Winter 2025 • Issue 1 Volume 22

AAP Journal

ASSESSORS' ASSOCIATION OF PENNSYLVANIA

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## Calendar

**AAP Board of Governors' Meeting**
*Via Zoom*
January 24, 2025

**2025 Spring CPE Classes**
*CCAP Office, Harrisburg*
Intro – March 10 - 14
Site – March 17 - 21
Cost – March 31 – April 4
Income – April 7 - 11

**AAP Board of Governors' Meeting**
*Kalahari Resorts, Pocono Manor*
May 6, 2025

**AAP 2025 Annual Conference**
*Kalahari Resorts, Pocono Manor*
May 7 - 9

**CPE Review Class**
*CCAP Office, Harrisburg*
May 19 -20

**Act 28**
*Virtual*
May 20

**USPAP (7-hour AQB Course)**
*Virtual*
May 21

**2025 Fall CPE Classes**
*CCAP Office, Harrisburg*
Intro – September 8 - 12
Site – September 15 - 19
Cost – September 29 – October 3
Income - October 6 - 10

*Visit **www.paassessors.org** for more information.*

# Sales: To Validate or Not to Validate, that is the Question!

*Renee Reynolds, M.Ed., CPE*
*STEB/PA Department of Community and Economic Development*

Admit it; you have thought, "*What is the purpose in reviewing sales, especially when there isn't enough time in the day, and STEB is going to do what it wants anyway*?"

First, a shout out to the dedicated State Tax Equalization Board (STEB) staff you may see yearly. All of us were once assessment staff just like you! The auditors visit your office to capture the assessment data needed to complete STEB's mandates. The STEB was created by the General Assembly as an independent board to calculate market values for the Department of Education to use in their funding formula. Other agencies, like the Auditor General, use the data for Firemen's Relief Funding

So, what about the Common Level Ratio (CLR)? It wasn't until 1982 that STEB was mandated to calculate the CLR which is used in assessment appeals. Your board will use it to adjust the market value to an assessed value if the appellant is successful in their case. STEB does not recommend the ratio to be used for any other purpose, i.e. to set value-based on sale price; this action may be viewed as sale chasing or spot reassessment, so please, don't do it. There is an exception for the Department of Revenue for calculating realty transfer taxes and for estate or inheritance tax reporting. They calculate what is called the CLR "Factor" and it is the reciprocal of STEB's CLR. Though both the CLR and the CLR Factor have distinct purposes, they continue to be misidentified. What if I need a CLR or Factor before 1982? The very short answer - use the county's Predetermined Ratio (PDR).

STEB's mandated calculations, which funding and assessment appeals rely on, originates from the county's certified data, both assessment and sales data, which answers why reviewing your sales is so important. Once submitted, STEB will not change any county data unless written correspondence is received and documented. Therefore, STEB cannot stress enough, the importance of the quality of your work and the efforts put into the sales validation process.

**Is it Valid or Not?** Valid sales are obviously coded with 00. However, it may not be clear if it is valid, and research is needed for these cases. Here are few codes worth reviewing:

**Code 05: Charitable** organizations that are charitable, religious, educational, etc., and **Code 06: Financial** often banks, credit unions, or lending institutions, etc. For all these entities, please do not let the name alone dictate your decision as to the validity of the sale. As a buyer, a donated property or a foreclosure is invalid. However, these entities could purchase land to build on later and that sale may be valid. As a seller, it may mean liquidating property which is sold below market and should be rejected. Although, if selling a property which was well advertised, has highly competitive buyers, and meets current market conditions, this may be valid.

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# President's Message

Hello, AAP Members,

As 2024 draws to a close, I reflect on some of the events of the past year:

January saw the gathering of the Board of Governors and committee representatives to set plans for the year, only to be forced to cut meetings short due to winter weather moving into Harrisburg and across the state which was causing concern for the safe return home for those representatives. We selected a new solicitor for the AAP, began the planning of the AAP Annual Conference that celebrated our 75th anniversary. The Assessment Law – Reassessment Subcommittee held its first meeting to review information that Chair Josh Zeyn painstakingly gathered in an effort to start putting together a plan that the AAP could submit to legislators in support of cyclical reassessment in the Commonwealth.

