

## Change of Assessment Reasons and Growth

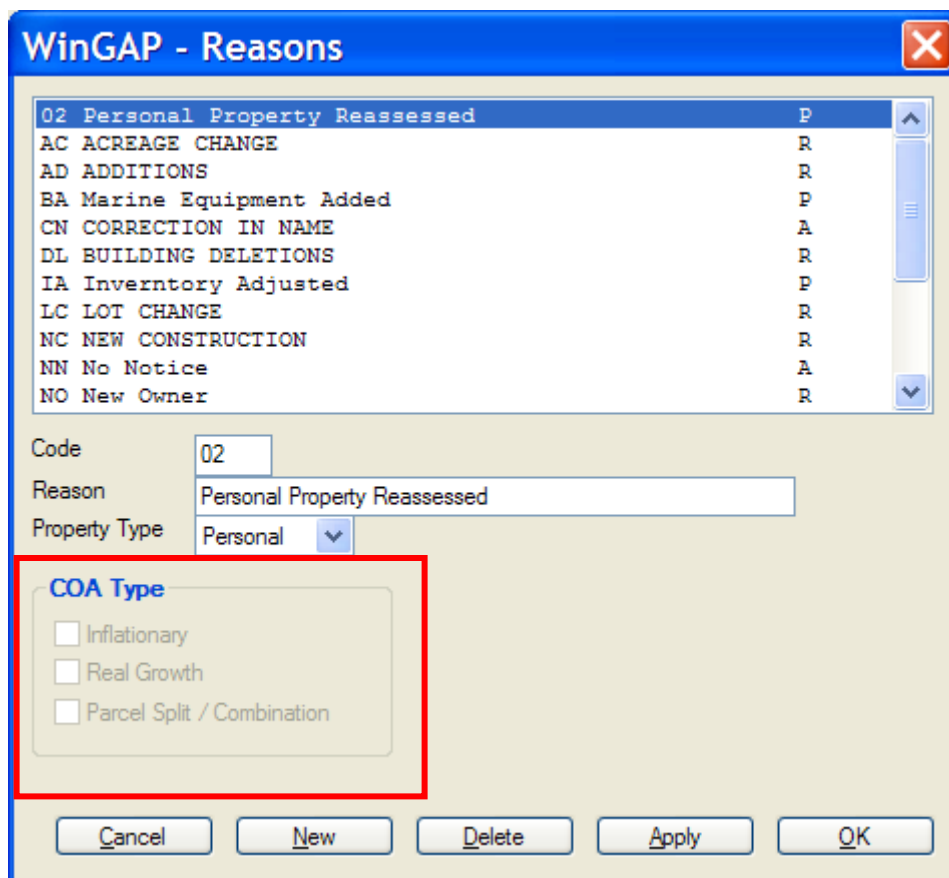
### Reason Schedule...

To facilitate the determination, calculation and reporting of growth for real property, the functionality of defining the type of growth associated with a COA (Change of Assessment) reason has been placed on the Reasons and Assessment Reasons screens. Either screen can be accessed by using the Tools menu and the option Schedules/Tables followed by Reasons or Assessment Reasons, as shown below



The only difference in accessing the COA reasons from the Reasons option versus the Assessment Reasons option is that the Reasons option will provide the user access to all reasons types, COA, Sales and Override, whereas, the Assessment Reasons option limits access to only COA reasons. Consequently, the discussion of the functionality of the COA reasons and COA Types will be limited to the Assessment Reasons menu option.

The Reasons screen as accessed from the Assessment Reasons menu option appears as shown below.



The discussion of adding, editing and deleting reasons is contained in the WinGAP Users manual. The focus of this discussion will be the assignment of the COA Type.

The COA Type section of the screen will only be enabled when the reason's Property Type is Real or All. In the screen shot above, the Property Type assignment is Personal. Consequently, no COA Type can be assigned.

The following screen shot depicts a COA reason that is associated with Real Property. When the Property Type is Real or All, the user must define the COA Type as Inflationary, Real Growth or a Parcel Split/Combination. The assignment is made by

clicking the checkbox associated with the desired COA Type. The user will not be allowed to exit the screen unless a COA Type assignment is made.

Reason	COA Type
02 Personal Property Reassessed	P
AC ACREAGE CHANGE	R
AD ADDITIONS	R
BA Marine Equipment Added	P
CN CORRECTION IN NAME	A
DL BUILDING DELETIONS	R
IA Inverntory Adjusted	P
LC LOT CHANGE	R
NC NEW CONSTRUCTION	R
NN No Notice	A
NO New Owner	R

Code: AC  
Reason: ACREAGE CHANGE  
Property Type: Real

**COA Type**

Inflationary  
 Real Growth  
 Parcel Split / Combination

Buttons: Cancel, New, Delete, Apply, OK

The assignment of the COA Type is critical to the digest submission procedure due to the need to determine the amount of inflationary growth within an appraisal/digest year. The user should be careful in making the correct assignment due to the potential impact on digest submission. The COA Type assignment will be printed along with the COA reason as part of the Digest Submission Reports and reviewed for correctness by DOR personnel.

