

# Standard on Oversight Agency Responsibilities

Approved July 2010

## **International Association of Assessing Officers**

IAAO assessment standards represent a consensus in the assessing profession and have been adopted by the Executive Board of the International Association of Assessing Officers (IAAO). The objective of the IAAO standards is to provide a systematic means for assessing officers to improve and standardize the operation of their offices. IAAO standards are advisory in nature and the use of, or compliance with, such standards is voluntary. If any portion of these standards is found to be in conflict with national, state, or provincial laws, such laws shall govern. Requirements found in the *Uniform Standards of Professional Appraisal Practice (USPAP)* also have precedence over technical standards.

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# Standard on Oversight Agency Responsibilities

## 1. Scope

This standard provides guidance on the administration of monitoring and compliance responsibilities for oversight agencies. It does not deal with the technical aspects of these responsibilities. The need for oversight when assessment administration is decentralized has long been recognized (see *Fundamentals of Tax Policy* [Almy, Dornfest, and Kenyon 2008, 50–51, 220]). Laws defining the structure of a system for ad valorem assessment usually assign responsibilities for monitoring the statutory compliance and performance of agencies conducting the primary assessment function (local agency) to another agency (oversight agency). A typical structure in the United States is primary assessment by cities, towns, townships, or counties with oversight by a state agency, such as a state department of revenue or tax commission.

## 2. Introduction

The purpose of this standard is to provide guidance to oversight agencies for achieving uniform and equitable valuations in local jurisdictions. Effective administration by an oversight agency depends, in part, on legislation that provides clear direction and authority for the agency and an appropriate budget for the necessary resources.

Actual supervisory (oversight) responsibilities vary widely and fall in the following interrelated areas:

- Setting standards and providing specifications
- Assisting and counseling local assessors and other property tax officials
- Monitoring performance and making other analyses
- Enforcing laws and regulations, including equalization.

The overall goals of supervisory activities are to ensure that laws are followed, property taxes are equitable, and distributions based on equalization are fair.

### 2.1 Responsibilities of Oversight Agencies

Governing law sets the responsibilities of oversight agencies as well as the corresponding responsibilities of local agencies. Monitoring and compliance responsibilities may include, but are not limited to, the following:

- Complex property valuation assistance, either through contracting for their appraisal,

conducting the appraisals (centrally assessed properties), or issuing such things as cost manuals, capitalization rate studies, and soil productivity ratings

- Education and certification of assessment personnel
- Financial assistance or cost sharing
- Form development
- Guidelines, manuals, and specifications
- Investigation of taxpayer complaints
- Legal and legislative responsibilities
- Performance evaluation
- Procedural audits and statistical testing of valuation models
- Professional association involvement
- Public relations programs
- Research and reporting
- Tax or assessment roll evaluation and approval
- Technical support and direct assistance.

## 3. Complex Property Valuation Assistance

Oversight agencies may serve as clearinghouses for information on special-purpose properties and may provide valuation manuals to local agencies (see *Standard on Property Tax Policy* [IAAO 2008]). Oversight agencies may contract for the appraisal of certain properties and provide the appraisals to the local jurisdictions. A contract for appraisal of special-purpose properties should address the definition and scope of the task, statutory requirements, adherence to the *Uniform Standards of Professional Appraisal Practice* (USPAP; TAF 2008–2009), the timeline, confidentiality requirements and agreements, performance standards, contract dispute resolution, ownership of the product, payment schedules, and contract start and termination dates (see *Standard on Contracting for Assessment Services* [IAAO 2008] and *Standard on Property Tax Policy* [IAAO 2010a, section 4.1] for valuation responsibilities of oversight and local agencies).

By law, oversight agencies may be responsible for assessment of certain properties, such as public utilities, that function as a unit with property in many jurisdictions. A central assessment program should define clearly how such properties are appraised and how the value is allocated to the state and apportioned among jurisdictions.

