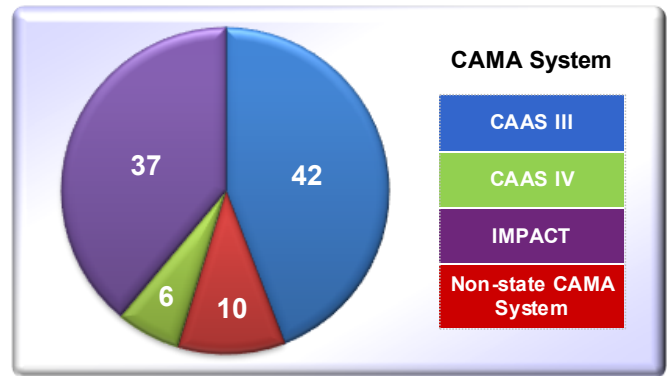
Property Assessments Organization



SYSTEMS

- **The Integrated Multi Processing of Administrative and CAMA Technology (IMPACT)** system is the largest software application project today in the Office of the Comptroller. IMPACT replaces multiple legacy systems and databases, plus a variety of individual spreadsheets and charts. Among the many benefits of IMPACT, the new system introduces a single relational database that allows the business areas to share dependent data, removing redundant manual entry and reconciliation tasks.
 - ♦ Training is conducted by personnel from our area offices. This has been a huge success. The area office personnel are familiar with the individual county offices, as most of them have been working with them for years. Having local staff train also allows for more individual time with the users. Training consists of a mix of lecture and hands on exercises for a period of five days. This process has been very well received by both trainers and county staff users.
 - ♦ For FY 2014, 37 counties are currently on the IMPACT system. Additional counties will be added throughout FY 2015.

Tennessee CAMA Systems



- **Assessment Systems** is comprised of 11 employees located in the DPA's Nashville office. Assessment Systems assists both county and city local tax authorities with the preparation of their annual tax billing documents and data.

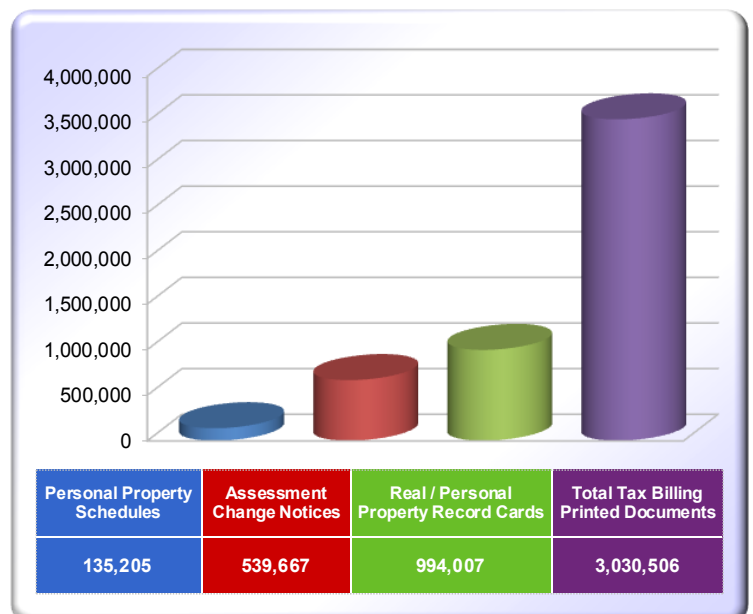
♦ Computer Assisted Appraisal System (CAAS)

- ✓ 78,346 personal property schedules were printed
- ✓ 246,364 assessment change notices were printed
- ✓ 625,600 real and personal property record cards were printed
- ✓ 52,306 property tax roll pages were printed (*24 parcels per page*)
- ✓ 837,329 property tax notices were printed
- ✓ 118,185 property tax receipts were printed