In February, the new Board of Assessment Appeals (BOAA) trainings were finalized and recorded for use by incoming board members. This was a several year commitment for the BOAA Committee to update these required courses and it was a great success.

Jonathan Schuck was approved by the Governor in March for appointment to the State Board of Certified Real Estate Appraisers, and his nomination was then approved by the state Senate. He fills one of the two CPE member seats on that board.

The AAP held the Annual Conference in May, where Josh Zeyn was celebrated for the year he served as the AAP President and I was honored to accept the gavel and step into the role. At our business session, members voted to accept updates to the AAP Policies and Procedures document.

New chapter representatives to the Board of Governors were seated in July to begin their two-year appointment, and attended the July Board of Governors' meeting in Harrisburg along with the Executive Board and existing members.

November brought the AAP members together again in Pittsburgh for the Fall Conference.

These are just some of the events that have occurred in 2024, but I would be remiss not to acknowledge that all AAP committees were active throughout the year putting plans in place to move our organization forward.

I hope that you have had a productive and successful year, and wish all of you a happy holiday season and best wishes for the new year ahead.

Sincerely,

Rita

Rita Yannayon, CPE
AAP President

In partnership with the County Commissioners Association of Pennsylvania

# Legislative Update

**By Jonathan B. Schuck, Chair**
**Government Information Committee and**
**Director of Assessment/Tax Claim, Chester County**

Greetings fellow assessment professionals throughout the Commonwealth of Pennsylvania. By the time you receive this issue of the *AAP Journal*, we will likely have embarked upon a new year – a year filled with many new challenges and many new learning opportunities.

In addition, a new legislative session will commence in January 2025. Therefore, it seems appropriate to review some highlights from the 2023/2024 Session.

Overall, the following legislation was introduced before the official end of the session on November 14, 2024: 2570 House bills, 580 House resolutions, 1271 Senate bills and 366 Senate resolutions. From this small tsunami of activity, 59 House bills and 24 Senate bills were assessment or tax claim-related and 4 were ultimately enacted/approved.

## Act No. 7 (HB 1100)
### Approved 8/4/2023

This amendment fulfills the Governor's campaign promise by 1) increasing the income limits for the Property Tax/Rent Rebate program to $45,000 for homeowners and $45,000 for renters, 2) raising the amount each recipient of the Property Tax/Rent Rebate program receives and 3) including an annual cost of living adjustment so that in future years, the Property Tax/Rent Rebate program will keep pace with inflation and no one will lose their rebate just because they received a modest increase in their Social Security benefits. Effective in 60 days.

*https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2023&sind=0&body=H&type=B&bn=1100*

## Act No. 34 (HB 1300)
### Approved 12/13/2023

The Act contains a number of provisions concluding the fiscal year 2023-2024 state budget. Article I-L pertains to purely public charities. Under existing state law, entities that meet the criteria as institutions of purely public charity may be exempt from ad valorem taxes. Act 34 adds domestic fraternal societies, orders or associations that:
1. Operate under a lodge system,
2. Whose net earnings are devoted to religious, charitable, scientific, literary, education and fraternal purposes,
3. Who qualify as tax exempt under the IRS Code,
4. Who have been operating for at least 100 years AND
5. Have not been issued a liquor license as qualifying institutions of purely public charity.

*https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2023&sind=0&body=H&type=B&bn=1300*

## Act No. 48 (SB 149)
### Approved 7/8/2024

This legislation amends the Real Estate Tax Sale Law to establish a county demolition and rehabilitation fund in each county. The governing body of a county may, by ordinance, impose a fee not to exceed $250 for a property being sold for delinquent taxes or pursuant to an action for mortgage foreclosure. A public notice shall be provided stating the establishment of the fee and its rate. The fund established may be used by the county, any not-for-profit or for-profit corporation that has a contract with the county or any taxing entity, redevelopment authority, land bank or other govern-

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AAP Journal

The AAP Journal is published four times a year.

