



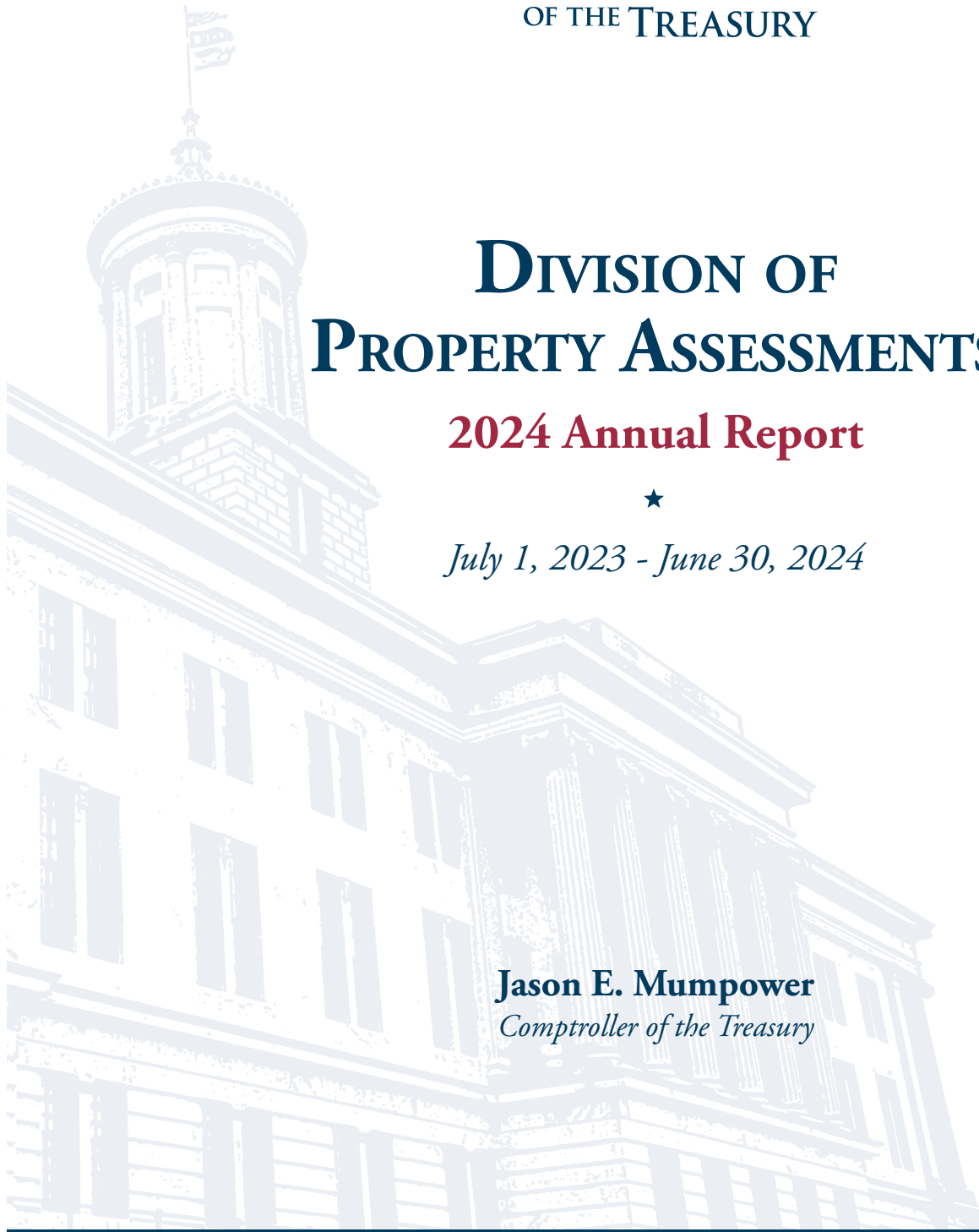
DIVISION OF PROPERTY ASSESSMENTS

2024 Annual Report



July 1, 2023 - June 30, 2024

Jason E. Mumpower
Comptroller of the Treasury



Pursuant to Tenn. Code Ann. § 67-1-202(a)(7), this report provides a summary of the work accomplished by the Tennessee Comptroller of the Treasury's Division of Property Assessments during the fiscal year ending June 30, 2024.

