



# **Indiana Assessors' Association**

## **Data Compliance**

**Courtney Schaafsma**  
**Director of Data Analysis**  
**January 2011**



# Agenda

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- Data Submissions
- Data Compliance
  - Sales Data
  - Real Property
  - Personal Property
- Action Items for 2011



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# DATA SUBMISSIONS



# Assessor Data Submissions

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- Mobile Home – March 1
  - MOBILE, APPEALMH
- Sales Data – March 31
  - SALEDISC, SALECONTAC, SALEPARCEL
- Real Property – October 1
  - PARCEL, LAND, IMPROVE, DWELLING, BUILDING, BLD  
DTL, APPEAL
- Personal Property – October 1
  - PERSPROP, POOLDATA, APPEALPP
  - OILGAS, OILGASALL (New File Formats for 2011-pay-2012)



# Auditor Data Submissions

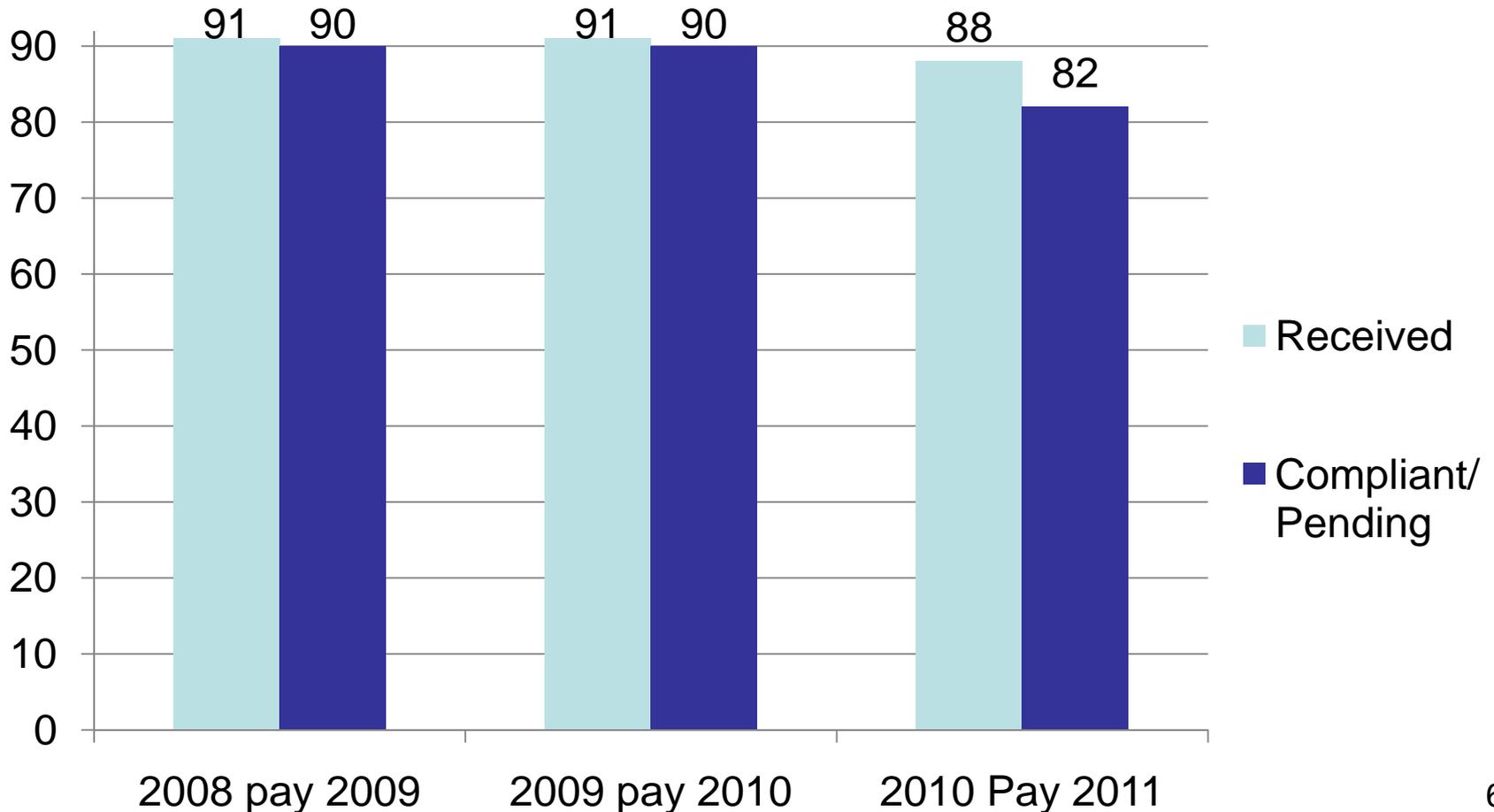
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- Auditor Data – March 1
  - TAXDATA, ADJMENTS