## 4. Education and Certification of Assessment Personnel

### 4.1 Education

Uniform training for all local jurisdictions promotes uniform application of assessment practices. Workshops, classes, and seminars should be offered by the oversight agency. Such education may be prepared in-house or by an outside agency and offered centrally or locally. If possible, fees and expenses should be defrayed by the oversight agency. Alternatively, the oversight agency should promote laws and administrative rules that encourage local agencies to commit budgetary resources to education.

The oversight agency should periodically offer a well-balanced curriculum to ensure that necessary education for both new and experienced employees is available. Course catalogs should be published and provided to the local jurisdictions in a timely manner so that schedules and time away from work can be arranged.

The oversight agency should keep electronic records for tracking prerequisites met and courses and workshops passed. The tracking system should be able to issue transcripts and certificates.

A well-designed education program includes certification (see *Standard on Professional Development* [IAAO 2000]).

### 4.2 Professional Designation and Certification Programs

Oversight agencies often establish certification programs for assessors and technical staff. The oversight agency should set guidelines for the program or grant authority to an agency or board to set guidelines for implementing and administering the program. The oversight agency should establish and fund education programs supporting certification.

Certification programs can be characterized as mandatory, incentive, and voluntary. A mandatory program requires assessing officers to meet specified education, training, and/or experience standards. An incentive program rewards assessing officers with increased pay, bonuses, or specific advancement opportunities for meeting specified standards. A voluntary program offers assessing officers the opportunity to complete requirements without mandate or reward.

The three types of requirements common to governmental certification programs are examination, course or workshop completion, and continuing education. Individuals may be required to pass an examination before assuming a position or within a given period of time thereafter. To attain or maintain their position or achieve promotions, personnel often must complete a variety of examinations, perhaps given in conjunction with administrators of local civil service or merit systems. Completion of courses and workshops may

be required to attain certification or achieve a position. Finally, a specified number of hours of approved continuing education within a specified period of time may be required to retain certification (see *Standard on Professional Development* [IAAO 2000]). Such continuing education requirements are highly desirable.

## 5. Financial Assistance or Cost Sharing

Monies that may be made available through the legislative process to assessing jurisdictions for such things as education, reappraisal, computer equipment, computer assisted mass appraisal (CAMA) systems, geographic information system (GIS) technology, and maps are often funneled through the oversight agency. It is then the oversight agency's responsibility to disburse these funds properly to the individual local jurisdictions. The granting agency should maintain a clear set of records showing where and how these funds are distributed and administered, and the receiving agency should provide an accounting for the funds, which may include approving local budgets.

If the state or province has purchasing contracts that allow local jurisdictions to purchase hardware, office furniture, fixtures, and supplies at favorable prices, the oversight agency should disseminate information about these contracts.

## 6. Forms Development

Oversight agencies should specify and, when possible, provide forms for a variety of purposes, such as assessment notices, personal property renditions, and filing of required reports. Such a practice ensures uniformity among jurisdictions and simplifies compilation and auditing. Where electronic signatures are not legally valid, forms may be completed and submitted via computer and printed out for signing. Forms administered by the oversight agency should be reviewed periodically for statutory and technical changes. The oversight agency should take responsibility for correcting, printing, and supplying (or electronically distributing) the new forms to local jurisdictions. Each form should be dated with the most recent revision date to avoid confusion among different versions. When forms developed by oversight agencies are mandatory, costs for reasonable quantities should be borne by the developing agency. When possible, Web-based applications and electronic forms should be encouraged.

Local agencies should take the responsibility for suggesting modifications. Local agencies that develop their own forms should submit them to the oversight agency for approval.

## 7. Guidelines, Manuals, and Specifications

Guidelines, manuals, and specifications should be provided to local jurisdictions in writing and maintained and updated on a regular basis. The use of updated,

written communications promotes uniform application among local jurisdictions.