As mentioned above COA reasons are assigned one of three types, Inflationary, Real Growth or Parcel Split/Combination. Each of the COA Types will be discussed in detail below.

An Inflationary assignment is made if the COA reason indicates that a change in value is due to reassessment. Reassessment can also be categorized as revaluation or reappraisal and associated with a change in property valuation schedules or a change to a parcel's property characteristics. When assigned to a parcel, a reason with a COA Type of Inflationary will result in the change in value in its entirety or a portion of the value changed being placed in the inflationary growth field.

Real Growth is assigned to a reason when the reason depicts a change in property value that is due to the addition or deletion of property components. Reasons, such as an ownership change, that are not characteristic of a value change should be assigned a Real Growth COA Type. Reasons with a Real Growth COA Type will not contribute to inflationary growth.

The Parcel Split/Combination COA Type is assigned when the reason defines the fact that the parcel has been split or combined with a new parcel or the acreage or lot dimensions have been changed due to a survey or correction in a deed. A Parcel Split/Combination reason will not contribute to inflationary growth.

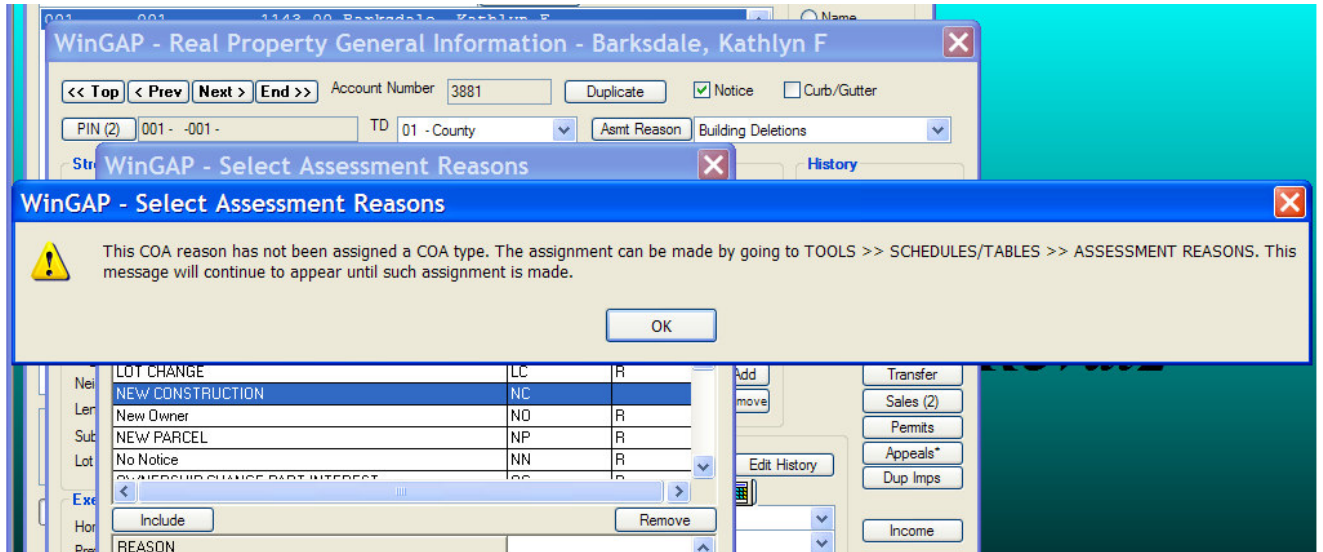
The following table is provided to give the user some examples of reasons/value change situations and proper COA Type assignments.

<b>COA Reason</b>	<b>COA Type</b>
Change in Ownership	Real
Parcel split	Split/Combination
Parcels combined	Split/Combination
Acreage/Land Dimension Change	Split/Combination
Improvement added	Real
Improvement deleted	Real
Addition to Existing Improvement	Real
Removal of Area from Existing Imp	Real
Improvement remodeled	Real
Improvement Characteristics Modified (grade, exterior walls, physical depreciation, obsolescence, % complete, etc.)	Inflationary
Reassessment/Revaluation	Inflationary
Zoning Change	Inflationary
Accessibility/desirability Change	Inflationary
Land Use Change	Inflationary
Land Class Change	Inflationary
Covenant application accepted	Real
Covenant application denied	Real
Schedules Updated	Inflationary

When a COA Type is changed on the Assessment Reasons screen, WinGAP will sync the COA Type with reasons that have been assigned to a parcel. The user will not be required to modify each parcel to implement the change.