# Status of Data Submissions

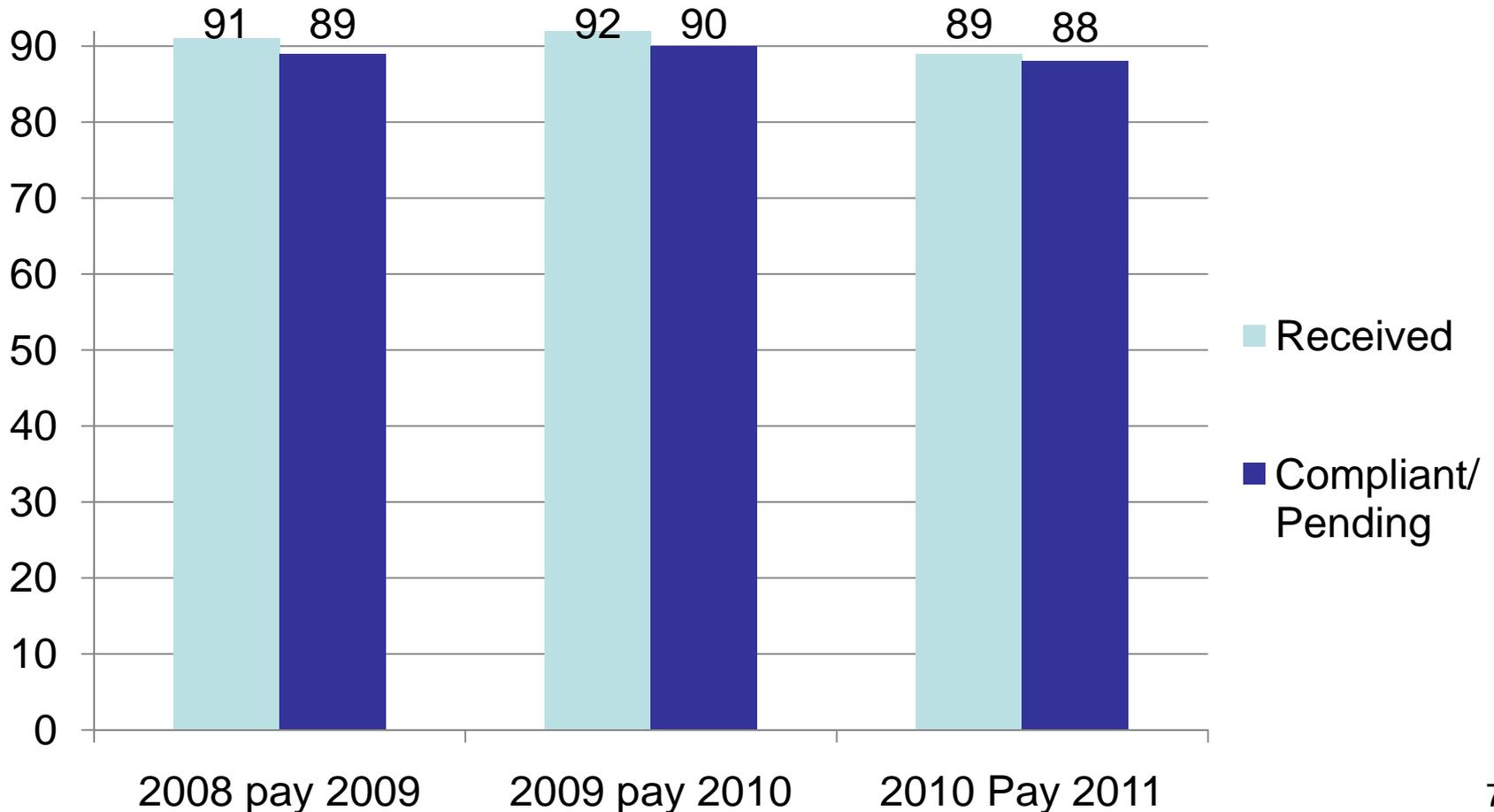
## Real Property (as of January 14, 2011)





# Status of Data Submissions

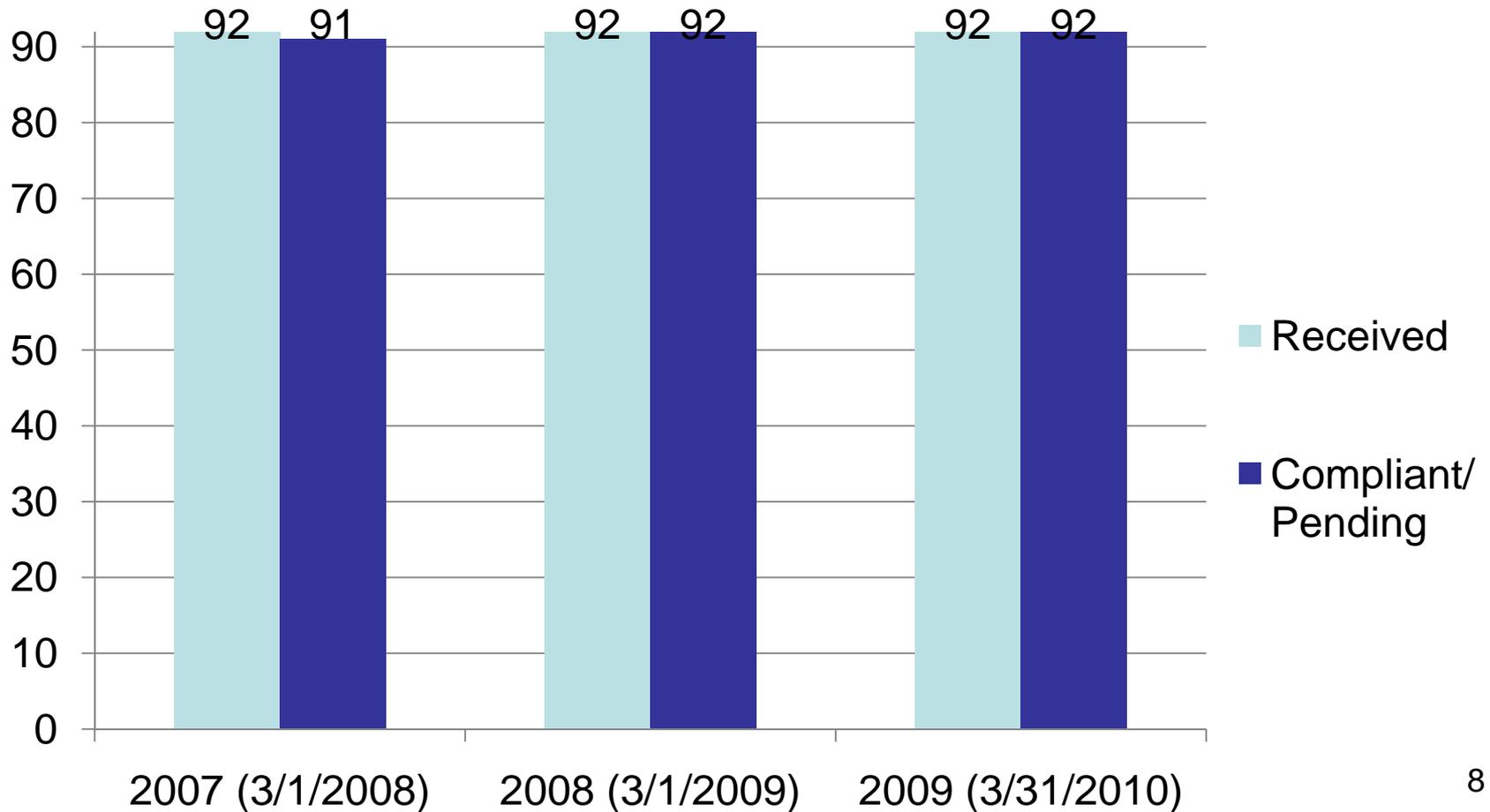
## Personal Property (as of January 14, 2011)





