# Valuing Land and Improvements:
# State Laws and Local Government Practices

David Brunori and Jennifer Carr



**Lincoln Institute of Land Policy**
**Working Paper**



**Lincoln Institute Product Code: WP02DB1**

## Abstract

This project involved research on the legal requirements and local government practices concerning the valuation of land and improvements for property tax purposes. A majority of states (29) expressly require that land and improvements be valued separately for property tax purposes. Moreover, none of the fifty states or the District of Columbia legally prohibits the separate valuation of land and improvements.

Notwithstanding the legal requirements, the results of a nationwide survey show that a vast majority (99 percent) of offices charged with administering the property tax actually values land and improvements separately. And 88 percent of the surveyed offices have a high level of confidence that the allocation of value between land and improvements is correct. A majority (58 percent) of offices charged with administering the property tax notifies property owners of the separate valuation of land and improvements.

The research results are positive indicators for land value tax reforms. Adopting land or split rate tax systems requires both legal authority and the practical ability to value land separate from improvements. The legal authority exists in most states at this time. And no states prohibit such valuation. More importantly, local governments are already separately valuing land and improvements. While there are issues involved with adopting land or split rate tax systems, the critical issue of valuing land and improvements is not among them.

## About the Authors

**David Brunori** is Contributing Editor at *State Tax Notes* magazine and Research Professor of Public Policy at The George Washington University Law School.

State Tax Notes
6830 No. Fairfax Drive
Arlington, VA 22213
Phone: 703-533-4676
Fax: 703-533-4636
E-mail: dbrunori@tax.org

**Jennifer Carr** is a third year law student at The George Washington University Law School.

E-mail: jcarr@law.gwu.edu.

**Table of Contents**

# Valuing Land and Improvements: State Laws and Local Government Practices

## Introduction

This is the final report of a research project examining state laws and local government practices concerning the valuation of land and improvements for property tax purposes. This report examines the law and valuation practices in all fifty states and the District of Columbia. The ultimate goal of this research was to determine whether existing state law regarding property valuation would be an obstacle toward developing a split rate property tax system, whereby land would be taxed at a higher rate than improvements. Such a system obviously requires the legal authority to value land and improvements separately. Such a system also requires the practical ability to conduct such valuations.

The research, set forth herein, focused on two primary questions. First, does state law directly or indirectly address the issue of whether land must be valued separately from improvements for property tax purposes? In this regard, improvements are defined as non-natural attachments (i.e., buildings and other structures) to the land. In examining this question, the research was limited to valuation for property taxation purposes. Property valuation issues arising in other legal contexts were not considered. This report does not focus on the related issue of whether the land and improvements must be assessed separately, although the results indicate that the laws in many states use the term assessment and valuation interchangeably. This report also does not examine the legal authorities that govern whether land and improvements can be taxed at different rates.

The second question addressed in this report is whether local governments charged with the responsibility for administering property taxes value land and improvements separately. That is, notwithstanding the legal requirements, do local governments have a process which values land separately from buildings, houses, and other improvements? This is an important question because in virtually all states "real property" is legally defined as land and improvements and is taxed as a single unit. The question, however, is whether local governments, in determining the total value of real property for tax purposes, separately value the land and improvements.

The results of our examination of the fifty states and the District of Columbia are set forth in Part II. The results of the report are analyzed in Part III. A jurisdiction by jurisdiction description of the law and valuation practices is set forth in Part IV. And the methodology used in conducting both the legal and field research is attached as Appendix A.

## II. Results

### A. Legal Authorities Governing Valuation of Land and Improvements

Of the fifty-one (51) jurisdictions examined, the statutory laws of twenty-nine (29) states expressly require that land and improvements be valued separately for property tax purposes. Those states are California, Colorado, Hawaii, Illinois, Iowa, Kansas, Kentucky, Maine, Maryland, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, Wisconsin, and Wyoming.

In all but two of these states, the requirement that land be valued separately from improvements is set forth by statute. In Wyoming, the state constitution, but no statutory provisions, require separate valuation. In California, there are both statutory and constitutional provisions requiring separate valuation.

In Colorado the legal requirement that land and improvements be valued separately only applies to non-agricultural land. When determining the property tax for agricultural land, the land and all improvements connected or attached thereto are valued as a single unit.

In Montana, the legal requirement that land and improvements be valued separately applies when: 1) ownership of the land is different than ownership of the improvements, 2) the taxpayer requests separate valuation in writing, or 3) the land is located outside and incorporated town or city.

It should be noted that courts in New York have indicated that the legal requirement of separate valuation of land and improvements is a purely administrative act designed to assist in valuation. New Jersey courts have gone farther, noting that the total value is all matters from a legal perspective, and calling the separate valuations irrelevant. And, courts in Maryland have held that taxpayers cannot challenge the separate valuations, but must challenge the total assessment. Such legal decisions often lead observers to question the accuracy of the allocation of values between land and improvements. As noted below, however, an overwhelming majority (88 percent) of surveyed assessors' offices maintained that allocations of land and improvements values were accurate.

In twenty-two (22) jurisdictions there are no specific statutory or constitutional requirements that land and improvements be valued separately for property tax purposes. Those jurisdictions are: Alabama, Alaska, Arizona, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Indiana, Louisiana, Massachusetts, Michigan, Missouri, New Hampshire, New Mexico, North Carolina, Rhode Island, South Carolina, Vermont, and Washington.

Of those twenty-two jurisdictions, appellate courts in one state (Georgia) have ruled that there is no legal requirement that land and improvements should be valued separately. But the Georgia courts did not say such valuation was prohibited. This apparently leaves the local governments imposing property taxes with the option of valuing land and improvements as one unit or separately.

The courts in the District of Columbia have ruled that equity and fairness may require that land and improvements be valued separately for property tax purposes. Once again, however, the courts refused to expressly mandate (or prohibit) that land must be valued separately from improvements in all situations.

