

Targeted Appraisal Review Program (TARP)

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Property Tax Assistance Division
Texas Comptroller of Public Accounts

Targeted Appraisal Review Program

What *is* Targeted Appraisal
Review Program (TARP)?



Targeted Appraisal Review Program

1. Legislative Implementation
 - a. 86th Legislature (2019)
 - i. SB2
 - b. Effective
 - i. The first tax year that may be considered for the condition is the 2020 tax year.

Targeted Appraisal Review Program

1. Statutory Authority
 - a. Government Code 403.302(k) & (k-1) included.
 - b. Texas Property Tax Code 5.102 included.

Example Notice

Government Code 403.302(k) notice.



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

August 31, 2023

Board of Directors
Happy Appraisal District
P.O. Box 123
Happy, TX 90210-0000

Via EMAIL and FIRST-CLASS MAIL

In Re: 2022 School District Property Value Study Invalid Findings

Dear Board Members:

Government Code Section 403.302(k) requires the Texas Comptroller of Public Accounts to notify you that the school districts listed below received an invalid finding in the 2022 School District Property Value Study.

Some invalid school districts are eligible for the statutory grace period provided by Government Code Section 403.302(l), under which our office certifies local value to the Texas Education Agency for school funding purposes for up to two years. We have indicated whether each invalid school district received state or local value and, if applicable, which year of the grace period the school district is entering.

If any school district is invalid for three consecutive years, our office must conduct an additional review of the appraisal district under the Methods and Assistance Program (MAP) in the form of a Targeted Appraisal Review (TARP). We have indicated the number of consecutive year(s) each ISD has been invalid.

<u>School District</u>	<u>State or Local Value</u>	<u>Consecutive Year</u>
Bayside ISD	Local -Year 1 Grace	First
Crestwood ISD	Local -Year 2 Grace	Second
Ridgemoat ISD	Local -Year 1 Grace	First
Springfield ISD	Local -Year 2 Grace	Second

Government Code Section 403.302(k) also requires the appraisal district board of directors to hold a public meeting to discuss receipt of this notice.

Contact our office at Ptad.TARP@cpa.texas.gov or 800-252-9121 (press 3) with any questions or concerns.

Sincerely,

Shannon Murphy, Director
Property Tax Assistance Division

cc:, A.C. Slater, Chief Appraiser



August 31, 2023

Board of Directors
Sad Appraisal District
P. O. Box 456
Sad, TX 89044-0000

Via EMAIL and FIRST-CLASS MAIL

In Re: 2022 School District Property Value Study Invalid Findings

Dear Board Members:

NOTICE OF INVALID FINDINGS

Government Code Section 403.302(k) requires our office to notify you that the school districts listed below received an invalid finding in the 2022 School District Property Value Study (SDPVS).

Some invalid school districts are eligible for the statutory grace period provided by Government Code Section 403.302(1), under which our office certifies local value to the Texas Education Agency for school funding purposes for up to two years. We have indicated whether each invalid school district received state or local value and, if applicable, which year of the grace period the school district is entering.

<u>School District</u>	<u>State or Local Value</u>	<u>Consecutive Year</u>
Hogwarts ISD	State	First
Rydell ISD	State	Third
Shermer ISD	State	Third

NOTICE OF TARGETED APPRAISAL REVIEW

Because one or more of your school districts received an invalid finding(s) in the SDPVS for three consecutive years, Government Code Section 403.302(k-1) requires our office to conduct a Targeted Appraisal Review (TARP) of the appraisal district and provide recommendations pertaining to appraisal standards, procedures and methodologies.

We have attached the list of preliminary and onsite documents and information to be made available to our TARP reviewer for this review. You must make the onsite documents and information available to your TARP reviewer during the onsite visit in your appraisal district. You must provide the preliminary documents and information to our office by **Oct. 2, 2023**.

The preliminary documents can be uploaded to our file transfer protocol (FTP) site or sent via flash drive to Donald Rhea, Texas Comptroller of Public Accounts, Property Tax Assistance Division, P.O. Box 13528, Austin, Texas 78711-9939. If you upload your documents to the FTP site, please email Ptd.TARP@cpa.texas when you have completed the upload. Instructions for uploading to the FTP site are attached.

Example Notice

Government Code 403.302(k-1) notice.