# Status of Data Submissions

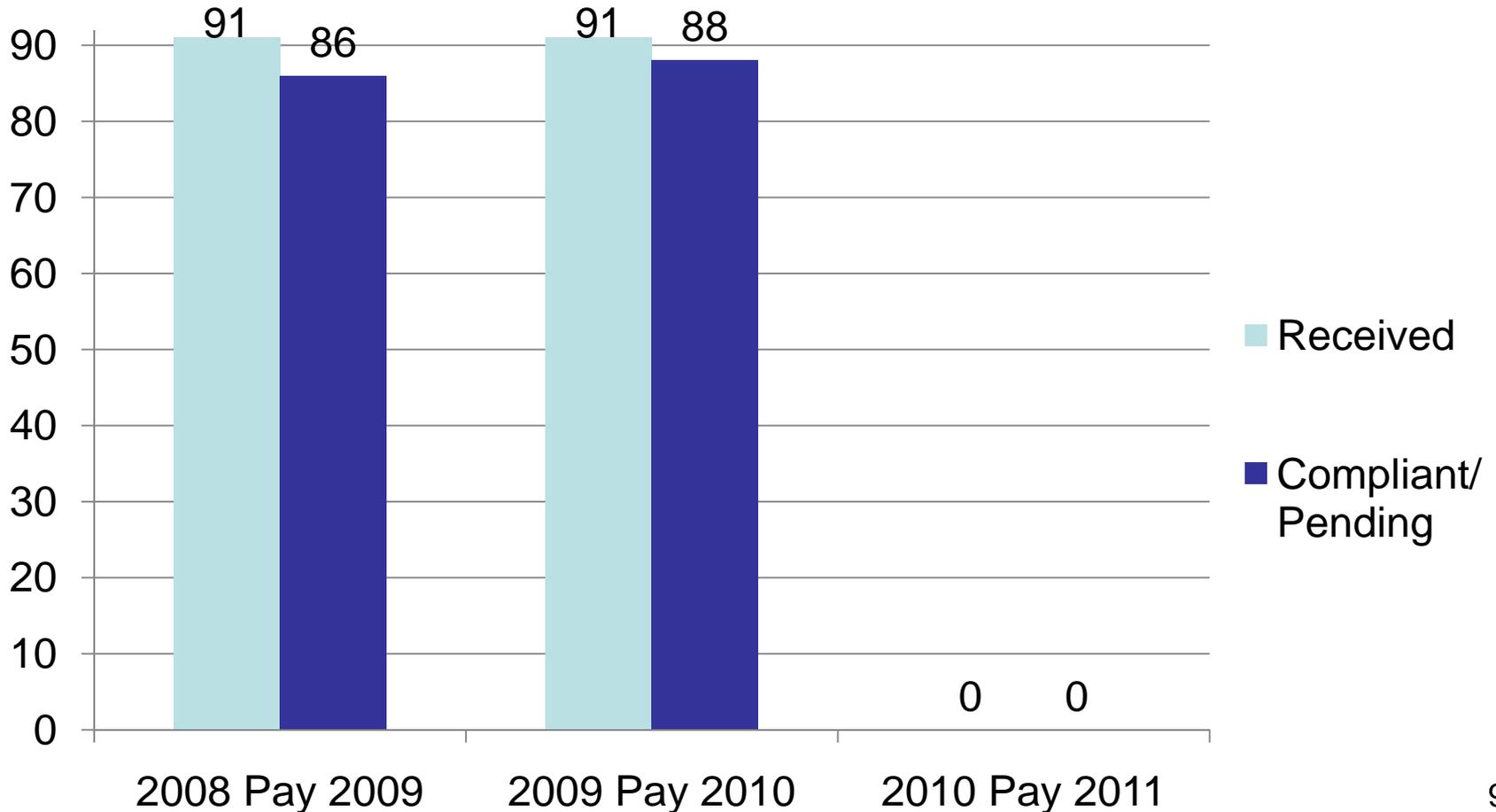
## Sales Data (as of January 14, 2011)