While neither the statutes nor constitution address the issue, the courts in New Mexico routinely note, in dicta, that that land and improvements are to be valued separately.

None of the jurisdictions under study prohibited the separate valuation of land and improvements for property tax purposes.

A brief description of the law in each of the 51 jurisdictions, along with citations to the pertinent statutory and judicial authorities, is set forth in Part IV.

**B. Local Government Valuation Practices**

In a survey of 246 government offices charged with administering local property taxes in the fifty-one jurisdictions, all but two offices valued land separately from improvements for tax purposes. Both of those offices were located in Michigan. The surveyed jurisdictions listed by state are set forth in Part IV.

This was, of course, to be expected in the twenty-nine states that legally require separate valuations. Indeed, in those states, government officials usually cited existing law as the reason they valued land and improvements separately.

But even in the twenty-two states (including the District of Columbia) in which there is no legal requirement for separate valuation, virtually all local governments valued land and improvements separately. Moreover, such valuations occurred as a matter of routine policy, i.e., all real property was separated into land and improvements for separate valuation during every assessment period.

In those twenty-two jurisdictions, local government officials offered a variety of reasons for separately valuing land and improvements. Approximately sixty-nine percent of the respondents (in the twenty-two jurisdictions) cited administrative convenience as the primary reason for the separate valuations. And, all of those respondents were aware that their particular state laws did not require separate valuation. Eleven percent of the respondents (in the twenty-two jurisdictions) indicated that they believed that there were legal requirements to value the land apart from improvements, although they could not identify any legal authority to that effect. The remaining twenty-percent of the respondents (in the twenty-two jurisdictions) could not explain why land and improvements were valued separately. Most simply responded that their offices had always valued land and improvements in this manner.

Personnel charged with administering the property tax were also asked to identify the methodology used to value land and improvements separately. Of those 244 offices which valued land and improvements separately, 213 or 86 percent stated that they used some variation of the comparable sales method. In general, respondents indicated that land values were determined by examining sales of comparable vacant or unimproved

land. When real property included both improvements and land, the assessor's office determined the value of the improvement by examining comparable sales of land with improvements. The total value of the real property was apportioned between a land value (using the comparable sales of unimproved land) and an improvement value. The remaining 13 respondents (13 percent) did not provide a detailed explanation of the methodology used to separately value land and improvements.

Personnel charged with administering the property tax were also asked their opinion of the accuracy of the allocation of value between land and improvements. Of those 244 offices which valued land and improvements separately, 216, or 88 percent stated that they had a high degree of confidence that the allocations were accurate. Twenty persons (8 percent) interviewed stated that they had a modest level of confidence that the allocations were accurate. Only eight individuals (4 percent) stated that they had little confidence that the allocations were accurate.

Property owners were largely aware of the practice of valuing land and improvements separately for tax purposes. Of the 244 offices which separately valued land and improvements, 160 (65 percent) notified property owners of the separate valuations. Assessors' offices generally notified property owners of the separate valuation with notification of the assessment or with the tax bill.

In the remaining 86 offices surveyed (35 percent), local governments did not provide property owners with notice of the separate valuations. Rather, the values of the land and improvements were combined into one amount upon which the tax was imposed.

It is not clear why the 86 offices charged with administering the property tax do not inform taxpayers of the separate valuations. Virtually all of those surveyed had the information in a format that could be sent to taxpayers along with the assessment or tax bill.

We found no legal authority in any of the states or the District of Columbia forbidding the disclosure of the separate valuations. None of the responding government officials in these 86 offices could identify the reason why property owners were not notified of the separate valuations for their land and improvements.

## III. Assessment of the Findings—Land Value Taxation

This research project has focused on the legal authorities governing valuation of land and improvements. Under classic land value taxation theory, land is subject to ad valorem taxes, while improvements are not. Much of the contemporary discussions of land value taxation in the United States have centered on split rate taxation, i.e., that improvements would be taxed at a lower rate than land, but would not necessarily be exempt from levy. In either case, however, land value taxation is dependent upon the government's ability—both legally and practically—to value land apart from improvements.

As noted above, twenty-nine of the fifty-one subject jurisdictions require separate valuation. Twenty-two jurisdictions do not address the issue. None of the twenty-two jurisdictions prohibit separate valuation of land and improvements.

Taxing land and improvements at different rates requires, by definition, separate valuation systems. Those valuation systems are in place in twenty-nine states, and are not constitutionally or statutorily prohibited in the other twenty-two states or the District of Columbia. Thus the law is, at least with respect to valuation, favorable to those promoting land value taxation as a means of financing government.

As significantly, perhaps, proponents of land value taxation should be encouraged by the valuation practices of the local governments in the jurisdictions surveyed. If land value taxation requires a system in which land and improvements are valued separately, this requirement is met, again at least in the jurisdictions surveyed. That is, local assessor offices will not be required to create a system in which land is valued separately from improvements for property tax purposes.

Virtually every local government agency charged with administering the property tax valued land and improvements separately. Thus, from a political/policy standpoint, those charged with administering the property tax are unlikely to protest a system that is based on separate valuation of land and improvements. That is not to say, of course, that local taxing authorities and other interested groups would not oppose land value taxation. But that opposition is unlikely to be based on the issue of valuing land and improvements separately.

Moreover, the current valuation system that is being used in most of the states surveyed leads to the conclusion that the public is not likely to oppose land value taxation—again at least on grounds related to valuation. In 160 of the 246 surveyed local governments property owners are notified of separate valuations of their land and improvements. On a regular basis property owners see the difference in the values of their land and buildings or other improvements thereon. The other 86 local governments surveyed did not routinely notify property owners of the differences in the values of land and improvements. But in most of those jurisdictions, the information was available by request. Although it is not clear how many property owners took advantage of this access. While the public may or may not accept the notion of land value taxation, its views are unlikely to be influenced by the need to value land separately from improvements.