Timeline and Calendar

Targeted Appraisal Review Program

Targeted Appraisal Review Program: Notification Timeline

2021	2022	2023
<p>Comptroller certifies the 2020 School District Property Value Study</p> <p>Comptroller provided notice to Board of Directors of appraisal districts with invalid findings in the 2020 SDPVS</p> <p>Board of Directors holds public meeting to discuss receipt of notice</p>	<p>Comptroller certifies the 2021 School District Property Value Study</p> <p>Comptroller provides notice to Board of Directors of appraisal districts with invalid findings in the 2021 SDPVS</p> <p>Board of Directors holds public meeting to discuss receipt of notice</p>	<p>Comptroller certifies the 2022 School District Property Value Study</p> <p>Comptroller provided notice to Board of Directors of appraisal districts with invalid findings in the 2022 SDPVS</p> <p>Board of Directors holds public meeting to discuss receipt of notice</p> <p>If third consecutive notice, Comptroller must conduct a TARP review</p>

Targeted Appraisal Review Calendar



September 2023- Notification occurs



October 2023- Documents submitted to Comptroller



Oct. 2023 through May/early June 2024 - Onsite visits occur



December 2024- Findings submitted to Appraisal District



Dec. 2024 through Dec. 2025- Appraisal Districts work with TARP reviewer to clear recommendations



December 2025- Comptroller sends District all clear letter or: Comptroller notifies TDLR of outstanding recommendations

Guidelines and Data Requests

Targeted Appraisal Review Program

Targeted Appraisal Review Guidelines

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Targeted Appraisal Review Data Requests

- Preliminary Data
Request

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Targeted Appraisal Review Data Requests

- Onsite Data Request

Targeted Appraisal Review Content

Targeted Appraisal Review Program

Targeted Appraisal Review Program (TARP)

SDPVS
Findings

Appraisal
District
Administration

Appraisal
Administration

Categories of
Valuation in
the SDPVS

SECTION 1: SDPVS FINDINGS

Targeted Appraisal Review Program



Section 1: SDPVS Findings

- Analyze SDPVS findings for the previous 3 years
- Determine actions to be taken

SECTION 2: APPRAISAL DISTRICT ADMINISTRATION

Targeted Appraisal Review Program

Section 2: Appraisal District Administration

- Taxing Units
- County Demographics
- Budgets
- Staffing & Training
- Chief Appraiser
- Appraisal Contracts

SECTION 3: APPRAISAL ADMINISTRATION

Targeted Appraisal Review Program

Section 3: Appraisal Administration

Parcel Data

Property Classification

Contracted Appraisal Services

CAMA Software

Mapping / Aerial Photography

Ratio Studies

Reappraisal Plan

Quality Control

SECTION 4: CATEGORIES OF VALUATION IN THE SDPVS

Targeted Appraisal Review Program

Section 4: Categories of Valuation in the SDPVS

Category A: Single Family Residential

Category B: Multifamily Residential

Category C: Vacant Land

Category E: Rural Land, not qualified for open-space appraisal

Category D1: Qualified open space land

Category D2: Farm and Ranch improvements

Category F1: Commercial Real property

Category G: Oil & Gas, Minerals and other subsurface interests

Category J: Real and Personal property Utilities,

Category L1: Commercial Personal Property

Example Review Questions

Targeted Appraisal Review Program

Do appraisers and/or contractors have the right skill sets to appraise each type of property?

Are applicable invalid property categories
correctly categorized according to the
Comptroller's property classification
guidelines?

Are ratio studies conducted at timely intervals during the valuation process?

Does the appraisal district
review current market data?

Does the appraisal district perform multiple quality-control steps to verify the accuracy and uniformity of property valuations?

Does the appraisal district annually review and update cost schedules?

Does the appraisal district collect local income and expense data?

Does the appraisal district annually review
and update land cost schedules based on
ratio study results?

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Is the appraisal district using its calculated values on land designated for agricultural use?

Does the appraisal district systematically employ several methods to discover taxable personal property?

Targeted Appraisal Review Report

Targeted Appraisal Review Program



Meet our
Team!