♦ IMPACT

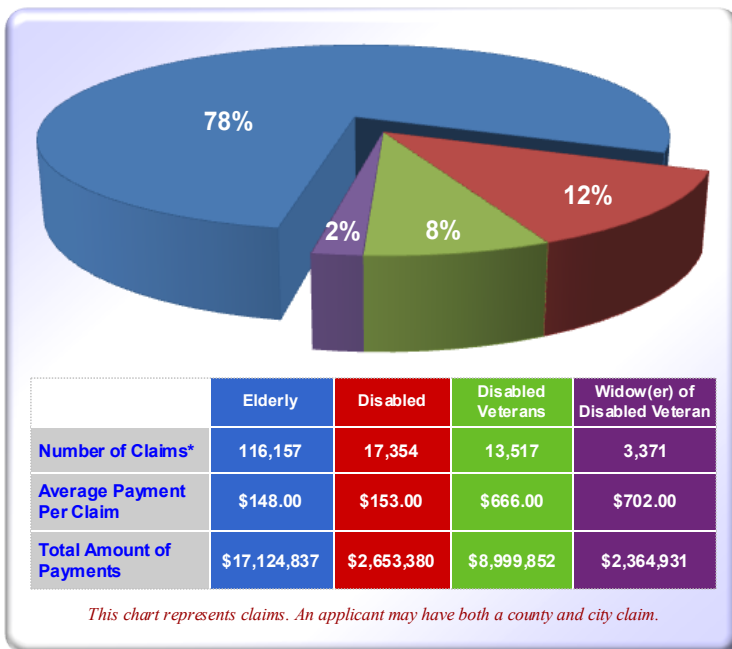
- ✓ 56,859 personal property schedules were printed
- ✓ 293,303 assessment change notices were printed
- ✓ 368,407 real and personal property record cards were printed
- ✓ 21,151 property tax roll pages were printed (*24 parcels per page*)
- ✓ 235,866 property tax notices were printed
- ✓ 76,158 property tax receipts were printed

2013 Parcels/Records Processed by Assessment Systems



- **Property Tax Relief** is comprised of 14 employees located in the DPA's Nashville office that process all Tax Relief applications statewide. The Property Tax Relief Program helps pay the taxes or a portion of an elderly, disabled, disabled veteran or widow(er) homeowner's taxes who meet the criteria.
 - ◆ For FY 2014, \$28.4 million was appropriated for the Tax Year (TY) 2013 Tax Relief Program. An additional \$3 million was appropriated afterwards. The pie chart (below) represents the dollar amount paid to each classification across the state.
 - ◆ The Tax Relief Program sent out over 138,000 vouchers to returning applicants to assist with property taxes for TY 2013.
 - ◆ Over 18,000 new applications were received for TY 2013.
 - ◆ Over 150,000 claims were processed for TY 2013 totaling \$31 million.
- **Property Tax Freeze** was enacted in 2007 and since its enactment the Property Tax Freeze Program has been adopted by 23 counties and 28 cities across the state.

Percentage of Tax Year 2013 Tax Relief Claims by Classification



SPECIAL PROJECTS

- The majority of Special Projects time and energies have been dedicated to the IMPACT project. Activities related to IMPACT included:
 - ◆ Research and resolution of technical issues
 - ◆ Testing of enhancements
 - ◆ Data conversion validation
 - ◆ Creation of setup tables and data for reappraisal
 - ◆ Development of assessment data extracts
 - ◆ Development of special queries and reports
 - ◆ Training and support for Tax Freeze assessment functionality
 - ◆ Configuration modifications to user interface

- In addition to the IMPACT project, Special Projects was also involved with the following:
 - ◆ Analysis and calculations regarding Tax Relief legislation
 - ◆ Consultation on general Tax Freeze issues
 - ◆ Work toward development of an IMPACT property record card for use with the state MapViewer GIS viewing and analysis application
 - ◆ Cross-training of other division personnel on IMPACT reappraisal and data analysis functions

LEGAL SERVICES

The 108th General Assembly adjourned sine die on Friday, April 17, 2014 which is the earliest adjournment in recent memory. Senate Speaker Ron Ramsey and House Speaker Beth Harwell wanted to move their respective chambers to complete their work efficiently and quickly. The 2014 Session of the 108th General Assembly saw limited legislation dealing with property tax issues. The following is a summary of legislation that passed during the 2014 Session that will affect property tax administration along with relevant opinions from the Attorney General's Office.