Guidelines, manuals, and specifications should be well-written and, where practical, tested before they are provided to local jurisdictions. Updated, written guidelines should always take precedence over oral communications. However, such documents do not take precedence over properly promulgated rules, regulations, statutes, and judicial decisions. For this reason, guidelines and the like should contain statements explaining limitations and proper use. An e-mail of a document should be considered a written communication.

Guidelines should be responsive to current market conditions. For example, changes in economic conditions can cause the market to be influenced by a large number of foreclosure-related sales. A well-planned, responsive program developed by the oversight agency with the involvement of local jurisdictions promotes good intergovernmental relations. Written guidelines can be an effective means of providing assistance to local jurisdictions in modeling, equalization, and public relations programs.

Placing guidelines, manuals, and specifications on a well-designed Web site allows local jurisdictions to obtain or consult copies when needed.

## 8. Investigation of Taxpayer Complaints

Oversight agencies should maintain operating procedures for investigating taxpayer complaints about the assessment process. Among other things, the local assessing agency should be informed about the investigation and should have an opportunity to respond to any complaint and to review preliminary findings for factual error. If, subsequent to the finding of a deficiency, the assessing jurisdiction takes corrective action, the oversight agency should provide acknowledgment of such improvement (see *Standard on Property Tax Policy* [IAAO 2010a]).

## 9. Legal and Legislative Responsibilities

Oversight agencies should track pertinent proposed legislation. Oversight agencies should notify local agencies of new legislation and issue bulletins explaining and clarifying legislation. When such bulletins do not suffice because of rapidly moving legislation, oversight agencies and local agencies should develop quick-response procedures so communication is in place at critical junctures.

Oversight agencies are often responsible for conducting research for legislative committees to determine the impact of proposed legislation and for writing the rules and regulations that implement the legislation (see *Standard on Property Tax Policy* [IAAO 2010a, section 2.1.5]). Local assessing agencies should be prepared to support these functions. For studies on the impact of proposed legislation, local assessing agencies should serve as an

information clearinghouse. Local agencies should also participate in the process of developing rules and regulations to implement or clarify statutes. Oversight agencies should encourage such participation.

## 10. Performance Evaluation

Performance evaluations may have quality and quantity components. Quality thresholds as measured through ratio studies should be considered more critical than quantities of appraisals.

The oversight agency should perform an annual ratio study for each local jurisdiction. This annual ratio study should comply with the *Standard on Ratio Studies* (IAAO 2010c). This is a step toward fulfilling the primary objective of many oversight agencies to maintain equity among jurisdictions, as well as within each local jurisdiction. The oversight agency's ratio study methods and procedures should be thoroughly documented and well-tested before application. Detailed procedural manuals should be available to the local jurisdictions. The oversight agency should also conduct instructional workshops to thoroughly explain the design of the study, data collection, confirmation and screening procedures, sale price adjustments, outlier trimming, and statistical calculations (see *Standard on Ratio Studies* [IAAO 2010c] and *Standard on Property Tax Policy* [IAAO 2010a, section 4.3.5]).

The oversight agency should inform local jurisdictions in advance of any proposed changes in methods and procedures, including any corrective actions that may be taken as a result of ratio studies or performance evaluations.

The oversight agency should notify local jurisdictions of the results of ratio studies and performance evaluations. The oversight agency should inform local jurisdictions of any failures in compliance with established standards. Local jurisdictions should also be notified of situations in which the oversight agency cannot establish noncompliance with statistical confidence even though ratio study statistics fail to meet established parameters.

A well-designed ratio study system should allow local jurisdictions several levels of appeal regarding the results of their ratio study. The first step typically consists of an informal appeal to the oversight agency. This is especially important when the oversight agency performs an independent sales validation process or performs appraisals in lieu of a sales ratio study. For example, the oversight agency may be excluding foreclosure-related sales as valid transactions because of undue stimuli. Local jurisdictions may have verifiable data that such sales are influencing the market in certain areas. To address such issues, there should be an informal appeal process that does not require in-person meetings. In such a process, the local jurisdiction should provide the oversight agency with written documentation to support its appeal; the oversight

agency then should independently verify the documentation. The local jurisdiction should then be provided with the oversight agency's decision.