An oft-heard criticism of the current system of valuation is that the allocation of value between land and improvements may not be accurate. That is, because only the combined value matters for purposes of imposing the tax, the allocation of value need not be precise. Courts in several states, most notably New Jersey and New York, have characterized the separate valuation requirement as irrelevant. Nonetheless, the vast majority (88 percent) of those surveyed for this report had a high level of confidence that the allocations were accurate.

## IV. Specific Information by Jurisdiction

This section contains information collected in the course of this research.

### Alabama

Neither the constitution nor statutes of Alabama address the issue of whether land should be valued separately from improvements for property tax purposes.

The Code of Alabama (Sections 40-7-4, 40-7-7, and 40-7-20) requires all landowners to submit a listing of their property to the assessor. In doing so, land and improvements must be listed separately. The assessors are required to include all property in their records (Code of Alabama Sec. 40-7-14), but there is no requirement that land and improvements must be listed separately in those records.

There is a substantial authority for the proposition that land and improvements are considered a single unit for property tax purposes. The Code of Alabama defines real property as including land and improvements (Section 40-1-1). Land and improvements are required to be assessed together (Section 40-7-1(a)). The Alabama courts have interpreted these requirements narrowly. (See *State v. Mortgage Bond Co. of New York*; 224 Ala. 406, 140 So. 365 (1932); *Golden Flake, Inc. v. State*, 45 Ala. App. 315, 229 So.2d 815 (1969)).

Nonetheless, in a survey of six Alabama counties (Montgomery, Tuscaloosa, Houston, Cullman, Dale, and Winston), the assessor's offices valued land separately from improvements. There is less consensus on the question of whether property owners are aware of the separate valuations. Two of the counties (Tuscaloosa, Winston) surveyed informed property owners of the separate valuation as a matter of course. Two of the counties (Montgomery, Dale) never informed property owners of the separate valuation. And two counties (Houston, Cullman) did not provide the information unless it was specifically requested by the property owner.

### Alaska

Neither the constitution nor statutes of Alaska address the issue of whether land should be valued separately from improvements for property tax purposes. Indeed, the Alaska statutes do not mention any distinction between land and improvements (Sections 29.45.160 - 29.45.170), except to include improvements in the definition of real property (Section 29.71.800).

The Alaska courts have not addressed the issue of separate valuation of land and improvements. The Alaska Supreme Court has, however, interpreted the statutes as forbidding the government from taxing real and personal property at different rates (*Kenai Peninsula Borough v. State of Alaska*, 1988 AK. 41, 751 P.2d 14 (1988)).

A survey of four Alaska cities (Anchorage, Juneau, Sitka, Fairbanks) found that the assessor's office in each routinely valued land separately from improvements. The four surveyed cities also notified property owners of the separate valuations.

**Arizona**

There are no explicit legal requirements that land and improvements be valued separately. Arizona statutes require that assessors maintain a list of all land and improvements (A.R.S. sec. 42-15102). For non-residential property only, the assessor must list the full cash value of the land and the improvements separately (A.R.S. sec. 42-15102). But land and improvements must be assessed as a single value for property tax purposes. (See *TransAmerica Development Company v. County of Maricopa*, 107 Ariz. 306, 489 P.2d 1971 (1971)).

Despite the vagaries of Arizona law with respect to valuation, the six counties surveyed (Coconino, La Paz, Gila, Pima, Yuma, Maricopa) all valued land separately from improvements for all classes of property. Five of the counties surveyed informed the property owners of the different valuations in all cases. But one county (Coconino) only informed property owners of the difference when the Cost Approach method of valuation was used. When other methods of valuation were utilized, the property owners were informed only of the combined value of land and improvements.

**Arkansas**

Neither the constitution nor statutes of Arkansas address the issue of whether land should be valued separately from improvements for property tax purposes. The Arkansas statutes define real property as including both land and improvements (Section 26-1-101(1)). But the assessor's offices are required to list land and improvements separately on the tax roles (Section 26-28-101 (1-3)).

The Arkansas courts have not addressed any issues concerning the separate valuation of land and improvements.

All six Arkansas counties (Columbia, Newton, Sebastion, Stone, Yell, Lincoln) surveyed valued land separately from improvements. No counties that were surveyed, however, informed the property owners of the separate valuations. Rather, all counties surveyed informed the property owner of the combined value of land and improvements.

**California**

Both the California Revenue and Tax Code (Section 607) and the California Constitution (Article XIII, section 13) require land and improvements to be separately valued and assessed for property tax purposes. This requirement has been noted by the California courts (T.M. Cobb v. County of Los Angeles, 16 Cal. 606, 547 P.2d 431 (1976)).

All six California counties (Los Angeles, Monterey, Orange, Alameda, Lake, Fresno) surveyed valued land separately from improvements. And all counties informed the property owners of the separate valuations. Two California counties (Orange, Fresno) that were surveyed indicated that for property continuously owned since enactment of Proposition 13 in 1978, property owners were notified only of the combined value of land and improvements.

**Colorado**

In Colorado, for purposes of taxing non-agricultural real property, land and improvements are valued separately (C.R.S. Section 39-5-105). For purposes of taxing agricultural real property, land and improvement are valued as a single unit (C.R.S. Section 39-5-105).

Interestingly, the notices from assessors for non-agricultural real property must list land and improvements together (C.R.S. Section 39-5-121(1)(a)). But notices from assessors for agricultural real property must list land and improvements separately (C.R.S. Section 39-5-121(1)(a)).

Consistent with Colorado law, all six Colorado counties (Grand, Jefferson, Mesa, Adams, Douglas, Eagle) surveyed valued land and improvements separately for non-agricultural real property and as a single unit for agricultural real property.

