

DIVISION OF PROPERTY VALUATION AND REVIEW
RULE 86-P65

These rules are prepared pursuant to the authority granted to the Division of Property Valuation and Review by 32 V.S.A. sections 3411(3) and 4052 as amended by Act #264 of the 1985 Vermont General Assembly (adjourned).

PURPOSE

The Contract Appraisal Certification review procedure is designed to establish minimum professional standards for certification and operational responsibilities for individuals and firms proposing to conduct publicly financed property tax appraisal projects in Vermont.

Note that the term "certification" was replaced by "approval" in 32 VSA section 4052 in Act 264 of the 1989 adjourned session.

Rule #1 Definitions:

(1) "Appraisal" means an evaluation by a disinterested contractor of any of the real, personal, commercial, industrial and utility property within a taxing jurisdiction employing the three accepted indices of ad valorem assessment - cost, income and market - for the determination of value and related official documents.

(2) "Division" means the Division of Property Valuation and Review of the Vermont Department of Taxes.

(3) "Appraisal Firm" means a person, partnership, company or corporation intending to appraise property for tax purposes in Vermont.

Rule #2 Certification (*approval*): Firms

(1) Any appraisal firm wishing to perform property appraisals for any Vermont city or town shall obtain certification (*approval*) from the Division prior to submitting a proposal to undertake such projects. A written request shall be submitted to the Division accompanied by a description of the type of appraisals completed (residential, industrial, commercial, farm, personal property, etc.), the approximate number of such appraisals completed, a listing of any projects performed in the past four years, and other information substantiating the qualifications of each firm as may be requested by the Division including a list of its officers, partners or principals.

(2) A firm certified (*approved*) under this rule is required to perform appraisals using individuals meeting the qualifications criteria established for "Project Supervisor" under Rule #3 and "Appraiser" under Rule #4.

(3) A firm certified (*approved*) under this rule may employ Appraiser-Trainees as established under Rule #5 who may gather data on land and buildings, assist in the computation of base values of properties and participate in grievance proceedings to the extent of work performed but who will not be responsible for analyses incidental to the preparation of land and sales schedules, or attest to value before any grievance hearing.

Rule #3 Certification (*approval*): Project Supervisors

a. Scope of Responsibility:

1. The project supervisor shall: Exercise general supervision over an appraisal revaluation project in concert with the duly authorized or elected assessor or board of listers and conduct sales surveys and establish base values for land and buildings. He/She shall conduct, or at the discretion of the board of listers, or the assessor, participate in the grievance proceedings following the posting of notifications of change of appraisals. He/She shall be responsible for the quality of work and the deportment of all personnel employed for the project.

b. Minimum qualifications:

1. Persons seeking the designation shall have successfully completed the International Association of Assessing Officers (IAAO); The American Institute of Real Estate Appraisers (AIREA); or the Society of Real Estate Appraisers (SREA) courses I and II or their equivalents.

Successful completion of State of Vermont Course I, II and III, (cost, market and income indices to value) may be substituted for a portion of the national standards, as may professional designation by one of the aforementioned organizations or comparable certification in another state.

2. Three years experience as a real estate appraiser with at least two years of demonstrated responsibility in appraisal as defined in Rule #1 and at least one year experience with an appraiser who has satisfactorily completed one or more town-wide reappraisals in the State of Vermont.

(Requirement that such town-wide reappraisals be "in State of Vermont" nullified by change in 32 VSA section 4052 in 1987).

Rule #4. Certification (*approval*): Appraiser

a. Minimum qualifications:

1. Successful completion of IAAO, AIREA¹ or SREA course I or its equivalent or successful completion of State of Vermont courses I and II.

2. One year experience with an appraisal firm which has satisfactorily completed at least one town-wide reappraisal in Vermont. *(Requirement that such town-wide reappraisals be "in State of Vermont" nullified by change in 32 VSA section 4052 in 1987).*

b. Scope of Responsibilities

The Appraiser may function within the following areas:

Assisting the project supervisor in the preparation of sales data and land and depreciation schedules. At the discretion of the contracting town or city he/she may participate in or substitute for the Supervisor during the review process or at grievance hearings.

Rule #5. Appraiser-Trainee:

a. Minimum qualifications:

1. A high school education, or its equivalent.

2. Knowledge of basic mathematical concepts; ability to learn Vermont appraisal manual methods; to read and understand property descriptions, title abstracts and property transfer documents; the ability to communicate effectively, orally and in writing, and to document work.

¹ AIREA and SREA have since merged to form The Appraisal Institute (AI)

Rule #6. Renewal of Certification (*approval*):

Certification shall expire after five years but may be renewed provided that during the intervening period the project supervisor or appraiser petitioning for renewal successfully completes at least eight hours of instruction offered by one of the professional organizations stipulated in Rules #3 and #4.

Rule #7. Assignments:

With the approval of the governing body of the community or its assessor or board of listers, the appraisal firm or town may, for the purposes of undertaking specialized valuations, engage the services of a subcontractor provided the individual meets the minimum requirements for “Appraiser” stipulated in Rule #4.