The next step is an independent administrative board of review. An independent board is necessary to ensure objectivity and unbiased results in the dispute resolution process. In the final step, an aggrieved party may appeal to the court system (see Tomberlin [2001]).

Ratio studies should be conducted for every class of property and for as many subclasses as can be reasonably supported. When the available number of valid sales is insufficient to develop reliable statistical samples or for property classes for which the selling price is not a valid indicator of true market value, the oversight agency may consider adding independent appraisals or supplemental sales. Alternatively, techniques employed by assessing agencies should be reviewed for acceptability (see *Standard on Ratio Studies* [IAAO 2010c]).

Oversight agencies may also be required to ensure that an appropriate number of appraisals, reappraisals, or physical inspections have been completed by the local jurisdiction in a requisite time period. In such cases, clear rules and procedures should be established for actions that may be taken for noncompliance.

## 11. Procedural Audits and Statistical Testing of Models

### 11.1 Procedural Audits

Procedural audits, also known as edits, constitute a review of operations intended to discover defective and inefficient practices. Procedural audits should be performed to ensure that quality standards have been met.

Local jurisdictions that have failed statistical compliance and passed the procedural audit should be reexamined. Clear procedures should be developed so assessing agencies understand what is tested and the requirements for passing, as well as the consequences of failure (see *Standard on Property Tax Policy* [IAAO 2010a]).

A few examples of areas that should be included in performance reviews are data collection procedures, valuation methods, and documentation of value overrides.

### 11.2 Model Testing

The oversight agency should conduct statistical tests or at a minimum review the statistical tests performed by the local agency to determine whether local appraisal models have been calibrated properly (see *Standard on Automated Valuation Models* [IAAO 2003]). If a model-generated value has not been used to value a parcel, sufficient documentation should be available to justify the override decision.

## 12. Professional Association Involvement

The oversight agency should encourage employees to

become involved with professional associations, such as the IAAO, local chapters, and local or regional assessment and appraisal associations, by taking part in annual conferences, assessor working groups, and committees. Greater involvement of oversight personnel occurs when membership dues and fees are paid by the oversight agency. Additional incentives for participation in a professional association can include paid conference attendance and bonus rewards for earning and maintaining advanced designations.

Application of IAAO standards throughout the appraisal process by the oversight agency promotes uniformity and professionalism.

## 13. Public Relations Programs

### 13.1 Local Jurisdictions

The oversight agency should provide and maintain an updated listing of contact personnel (names, phone numbers, and e-mail addresses). Communication programs should be established on the agency's Web site and through broadcast fax, e-mail, and other communication channels. Electronic newsletter communications also provide a direct tie with local jurisdictions (see *Standard on Public Relations* [IAAO 2010b]).

### 13.2 Taxpayers, Legislatures, and General Public

The oversight agency should provide brochures, press releases, slide shows, electronic presentations, and guest speakers to aid the local assessor with taxpayer assistance and public relations (see *Standard on Public Relations* [IAAO 2010b]). Review of local agencies' brochures by the oversight agency helps ensure a uniform message to taxpayers.

## 14. Research and Reporting

The oversight agency should maintain a research section. The section should review and evaluate appraisal techniques and explore new technologies. The section should also compile, analyze, and provide general property tax- and assessment-related statistics. The results should be shared with local jurisdictions. To the extent possible, research information should be available on the oversight agency's Web site.

## 15. Tax or Assessment Roll Evaluation and Approval

Depending upon the legal framework within each jurisdiction, oversight agencies may be required to evaluate or approve assessment rolls produced by local jurisdictions to ensure compliance with state legal standards for completeness, accuracy, uniformity, and reliability. The basis for approval may include, but not necessarily be limited to, some or all of the following oversight activities:

- Evaluation or approval of the completeness and accuracy of assessment roll data required to be submitted by the local jurisdiction to the oversight agency
- Ratio studies (see the results of the IAAO 2008 survey of ratio study practices [Technical Standards Committee 2009, question 30])
- Procedural audits
- Field data quality audits.

