

LEGAL BOUNDARIES FOR TAX APPRAISERS

Presented by the North Carolina Appraisal Board

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Appraisal Board Laws

NC General Statute 93E

§ 93E-1-2.1

It is unlawful for any person in this State to act as a real estate appraiser, to directly or indirectly engage or assume to engage in the business of real estate appraisal or hold himself or herself out as engaging or conducting the business of real estate appraisal without first obtaining a registration, license, or certificate issued by the Appraisal Board under the provisions of this Chapter.



Appraisal Board Laws

NC General Statute 93E

§ 93E-1-3

(d) Nothing in this Chapter shall abridge, infringe upon, or otherwise restrict the right to use the term “certified ad valorem tax appraiser” or any similar term by persons certified by the Dept. of Revenue to perform ad valorem tax appraisals, provided that the term is not used in a manner that creates the impression of certification by the State to perform real estate appraisals other than ad valorem tax appraisals.



Appraisal Board Laws

NC General Statute 93E

§ 93E-1-3. License or Certificate is not required for:

(f)(6) A person who performs ad valorem tax appraisals and is certified by the Department of Revenue under G.S. 105-294 or G.S. 105-296.



Appraisal Board Laws

NC General Statute 93E

§ 93E-1-3

Notwithstanding any provision of subsection (f) of this section to the contrary, any person who is registered, licensed, or certified under this Chapter and who performs any of the activities set forth in subdivisions (1) through (5) of subsection (f) of this section must comply with all of the provisions of this Chapter.



Appraisal Board Laws

NC General Statute 93E

Appraisers who are certified by the NCDOR and the Appraisal Board may appraise individual properties for the tax office.



Appraisal Board Rule 21 NCAC 57A .0501

Every trainee and appraiser shall comply with the following provisions of USPAP, all of which are incorporated by reference including subsequent amendments and editions:

- (1) Definitions;
- (2) Preamble;
- (3) Ethics Rule;
- (4) Record Keeping Rule;
- (5) Competency Rule;
- (6) Scope of Work Rule;
- (7) Jurisdictional Exception Rule; and
- (8) Standards Rules 1, 2, 3, and 4



USPAP

ETHICS RULE:

- An appraiser must promote and preserve the public trust inherent in appraisal practice by observing the highest standards of professional ethics.
- An appraiser must not misrepresent his or her role when providing valuation services that are outside of appraisal practice.



USPAP

COMPETENCY: An appraiser must be competent to perform the assignment, acquire the necessary competence, or withdraw from the assignment.

SCOPE OF WORK: For each assignment, an appraiser must identify the problem to be solved, determine and perform the scope of work necessary to develop credible assignment results, and disclose the scope of work in the report.



USPAP

Definitions

Preamble

Ethics Rule

Record Keeping Rule

Competency Rule

Scope of Work Rule and

Jurisdictional Exception Rule

These may be applicable to licensed and certified individuals performing ad valorem tax appraisals as they are performing valuation services.



USPAP

STANDARD 1: Development

STANDARD 2: Reporting

STANDARD 3: Review (Development)

STANDARD 4: Review (Reporting)

These are not applicable to individuals performing ad valorem tax appraisals.



USPAP

STANDARDS 5 and 6:

Not enforced by the North Carolina Appraisal Board.



Ad Valorem Tax Appraisal vs. Fee Appraisal

Ad Valorem appraisal:

Counties value property using mass appraisal techniques, which consists of the process of valuing a *universe of properties* as of a given date using standard methodology, employing common data, and allowing for statistical testing.



Ad Valorem Tax Appraisal vs. Fee Appraisal

Fee appraisal:

An analysis, opinion, or conclusion as to the value of *identified real estate or specified interests therein* performed for compensation or other valuable consideration.



Ad Valorem Tax Appraisal vs. Fee Appraisal

Know which hat you are wearing!

- Don't identify yourself as a state licensed or certified appraiser when doing mass appraisal work.
- Don't use your state appraiser number and seal.



Ad Valorem Tax Appraisal vs. Fee Appraisal

Reviewing appraisals

Valuation of individual properties



Questions?



Contact Info

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