

days after the approved deadline. The other is for KRS 133.125, which specifies that the county clerk has 3 working days after any extension filing deadline to provide the PVA a copy of each appeal petition and a summary of the appeals filed with the county board of assessment appeals.

HB 284 also proposes an amendment to KRS 133.045 to incorporate the extension into the statute.

Section 7 of HB 284 declares an emergency to allow PVAs to take advantage of the provisions of this Act immediately upon its passage and approval by the Governor or upon it otherwise becoming law.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The provisions of HB 284 provide PVAs more options for examination methods to use in valuing real property. The bill does not require the PVA to alter their previous method, as a physical (in-person) inspection is still one of the options and some PVAs already use digital technology to aid them in gathering data for the valuation of property. Expenditures could increase for the purchase of equipment, if the PVA chooses to change methods and does not already own the equipment.

The use of digital technology or another approved method could result in an increase in property values for local jurisdictions, if the new method provides new or better information to the PVA. However, most local taxing jurisdictions undertake an annual rate setting process through which the governing body chooses a tax rate to impose for that year. Local taxing jurisdictions can impose a compensating tax rate which will offset an increase in revenue that may occur as a result of increased property values with a decreased tax rate. When a compensating rate is not imposed and revenues generated are greater than four percent of the previous year's revenues (less any new property), the tax rate becomes subject to public hearings and voter recall provisions.

The extension request provision of HB 284 should not result in a fiscal impact for the local jurisdictions' revenues. The provision does not alter the value of property or the impending tax rate. It provides a longer period of time for the PVA to conduct conferences and for appeals to be filed. This extension provision could reduce overtime hours, and related expenditures, for the PVA office in situations where an office has a large amount of conference requests to complete in a short amount of time.

It is hard to predict how many PVAs will alter their examination methods and if the new method will result in increased revenues. However, given the taxing districts ability to set a compensating tax rate, the fiscal impact is likely to be minimal.

Data Source(s): LRC Staff, Department of Revenue

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