The steps in the evaluation or approval process should be well-defined in governing law and administrative rules, which should provide for preliminary stages of review that identify potential problems while they can be corrected. Other activities of the oversight agency such as valuation assistance, training, financial assistance, and development of guidelines can provide opportunities for identifying and correcting problems. Failure to approve a roll has serious consequences, including litigation, difficulties in collecting property taxes for local government funding, taxpayer dissatisfaction, or reappraisal. These consequences provide a strong motivation to meet legally mandated requirements for assessment quality and uniformity.

In some cases, direct or indirect equalization may be necessary prior to roll approval. When these actions are undertaken, the oversight agency should have clearly developed procedures and should follow the guidelines in the *Standard on Ratio Studies* [IAAO 2010c].

## 16. Technical Support and Direct Assistance

The oversight agency should provide technical support and direct assistance through field staff, telephone hot lines, technical expertise, software, and resource sharing. Typically, a high level of service is the best way to ensure the highest level of compliance among local agencies. Much of this service can and should be provided electronically. An oversight agency should be equipped to provide a CAMA system and all vital support functions to every local jurisdiction that cannot afford to purchase a system of its own.

## 17. Independent Review of Oversight Agency

Like local jurisdictions, oversight agencies can benefit from independent and objective quality assurance reviews by qualified assessment professionals that have proven:

- Knowledge of professional standards and the assessment profession
- Technical knowledge in areas such as property appraisal, financial, operational, management, and information technology
- Professional certification.

Typically, reviews or audits are mandated by an outside agency and the oversight agency has no input as to who performs the review. However, if possible and practical, the review may be initiated by the oversight agency, in which case qualified assessment professionals should be involved.

## 18. Glossary

**Administration**—(1) The act of administering; direction; management. (2) The management of governmental or institutional affairs. (3) The executive officials of a government or institution and their policy.

**Ad Valorem**—According to value.

**Appeal**—A process in which a property owner contests an assessment either informally or formally.

**Appraisal**—“The act or process of developing an opinion of value; an opinion of value” (TAF 2008–2009). The act of estimating the money value of property by an appraiser.

**Appraisal Ratio**—(1) The ratio of the appraised value to an indicator of market value. (2) By extension, an estimated fractional relationship between the appraisals and market values of a group of properties.

**Appraisal Ratio Study**—A ratio study using independent expert appraisals or indicators of market value.

**Appraisal-Sale Price Ratio**—The ratio of the appraised value to the sale price (or adjusted sale price) of a property; a simple indication of appraisal accuracy.

**Assessment**—(1) In general, the official acts of determining the amount of the tax base. (2) As applied to property taxes, the official act of discovering, listing, and appraising property, whether performed by an assessor, a board of review, or a court. (3) The value placed on property in the course of such act.

**Assessment-Appraisal Ratio**—The ratio of the assessed value of a property to an independent appraisal.

**Assessment Ratio**—(1) The fractional relationship that an assessed value bears to the market value of the property in question. (2) By extension, the fractional relationship that the total of the assessment roll bears to the total market value of all taxable property in a jurisdiction.

**Assessment Roll**—The basis on which the property tax levy is allocated among the property owners in a jurisdiction with taxing powers. The assessment roll usually lists an identifier for each taxable parcel in the jurisdiction, the name of the owner of record, the address of the parcel or the owner, the assessed value of the improvement, applicable exemption codes, and the total assessed value. Synonyms include cadastre, list, grand list, abstract of ratables, and rendition.

**Assistance**—The act of assisting; help; aid; support.

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**Audit**—A systematic investigation or appraisal of procedures or operations for the purpose of determining conformity with specifically prescribed criteria.