# Status of Data Submissions

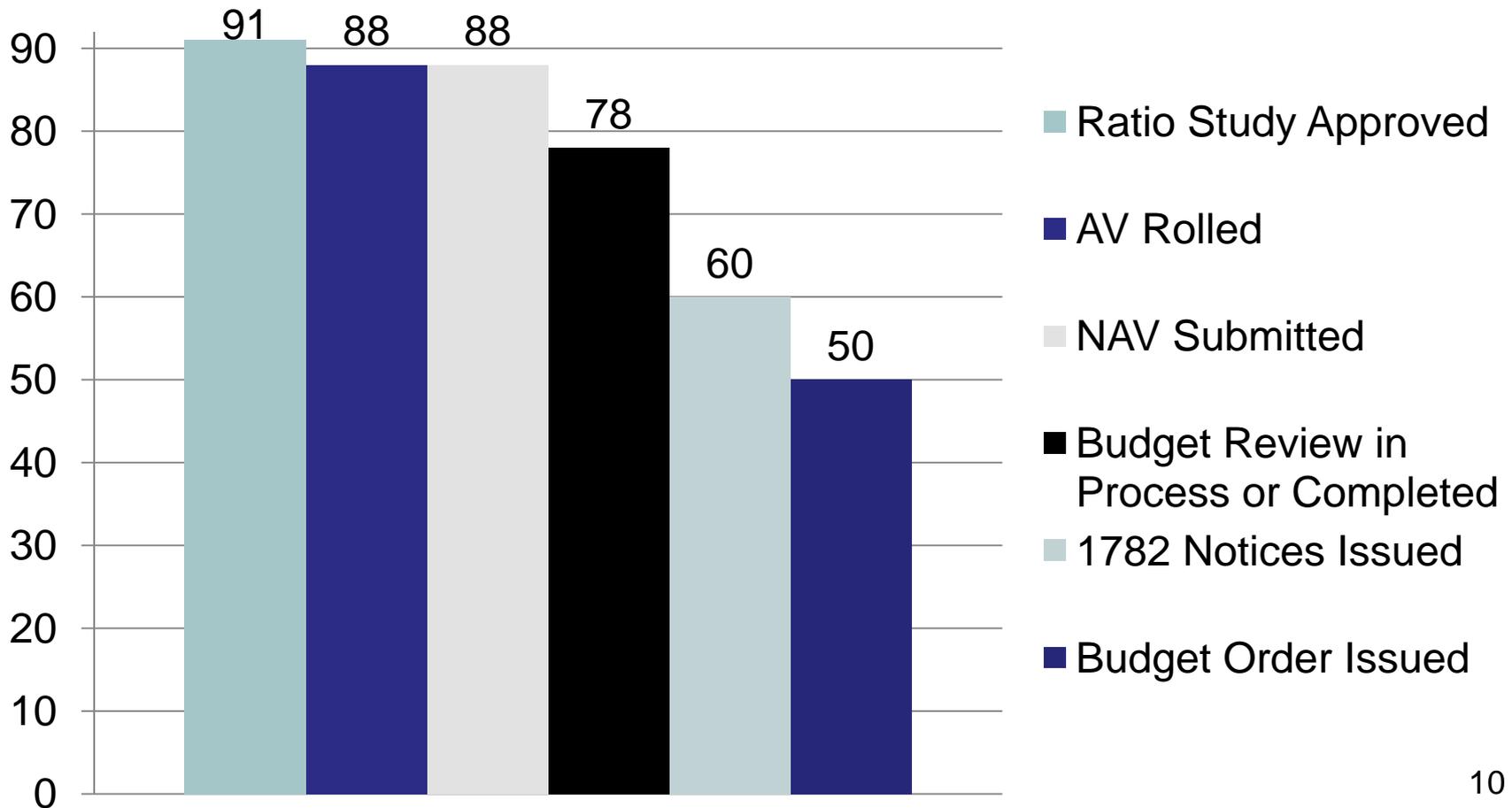
## Auditor Data (as of January 14, 2011)





