

Public Notification

The Governor of Kansas recently signed House Bill 2643 into law. New Section 4 of this legislation provides the taxpayer or county appraiser with an opportunity to request the development of an independent professional single property appraisal for certain types of complex industrial properties in Kansas. The request is made through the Director of Property Valuation who will function as the client and contract for this service.

The list of industrial property includes:

- Natural gas and helium processing facilities
- Ethanol facilities
- Crude oil refineries
- Fertilizer manufacturing facilities
- Cement manufacturing facilities
- Such other complex industrial properties as otherwise requested

Appraisals will need to be developed and reported under current USPAP Standards 1 and 2. In addition, the assignments will typically require the appraiser(s) to determine whether machinery and equipment should be classified as real or personal property on a case-by-case basis (personal property will not be a part of the appraisal assignment). The appraisal report will become an open public record and may require a defense of value by the assignment appraiser(s) at various levels of appeal. The timeframe for some of these assignments may be very tight. Taxpayers or the county appraiser may request the independent appraisal as late as October 15th and the final report should be delivered no later than March 1st.

The Director of Property Valuation will prepare and maintain a list of professionally certified and qualified real property appraisers with at least three years of experience in the classification and appraisal of the specific types of industrial property. Individual appraisers may be represented by a corporation, partnership, firm, group practice or an appraisal management company. If you or your business might be interested in participating or would like to consider these types of assignments, the Director invites you to apply for inclusion on the list of qualified professional appraisers. We need the following application information:

- Name of individual or appraisal business and contact information (mail, phone, email)
- Names of the appraiser(s) qualified to participate and Certified General Real Property License number
- The specific types of industrial properties that would be considered by the individual or business (minimum 3 years of experience by at least one staff appraiser)
- A listing of past appraisal assignments involving industrial property

- A statement that the assignment appraiser(s) will comply with the USPAP Competency Rule, Ethics Rule, Recordkeeping Rule and Scope of Work Rule
- A statement that appraisal assignments will be prepared under the current edition of USPAP Standards 1 and 2
- A statement that the assigned appraiser(s) will obtain geographic competence where necessary for the assignment
- A statement that the assigned appraiser(s) will defend the appraisal at all levels of appeal, if required
- A statement that the assigned appraiser(s) has or will obtain the necessary competency in classifying industrial machinery and equipment in accordance with the Kansas Personal Property Guide (a digital copy is available from the Division of Property Valuation).

We will review your application letter and notify you within 10 days if approval is granted to be added to the list of qualified appraisers. The list of approved appraisers will also be posted on the Department of Revenue, Property Valuation Website.

When a county appraiser or taxpayers submits a formal request for a professional appraisal on an industrial property, the Director of Property Valuation will prepare requirements for the appraisal assignment. The Director will email a request for quote along with property record information on file with the county and the relevant specification requirements to all qualified individuals and businesses on the approved list. The individual or business will have ten days to prepare a proposal and quote a price for the appraisal service. The Director's Industrial Appraisal Review Committee will select the lowest responsive bidder and notify all parties.

If you have any questions please visit our Web site at <http://www.ksrevenue.gov/pvdindustrial.html> or at email us at PVDIndAppComm@kdor.ks.gov.

Sincerely,

A handwritten signature in black ink that reads "David N Harper". The signature is written in a cursive, slightly slanted style.

David N. Harper, RMA
Director