In all surveyed counties, residential property owners were notified of the separate valuations, while agricultural property owners were not.

**Connecticut**

Neither the constitution nor statutes of Connecticut address the issue of whether land should be valued separately from improvements for property tax purposes.

The Connecticut statutes define real property as land and all improvements, and mandate that they must be assessed uniformly (Section 12-203-12-64).

No reported Connecticut appellate court cases address either directly or indirectly the issue of valuation of land and improvements.

All six surveyed Connecticut cities/towns (Hartford, New Haven, Litchfield, Meridan, Danbury, Norwalk) valued land separately from improvements. Property owners in the surveyed towns/cities, however, were notified only of the combined total value of the real property.

**Delaware**

Neither the constitution nor statutes of Delaware address the issue of whether land should be valued separately from improvements for property tax purposes. Delaware requires that all real property, including improvements, be taxed at the same rate (9 Del. Code Sec. 8101(b)). There is no requirement that land and improvements be listed separately on the tax roles.

Nonetheless, all three Delaware counties (Sussex, New Castle, Kent) surveyed valued land separately from improvements. One county (New Castle) routinely informed property owners of the separate valuations. The other two counties surveyed did not provide notice of the separate valuations. Personnel in the two counties that did not inform property owners of the separate valuations indicated that their counties were considering changing that practice in light of citizen demands.

**District of Columbia**

Land and improvements are required to be listed separately on assessment roles (Sections 47-821 and 47-824.) Whether the land and improvements must be valued separately however has been the subject to much discussion in the courts. The courts have concluded that land and improvements should be valued separately if such a valuation will result in an equitable outcome. *1111 19th Street Associates v. District of Columbia*, 1978 D.C. 26, 521 A.2d 260 (1987); *Wolf v. District of Columbia*, 1992 D. C. App. 160, 609 A.2d 672 (1992*); The Washington Post Company v. District of Columbia*, 1991 D.C. 182, 596 A.2d 517 (1991).

As a result of the considerable legal wrangling on this issue, the District of Columbia now routinely values land and improvements separately. Property owners are notified of the separate valuations, as well as the combined real property value.

**Florida**

Neither the constitution nor statutes of Florida address the issue of whether land should be valued separately from improvements for property tax purposes.

All statutory references to real property include land and improvements (See Fla Stat. Sec. 195.027; Sec. 192.042; Sec. 192.011). The Florida courts have interpreted those statutes as requiring that land and improvements must be assessed and taxed as a single unit. (See *Korash v. Mills*, 1972 Fla. 3639, 263 So.2d 579 (1972)).

All six Florida counties (Osceola, Palm Beach, Brevard, Clay, Martin, Orange) valued land separately from improvements. Property owners were not, however, notified of the separate valuations in any of the counties surveyed. Rather property owners were informed of only the combined value of the land and improvements.

**Georgia**

Neither the constitution nor statutes of Georgia address the issue of whether land should be valued separately from improvements for property tax purposes.

There is no information available that discusses valuation procedures. The Georgia statutes define real property as land and improvements (O.C.G.A. Section 44-1-2). And one court has stated that land and improvements are taxed as a single unit. (See *Eckerd Corporation v. Coweta County Board of Tax Assessors*, 228 Ga. App. 94, 491 S.E.2d 173 (1997)).

All six Georgia counties (Fulton, Gordon, Gwinnett, Baldwin, Bibb, Hall) surveyed valued land and improvements separately for property tax purposes. Four of the counties surveyed notified the property owners of the separate valuations. Two of the counties (Fulton, Hall) did not (they provided a combined valuation with the assessment notice).

**Hawaii**

Hawaii requires that land and improvements be valued and assessed separately for property tax purposes. (HRS Sections 246-10, 246-43).

The two Hawaii cities surveyed (Honolulu, Maui) both valued land separately from improvements. Each city also notified property owners of the different valuations. These practices are consistent with Hawaiian law.

**Idaho**

Neither the constitution nor statutes of Idaho address the issue of whether land should be valued separately from improvements for property tax purposes. The Idaho Code states that real property includes improvements (Sec. 63-201). The Idaho Code does provide for assessment of improvements constructed or otherwise placed upon the land after the yearly assessment period (Sec. 63-317). This suggests that the Idaho legislature contemplated valuing these improvements separately from the land.

Interestingly, for land value taxation purposes, Idaho is already exempting improvements from property taxation to some degree. During the tax year 1983 and each year thereafter, the first fifty thousand dollars ($50,000) of the market value for assessment purposes of residential improvements, or fifty percent (50%) of the market value for assessment purposes of residential improvements, whichever is the lesser, shall be exempt from property taxation (Sec. 63-602G).

The two Idaho counties surveyed (Madison, Boundary) both valued land separately from improvements. In both cases the property owners were notified of the separate valuations.

**Illinois**

Illinois requires that land and improvements be listed and valued separately. (35 ILCS 200/9-155). This statutory requirement has been upheld by the Illinois Supreme Court (see *Deal v. Nelson*, 43 Ill.2d 192, 251 N.E. 2d 234 (1969)). The courts have ruled that despite the separate valuations, land and improvements are to be considered a single assessment (*City of Chicago v. Illinois Department of Revenue,* 147 Ill. 2d 484, 590 N.E. 2d 478 (1992)).

All six Illinois counties surveyed (Cook, Sangamon, Randolph, Du Page, Jefferson, Jackson) valued land separately from improvements. Four of the surveyed counties (Sangamon, Randolph, Du Page, Jefferson) informed property owners of the separate valuations. The other two counties only provided property owners with the amount of the combined valuation.

**Indiana**

Neither the constitution nor statutes of Indiana address the issue of whether land should be valued separately from improvements for property tax purposes. There is no mention of land and improvements except for ISA Sections 6-1.4-4-24 and 6-1.1-1-15 which state that land and improvements must be assessed for property tax purposes. There are also no reported Indiana cases discussing the issue of valuing land and improvements.