Targeted Appraisal Review Reviewers

Dwayne Andrews, RPA

Rosie Skiles, RPA

Bob Drury, RPA

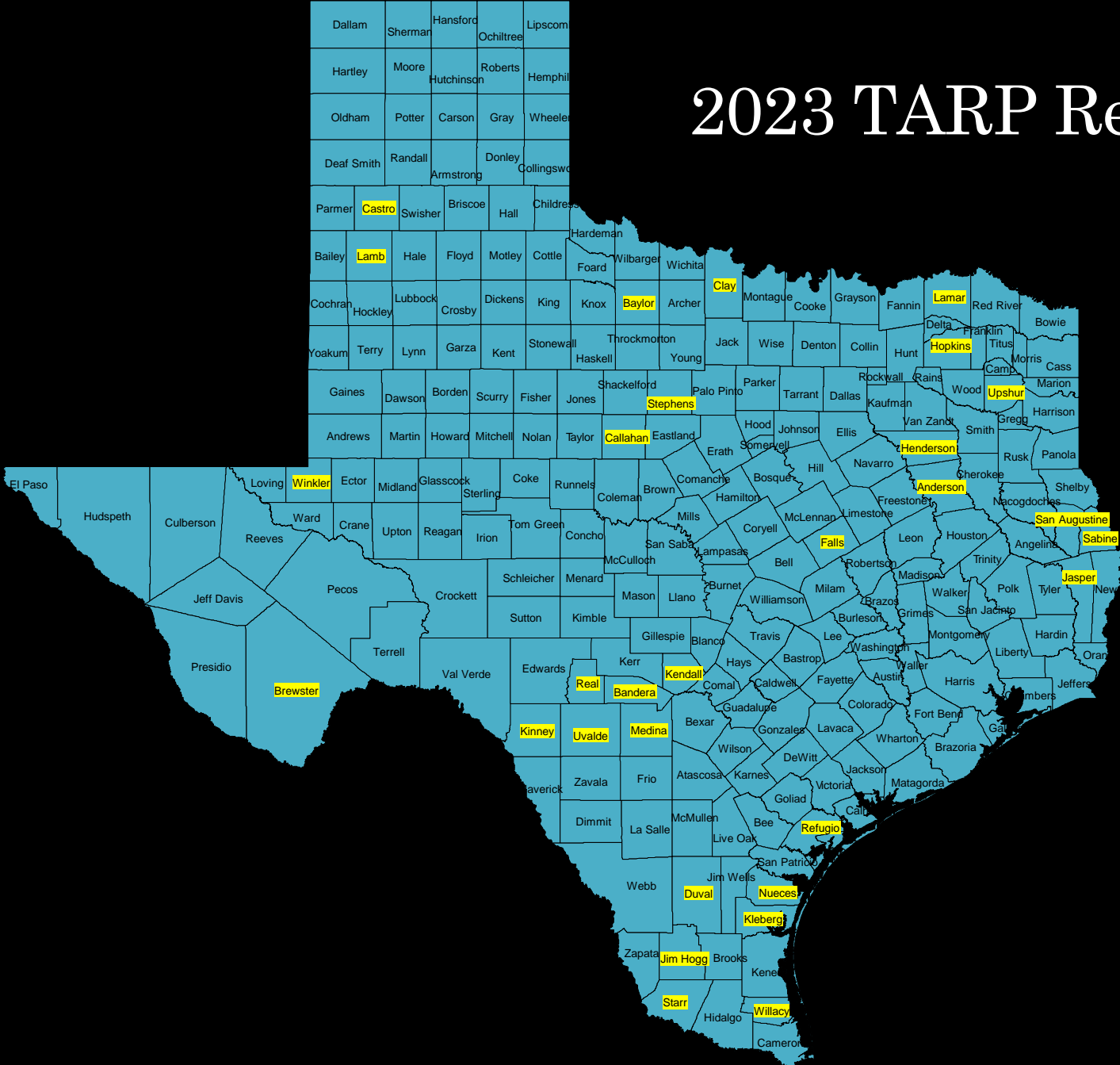
Donald Rhea, RPA – Team Lead

Emily Hightree, RPA, RTA, CTA - Supervisor

Property Tax Assistance Division



2023 TARP Reviews



Tier 1: 1 Appraisal District
Tier 2: 13 Appraisal Districts
Tier 3: 16 Appraisal Districts

2023 Targeted Appraisal Reviews

Targeted Appraisal Review Hypotheticals

- If a Targeted Appraisal Review occurred for 2020 based on 3 years invalid findings it would have included 11 appraisal districts encompassing 19 ISDs
- For 2021 the number of appraisal districts would have been 20 encompassing 32 ISDs
- For 2022 the number of appraisal districts would have been 23 CADs encompassing 32 ISDs

Frequently Asked Questions (FAQ's):

Targeted Appraisal Review Program

What is the difference between a TARP
Review and a MAP Review?