- **General Property Administration**

- ◆ Public Chapter 691
- ◆ Public Chapter 838

- **Greenbelt**

- ◆ Public Chapter 589

- **Tax Incentives-Pilot Agreements**

- ◆ Public Chapter 933

- **Exemptions**

- ◆ Public Chapter 887

- **Tangible Personal Property**

- ◆ Public Chapter 938

- **Collection**

- ◆ Public Chapter 825
- ◆ Public Chapter 883
- ◆ Public Chapter 937

- **Property Tax Relief**

- ◆ Public Chapter 860

- **Property Tax Freeze**


- ◆ Public Chapter 938

- **Attorney General Opinions**

- ◆ Meaning of Obvious Clerical Mistakes Under Tenn. Code Ann. § 67-5-509(f) (Opinion No. 13-103)

Detailed information on this legislation can be found on the Tennessee General Assembly's website at www.capitol.tn.gov.

 Visit us on the web at www.comptroller.tn.gov/pa/

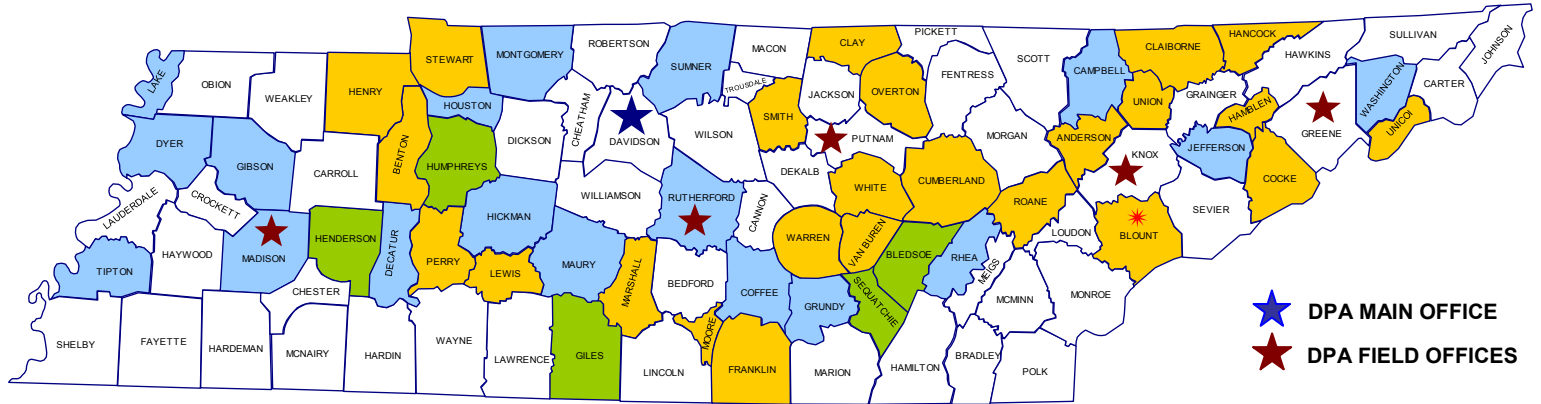
 Comptroller of the Treasury, Division of Property Assessments. Authorization No. 307185, 0 copies, June 30, 2014. Promulgated at a cost of \$0.00 per copy.

FIELD OPERATIONS

Field Operations is comprised of approximately 63 employees assigned to 3 assessment areas operating in 5 field offices located throughout the state, as well as in the DPA's Nashville office. The field staff monitors the quality and quantity of annual maintenance and the visual inspection cycle and reappraisal programs performed by the assessors. In addition, Field Operations also provides technical assistance to assessors, develops current value updates, conducts appraisal ratio studies, and assists in defending property values in appeals as requested.

- Appraisal ratio studies were performed in 24 counties for 2014 pursuant to T.C.A. § 67-5-1604 and 1605.

- Eighteen (18) 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 5 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 1998 continue to improve the uniformity and equity of personal property.