# On-Time Billing Status Update

## 2011 Budget Status (as of January 13, 2011)





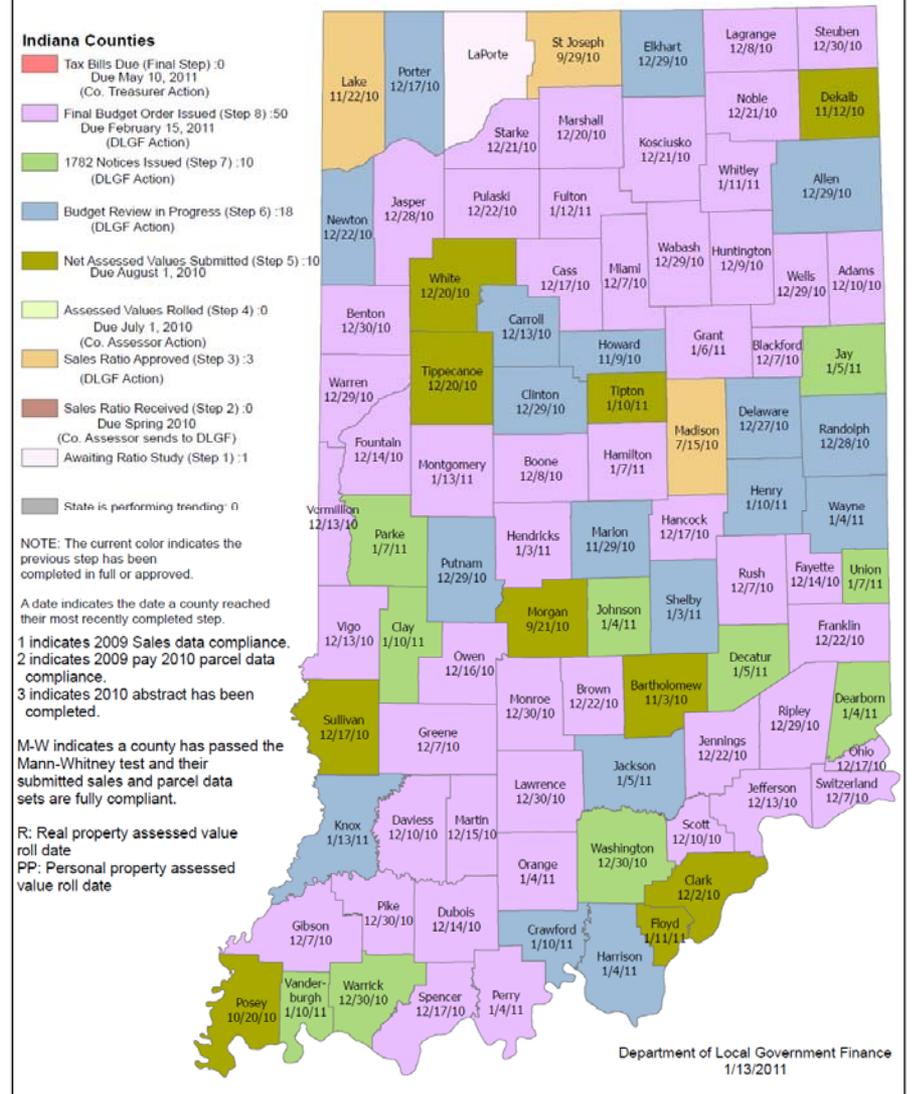
# On-Time Billing Status Update

- Budget Status Map available on DLGF webpage

[http://www.in.gov/dlgf/files/2011\\_Cert\\_Status.pdf](http://www.in.gov/dlgf/files/2011_Cert_Status.pdf)

- Updated daily during Budget Season

2010 pay 2011 Budget Certification Status Map





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# DATA COMPLIANCE



# Primary Objectives of Data Compliance Reviews

- Accuracy
  - Accurate data is essential for proper assessments and tax bills
- Consistency
  - Taxes should be billed on the right assessments
- Entirety
  - All current data should be used to create assessments and tax bills





# Data Compliance Reviews

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- Files to be submitted
- 50 IAC 26 updates to the files if applicable
- Submission process
- What do DLGF and LSA check for while reviewing?
- Other information



# 50 IAC 26 – Software Rule

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- Replaces 50 IAC 23
- On-going process to adopt a rule that more closely reflects the current laws on property taxes
  - Received a lot of good feedback from counties and vendors
- DLGF has adopted the new 50 IAC 26, but final approvals still need to be obtained
  - Hopeful to have the rule fully approved in March
- 2011 Pay 2012 datasets are intended to be under 50 IAC 26
- <http://www.in.gov/dlgef/2449.htm>



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# SALES DATA



# Sales Data

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- Why do we care about sales?
  - Sales data is the basis on which ratio studies are prepared.
  - Ratio studies are the backbone of annual assessments.
  - Without accurate sales data, ratio studies would not be meaningful or applicable.
- Where does the sales data come from?
  - Assessor's Office is responsible for review and verification of Sales Disclosure Form (SDF) data.



# Sales Data - Files

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- SALEDISC
  - Information about the sale transaction
  - 1 record per sales disclosure
- SALECONTAC
  - Information about the sale participants
  - At least 3 records per sales disclosure – seller, buyer, preparer
- SALEPARCEL
  - Information about the parcel(s) sold
  - At least 1 record per sales disclosure
    - Each record should have a corresponding record in the PARCEL file



# Sales Data – 50 IAC 26

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- Officially adopts the file formats currently being used for Sales Data



# Sales Data – Submission Process

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- Data is to be entered into the State Sales Disclosure Program in an on-going process throughout the year
  - If using the State Sales Disclosure Program as main program, data is entered throughout the year as SDFs are received.
  - If using a third-party vendor for sales disclosure tracking, the county should be submitting updated files to the SDF SharePoint site on a weekly basis.
    - These files are then uploaded to the Sales Disclosure Program and become publicly accessible.



# Sales Data – Submission Process

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- County must tell the DLGF when the Sales Data is ready for review by sending an email to [data@dlgf.in.gov](mailto:data@dlgf.in.gov).
  - Deadline: March 31
- How do I know my data is ready for review?
  - All records have been entered (direct entry or upload).
  - All records indicate that the form is complete.
  - As appropriate, records have been marked as valid for trending.
  - All records have been reviewed.