MESSAGE FROM THE DIRECTOR OF PROPERTY ASSESSMENTS



Bryan Kinsey
Director

Members of the State Board of Equalization:

I am pleased to present the State Board of Equalization with this report, which highlights the work accomplished by the Comptroller's Division of Property Assessments (DPA) in fiscal year 2024.

DPA's primary function is supporting and overseeing property tax administration in local jurisdictions across the state. We accomplish this in multiple ways. We train and support assessors of property in appraisal concepts and daily assessment-related functions. We provide various forms of technology to enable efficiency and a means for fair and equitable assessments. We monitor the statutory requirements placed on assessors to ensure compliance with the laws of our state. Additionally, we maintain collaborative partnerships with the Tennessee Association of Assessing Officers (TnAAO), the assessor's professional association, and the County Technical Assistance Service (CTAS). These partnerships with TnAAO and CTAS ensure we understand current and emerging issues from multiple perspectives.

Significant accomplishments were achieved in our technological offerings to assessors of property. We conducted meetings across the state to learn what our customers need in their assessment software, IMPACT (Integrated Multi-Processing of Administrative and CAMA Technologies). We are now working to deliver on their expectations. We are nearing completion of a statewide conversion of geographic information systems (GIS) software to the latest industry standard. Finally, we partnered with the Comptroller's Technology Solutions (TS) division to significantly upgrade internet connectivity in many county offices.

Tennessee has continued to experience a robust real estate market, with typical sale prices far outpacing appraisals set in a prior year of county-wide revaluation. This has once again resulted in abnormally low appraisal ratios, which are used for equalization purposes. Because appraisal ratios have such broad effects, conversations have begun about the need to modernize the revaluation process in Tennessee in favor of more frequent, revenue-neutral revaluations. Such a modernization effort would provide fairer and more equitable assessments that are more closely aligned with current market values, thus benefiting taxpayers and local governments.

I'm pleased that DPA staff members continue to innovate, initiate, and communicate with our various stakeholders to ensure our customers' needs are met as we continue to fulfill the Comptroller's Office mission to **make government work better**.

Thank you,

A handwritten signature in blue ink that reads "Bryan L. Kinsey". The signature is written in a cursive style.

Bryan L. Kinsey, TMA, AAS

Director, Division of Property Assessments

COMPTROLLER'S WHO WE ARE COMMITMENT

COMMUNICATE

APPRECIATE

INNOVATE

CULTIVATE

INITIATE

SPEAK AUTHENTICALLY
AND OPENLY
WITH ONE
ANOTHER

FIND THE
GOOD WORK
AND
PRAISE IT

WELCOME
NEW IDEAS
AND SEEK
CHALLENGES

CONTINUALLY GROW
AS INDIVIDUALS
AND AS A
TEAM

TAKE PERSONAL
RESPONSIBILITY
TO MAKE IT
HAPPEN

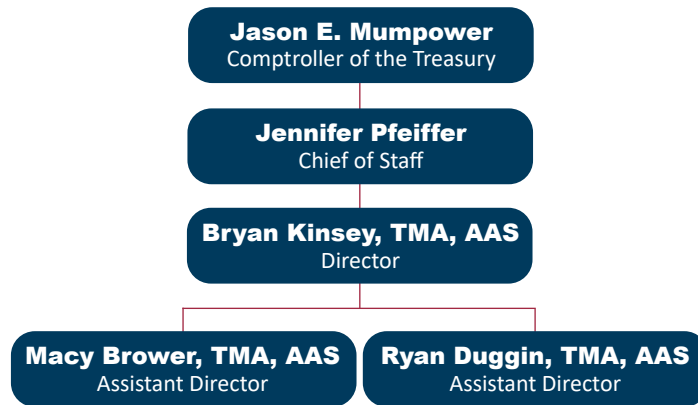
MAKE GOVERNMENT WORK BETTER

CORE RESPONSIBILITIES

To achieve success in administering Tennessee's Property Tax System, the Division of Property Assessments focuses on upholding the following primary responsibilities to make government work better:

- To ensure the professional administration of property tax programs in all taxing jurisdictions pursuant to Tenn. Code Ann. §§ 67-1-201 through 67-1-514, and Tenn. Code Ann. §§ 67-5-101 through 67-5-1705.
- 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 Tenn. Code Ann. §§ 67-5-1601 through 67-5-1603.
- To ensure a high degree of competency and a broad base of appraisal knowledge through the Assessment Certification and Education Program pursuant to Rules of the Tennessee State Board of Equalization, Chapter 0600-04.
- To administer the Property Tax Relief Program in a manner that all qualifying low-income elderly, low-income disabled, disabled veterans, and surviving spouses of disabled veterans will receive timely and accurate payments pursuant to Tenn. Code Ann. §§ 67-5-701 through 67-5-704.
- To monitor and assist local jurisdictions with the Property Tax Freeze Program pursuant to Tenn. Code Ann. § 67-5-705.
- To accomplish appraisal ratio studies in every county as determined by the State Board of Equalization and pursuant to Tenn. Code Ann. §§ 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 Tenn. Code Ann. § 67-5-1601.

PROPERTY ASSESSMENTS ORGANIZATION



ADMINISTRATION

The **Administration** section of the Division of Property Assessments (DPA) is comprised of 11 people responsible for managing the Assessment Certification and Education Program, providing technology support to assessors of property, managing special projects, and ensuring strategic leadership of the division. Additionally, the Administration section provides customer service to taxpayers and logistics support both internally and to local government officials with whom DPA interacts.

ACCOMPLISHMENTS

- During Fiscal Year (FY) 2024, technical appraisal training was provided to 400 students through 25 courses and workshops that were held in person.
- The division assisted the State Board of Equalization (SBOE) in providing County Board of Equalization training in a virtual format for 2024.
- The Personal Property Seminars for 2023 were attended by 205 people in 5 locations across the state.
- The Tax Relief Seminars for 2023 were attended by more than 421 collecting officials in 8 locations across the state.
- The 2023 Assessor Retreat was attended by approximately 197 state and county government participants representing 57 counties from across the state.
- Currently, the Assessment Certification and Education Program has a total of 92 Tennessee Master Assessor (TMA) and 65 Tennessee Certified Assessor (TCA) certification holders in addition to the 6 Certified Assessment Evaluator (CAE), 16 Residential Evaluation Specialist (RES), 38 Assessment Administration Specialist (AAS), 5 Cadastral Mapping Specialist (CMS), and 1 Personal Property Specialist (PPS) IAAO designation holders that are active.
- The Assessment Certification and Education Program awarded 8 TMA, 10 Assessment Level II, and 19 Assessment Level I certifications this fiscal year.
- Upon the division's review and recommendation, SBOE will make incentive compensation payments to county employees that are designation/certification holders in good standing (5 CAE, 56 TMA, and 7 TCA).

GEOGRAPHIC SERVICES

The **Geographic Services** section of DPA is comprised of 12 employees located in the DPA Nashville office and one in the DPA Knoxville office. This section develops and uses geographic information systems (GIS) technology to assist the division's field staff and local assessors of property in daily operations.

Geographic Services acts as the liaison to the U.S. Census Bureau's Local Redistricting Data Program. Using census data, this section of DPA produces local maps and publishes county commission district and voting precinct maps.

Geographic Services also assists Tennessee's counties with maintenance of property ownership maps and Tennessee's municipalities with maintenance of municipal boundaries.