Nonetheless, all four Indiana counties surveyed (Dearborn, Porter, Allen, Wayne) valued land separately from improvements. All four counties also notified the property owner of the separate valuations.

**Iowa**

Iowa law states that land and improvements are considered property for tax purposes (See. 427A.1). All improvements made to real property after assessment of the class must valued and assessed (Sec. 428.4). The law requires land and improvements be "itemized" on the statement of taxes due provided to the property owner (Sec. 445.5). Specifically, the taxable value of the parcel, itemized by the value for land, dwellings, and buildings, for the current year and the previous year after application of any equalization orders, assessment limitations, and itemized valuation exemptions

It appears that Iowa law requires separate valuation of land and improvements. But the Iowa courts have apparently struggled with this question. The Iowa Supreme Court has held that land and improvements are to be valued as a single unit. *Maytag v. City of Newton*, 210 N.W. 2d 584 (1973). That decision relied on a precedent which stated that combined valuation was required only for agricultural property. *Tiffany v. County Board of Review*, 188 N.W. 343 (1971). The Iowa Supreme Court later stated that improvements should be valued separately. (*Carlon Company v. Board of Review of the City of Clinton*, 572 N.W. 2d 146 1997).

All six Iowa counties surveyed (Blackhawk, Clinton, Shelby, Johnson, Linn, Polk) valued land separately from improvements. Three of the surveyed counties (Clinton, Shelby, Linn) informed the property owners of the separate valuations.

**Kansas**

Kansas requires that land and improvements be valued separately for property tax purposes (see K.S.A. Section 79-412). That same statute however states that land and improvements—once valued—are to be considered a single valuation and entered on the assessment roles as a single value. The requirement that the land be valued separately from improvements, but assessed as a single value has been upheld by the Kansas courts. (See *Protest of Spangles*, 17 Kan. App. 2.d 335, 835 P.2d 699 (1992); *Appeal of Andrews*, 18 Kan. App. 2.d 311, 851 P.2d 1027 (1993)).

All four Kansas counties surveyed (Decatur, Logan, Thomas, Butler) valued land separately from improvements. None of the counties surveyed, however, informed the property owners of the separate valuation.

**Kentucky**

Kentucky requires that land and improvements be valued and assessed separately for property tax purposes (K.R.S. section 132.30). The separate valuations must be listed publicly on the assessment roles (K.R.S. sections 91.350 and 92.460).

There are no reported Kentucky appellate court cases or administrative rulings interpreting these laws.

All four Kentucky counties surveyed (Boone, Grant, Kenton, Hardin) valued land separately from improvements. Three of the surveyed counties did not make the separate valuations available to property owners as part of the assessment notice or tax bill. But in each of the three counties property owners were notified that they could request the separate valuation amounts. One county (Boone) routinely notified property owners of the separate valuations.

**Louisiana**

Neither the constitution nor statutes of Louisiana address the issue of whether land should be valued separately from improvements for property tax purposes. One statute, however, implies that land and improvements should be valued as a single unit for property tax purposes. LA. R.S. section 47:1958 states that the assessor should "take into consideration the enhanced value of such lands and lots arising from the buildings and improvements thereon."

There were no reported court cases or administrative rulings interpreting this statutory provision. But at least one appellate case's procedural history notes that the land and improvements were properly valued separately. *Sternberg Reality v. Louisiana Tax Commission*, 560 So.2d 868 (1990).

All four Louisiana municipalities surveyed (Gretna, Ville Platte, New Orleans, Baton Rouge) valued land and improvements separately. Three of the municipalities notified the property owners of the separate valuations. One municipality (Gretna) provided property owners notice of the combined values of land and improvements.

**Maine**

Maine requires that land and improvements be valued and assessed separately for property tax purposes (36 MRS Section 383). No other statutory or regulatory authorities discuss the valuation process. There are no reported Maine court opinions directly or indirectly addressing this issue.

A survey of four Maine counties (Knox, Penobscot, York, Oxford) found that all valued land separately from improvements. In each of the counties, property owners were notified of the separate valuations.

**Maryland**

The Maryland Property Tax Code expressly states that land and improvements are to be valued separately (MD Property Tax Code Sec. 8-104).

There are two Maryland cases discussing the separate valuation requirement. In *Macht*, the court held that the taxpayer could not object to the separate valuations for land, improvements or airspace if the overall assessment was correct. *Macht v. Dept of Assessment*, 266 MD 602, 296 A2d 162 (1972). In *Atlantic Venture*, the court held that property owners can only challenge the overall assessment, and not the separate valuations of land and improvements. *Atlantic Venture, Inc., v. Supervisor*, 94 MD. App. 73, 615 A2d 1210 (1992).

All six surveyed Maryland counties (Prince George's, Frederick, Calvert, St, Mary's, Harford, Howard) value land and improvements separately. Four of the six surveyed counties (Prince George's, Calvert, Harford, Howard) inform property owners of the separate valuations.

**Massachusetts**

In Massachusetts there are no statutory provisions or judicial opinions explicitly addressing whether land and improvements should be valued together or separately for property tax purposes. Two statutory provisions suggest, however, that land and improvements should be valued together. In the bill or notice each assessor sends to property owners, land and improvements are to be separately described, but the assessment amount is to be noted as a single amount. (Mass. Ann. Laws ch. 60. Sec. 3A). Moreover, real property includes "all land and all buildings and other things thereon or affixed thereto," and assessors are required to "determine the fair cash valuation of such real property." (Mass. Ann. Laws ch. 59, Sec. 2A).

All six Massachusetts municipalities surveyed (Gloucester, Quincy, Lowell, Springfield, Malden, Lawrence) do in fact value land and improvements separately. None of the surveyed municipalities, however, notify the property owners of the separate valuations.

