

Chapter 6

STATEMENTS OF CONSIDERATION

Section 1. Authority.

These rules are promulgated under authority of W.S. 16-3-103, W.S. 39-11-102.1 and W.S. 34-1-142.

Section 2. Purpose.

These rules are intended to implement W.S. 34-1-142, and establish uniform procedures for processing information disclosed in a statement of consideration ("statement").

Section 3. Approved Form; Retention.

(a) The statement of consideration form approved by the State Board ("Board"), or a computer-generated emulation in the same format containing the same information, is hereby adopted as the prescribed form to implement W.S. 34-1-142, and is incorporated herein by reference.

(b) Assessors shall retain copies of the statements, excluding those for which exemptions were granted, for three years. Statements for which exemptions were granted may be destroyed at any time pursuant to assessor office policy.

Section 4. County Assessor Responsibilities-Verification.

(a) The office of each county assessor shall:

(i) Review and confirm, as necessary, all data on each statement. The information on the statement shall be confirmed or verified by contacting buyers, sellers or others if:

(A) There is reason to believe the data on the statement is not complete or accurate;

(B) The sale represents a less common type of property;

(C) The sale price is significantly higher or lower than the current assessor estimate of fair market value;

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(B) The sale represents a less common type of property;

(C) The sale price is significantly higher or lower than the current assessor estimate of fair market value;

(D) The sale is part of a sample of single-family sales which are routinely confirmed by audit or exception; or

(E) Other considerations are present which make the sale significant for analysis.

(ii) If appropriate, adjust sales information for financing, personal property, time of sale, and corrections obtained through verification. No adjustment to sales price shall be made for real estate commissions, closing costs, title insurance or property taxes, unless the buyer agrees to pay all the commission or all the taxes, in which case the amounts of the payments shall be added to the sales price.

(iii) Complete the information within the box on the statement entitled "FOR USE BY COUNTY ASSESSOR ONLY". Sales which are determined to be invalid shall be identified by circling the appropriate CAMA invalidation code:

(A) "1" for sales involving additional parcels, trades or common property;

(B) "2" for sales which were not exposed to the open market, or the marketing time for the property could not be considered normal;

(C) "3" for sales in which the physical characteristics of the property have changed or are incorrect;

(D) "4" for sales between relatives or corporate affiliates;

(E) "5" for liquidations or forced sales;

(F) "6" for sales involving abnormal financing, land contracts, sales of convenience, sales of doubtful title or partial interests;

(G) "7" for sales involving excessive personal property, or any other situation which makes the sale not an "arm's-length" transaction, and for which supporting documentation is developed;

(H) "8" for sales involving sales of agricultural property valued on productivity;

(I) "9" for sales involving a situation which makes the sale not an "arm's-length" transaction.

The assessor shall preserve all documentation supporting the reason for invalidation of the statement.

Section 5. County Assessor Responsibilities - Data Input.

- (a) Every sale which is not exempt shall be entered into CAMA.
- (b) The source of the verification of the sales information on the statement shall be identified at a minimum in CAMA as follows:
 - (i) Confirmed with the buyer;
 - (ii) Confirmed with the seller;
 - (iii) Confirmed with the agent; or
 - (iv) Information on the statement was deemed accurate and was not confirmed through the buyer, seller or agent.
- (c) All sales shall be identified as valid or invalid.
- (d) Invalid sales shall be identified by the most appropriate “reason to exclude” as follows:
 - (i) The sale involves additional parcels, trades or common property, including:
 - (A) Additional parcels (where two or more parcels are sold and the value of the individual parcels cannot be ascertained);
 - (B) Trades (where the value of the traded properties cannot be ascertained); or
 - (C) Incomplete or unbuilt common property, if the sale suggests the price is influenced by promises to complete common elements at some later date.
 - (ii) The sale was not exposed to the open market, or the marketing time for the property could not be considered normal.
 - (iii) The physical characteristics of the property have changed or are incorrect:

(A) The physical characteristics (which influence value) changed after the sale; or

(B) The property characteristics (which influence value) do not match the characteristics of the property on January 1st of the assessment year.