ACCOMPLISHMENTS

Database Environment Transition

Successfully transitioned 61 percent of GIS counties in Tennessee from the ArcGIS Desktop environment to the new ArcGIS Pro software.

Basic Mapping Course

Conducted the Basic Mapping course throughout the state.

Regional ArcGIS Pro training and support

Geographic Services (GS) staffers conducted training for assessors and staff on the new ArcGIS Pro software across the state. After converting the counties to ArcGIS Pro, we continued supporting them as they learned the latest software.

GIS in COT

The Geospatial Redistricting and Demographic Services (GRADS) section within GS continued to expand the use of GIS in the Comptroller's office.

Redistricting

- Continued to be the liaison to the U.S. Census Bureau's Local Redistricting Data Program.
- Updated BAS/City boundaries.
- Updated the Voter Lookup site.
- Created maps for the Legislature.
- Created a new Statewide basemap for internal map usage.

Boundary Changes

- Assisted multiple counties with county boundary issues, which seem to be on the rise.
- Received hundreds of municipal boundaries changes in the state and adjusted them accordingly.

Land Use Model (LUM)

Continued to update the Land Use Model (LUM), which aids planners and economic development professionals in inventorying and analyzing land use patterns across Tennessee.

GeoViewer

Continued to update GeoViewer weekly, which has continued to increase usage as the world moves toward a connected environment.

Other Projects

- Upgraded our Enterprise Geodatabase to the latest GIS software release.
- Upgraded ArcGIS Pro to the latest version internally.
- Updated the Tax Relief Story Map application.

- Currently testing new features for IMPACT Maps.
- Modernized the Basic Mapping course; rewrote sections of the training manual.
- Created a new DA Investigations Dashboard.
- Created a new hub site for the Assessor community to quickly access GIS information and DPA applications.

ASSESSMENT SYSTEMS

The **Assessment Systems** section of DPA is comprised of 10 employees located in the DPA Nashville office. Assessment Systems assists both county and city local tax authorities with the preparation of their annual tax billing documents and data, generating an estimated \$2.7 billion in revenue for these jurisdictions.

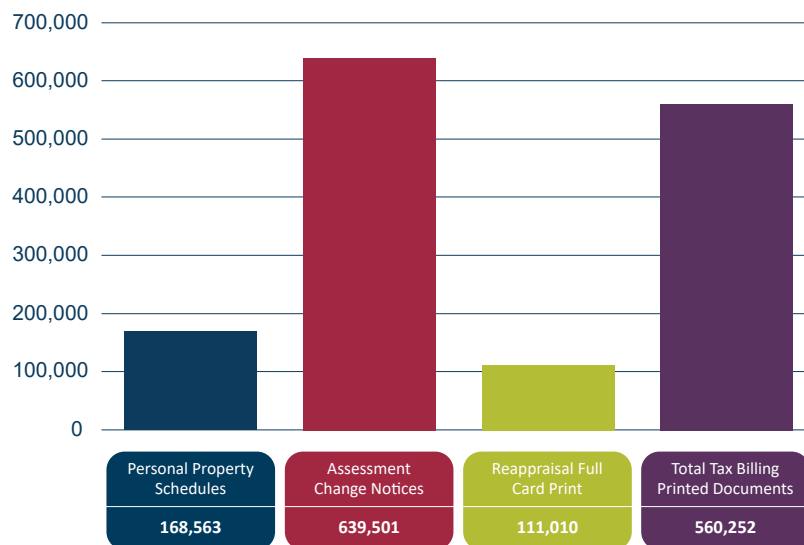
The **Integrated Multi-Processing of Administrative and CAMA Technology (IMPACT)** system is a statewide computer-assisted mass appraisal (CAMA) system in use by 86 of Tennessee’s 95 counties. IMPACT is a modern, web-based application that provides assessors’ offices with the ability to appraise and assess both real and personal property in the administration of the local property tax. Through continuous upgrades and other enhancements, IMPACT ensures an “evergreen” CAMA system for local and state officials.

