How Is Property Appraised

Beginning in August, of each year, the District’s Appraisers begin the inspection process which will be used to help determine the values that will be used in the succeeding tax year’s appraisals. This process utilizes the work of four (4) Real and Personal Property Appraisers over a period of eight months. The discovery process also utilizes a combination of on-site inspections and the district’s Graph Information System (GIS) Mapping Software. Real Property Accounts are checked to determine the following: if the improvements have changed in size or condition, if the improvement classification is correct, if any new improvements have been added or if any improvements have been removed, and if any necessary adjustments are to be made to the property due to any influences from outside the subject property. Unimproved Real Estate is also inspected. Appraisers are also responsible for determining the following conditions about the property: the amount of road frontage it has, the property’s configuration, and whether easements i.e. utility, drainage, etc. have any influences on the property and if the property is affected by any negative or positive influences outside of the subject property.

Personal Property i.e. furniture, fixtures, machinery, equipment and inventory at local businesses are inspected via on-site visits. Inspections enable the appraiser to meet with owners and discuss business trends, issues affecting their personal property and the rendition process. It also allows the Appraiser to see the quality, quantity and condition of the personal property at the business.

Beginning in early March, of each year, the Chief Appraiser and Senior Appraiser began the process of determining how much, if any, adjustments are necessary to the district’s schedules. This is accomplished by running reports comparing previous year’s values against sales occurring during the appraisal year. These reports are prepared for all classes of property together and separately, appraisal district-wide and by school districts. These reports determine if property sales throughout the district remained static in relation to district appraisals and whether or not schedules need to be modified.

Over the appraisal year, the Senior Appraiser reviews land values and compares them with known sales. Modifications are made to the appraisal values when necessary.

Commercial properties are typically appraised using a combination of the Marshall and Swift costing service guide and the income approach. The Marshall and Swift costing service guide is a nationally recognized appraisal service specializing in commercial properties and is integrated within the District’s Computer Assisted Mass Appraisal (CAMA) System. Once the improvements of a property are coded for use, construction type, size, amenities and condition, the CAMA System calculates an estimate of value which is adjusted for location and date of appraisal. Each year, the appraiser reviews the appraisal to determine if any of the variables have changed, if any significant condition factors need adjustment or if any outside influences should be considered. If necessary, modifications are made and a new value calculated. As the District is able to confirm Income and Expense Data for various types of Commercial Properties, Market Rent and Expense Schedules are used to perform a Direct Capitalization Income Approach to value the property. When applicable, the District may also use a “Gross Rent Multiplier” version of the income approach to value property.

Industrial Properties, including improvements, Personal Property, Utilities and Minerals, are inspected annually and appraised by the District’s contracted Industrial Property Appraisers, T.Y. PICKETT & CO Inc. T.Y. Pickett, Inc. appraises approximately 665 parcel segments of Tangible Personal Property in Jim Wells County and is recognized as one of the largest Industrial Appraisal Firms in Texas, who specialize in appraisals for taxing purposes. Each year, Appraisers from TYP inspect all of the Industrial Properties and many Commercial Properties with specialized equipment and inventory.