**Michigan**

In Michigan, real property is defined as including land and improvements for tax purposes (MCLS sec. 339.2601(j), sec. 211.2). Neither the Michigan statutes nor reported court opinions mention the issue of valuing land separately from improvements. Moreover, the description of the assessment roll does not mention land or improvements (MCLS sec. 211.24). And the assessor's manual that describes official assessment procedures does not address the issue of separate valuation. (MCLS sec. 211.10(e)).

In a survey of six Michigan municipalities (Midland, East Lansing, Auburn Hills, Traverse City, Gladwin, Jackson), four municipalities (East Lansing, Auburn Hills, Gladwin, Jackson) valued land and improvements separately. Of those four, two municipalities (East Lansing, Jackson) notified property owners of the separate valuations. Significantly, Michigan had the only two jurisdictions (Midland, Traverse City) out of 246 surveyed nationwide that valued land and improvements together.

**Minnesota**

The Minnesota statutes expressly provide that land and improvements are to be valued separately for property tax purposes. (Minn. Stat. Sec. 273.11). Town assessors are required to keep records indicating per acre value both with and without improvements. (Minn. State. Sec. 273.061, subd. 7 (6)). Only one reported case discusses the issue of land and improvements, and it indicates, in dicta, that the assessment for property and improvements is a single assessment. (*In the Matter of the Petition of the United States Steel Corporation,* 324 N.W. 2d. 638 (1982)).

All six Minnesota counties surveyed (Brown, Martin, Dakota, Anoka, Olmsted, Ramsey) valued land and improvements separately. None of the six counties, however, notified property owners of the separate valuations.

**Mississippi**

Mississippi's statutes suggest that land and improvements are to be separately valued for property tax purposes. Taxpayers are required to provide the tax assessor a list of their property with land and improvements separately stated. (Miss. Code Ann. Sec. 27-35-49). Land and improvements that are not submitted to the tax assessor are to be separately valued and assessed. (Miss. Code Ann. Sec. 27-35-49). There are no reported Mississippi court opinions interpreting these statutes.

All six Mississippi counties surveyed (Jackson, Lauderdale, Rankin, Washington, De Soto, Hinds) valued land and improvements separately. Only two of the surveyed counties (Jackson, Hinds) notified the property owners of the separate valuations.

**Missouri**

Neither the Missouri Constitution nor statutory law indicates the manner in which land and improvements should be valued for property tax purposes. But a Missouri Court of Appeals case stated that there was no statutory requirement for land and improvements to be valued separately. (*Newman v. State Tax Commission*, 781 S.W. 2d 193 (1989)).

Still, all six Missouri counties surveyed (Boone, St. Charles, Clay, Jackson, Jefferson, Jasper) indicated that they valued land and improvements separately for property tax purposes. None of the six, however, notified property owners of the separate valuations.

**Montana**

Montana statutes require that property tax records must separately list land and improvements (Mont. Code Ann. Sec. 15-8-701). Land and improvements must be separately valued and assessed when a) ownership of the improvements is different than ownership of the land, b) taxpayers request separate valuation, or c) the land is outside and incorporated city or town. (Mont. Code Ann. Sec. 15-8-111).

Reported Montana court opinions do not address the issue of valuing land and improvements for property tax purposes.

Both Montana municipalities (Sanders, Augusta) surveyed valued land and improvements separately for all parcels of property. Both municipalities also notified property owners of the separate valuations.

**Nebraska**

Nebraska law requires that land and improvements be recorded separately (RRS Neb sec. 77-1-3(3)). Discussions with assessors in the state indicate that they believe this provision requires separate valuation of land and improvements.

Reported Nebraska court opinions, while not directly on point, support the belief that land and improvements should be valued separately for property tax purposes. (*Gordman Properties Co. v. Board of Equalization*, 225 Neb. 169, 403 N.W. 2d 366 (1987), *Koncicek v. Board of Equalization of Colfax County*, 212 Neb. 648, 324 N.W. 2d 815 (1982)).

All six Nebraska counties surveyed (Cheyenne, Colfax, Douglas, Adams, Lancaster, Buffalo) separately valued land and improvements. Four of the surveyed counties (Colfax, Douglas, Adams, Buffalo) notified property owners of the separate valuations. The remaining two counties notified property owners of the combined value.

**Nevada**

In Nevada, real property is defined as land and improvements. (Nev. Rev. Stat. Ann. Sec. 361.035(1)(a). The statute goes on to state that when assessing land in years in which it was not reappraised, the assessor is required to apply a factor to the appraised value for the land, and a different factor to the appraised value of improvements (Nev. Rev. Stat. Ann. Sec. 361.260). This has been interpreted by surveyed assessor's offices as requiring separate valuation for land and improvements.

There is no reported case law directly addressing this issue. But at least one court, in dicta, has indicated that land and improvements are valued separately (Imperial Palace, Inc. v. State of Nevada, 108 Nev. 1060, 843 P.2d 813 (1992)).

The survey of two Nevada counties (Churchill, Eureka) found that both valued land and improvements separately and both notified property owners of the separate valuation.

**New Hampshire**

The New Hampshire Constitution, statutes, and reported judicial decisions do not address the issue of valuing land and improvements for property tax purposes.

Notwithstanding the lack of legal guidance, all six New Hampshire municipalities (Concord, Nashua, Conway, Berlin, Hanover, Keene) that were surveyed valued land and improvements separately. And all six municipalities notified the property owners of the separate valuation.

**New Jersey**

In New Jersey, the assessor is required to value land and improvements separately on each parcel assessed. (N.J. Stat. Sec. 54:4-26.) The tables prepared by the board of taxation are required to have separate columns for total value of land assessed and total value of improvements assessed (N.J. Stat. Sec. 54:4-52).