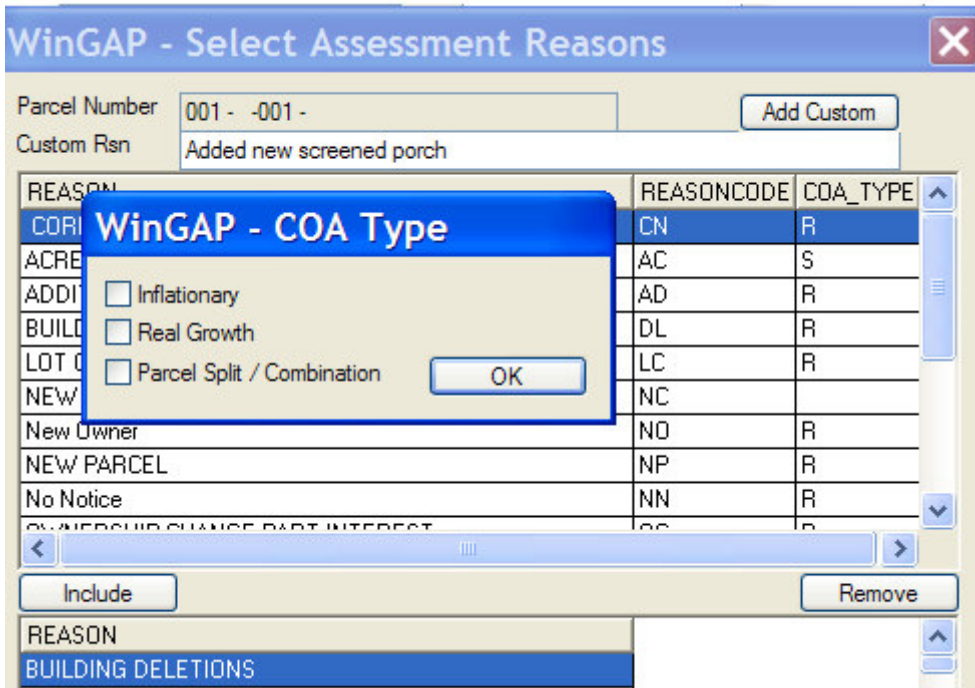
## Assigning Reasons to a Parcel...

When parcels are assigned a reason with the Asmt Reason button, the COA Type from the Reasons table will be saved in the asmtrsn record along with the reason code and definition. If the selected reason has not been assigned a COA Type, the user will be informed of such with the prompt that is shown below:



Clicking OK will save the reason but the user will continue to be prompted until the Assessment Reason table is updated.

If a Custom Reason is added, the user will be provided a form that will allow for the COA Type assignment. The user will need to check one of the three options before the reason will be accepted. The screen shot below provides an example of adding a custom reason and the COA Type assignment.



If the county has Auto Reasons turned on (Tools >> Preferences), COA Types will be saved along with the Auto Reason. The COA Type assignments for the auto reasons have been made by DOR personnel and are as follows:

<b>Auto COA Reason</b>	<b>COA Type</b>
Land Split into two or more parcels	Split/Combination
Parcel acreage changed	Split/Combination
New Property (real parcel) added	Real
Parcel deleted	Real
New Residential Improvement added	Real
Residential Improvement characteristics modified	Inflationary
Residential Improvement deleted	Real
New Commercial Improvement added	Real
Commercial Improvement characteristics modified	Inflationary
Commercial Improvement deleted	Real
New Accessory Improvement added	Real
Accessory Improvement characteristics modified	Inflationary
Accessory Improvement deleted	Real
New Manufactured Housing Improvement added	Real
Manufactured Housing Improvement characteristics modified	Inflationary
Manufactured Housing Improvement deleted	Real
Ownership changed	Real

### **Reappraise...**

Any reason assigned during the reappraise process must be designated as an Inflationary COA Type. WinGAP will not allow the assignment of a reason, if it is not inflationary in the reason table. Any custom reason added during reappraise will automatically be designated as Inflationary.

### **Processing COA Types and Growth Values...**

Before advertising millage rates and digest submission, the amount of inflationary growth for each parcel must be determined. The assignment of COA reasons and their COA Types during the data entry of information related to parcels and reappraising when schedules were update comprised the first step in the process of determining growth amounts.

The second and final step involves running a growth procedure to segregate real growth and inflationary growth. The procedure will check the coa reasons assigned to each parcel for their COA Type and process the change in value accordingly.

A COA Type of Inflationary will result in the difference between current value and previous value being calculated as inflationary growth. New construction will be deducted from the inflationary growth.

Real growth COA Types will result in no contribution to inflationary growth. The value difference between current and previous value will be considered as real growth. If an inflationary reason is also assigned to the parcel, a portion of the value difference may contribute to inflationary growth.

In situations where a COA reason with a Split/Combination COA Type exists on a parcel, no inflationary growth will be calculated. In addition, parcels with a zero previous value will not be assigned any inflationary growth regardless of the COA Type.

The procedure can be initiated from within WinGAP after all users have closed WinGAP by:

1. going to the Tools menu
2. selecting File Maintenance
3. selecting Growth Calculations

One of the procedures **MUST** be run prior to providing growth figures for millage rate determination and/or digest submission.

The inflationary growth per tax district can be printed by going to Reports >> Report Viewer, opening the report, infl-real growth summary.rpt and previewing/printing as desired. The inflationary growth numbers will also be printed with the other Digest Submission reports.