**Deadline for the Spring 2025 issue is March 6, 2025.**

Article submissions are welcome.

Please send to:
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## Publication Disclaimer

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## Legislative Update

*Continued from page 3*

ment entity, for the demolition or rehabilitation of blighted property located in the county.

*https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2023&sind=0&body=S&type=B&bn=149*

### Act No. 53 (SB 219)
Approved 7/11/2024

This amendment allows Pittsburgh the option of enacting a Longtime Owner Occupant Program (LOOP). The city is permitted to exempt or defer the property tax increases of longtime owner occupants in the neighborhoods most impacted by development. Only those increases in property taxes for longtime owner occupants that can be determined to be generated from the development pressure occurring in the targeted neighborhoods is subject to deferral or exemption. Owner occupants of 10 continuous years (5 years if they received assistance in acquiring the property through a government or no-profit housing program) are considered "long term". It can be applied retroactively to November 6, 1984.

*https://www.legis.state.pa.us/CFDOCS/billInfo/billInfo.cfm?syear=2023&sInd=0&body=S&type=B&bn=219*

**Wishing each of you a productive and prosperous new year!**




### Join the AAP List Serv!

Did you know the AAP has a list serv email group that is open to all active members?

The list serv allows members to exchange ideas and pose questions seeking the help of your peers.

If you're interested in joining the list serv, please contact Lori Lawyer at *llawyer@pacounties.org*.



## To Validate or Not to Validate

*Continued from page 1*

**Code 09: Multiple Parcel** deeds involve more than one parcel. When using this code be sure ALL parcels included are invalidated with the 09 code. Often the main parcel is invalidated, but the other minor parcels get missed. The issue becomes that when these minor parcels get included, they typically have lower assessment-to-sale (a/s) ratios; too many of these will affect your CLR. STEB will allow the very rare occasion when a deed identifies each parcel with its corresponding portion of the sales price; then each parcel may be validated separately referring to the original deed reference number.

**Code 14: Time on Market** may be used when sales have been exposed to the open market too long or not exposed long enough, though this can be debated with current market conditions. The key takeaway for timing is that the sale fairly represents current market conditions. STEB recommends researching neighborhoods for typical time on market before using this code. There are real estate apps that can help monitor the trending for exposure time. This code must be flexible with market conditions and must be within the reporting year.

**Code 18: Partial Assessment** is used when the sale price includes the improvements but is not yet assessed fully. This is used most often for new construction and may be a lot value only. If you wish to validate these types of sales, the process is to hold the sale from the STEB report until the full value is placed on the property. Report the sale with the next submission using its original deed date; the system will sort it to the original reporting month. Care must be taken to ensure the proper land use code is given to the updated assessment record.

Some counties use this code for tracking their "flipper" property sales, when characteristics change so significantly. Regardless of the code used, STEB recommends the county adopt an office policy to be applied consistently to clearly identify the term "significant changes." The IAAO makes some suggestions to the overall percentage of significant change in their Standard on Verification and Adjustment of Sales, specifically found in section, 5.6.3: Property Characteristic Changes.
*https://www.iaao.org/media/standards/Verification_Adjustment_of_Sales.pdf*

**Code 22 Other** is used if there is a sale that does not fit the current codes; you may use this code but please make notes. STEB recommends this code be used sparingly. This code may be monitored if it appears to be overused and these notes will help in the review process. If it appears you need a different code, STEB has worked with counties to use another code or even added additional codes to the list.

In the upcoming year, STEB plans to incorporate even more of the IAAO principles issued in their 'Standard on Verification (and Adjustment) of Sales' into their own manuals and teachings. STEB encourages new assessors or county staff, whose responsibility it is to validate sales, to take the AAP course on sales validation. These classroom interactions become a wealth of knowledge shared amongst our assessment colleagues.

# AAP People & Chapter News

Send your news to Terry Cochran at *tcochran@pacounties.org* for the next issue of the *AAP Journal*.