The New Jersey courts have held however that the separate valuation requirement is an administrative act with no real significance to the final overall assessment. (*In re Appeals of Kent*, 34 N.J. 21 (1961), *Brown v. Borough of Glen Rock*, 19 N.J. Tax 366 (App. Div. 2001*), Coastal Eagle Point Oil Co. v. West Deptford Township,* 19 N.J. Tax 123 (1999)).

Nonetheless, six New Jersey municipalities (East Orange, Summit, New Brunswick, Princeton, Paterson, Vineland) were surveyed and all six valued land and improvements separately. All six notified property owners of the separate valuations.

**New Mexico**

The only place land and improvements are specifically addressed is in section 7-36-15 of New Mexico statutes which prohibits separate valuation of equipment used for stock-watering or irrigation from the land they serve. Two cases have interpreted that statute (*San Luis Power & Water Co. v. State*, 93 N.M 363, 600P.2d 309 (1979)*; Kerr-McGee Nuclear Corporation v. Property Tax Division* 57 N.M 734, 263 P.2d 398 (1953)).

Beyond that, there are two cases suggesting that land and improvements are to be valued separately. In both cases, the facts indicate land and improvements were valued separately. (*New Mexico Baptist Foundation v. Bernalillo County Assessor* 93 N.M. 363, 600 P.2d 309 (1979); *In the Matter of the Taxes of Bloch Pitt Investments*, 86 N.M. 589, 526 P.2d 183 (1974)). In *Bloch*, the separate valuation is fairly important as the case deals with the failure to assess all the buildings on a particular piece of property.

Although not mandated by statute or case law, it appears land and improvements are valued separately in New Mexico, at least as a matter of practice. A survey of four New Mexico counties (Bernalillo, Curry, Lea, Otero) found that all four valued land separately from improvements. All four surveyed counties also notified property owners of the separate valuations.

**New York**

The assessment roll is required to have separate columns for the land exclusive of improvements and the total assessed value (NY CLS RPTL § 502).

But, in reviewing challenged assessments, courts are to review the entire value; land and improvements are to be considered separately only to assist in the valuation. (*In the Matter of Hans Schachenmayr,* 693 N.Y.S.2d 701, 263 A.D.2d 731 (1999); See also *In the Matter of Pepsi-Cola Company v. Tax Commission of the City of New York*, 19 A.D.2d 56, 240 N.Y.S.2d 770 (1963) “If the record supports a finding that the total value of the property, land and improvements is at least equal to the total assessment, it is

immaterial whether or not the land value and the building value, as separately stated, are in such amounts as would be fixed by this court").

All six New York municipalities (Clay, Paris, Clinton, Seneca, Buffalo, Binghamton) surveyed indicated that all six valued land and improvements separately. All six municipalities also notified the property owners of the separate valuations.

**North Carolina**

There are no requirements in North Carolina statutes or case law for valuing land and improvements separately or in the aggregate. There are, however, provisions of § 105-309 that would probably require separate valuation as a practical matter. All buildings and other improvements must be listed in tax records (§105-309(c)(3)). Buildings and other improvements with a value over $100.00 which have been "acquired, begun, erected damaged, or destroyed" since the last appraisal must be described. (§105-309(c)(4))

A survey of six North Carolina counties (Davie, Iredell, Johnston, Orange, Pitt, Union) found that all six valued land and improvements separately. None of the surveyed counties notified property owners of the separate valuations.

**North Dakota**

Land and improvements must be assessed separately and added together (N.D. Cent. Code § 57-02-27). This provision has been interpreted as requiring separate valuations for land and improvements.

In the survey of four North Dakota municipalities (Devil's Lake, Fargo, Grand Forks, Bismarck), all four valued land separately from improvements. None of the surveyed municipalities notified property owners of the separate valuations.

**Ohio**

In Ohio, the tax lists are required to have separate columns for land and improvements (ORC Ann. § 319.28). Auditors are required to value land and improvements separately (ORC Ann. § 5713.03).

The land and improvements are considered a single assessment of a single estate in interest—the tax is on the aggregate value of land and improvements (*In re National Tube,* 98 N.E.2d 78 (1950)).

All six Ohio counties surveyed (Ashtabula, Madison, Allen, Cuyahoga, Delaware, Greene) valued land separately from improvements. All six counties also notified property owners of the separate valuations.

**Oklahoma**

Property owners must submit property to be assessed, placing separate values on the land and improvements (Okl. St. § 2818). If a taxpayer chooses to list real estate on blank assessment forms provided by the county assessor, they must list the estimated value of the land and separately the values of buildings and improvements (Okl. St. § 2835). Permanent county records must contain a list of the land as well as additions and improvements thereon (Okl. St. § 2840).

The "land list" maintained by the county assessor must describe the land and have separate entries for the value of the land and improvements (Okl. St. § 2841). Land and improvements are to be listed separately on assessment rolls (Okl. St. § 2842).

Although land and improvements are to be separately valued, they are not separate classes of property; the assessment is for the property (land and improvements) as a whole. (*Leyh v. Glass*, 1973 OK 26, 508 P.2d 259(1973)).

Two of the above sections (§§ 2841 and 2842) make allowances for combining land and improvements when OK Constitution Art. X., § 6(b) is invoked by a county. This provision allows a county to hold an election to exempt livestock used to support a family from ad valorem tax.

All four Oklahoma counties surveyed (Comanche, Payne, Cleveland, Oklahoma) valued land and improvements separately. None of the surveyed counties notified property owners of the separate valuations.

**Oregon**

In Oregon, the assessment role is required to have separate listings for land and improvements (ORS § 308.215).

The cases addressing § 308.215 are in agreement that land and improvements are to be valued separately. The only questions in the case law are how this requirement impacts other issues. See *Poddar v. Department of Revenue*, 328 Ore. 552, 983 P.2d 527 (1999).