# Sales Data – Submission Process

PART 2 - COUNTY ASSESSOR																							
The county assessor must verify and complete items 1 through 14 and stamp the sales disclosure form before sending to the auditor:																							
1. Property	2. AV Land	3. AV Improvement	4. Value of Personal Property	5. AV Total	6. Property Class Code	7. Neighborhood Code	8. Tax District	9. Acreage															
A.)																							
B.)																							
Assessor Stamp			10. Identify physical changes to property between March 1 and date of sale. _____ _____ _____ _____			<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;">YES</th> <th style="width:25%;">NO</th> <th style="width:50%;">CONDITION</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>11. Is form completed?</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>12. State sales fee required?</td> </tr> <tr> <td colspan="3">13. Date of sale (MM/DD/YYYY): _____</td> </tr> <tr> <td colspan="3">14. Date form received (MM/DD/YYYY): _____</td> </tr> </tbody> </table>			YES	NO	CONDITION	<input type="checkbox"/>	<input type="checkbox"/>	11. Is form completed?	<input type="checkbox"/>	<input type="checkbox"/>	12. State sales fee required?	13. Date of sale (MM/DD/YYYY): _____			14. Date form received (MM/DD/YYYY): _____		
						YES	NO	CONDITION															
<input type="checkbox"/>	<input type="checkbox"/>	11. Is form completed?																					
<input type="checkbox"/>	<input type="checkbox"/>	12. State sales fee required?																					
13. Date of sale (MM/DD/YYYY): _____																							
14. Date form received (MM/DD/YYYY): _____																							
Items 15 through 18 are to be completed by the assessor when validating this sale:																							
15. If applicable, identify any additional special circumstances relating to validation of sale. _____ _____ _____ _____ _____						<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:25%;">YES</th> <th style="width:25%;">NO</th> <th style="width:50%;">CONDITION</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>16. Sale valid for trending?</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>17. Validation of sale complete?</td> </tr> <tr> <td colspan="3">18. Validated by: _____</td> </tr> </tbody> </table>			YES	NO	CONDITION	<input type="checkbox"/>	<input type="checkbox"/>	16. Sale valid for trending?	<input type="checkbox"/>	<input type="checkbox"/>	17. Validation of sale complete?	18. Validated by: _____					
						YES	NO	CONDITION															
<input type="checkbox"/>	<input type="checkbox"/>	16. Sale valid for trending?																					
<input type="checkbox"/>	<input type="checkbox"/>	17. Validation of sale complete?																					
18. Validated by: _____																							



# Sales Data - Reviews

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- Two main questions:
  - Does the sales data contain all recorded sales disclosures from January 1, 2010 through February 28, 2011?
  - Is the sales data complete and correct?



# Sales Data - Reviews

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- Number of sales records received versus number of sales records expected
  - Percentage of sales marked non-fee exempt, for valuable consideration compared to total sales reported
  - Percentage of sales marked valid for trending compared to total sales reported
  - Compare to historical data
  - Number of non-fee exempt sales compared to revenue figures from Auditor of State



# Sales Data - Reviews

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- Number of non-fee exempt duplicate records
  - Two or more records with identical parcel number, sales date, sales price and similar buyer/seller names
- Number of non-fee exempt duplicate multiple parcel records
  - Multi-parcel sales recorded with multiple sales records
- Range of conveyance dates in the data submission
  - January 1, 2010 through February 28, 2011, inclusive



# Sales Data - Reviews

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- Number of non-fee exempt records missing or invalid critical data
  - Missing critical data makes the record unusable for ratio studies
  - Critical data:
    - State-assigned taxing district number
    - Property class code
    - Total sales price
    - Buyer/seller basic information
  - If number of records with missing/invalid critical data exceeds 2% of total non-fee exempt records, the data will be rejected!



# Sales Data - Reviews

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- Percentage of records in the sales data marked as splits
  - Compare to average benchmarks and to county historical data
  - If the percentage of splits seems unreasonably low, a warning or rejection item may be issued.
- Match of non-fee exempt sales disclosure parcel numbers to parcel numbers in real property files
  - Necessary for ratio studies as real property files contain AV information



# Sales Data - Reviews

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- How to handle Special Circumstances?
  - Splits
    - Note subsequent split sale information in special circumstances field
  - Match to PARCEL data
    - Provide any additional information on why parcel number does not match PARCEL data in special circumstances field
  - Sales Conditions
    - Assessor advises Auditor when SDF fees should be collected
    - Discrepancies should be noted in special circumstances field
  - Valid for Trending
    - Sales marked “Y” for valuable consideration and “N” for valid for trending should provide an explanation on why the sale cannot be used in the special circumstances field.



# Sales Data - Reviews

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- Items that need explanation can also be compiled in a variance document or included with the narrative and submitted to the DLGF along with the sales data and workbook files.



# Sales Data – Other Information

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- Updates to the Sales Disclosure FAQs and additional information on the Sales Disclosure Database to be released in coming months.



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# REAL PROPERTY



# Real Property - Files

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- **PARCEL**
  - The main real property file
  - 1 record per parcel
- **LAND**
  - Information on each land record associated with a parcel
  - 0, 1, or many records per parcel
- **IMPROVE**
  - Information on each improvement record associated with a parcel
  - 0, 1, or many records per parcel



# Real Property - Files

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- DWELLING
  - Information on residential dwelling improvements
  - 0 or 1 record per improvement
- BUILDING
  - Information on commercial/industrial improvements
  - 0 or 1 record per improvement
- BLDDTL
  - Detailed information on each record in the BUILDING file
  - 1 or many records per building



