

Public Chapter 318

HOUSE BILL NO. 1075

By Representatives Rinks, McDaniel, Fraley

Substituted for: Senate Bill No. 1174

By Senator Rochelle

AN ACT to amend Tennessee Code Annotated, Section 67-5-1005; Section 67-5-1601 and Section 67-5-1701, relative to the periodic reappraisal, updating and equalization of real property assessments in the counties of Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the first sentence of subsection (b)(1) and by substituting instead the following:

Reappraisal shall be accomplished in each county by a continuous six-year cycle comprised of an on-site review of each parcel of real property over a five-year period, or, upon approval of the State Board of Equalization, by a continuous four-year cycle comprised of an on-site review of each parcel of real property over a three-year period, followed by revaluation of all such property in the year following completion of the review period. Alternatively, if approved by the assessor and adopted by a majority vote of the county legislative body, the reappraisal program may be completed by a continuous five (5) year cycle comprised of an on-site review of each parcel of real property over a four (4) year period followed by revaluation of all such property in the year following completion of the review period. The board may consider a plan submitted by an assessor which would have the effect of maintaining real property values at full value as defined by law on a schedule at least as frequent as outlined in this section. In counties which have adopted a four or five year reappraisal cycle, there shall be no updating or indexing of values as there is in counties with a six-year cycle.

SECTION 2. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the existing language in subsection (d)(1)(A) in its entirety and by substituting instead the following:

(d)(1)(A) Subject to funding, the State shall pay a per-parcel grant to local governments to assist in the cost of reappraisal. Said grant shall be determined by the Division of Property Assessments and approved by the board. Such funds shall be expended solely for the purpose for which the grant was made.

SECTION 3. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting subsection (d)(1)(B) in its entirety and by substituting instead the following:

(d)(1)(B) The State grant for any county in a four- or five-year reappraisal program shall be limited to the amount, as determined by the Division

of Property Assessments, which would have been paid to the county had it remained on a six-year reappraisal program.

SECTION 4. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the language "sharable and non-sharable" wherever it appears in subsection (d)(2).

SECTION 5. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the language "state portion of the sharable local cost of reappraisal" in subsection (g) and by substituting instead the language "state grant for reappraisal".

SECTION 6. Tennessee Code Annotated, Section 67-5-1601, is amended by inserting the following words at the end of the second sentence of subsection (d)(3):

including the power to specify or approve any proposed computer assisted appraisal system pursuant to minimum standards which the board shall adopt in considering a proposed system.

SECTION 7. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the existing language in subsection (h) in its entirety and by substituting instead the following:

(h) The initial schedule of review and revaluation under this act shall be as determined by the board. The board may modify plans approved prior to the effective date of this act in order to immediately implement the provisions of this act for tax year 1997. The board may specify a four-, five- or six-year cycle for the initial scheduling of review and revaluation under this act, provided that approval of the county legislative body shall be required to move a mid-cycle updating of values from an existing reappraisal plan and any revised plan longer than five (5) years shall include a mid-cycle updating of values pursuant to subsection (b).

SECTION 8. Tennessee Code Annotated, Section 67-5-1601, is amended by deleting the existing language in subsection (a) in its entirety and redesignating existing subsections accordingly.

SECTION 9. This act shall take effect upon becoming a law, the public welfare requiring it.