** Blount Co. moved reappraisal from 2014 to 2015. Now on 5 year cycle with Ratio Study in 2014*

● 2014 REAPPRAISAL COUNTIES
 ● 2014 APPRAISAL RATIO STUDY COUNTIES
 ● 2014 CVU COUNTIES

COUNTY	2013 PARCEL COUNTS	2014 APPRAISAL RATIOS	COUNTY	2013 PARCEL COUNTS	2014 APPRAISAL RATIOS	COUNTY	2013 PARCEL COUNTS	2014 APPRAISAL RATIOS
ANDERSON	37,655	1.0517	HAMILTON	147,823	1.0000	MORGAN	16,927	1.0529
BEDFORD	21,542	1.0520	HANCOCK	6,497	1.0283	OBION	19,263	1.0000
BENTON	16,295	0.9743	HARDEMAN	20,130	1.0000	OVERTON	15,028	0.9798
BLEDSCOE	12,446	1.0330	HARDIN	26,972	1.0000	PERRY	8,502	1.0000
BLOUNT	66,024	1.0185	HAWKINS	39,786	1.0377	PICKETT	5,878	1.0000
BRADLEY	46,426	1.0000	HAYWOOD	11,339	1.0000	POLK	13,219	1.0000
CAMPBELL	31,343	1.0000	HENDERSON	17,806	0.9932	PUTNAM	35,842	0.9872
CANNON	7,981	1.0000	HENRY	25,854	0.9739	RHEA	23,975	1.0000
CARROLL	19,625	1.0000	HICKMAN	19,279	1.0000	ROANE	35,710	1.0770
CARTER	31,963	0.9984	HOUSTON	6,527	1.0000	ROBERTSON	33,747	1.0000
CHEATHAM	21,166	1.0000	HUMPHREYS	13,241	0.9647	RUTHERFORD	101,496	1.0000
CHESTER	9,520	1.0013	JACKSON	8,862	1.0195	SCOTT	16,929	1.0000
CLAIBORNE	23,481	0.9794	JEFFERSON	30,911	1.0000	SEQUATCHIE	12,047	0.9760
CLAY	6,559	0.9500	JOHNSON	14,208	1.0147	SEVIER	80,598	1.0440
COCKE	25,716	1.0557	KNOX	186,475	1.0000	SHELBY	332,572	1.0000
COFFEE	29,679	1.0000	LAKE	3,680	1.0000	SMITH	12,784	0.9922
CROCKETT	9,547	0.9495	LAUDERDALE	13,210	1.0089	STEWART	12,208	1.0081
CUMBERLAND	67,014	1.0045	LAWRENCE	23,665	1.0000	SULLIVAN	84,266	1.0000
DAVIDSON	229,603	1.0000	LEWIS	8,356	0.9956	SUMNER	71,517	1.0000
DECATUR	13,868	1.0000	LINCOLN	18,672	1.0000	TIPTON	30,093	1.0000
DEKALB	17,971	1.0765	LOUDON	33,083	1.0000	TROUSDALE	4,751	1.0716
DICKSON	26,624	1.0000	MACON	13,527	1.0000	UNICOI	11,058	0.9735
DYER	20,633	1.0000	MADISON	46,581	1.0000	UNION	14,924	1.0414
FAYETTE	23,142	1.0000	MARION	21,439	1.0268	VAN BUREN	7,964	1.0115
FENTRESS	17,002	1.0000	MARSHALL	16,891	0.9757	WARREN	22,502	1.0000
FRANKLIN	24,194	0.9959	MAURY	41,247	1.0000	WASHINGTON	58,461	1.0000
GIBSON	28,926	1.0000	MCMINN	30,807	1.0000	WAYNE	13,757	0.9785
GILES	18,140	1.0094	MCNAIRY	18,613	1.0205	WEAKLEY	20,092	1.0000
GRAINGER	15,915	1.0207	MEIGS	9,437	0.9134	WHITE	16,899	1.0101
GREENE	43,051	1.0000	MONROE	28,918	1.0000	WILLIAMSON	75,217	0.9770
GRUNDY	11,144	1.0000	MONTGOMERY	70,904	1.0000	WILSON	53,361	0.9742
HAMBLÉN	28,616	1.1045	MOORE	4,076	0.9967	TOTALS	3,243,214	