



Guidance on International Mass Appraisal and Related Tax Policy

Sections Pertaining to Transparency and Public Outreach:

10. Transparency and Public Relations

10.1 Importance of Transparency and Public Relations

Public access to assessment records is crucial to good public relations and an effective mass appraisal program. Measures should be taken to ensure a climate of openness and transparency. Assessment office personnel must understand policies and laws pertaining to open records, public disclosure, and confidentiality, including an awareness of compliance timelines. The assessing officer should establish guidelines for the dissemination of real estate records or taxpayer information and should be sensitive to privacy concerns. A standard operating procedure for information requests should be developed. Legislation should support openness and transparency.

A public relations program provides an important opportunity for positive interaction between tax administrators, the public, and media. This interaction can be used to promote programs, communicate policies, and inform the public of assessment issues. A proactive public relations program is essential to create public awareness of the assessment process and emphasize the importance of the property tax in funding local government services. An effective public relations program encourages media coverage that is accurate thorough, and results in a better-informed public. Brochures, newspaper articles, Web sites, public meetings and public announcements can be used in this process.

10.2 Documentation

Valuation procedures and models should be documented. Appraisal staff should have at least a general understanding of how the models work and the various rates and adjustments made by the models. Cost manuals should be current and contain the rates and adjustments used to value improvements by the cost approach. Similarly, land values should be supported by tables of rates and adjustments for features such as water frontage, traffic, and other relevant influences. MRA models and other sales comparison algorithms should document final equations and should be reproducible, so that rerunning the model will produce the same value if data remains unchanged. Schedules of rental rates, vacancy rates, expense ratios, income multipliers, and capitalization rates should document how values based on the income approach were derived.

It can be particularly helpful to prepare a manual, booklet, or report for each major property type that provides a narrative summary of the valuation approach and methodology and contains at least the more common rates, adjustments, and statistical quality measures. Examples of how values were computed for sample properties can be particularly helpful. The manuals serve as a resource for current staff and can be helpful in training new staff or explaining the valuation process to other interested parties. Once prepared, the documents should be updated when valuation schedules change or methods and calculation procedures are revised.

11. Management, Personnel, and Resources

Mass appraisal and assessment systems require effective, sound management. Requirements of the property tax system and the mandated duties of the office must be considered when developing a management plan. Formalized management structures, processes, and oversight procedures are essential. Taxpayers and stakeholders also benefit from well-managed assessment offices because organization lends itself to increased transparency.

Planning is essential to sound management. A formal management plan communicates the vision and ensures compliance with local and regional rules and legislation. A management plan also provides a solid foundation for budget requests. It provides a basis for organizing work, measuring progress, and evaluating performance.

At the agency level, well-developed organizational designs consider the nature of activities, the volume of work, the skills required, and realistic production rates. Effective organization of tasks increases efficiency.

A property tax agency should have a written organizational plan that documents, with charts and statements, the responsibilities of each job and organizational unit. These documents formalize the delegation of work and depict lines of communication. Managers should always be alert to organizational problems, such as bottlenecks, tasks that are not performed, and duplication of effort.

Quality assurance is another important concern of management. Quality assurance evaluates the effectiveness of practices, procedures, and systems used to achieve legal and fair taxes. Public acceptance of property taxes and the perception of fairness are reinforced when data are accurate, valuations appear accurate and uniform, and all taxpayers are treated without prejudice or favoritism. A major quality assurance tool is the ratio study.