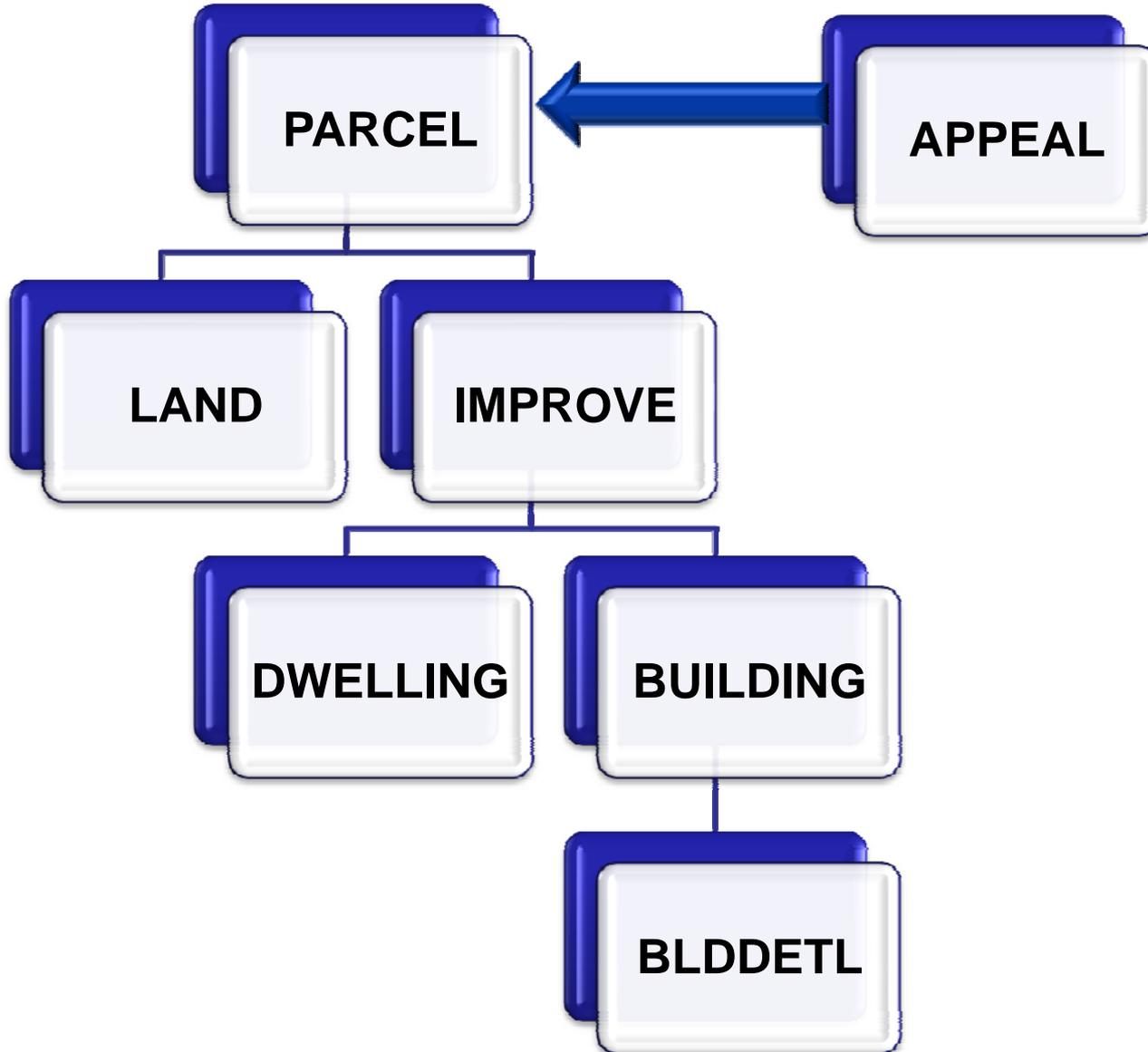
# Real Property - Files

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- APPEAL
  - Information on appeals filed for real property
  - 1 record for each appeal
  - 0, 1 or many records per parcel



# Real Property - Files





# Real Property – 50 IAC 26

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- PARCEL
  - Added in columns to capture Annual Adjustment Factors for Land and Improvements
  - Added in columns to account for adjustments that may be made to land or improvements
    - Issues that result in LAND or IMPROVE files not equaling AV values in PARCEL file
    - Example: Improvement that has been sound values or has used the income approach for pricing rather than the cost approach
      - Current: Warning or rejection item due to differences between IMPROVE and PARCEL – county must submit explanation to address
      - Future: Adjustment to improvement captured in PARCEL file, allowing reviewers to see that the change



# Real Property – 50 IAC 26

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- PARCEL (Continued)
  - Changed the AV “buckets” available
    - Current buckets
      - Residential Land
      - Residential Improvements
      - Non-residential Land
      - Non-residential Improvements



# Real Property – 50 IAC 26

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- PARCEL (Continued)

- Changed the AV “buckets” available

- 50 IAC 26 buckets

- Land Eligible for 1% Circuit Breaker Cap
- Improvements Eligible for 1% Circuit Breaker Cap
- Non-Homestead Residential Land Subject to 2% Circuit Breaker Cap
- Non-Homestead Residential Improvements Subject to 2% Circuit Breaker Cap
- Commercial Apartment Land Subject to 2% Circuit Breaker Cap
- Commercial Apartment Improvements Subject to 2% Circuit Breaker Cap
- Long Term Care Facility Land Subject to 2% Circuit Breaker Cap
- Long Term Care Facility Improvements Subject to 2% Circuit Breaker Cap
- Farmland Subject to 2% Circuit Breaker Cap
- Mobile Home Land Subject to 2% Circuit Breaker Cap
- Land Subject to 3% Circuit Breaker Cap
- Improvements Subject to 3% Circuit Breaker Cap



# Real Property – 50 IAC 26

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- PARCEL (Continued)
  - Removed AV – Dwelling, AV – Farmland, and AV – Homesite columns
- LAND
  - Expanded to include additional information to more closely track the land calculation
- DWELLING
  - Expanded to include additional information to more closely track detail gathered by assessors



# Real Property – Submission Process

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- Data Upload Tool
  - <http://www.in.gov/dlgf/5626.htm>
  - Highly recommend utilizing tool to submit data as it will pre-screen your files for potential compliance issues
  - Will be updating Data Upload Tool to account for 50 IAC 26
- Via email to Legislative Services Agency



# Real Property - Reviews

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- Review criteria will be updated to account for 50 IAC 26 changes
- Review process is a two-step process:
  - Fall: Review data received for initial compliancy
    - Best Result: Pending
  - Spring: Review data in relation to the TAXDATA file and Abstract received from the County Auditor
    - Best Result: Compliant



# Real Property - Reviews

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- Review checks listed in the next set of slides are typical reviews. Other reviews may be conducted as necessary.
- Other files not listed in these reviews (DWELLING, BUILDING, BLDDETL) are used when problems are identified which require further investigation.