(iv) A sale between related individuals or corporate affiliates.

(v) A liquidation or forced sale including:

(A) Sales involving courts, government agencies and public utilities, if such sales suggest an element of compulsion or a desire to convey surplus property;

(B) Sales in which a financial institution as a lienholder is the buyer, unless invalidating such sales results in an inadequate sample, or if such sales constitute a major portion of the market (as in depressed areas). If such sales are used, adjustments shall be considered for any differences in price from conventionally financed sales;

(C) Sales settling an estate, if such sales suggest an element of compulsion (such as satisfying the decedent's debts or the wishes of an heir);

(D) Forced sales, including those resulting from a judicial order where the seller is usually a sheriff, receiver or other court officer; or

(E) Transfers between former spouses as part of a divorce proceeding.

(vi) The sale involved abnormal financing, land contracts, or was a sale of convenience, of doubtful title or of partial interests, such as:

(A) Sales which involve abnormal financing (such as terms which are not normal in the market and cannot be adjusted to reflect current market);

(B) Sales which involve land contracts, unless sufficient information is available for reasonable adjustments for time and financing;

(C) Sales of convenience, which may be intended to correct defects in a title or serve some similar purpose;

(D) Sales of doubtful title; or

(E) Sales involving partial interests, unless it may be reasonably

assumed from several concurrent sales, the sum of the partial interests fairly indicates the sale price of the total property.

(vii) The sale involved excessive personal property, or any other situation which makes the sale not an “arm’s-length” transaction, and for which supporting documentation is developed. Other situations may include:

(A) When objective circumstances suggest either the buyer or seller or both were not well informed;

(B) When data for the sale is incomplete and unverifiable; or

(C) For sales involving charitable, religious or educational institutions, if such sales suggest an element of philanthropy or restrictive covenants.

(viii) The sale involved agricultural property valued on productivity.

(ix) The sale involved a situation which makes the sale not an “arm’s-length” transaction. An explanation shall be made in the sales notes.

Section 6. Statement Processing.

The Board may request the Department assist the Board in confirming a sample of sales within each county to ensure sales processing, validation and adjustment procedures are understood and followed uniformly.

Section 7. Exemption Requests.

Any person requesting an exemption pursuant to W.S. 34-1-142(c)(viii) shall submit to the Board and Department of Revenue, in writing, sufficient details concerning the transaction to enable the Board to determine whether sales-related information would be useful or relevant in determining sales-price ratios. A joint written Board and Department decision on the exemption request shall be issued and distributed to each county clerk and county assessor. The decision will also be posted on the Board website. The decision shall constitute final agency action subject to review by the appropriate district court.

Section 8. Disclosure of Statements.

(a) Any person, or his agent, who, within the 30-day time period set forth by W.S. 39-13-109(b)(i), either has an initial meeting with the county assessor’s office, or contests his property tax assessment, is entitled to review the statements of consideration for properties of like use and geographic area available to the county assessor in determining the

value of the property at issue as provided under W.S. 39-13-109(b)(i).

(b) As used in this section :

(i) “Like use” means property of the same type, i.e. single family residence, condominium, townhouse, duplex, triplex, or outbuilding.

(ii) “Geographic area” may include any area requested by the property owner or his agent within the boundaries of the county in which the subject property is located.

(iii) “Available to the county assessor” means those statements which the assessor is required to retain pursuant to Section 3(b) of this Chapter.

(iv) “Review” means visually inspect any requested statement in the office of the county assessor or at a reasonable location selected by the county assessor. Actual copies of any statement would be available through the discovery process in a contested case hearing before a County Board of Equalization subject to a non-disclosure agreement notifying the taxpayer of the confidentiality requirements and possible penalties for disclosure.

(D) The sale is part of a sample of single-family sales which are routinely confirmed by audit or exception; or

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