**Our next deadline is March 6.**

## North West Chapter

The chapter's 2025 - 2027 representative to the Board of Governors is **Joseph Shields** from Jefferson County.

The chapter's 2025 meeting dates and class schedule is April 4, June 6, August 8 and October 10. The chapter will also be hold an Act 28 class on April 2 and a three-hour general education class (the topic TBD).

## Chester County

The county is proud to announce that **Courtney Smith** passed her CPE exam in December! Congratulations!

## Monroe County

Upon the retirement of Cindy Treible, the county is pleased to share that the new chief assessor is **Deborah Storman**! Congratulations!

Additionally, congratulations to **Susan Felker** who has been named as deputy chief assessor!

## Perry County

Congratulations to **Katelyn M. Smith** who passed her CPE exam!

## Schuylkill County

Congratulations to the county's newest chief assessor, **Crissy Zimmerman**!

## Wyoming County

Wyoming County's own **Annie Shaffer** is a first-time grandma to a beautiful baby girl. Congratulations to the family!

## News from the SBCREA

At their December meeting the State Board of Certified Real Estate Appraisers (SBCREA) reminded attendees that the **Valuation Bias and Fair Housing Laws and Regulations** course, required by the Appraiser Qualification Board (AQB) for CPEs, will be required for all CPEs as part of their recertification credits in the next renewal cycle (July 1, 2025 to June 30, 2027).

All CPEs will be required to take an initial seven-hour class and then a four-hour class after that during every future recertification cycle.

The AAP will share information on class availability as soon as it is available. Stay tuned!

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## AAP on the Hill




A big shout out to our own **Josh Zeyn**, chief assessor, Tioga County, for representing the AAP at the state capital in October.

The AAP along with the County Commissioners Association of PA was invited by the Senate Democratic Policy Committee to testify on how a dysfunctional property reassessment system costs all taxpayers and what potential policy solutions can be considered.

Josh co chairs the AAP Reassessment Subcommittee with Randy Waggoner, chief assessor, Perry County. Over the last year the committee has studied not only Pennsylvania's assessment laws, but also the laws and taxation systems of other states who do things a bit differently.



# Tiffany Lynn Kaseman

## CHIEF ASSESSOR
## NORTHUMBERLAND COUNTY

**Past Counties:** Started at Northumberland County and 22 years later, I'm still here!

**Overall Years in County Assessment:** 19.5 Years

**Years in Some Other Form of Assessment Business:** This is my only assessment job; prior to this I was in cost collections for the courts.

**First Job Ever:** McDonald's

**Worst Job Ever:** Third shift pressroom assembly for the *News Item*

**What Irritates Me Most in the Assessment Business is:** Weak legislation with regard to property tax reform. Also, getting the public to understand there is nothing personal about our jobs; we maintain the tax rolls without any prejudice.

**My Biggest Challenge as an Assessor is:** I am tied between battling attorneys over bad deed descriptions and trying to convey just how understaffed we are for how important our office is to the budget.

**Not Counting My Present Job, My Dream Job Always Was:** To be a mom, and I achieved that twice. And maybe to be a comedian

**If I Won Millions in the Lottery, I Would:** Quit and work full time for Oasis Community Recovery Club, a non-profit in Shamokin where I am currently board VP.

**Favorite Vacation Memory:** My mom and aunt borrowed my car at Myrtle Beach, a road was flooded, and they decided to drive through anyway. It was a Saturn Ion, and that night, technically, a submarine. A week later, my fan belt fell apart from salt water erosion and there was seaweed stuck to it.

**Favorite Food:** Pierogies

**Favorite Drink:** Water, Coffee, Palomas

**Favorite movie:** Drop Dead Gorgeous

**Funniest Assessment Story:** At a house that was just finished, I'm standing on the porch with Dave Hummel waiting for someone to answer the door. The 60-something owner answered the door in tighty-whities that his t-shirt is tucked into. I looked at Dave and said, "Well, I'm going to start measuring the house" and I left the porch as fast as I could.

**Most People Would be Surprised to Know:** Opening a roll of Pillsbury Grands gives me horrible anxiety.

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