# Real Property – Fall Reviews

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- Is the data in the correct file format?
- Verify data submitted is the trended and balanced final roll to the Auditor
  - Compare files against previously submitted workbook
- Valid Data
  - Parcel Number
    - 18-digit number
  - Property Class Code
    - Code List Manual:  
<http://www.in.gov/dlgf/files/PropertyTaxManualCodeLists.pdf>
  - AV
    - Negative or non-numeric



# Real Property – Fall Reviews

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- Problem property class codes
  - Government-owned (codes 600 – 669) should be reported and rolled with a zero value
  - Exempt (codes 670 – 699) should be reported and rolled with a gross assessed value
    - Auditor applies an exemption code if the taxpayer has properly filed the Form 136 paperwork
- Name of taxpayer compared to property class code
  - Primarily Government (codes 600 – 669) but other property class codes may be investigated if warranted



# Real Property – Fall Reviews

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- State-Assigned Taxing District Match
  - Taxing district contained in parcel number matches the reported State-assigned taxing district
- Duplicate Parcel Numbers
- $AV \text{ Total Land} + AV \text{ Total Improvements} = AV \text{ Total Land and Improvements}$
- $\text{Sum of AV Land Buckets} = AV \text{ Total Land}$
- $\text{Sum of AV Improvement Buckets} = AV \text{ Total Improvements}$
- $\text{Sum of all AV Buckets} = AV \text{ Total Land and Improvement}$



# Real Property – Fall Reviews

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- Compare PARCEL file to LAND file
  - Records in LAND file have corresponding record in PARCEL file
  - Records in PARCEL file with Land AV have corresponding records in LAND file
  - AV in LAND file + Land AV Adjustment in PARCEL file = AV Total Land



# Real Property – Fall Reviews

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- Compare PARCEL file to IMPROVE file
  - Records in IMPROVE file have corresponding record in PARCEL file
  - Records in PARCEL file with Improvement AV have corresponding records in IMPROVE file
  - AV in IMPROVE file + Improvement AV Adjustment in PARCEL file = AV Total Improvement



# Real Property – Spring Reviews

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- Compare PARCEL AV to Abstract AV
  - Breakdown by Land and Improvement
  - Breakdown by Taxing District
- Use APPEAL file when needed to explain discrepancies



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# PERSONAL PROPERTY



# Personal Property - Files

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- **PERSPROP**
  - The main personal property file
  - 1 record per personal property record
- **POOLDATA**
  - Personal property detail
  - 0, 1 or many records per personal property record
- **APPEALPP**
  - Information on appeals filed for personal property
  - 1 record for each appeal
  - 0, 1 or many records per parcel



# Personal Property – 50 IAC 26

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- PERSPROP
  - Adds State-Assigned Taxing District Number
  - Removes AV columns that are no longer necessary
- POOLDATA
  - Adds in TTV column



# Personal Property – Submission Process

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- Data Upload Tool
  - <http://www.in.gov/dlgf/5626.htm>
  - Highly recommend utilizing tool to submit data as it will pre-screen your files for potential compliance issues
  - Will be updating Data Upload Tool to account for 50 IAC 26
- Via email to Legislative Services Agency



# Personal Property – Reviews

---

- Review criteria will be updated to account for 50 IAC 26 changes
- Review process is a two-step process:
  - Fall: Review data received for initial compliancy
    - Best Result: Pending
  - Spring: Review data in relation to the TAXDATA file and Abstract received from the County Auditor
    - Best Result: Compliant
- Review checks listed in the next set of slides are typical reviews. Other reviews may be conducted as necessary.



# Personal Property – Fall Reviews

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- Is the data in the correct file format?
- Valid NAICS Codes
- Duplicate PERSPROP records
- POOLDATA
  - PERSPROP records with no POOLDATA
  - Dates in POOLDATA file
    - Start Date earlier than End Date
  - Pool 5 Data Reported



# Personal Property – Spring Reviews

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- Compare PERSPROP AV to Abstract AV
  - Breakdown by Taxing District
- Use APPEALPP file when needed to explain discrepancies



# COMPLIANCE REPORTS



# Compliance Reports

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- Rejection Items
  - Discrepancies which are sufficient to warrant a rejection of the data file for the year submitted
  - Problem must be identified and process corrected
  - Corrected data file(s) must be submitted
- Warning Items
  - Discrepancies not sufficient to warrant a rejection of the data file for the year submitted
  - May result in rejection next year if problem remains
- Notes



# Compliance Reports

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- Read through the compliance reports and any supporting documentation
- If you have any questions on the reports, contact the DLGF Data Analysis Division via email at [data@dlgf.in.gov](mailto:data@dlgf.in.gov)



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**2011**



# Action Items for 2011

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- Watch for data submission reminders
- **Submit your data in a timely manner**
- Use the Data Upload Tool for data submissions
- Watch for additional guidance on 50 IAC 26 and how the new rule may impact you or your county
- Work with your vendors to understand how 50 IAC 26 changes may be implemented within the software programs
- Watch for updated guidance on sales disclosures



# Contact the Department

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- **Courtney Schaafsma**
  - **Telephone: 317.232.3759**
  - **Fax: 317.232.8779**
  - **E-mail: [cschaafsma@dlgf.in.gov](mailto:cschaafsma@dlgf.in.gov)**
- **Web site: [www.in.gov/dlgf](http://www.in.gov/dlgf)**
  - **“Contact Us”: [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm).**