

PRODUCING EVIDENCE AT YOUR HEARING

This information is provided to aid you in preparing your evidence for the typical appeal hearing having to do with the taxable value of your property.*

The standard by which all property is judged is called "fair market value". Tennessee law states, "the value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes for sale between a willing seller and a willing buyer without consideration of speculative values..." More simply, this would be the most probable sales price which you would have received for your property on the assessment date (January 1 of the tax year) if it had been placed on the market for a reasonable amount of time.

In trying to determine the most probable sales price of your property, the price paid by you or another for your property may be a good indicator if the purchase occurred on or about the assessment date and was an arms-length transaction. This means that the sales price and terms are those that would be most often found between total strangers. In addition, the seller and buyer must not be under any undue pressure which would result in a "non-typical" sales price.

Fair market value can also be found by the sales price of comparable properties. A comparable property is one that is similar to yours in size, condition, age and location. For example, if your property has been valued by the assessor at \$65,000 and houses in your neighborhood of almost identical size and general construction sold on or about the assessment date for \$50,000, this would be the best possible evidence you could bring to the hearing to prove a lower value. A much larger or much smaller property would not qualify as a comparable property.

The final way that you can show that your property is valued too high is to show special problems which would make your property worth less than others in your neighborhood. A potential buyer would discount during a sale for these usually serious conditions. Examples of this would be major structural damage, frequent flooding or severe termite damage. Generally, a lack of normal maintenance is not a factor unless it is a very extreme case. These negative factors must be expressed in terms of money, such as the amount it would cost to cure the situation.

Remember, your objective at your hearing is to state the value that you feel should be placed upon your property and provide evidence supporting that value.

In presenting your appeal:

1. Make a list of the points you wish to be considered and provide copies for the Assessor and the Administrative Judge.
2. Bring a recent photograph of the property if you feel that this would help demonstrate your point.
3. Bring all the information you can find about sales of comparable properties in your neighborhood, if they occurred on or about the assessment date.
4. It is a good idea to check the assessor's records for errors. Make sure information such as house dimensions and lot size is correct. This could be done when you are checking the comparable properties in your neighborhood.
5. Small variations in property features, such as living area or lot size, may not affect the value a buyer would pay for two otherwise comparable properties. Look for differences that can be shown to affect the market. These must be accounted for in any comparison of properties that have sold.
6. Inconsistent results in the assessor's computer value system are not usually enough to prove the value on your property is wrong.

*If your hearing concerns whether you have met necessary preconditions for the Board to hear your appeal, or concerns other issues such as property exemptions or classification, you will need to call, write, or e-mail if you have questions about preparation.