

Samuel M. Williams, Acting Secretary
David N. Harper, Director

Sam Brownback, Governor

DIRECTIVE #17-048

TO: County Appraisers

SUBJECT: Procedures and Guidelines for Valuing Property

This Directive Supersedes Directive #98-036

This directive is adopted pursuant to the provisions of K.S.A. 79-505, and shall take effect and be in force from and after the Director's approval date for the 2017 valuation year and all subsequent valuation years.

The county appraiser shall follow the policies, procedures and guidelines set forth in the Division of Property Valuation's specifications, manuals, guides, schedules, memoranda, regulations, directives and other instructions, as promulgated by the Director. *See* K.S.A. 79-1456; *In re Appeal of the Director of Property Valuation*, 14 Kan.App.2d 348, 791 P.2d 1338 (1989), *rev. denied* (1990).

If the director of property valuation has developed and adopted methodologies to value specific types of property, the county appraiser is required to follow such methodologies. K.S.A. 2016 Supp. 79-1456(a). The following guides set forth methodologies to value specific types of property:

- 1) Personal Property Guide
- 2) Oil and Gas Appraisal Guide
- 3) Grain Elevator Appraisal Guide
- 4) Commercial Feedlot Appraisal Guide

Some guides are revised annually and may set forth the valuation year (tax year) to which they apply. If a guide is not revised annually, then the county appraiser shall utilize the most current version of the guide which precedes the valuation date. The division of property valuation will notify county appraisers of proposed changes in guides and of the adoption of new or revised guides.

In valuing personal property required to be valued at fair market value, the county appraiser may deviate from the values shown in such guides on an individual piece of personal property for just cause shown and in a manner consistent with achieving fair market value. K.S.A. 2016 Supp. 79-1456(b).

In valuing real and personal property, the county appraiser shall interpret appraisal and valuation guides in a manner consistent with statutes. "To be valid, rules or regulations of an administrative agency must be within the agency's statutory authority. Rules or regulations that go beyond that authority, violate the statute, or are inconsistent with the agency's statutory powers are void.

Further, administrative rules and regulations must be appropriate, reasonable, and consistent with the law. *In re Tax Appeal of City of Wichita*, 277 Kan. 487, 495, 86 P.3d 513 (2004).” *Wagner v. State of Kansas, et al.*, 46 Kan.App.2d 858, 862, 265 P.3d 577 (2011), *rev. denied* (2012).

The Orion computer assisted mass appraisal system is a tool for mass appraisal intended to facilitate performance of the three generally accepted appraisal methodologies of the sales comparison approach, the cost approach, and the income approach when data to perform each approach is readily available. When using the Orion computer assisted mass appraisal system for property required to be valued at fair market value, it is the responsibility of the county appraiser or appraiser’s designee to consider all applicable valuation methodologies and any other appropriate factors and then to select the best indication of fair market value based on appraisal judgment. *See* K.S.A. 2016 Supp. 79-503a; Uniform Standards of Professional Appraisal Practice (USPAP). The county appraiser is expected to follow professionally recognized methods and techniques in order to maintain a high level of public trust in the appraisal practice.

Approved: _____

David N. Harper
Director of Property Valuation