ACCOMPLISHMENTS

The following materials were printed by the IMPACT system during the 2024 fiscal year:

- **168,563 personal property schedules**
- **639,501 assessment change notices**
- **111,010 reappraisal full county cards**
- **115,482 property tax roll pages (12 parcels per page)**
- **298,979 property tax notices**
- **145,791 property tax receipts**

PARCELS/RECORDS PROCESSED BY ASSESSMENT SYSTEMS



PROPERTY TAX RELIEF

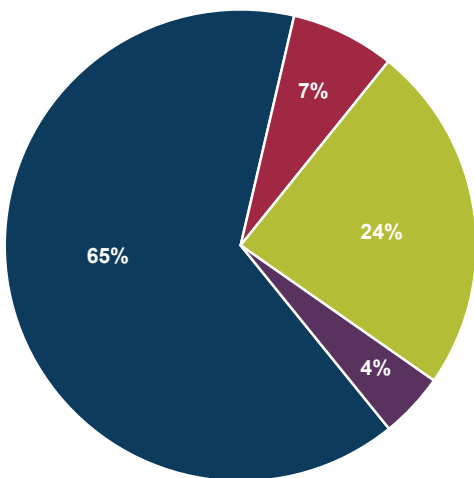
The **Property Tax Relief** section of DPA is comprised of 13 employees located in the DPA Nashville office that process all Tax Relief applications statewide. The Property Tax Relief Program helps pay the property taxes (or a portion thereof) for homeowners who are elderly, disabled, disabled veterans, or the surviving spouse of a disabled veteran who meet the criteria.

ACCOMPLISHMENTS

- For Fiscal Year (FY) 2024, \$41.2 million was appropriated for the Tax Year (TY) 2023 Tax Relief Program. The graphics below show the percentage and dollar amount paid to each classification across the state.
- The Tax Relief Program sent out over 149,000 vouchers to returning applicants to assist with property taxes for TY 2023.
- Over 21,000 new applications were received for TY 2023.
- Over 147,000 claims were approved for TY 2023, totaling almost \$40 million.

PERCENTAGE OF TAX YEAR 2023 TAX RELIEF CLAIMS BY CLASSIFICATION

This chart represents claims. An applicant may have both a county and city claim.



	Elderly	Disabled	Disabled Veteran	Surviving Spouse of Disabled Veteran
Number of Claims*	95,208	10,515	35,347	6,576
Average Payment Per Claim	\$126	\$123	\$639	\$615
Total Amount of Payments	\$11,973,509	\$1,297,009	\$22,579,968	\$4,042,501
Percentage of Total Payment Amount	30%	3%	57%	10%

* TY 2023 processing is not complete. Pending applications are not included.

PROPERTY TAX FREEZE

Property Tax Freeze was enacted in 2007, and since its enactment, the Property Tax Freeze Program has been adopted by 27 counties and 34 cities across the state.

SPECIAL PROJECTS

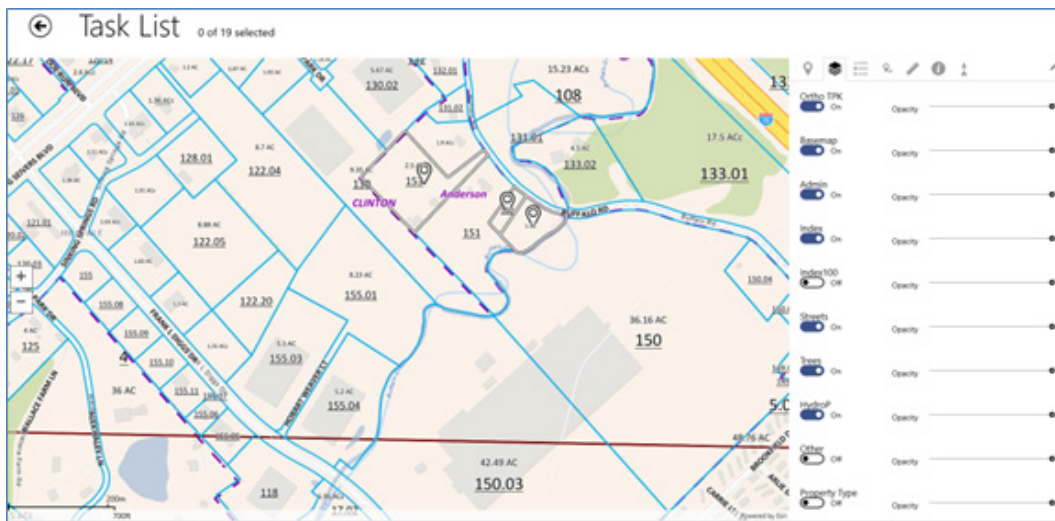
Work accomplished relative to special projects during FY 2023-2024 included:

Development Projects

- *Tennessee Property Viewer* - Work with STS/GIS Services and DPA Geographic Services is nearing completion on a new generation of this popular property map web application that also links with the Comptroller's Tennessee Property Assessment Data (TPAD) site.
- *Tax Freeze System* - A new enhanced version of the secure web-based system for collecting officials to enter and manage applications for the local-option Property Tax Freeze program is in development by the Comptroller's Technology Solutions group in collaboration with Property Assessments. This system enables interaction between collecting officials and assessors using the IMPACT system.

Field Mobile data collection app for IMPACT

- Performed configuration and testing of new Field Mobile functionality soon to be implemented (such as a Summary View and user-defined routing).
- Developed an enhanced map configuration for Field Mobile available to counties upgrading to ArcGIS Pro mapping software which includes an offline basemap, enhanced parcel and street name labels, and thematic map capability.



- Assisted division field staff supporting Field Mobile in assessors' offices.

Legislation

- Coordinated and prepared fiscal notes for property tax legislation.
- Performed research and analysis relative to Tax Relief and other topics.
- Tracked property assessment legislation.

GIS

- Managed extraction of property data and building sketch images from IMPACT for use with GIS on a regular basis.

IMPACT

- Performed research and resolution of technical issues as well as testing of upgrades.

LEGISLATIVE AFFAIRS

The following is a summary of legislation that passed during the 2024 Session which will affect property assessments or assessors.

Legislation Involving Property/Property Taxes

- Public Chapter No. 781 – Amends various provisions in Title 67, Chapter 5 related to the assessment of property.
- Public Chapter No. 860 – Enacts the “Residential Infrastructure Development Act of 2024.”
- Public Chapter No. 967 – Amends laws governing property tax liens, delinquent taxes, and property tax sale proceedings.
- Public Chapter No. 978 – Increases the “greenbelt” maximum acreage limit to 3,000.

Detailed information on this legislation can be found on the Secretary of State’s website at <https://sos.tn.gov/publications/services/acts-and-resolutions>.

FIELD OPERATIONS

The **Field Operations** section of DPA is comprised of 69 employees assigned to two assessment areas operating in five field offices located throughout the state as well as in the DPA Nashville office. The field staff monitors the quality and quantity of annual maintenance, 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.

ACCOMPLISHMENTS

- Appraisal ratio studies were performed in 36 counties for 2024 pursuant to Tenn. Code Ann. §§ 67-5-1604 and 1605.
- 13 counties were reappraised in accordance with reappraisal plans submitted by assessors of property and approved by the SBOE pursuant to Tenn. Code Ann. § 67-5-1601.
- Current Value Updates (CVU) were performed in 1 county for 2024 pursuant to Tenn. Code Ann. § 67-5-1601(a)(2).
- Monitoring activities were conducted in all 95 counties to ensure the accuracy of the property characteristic data, sales information, mapping, and administrative functions.
- Tangible personal property audit programs were reviewed for compliance in all 95 counties.



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For additional information about the Division of Property Assessments, visit:
comptroller.tn.gov/pa