**Centrally Assessed Property**—See State-Assessed Property.

**Class**—A set of items defined by common characteristics. In property taxation, property classes such as residential, agricultural, and industrial may be defined. In assessment, building classification systems based on type of building design, quality of construction, or structural type are common. In statistics, a predefined category into which data may be put for further analysis.

**Compliance**—(1) The act of conforming, acquiescing, or yielding. (2) Conformity; accordance: in compliance with orders. (3) Cooperation or obedience: Compliance with the law is expected of all.

**Direct**—(1) To manage or guide by advice, helpful information, instruction, etc. (2) To regulate the course of; control. (3) To administer; manage; supervise. (4) To give authoritative instructions to; command.

**Direct Equalization**—The process of converting ratio study results into adjustment factors (trends) and changing locally determined appraised or assessed values to more nearly reflect market value or the statutorily required level of assessment. See also Equalization and Indirect Equalization.

**Documentation**—Information or records written to support an appraiser's analyses, opinions, and conclusions.

**Equalization**—The process by which an appropriate governmental body attempts to ensure that property under its jurisdiction is assessed at the same assessment ratio or at the ratio or ratios required by law. Equalization may be undertaken at many different levels. Equalization among use classes (such as agricultural and industrial property) may be undertaken at the local level, as may equalization among properties in a school district and a transportation district; equalization among counties is usually undertaken by the state to ensure that its aid payments are distributed fairly. See also Direct Equalization and Indirect Equalization.

**Equity**—(1) In assessment, the degree to which assessments bear a consistent relationship to market value. Measures include the coefficient of dispersion, coefficient of variation, and price-related differential. (2) In popular usage, a synonym for tax fairness. (3) In ownership, the net value of property after liens and other charges have been subtracted.

**Evaluate**—(1) To determine or set the value or amount of; appraise: to evaluate property. (2) To judge or determine the significance, worth, or quality of.

**Foreclosure**—The legal proceedings initiated by a creditor to repossess the collateral for a loan that is in

default; the legal proceedings in which a mortgagee, or other lien holder, usually a lender, obtains a court-ordered termination of a mortgagor's equitable right of redemption; the legal process by which a lien against property is enforced through the taking and selling of the property.

**Independent Appraisal**—An estimate of value using a model different from that used for assessment purposes. Independent appraisals are used to supplement sales in sales ratio studies or in appraisal ratio studies.

**Indirect Equalization**—The process of computing hypothetical values that represent the oversight agency's best estimate of taxable value, given the statutorily required level of assessment or market value. Indirect equalization ensures proper distribution of intergovernmental transfer payments between state or provincial and local governments despite different levels of appraisal between jurisdictions or property classes. See also Equalization and Direct Equalization.

**Jurisdiction**—(1) The right and power to interpret and apply the law; also, the power to tax and the power to govern. (2) The territorial range of authority or control.

**Level of Appraisal**—The common, or overall, ratio of appraised values to market values. Three concepts are usually of interest: the level required by law, the true or actual level, and the computed level based on a ratio study.

**Level of Assessment**—The common or overall ratio of assessed values to market values. See also Level of Appraisal. Note: The two terms are sometimes distinguished, but there is no convention determining their meanings when they are. Three concepts are commonly of interest: what the assessment ratio is legally required to be, what the assessment ratio for the population actually is, and what the assessment ratio for the population seems to be, on the basis of a sample and application of inferential statistics. When level of assessment is distinguished from assessment ratio, level of assessment usually means either the legal requirement or the true ratio, and assessment ratio usually means the true ratio or the sample statistic.

**Levy, Property Tax**—(1) The total amount of money to be raised from the property tax as set forth in the budget of a taxing jurisdiction. (2) Loosely, by extension, the millage rate or the property tax bill sent to an individual property owner.

**Locally Assessed Property**—Property for which the assessed value is set by the assessing official of the local jurisdiction within which the property is located.

