

Reappraisal Reality

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Property Valuation and Review

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Reappraisal

Vermont municipalities are required to appraise properties within their borders to set property values so that properties are fairly and equitably assessed/taxed. The Division of Property Valuation and Review (PVR) at the Vermont Department of Taxes may require a town to reappraise.

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Reappraisal

A town will be ordered to reappraise if its [Common Level of Appraisal](#) (CLA) falls below 85 percent or rises above 115 percent, or if the [Coefficient of Dispersion](#) (COD) is above 20. A town may also opt on its own to reappraise even if not required by Vermont law. This outlines the steps taken by towns, assessors, and PVR toward completing a town's reappraisal process.

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How do you know when you need to Reappraise?

Internal Town Study: An internal study done by the Listers may indicate that a reappraisal is appropriate

Why might a Town do an internal study?

- 1) PVR's study includes three years while a Town may find that a shorter period is more indicative of a need to reappraise.
- 2) PVR's study does not break down neighborhoods or other more specific areas of your market.
- 3) An internal study may show that your town could benefit from, or only really needs, an alternative reappraisal.

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Reappraisal Types

There are four generally accepted types of reappraisal activities.

1. Complete Reappraisal

A reappraisal of all town properties including interior property inspections, development of new land and building pricing schedules, adjustments, and factors. The goal must be to implement new values for all properties that reflect 100% of fair market value.

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Reappraisal Types

2. Statistical Update

A statistical update is a revaluation of all town properties, but unlike a complete reappraisal it does not require on-site property inspections except to confirm validity of data for a sample of properties. The goal must be to implement new values for all properties to reflect **100%** of fair market value.

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Slide 5

RDO Deanna
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Slide 6

RDO Deanna
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Reappraisal Types

2. Statistical Update

If building permits are not required in your municipality and there is no program of systematic re-inspection of all property, this is **likely not an acceptable method** of establishing equitable values, as any inequities that currently exist within the grand list may be magnified using a statistical update.

If a statistical update is being done, a copy of the data quality study conducted prior to the update must be included with this Form RA-308 to PVR.

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Reappraisal Types

3. Partial Reappraisals

A partial reappraisal is a reappraisal activity that either targets some but not all properties in a town or adjusts a limited number of factors. Generally, this will result in a change in value, but a partial reappraisal will not bring the entire municipality to 100% market value. The goal of a partial reappraisal is to improve the appraisal equity among specific categories, types, and/or neighborhoods of properties within a town by bringing them to approximately the same level of appraisal as the rest of the properties in that town.

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Reappraisal Types

4. Rolling” Reappraisal (Cyclical Reappraisal)

A “rolling” reappraisal is a type of complete reappraisal . What differentiates a rolling reappraisal from a complete reappraisal is that it is conducted and implemented over more than one year.

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Reappraisal – How do I proceed?

Reappraisal Funds

Once you know your town needs a reappraisal, how do you proceed?

Reappraisal Funding – Determine what your town’s funding is and how much you have available.

Send **Request for Proposal (RFP)** to firms available on PVR website

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Slide 10

RDO Deanna - Individual
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Reappraisal – How do I proceed?

Reappraisal Funds

Award Contract to the best qualified firm available

It is always recommended that an attorney review all contracts before signing for legal content as well as input from PVR as to contractual items of inclusion.

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Reappraisal – How do I proceed?

How to Comply with a Reappraisal Order

1. Reappraisal Order
2. Detailed Compliance Plan
<http://tax.vermont.gov/content/form-ra-308>
3. When Reappraisal is Completed
<https://tax.vermont.gov/content/form-ra-310>

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