My Appraisal District is scheduled to have a MAP Review this year. Will we also have a Targeted Appraisal Review if we qualified?

I received notification of invalid findings,
what do I need to do?

Where can I find out more information about
the Targeted Appraisal Reviews?

PROPERTY TAX ASSISTANCE

Texas has no state property tax. The Comptroller's office does not collect property tax or set tax rates. That's up to local taxing units, which use tax revenue to provide local services including schools, streets and roads, police and fire protection and many others. Learn about the role and services offered by the comptroller's property tax assistance division.



Local Protest

- Appraisal Protests and Appeals
- Appraisal Review Boards
- Arbitrator Registry and Application
- Limited Binding Arbitration
- Regular Binding Arbitration



Appraisal

- Agricultural, Timberland and Wildlife Management Use
- Appraisal District Board of Directors
- Appraisal District Public Information Packet
- Property Tax Exemptions
- Restricted Use Appraisal
- Special Inventory
- Valuing Property



Assessment/Collection

- Paying Your Taxes
- Property Tax Bills
- Property Tax Payment Refunds
- Property Taxes in Disaster Areas and During Droughts
- Tax Rates and Levies
- Truth-in-Taxation



Comptroller Services

- Appraisal District Ratio Study Results
- Appraisal Review Board Members Training
- Data Submission Requirements
- Local Government Relief
- Methods and Assistance Program
- Property Tax Institute
- Property Tax Professionals Education
- Property Tax Reports and Survey Data
- Property Tax Videos
- School District Property Value Study
- Targeted Methods and Assistance Program



Resources

- Legal Resources
- Local Property Information
- Property Tax Calendars
- Property Tax FAQs
- Property Tax Forms
- Property Tax System Basics
- Publications
- Quarterly Newsletter
- Taxpayer Bill of Rights



Comptroller Web Links

- Ag and Timber Sales and Use Tax Exemptions
- Allocation Historical Summary
- Comptroller's Online Eminent Domain Database
- Local Government Budgeting Guides
- Local Government Debt Transparency
- Primarily Charitable Organizations
- Tax Code Chapter 313 — Value Limitation and Tax Credits
- Texas Hotel Data Search



Required Applications:

Adobe Reader

Targeted Appraisal Review Program

<https://comptroller.texas.gov/taxes/property-tax/>

Targeted Appraisal Review Program

<https://comptroller.texas.gov/taxes/property-tax/>

Resources:

- [2023 Reviews](#)
- [Guidelines](#)

TARGETED METHODS AND ASSISTANCE PROGRAM

If a school district receives invalid School District Property Value Study (SDPVS) findings for three consecutive years, Government Code Section 403.302(k-1) requires the Comptroller's office to conduct a targeted review of the appraisal district that appraises property for that school district.

This review seeks to determine why a school district's values are statistically invalid and provides recommendations to the appraisal district regarding appraisal standards, procedures and methodologies. Upon conclusion of the review, the Comptroller's office issues a report to the appraisal district with recommendations targeted to help the appraisal district maintain statistically valid values in the school district. The appraisal district must comply with the recommendations or be referred to the Texas Department of Licensing and Regulation.

The first reviews began in Fall 2023, following the certification of the 2022 SDPVS final findings in August 2023 and included appraisal districts with school districts that received invalid final findings for the 2020, 2021 and 2022 SDPVS.

Resources

[2023 Targeted MAP Reviews \(PDF\)](#)

[Targeted MAP Review Guidelines \(PDF\)](#)

Required Applications:

[Adobe Reader](#)

Targeted Appraisal Review Program

- Updates and reminders will be published in the PTAD Quarterly newsletter
- To subscribe to the newsletter, you can go to the link shown here:
- <https://comptroller.texas.gov/taxes/property-tax/newsletter/>
- <https://public.govdelivery.com/accounts/TXCOMPT/subscriber/new?preferences=true#tab1>

Contact:

Ptad.TARP@cpa.Texas.gov

Targeted Appraisal Review Program

Questions?