**Market Value**—The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by agencies that regulate federal financial institutions in the United

States is: The most probable price (in terms of money) that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- The buyer and seller are typically motivated.
- Both parties are well-informed or well-advised and acting in what they consider to be their best interest.
- A reasonable time is allowed for exposure in the open market.
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto.
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(See USPAP [TAF 2008–2009] for additional comments.)

**Monitor**—To watch or check on a person or thing.

**Performance Audit**—An analysis of an organization to determine whether or not the quantity and quality of work performed meets standards. Ratio studies are an important part of performance audits of an assessing organization.

**Procedural Audit**—An examination of an organization to determine whether established or recommended procedures are being followed.

**Procedural Edit**—An audit, or review of operations, intended to discover erroneous and inefficient practices.

**Quality**—(1) Producing or providing products or services of high quality or merit. (2) High grade; superiority; excellence

**Quantity**—(1) An exact or specified amount or measure. (2) Magnitude, size, volume, area, or length

**Ratio Study**—A study of the relationship between appraised or assessed values and market values. Indicators of market values may be either sales (sales ratio study) or independent expert appraisals (appraisal ratio study). Of common interest in ratio studies are the level and uniformity of the appraisals or assessments and level of assessment.

**Research**—(1) To study. (2) Careful, patient, systematic, diligent inquiry, or examination in some field of knowledge undertaken to establish facts or principles; laborious or continued search after truth. (3) To seek diligently for.

**Responsibility**—(1) The state or fact of being responsible. (2) A particular burden of obligation upon one

who is responsible: the responsibilities of authority. (3) A person or thing for which one is responsible.

**Sales Ratio**—The ratio of an appraisal (or assessed) value to the sale price or adjusted sale price of a property.

**Sales Ratio Study**—A ratio study that uses sales prices as proxies of market value.

**Standard**—Something considered by an authority or by general consent as a basis of comparison, an approved model.

**State-Assessed Property**—That property for which the assessed value is set by a state agency, either for taxation by the local jurisdiction affected or for state taxation. Most often, this term applies to utility property or property with special characteristics when the state preempts local authority to achieve uniformity in assessments.

**Statistic**—Numerical descriptive data calculated from a sample, for example, the median, mean, or coefficient of dispersion. Statistics are used to estimate corresponding measures, termed parameters, for the population.

**Support**—To act with or second (a lead performer); assist in performance.

**Taxpayer**—A person who pays a tax or is subject to taxation.

**Technical**—(1) Belonging or pertaining to an art, science, or the like: technical skill. (2) Peculiar to or characteristic of a particular art, science, profession, trade, etc.: technical details.

**Valuation**—(1) The process of estimating the value—market investment, insured, or other defined value—of a specific parcel or parcels of real estate or of an item or items of personal property as of a given date. (2) The process or business of appraising, of making estimates of the value of something. The value usually required to be estimated is market value.

**Value**—(1) The relationship between an object desired and a potential owner; the characteristics of scarcity, utility, desirability, and transferability must be present for value to exist. (2) Value may also be described as the present worth of future benefits arising from the ownership of real or personal property. (3) The estimate sought in a valuation. (4) Any number between positive infinity and negative infinity.

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## Assessment Standards of the International Association of Assessing Officers

*Guide to Assessment Standards*

*Standard on Assessment Appeal*

*Standard on Automated Valuation Models*

*Standard on Contracting for Assessment Services*

*Standard on Digital Cadastral Maps and Parcel Identifiers*

*Standard on Manual Cadastral Maps and Parcel Identifiers*

*Standard on Mass Appraisal of Real Property*

*Standard on Oversight Agency Responsibilities*

*Standard on Professional Development*

*Standard on Property Tax Policy*

*Standard on Public Relations*

*Standard on Ratio Studies*

*Standard on Valuation of Personal Property*

*Standard on Valuation of Property Affected by Environmental Contamination*

*Standard on Verification and Adjustment of Sales*

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