All six Oregon counties surveyed (Benton, Columbia, Douglas, Jackson, Lane, Washington) valued land separately from improvements and all six notified the property owners of the separate assessment.

**Pennsylvania**

Assessors are required to separately assess land and improvements (72 P.S. § 5341.7). Assessment records must show land and improvements separately (72 P.S. § 5341.6). There are no reported Pennsylvania court decisions interpreting these statutory provisions.

All six Pennsylvania counties (Cambria, Clearfield, Allegheny, Lackawanna, Luzerne, Montgomery) surveyed valued land separately from improvements, and all six notified property owners of the separate valuations.

**Rhode Island**

Nothing in the statutes or case law requires land and improvements to be valued separately or together and there is some conflict in the case law.

A Rhode Island Supreme Court case lists values of land and improvements separately (*Kargman v. Jacobs*, 122 R.I. 720, 411 A.2d 1326 (1980)). A superior court case states that land and improvements are assessed as a whole, but cites no authority for that proposition. (*Independence Square v. Booth*, 2000 R.I. Super. LEXIS 79 (2000)).

All three Rhode Island municipalities surveyed (Bristol, Coventry, and Scituate) valued land and improvements separately. Two of the three municipalities (Coventry and Scituate) notified property owners of the separate valuations.

**South Carolina**

Nothing in the South Carolina statutes or case law addresses whether lands and improvements are to be valued separately or together. Dicta in some cases indicates they are valued separately (*Lindsey v. South Carolina Tax Commission*, 302 S.C. 274, 395 S.E.2d 184 (1990); *Cloyd v. Mabry*, 295 S.C. 86, 367 S.E.2d 171 (1988)).

A survey of six South Carolina counties (Lexington, Orangeburg, Pickens, Greenville, Aiken, Florence) found that all six valued land separately from improvements. Only two of the six counties surveyed (Orangeburg, Greenville) notified property owners of the separate valuations.

**South Dakota**

Assessors are required to determine separate values for land and improvements as well as the aggregate value of the entire property (SD Codified Laws § 10-6-35). There are no reported court decisions in South Dakota addressing this issue.

A survey of four South Dakota counties (Brown, Pennington, Clay, Custer) found that all four valued land separately from improvements and all four notified property owners of the separate valuations.

**Tennessee**

Assessor's records must have separate columns for lands and improvements (Tenn. Code. Ann. § 67-5-804). (The surveyed Tennessee counties all maintained that this provision required separate valuation; although no reported court cases could be found to confirm that belief). In the section regarding back assessments, back assessment is defined as including land or improvements not identified in the original valuation (Tenn. Code. Ann. § 67-1-1001).

A survey of six Tennessee counties (Bradley, Hamilton, Anderson, Davidson, Rutherford, Sumner) found that all six valued land separately from improvements and all six notified property owners of the separate valuations.

**Texas**

Appraisal records must have land and improvements listed separately (Tex. Tax Code § 25.02). Notice issued to taxpayer must have land and improvements listed separately (Tex. Tax Code § 25.19). Three different Texas Courts of Appeals have stated that land and improvements are separate entities of real property under the Texas Code (*Cameron County v. Creditbanc Savings Assoc.* 763 S.W.2d 577 (1988); *Walker v. Guadalupe County,* 846 S.W.2d 14 (1992); *Harris County v. Reynolds/Texas*, 884 S.W.2d 526 (1994)).

Consistent with Texas law, the survey of six counties (Williamson, Mclennan, Denton, Cameron, Dallas, Randall) found that all six valued land separately from improvements and all six notified property owners of the separate valuations.

**Utah**

The county auditor is required to list the value of land and improvements separately in the annual statement to the county commission (Utah Code Ann. § 59-2-322)

The Utah Supreme Court has determined that under Utah statute land and improvements are separate elements of real estate, "each element being subject to assessment and taxation" (*Sunkist Service Company*, 130 Utah Adv. Rep. 3, 789 P.2d 130 (1990). See also *In re West Side Property Associates*, 407 Utah Ad. Rep. 9, 13 P.3d 168 (2000) "Land and improvements are recognized as separate constituents, and therefore, each element is subject to separate assessment and taxation").

All six Utah counties surveyed (Grand, Summit, Washington, Weber, Utah, Davis) valued land and improvements separately. Two of the six surveyed counties (Grand, Weber) notified property owners of the separate valuations.

**Vermont**

There is nothing in the statutes, constitution or case law specifically requiring assessment separately or in the aggregate.

The closest requirement in the statutes is that the "grand list of a town" is required to describe each parcel defined as "contiguous land in the same ownership, together will all improvements thereon" (32 V.S.A. § 4152).

The matter is not resolved by case law. In fact, to the extent it is addressed, there is only dicta and it is somewhat in conflict. In 1973, the Vermont Supreme Court stated the appraisal of the land is measured in the aggregate with improvements being merely one of the factors considered in arriving at the overall value. (*Bookstaver v. Town of Westminster*, 131 Vt. 133, 300 A.2d 891 (1973)). In 1989, the court considered a case in which taxpayers disputed only the value of the improvements. The court did not address whether it was proper to contest only the land or improvements, but they also did not say the assessment must be considered in the aggregate either, an apparent contradiction of *Bookstaver*. (*Bernadette Gionet v. Town of Goshen*, 152 Vt. 451, 566 A.2d 1349 (1989)).

Despite the vagaries of Vermont law, all four Vermont municipalities surveyed (Burlington, Montpelier, Barre, Randolph) valued land and improvements separately. None of the surveyed municipalities notified property owners of the separate valuations.

**Virginia**

The section of the Virginia Code entitled "Assessment of Values" requires assessors to, "proceed to ascertain and assess the fair market value of all lands and lots assessable by them, with the improvements and buildings thereon." (Va. Code. Ann. § 58.1-3280). Use of the word "with" seems to indicate the two are to be assessed together, however, another section of the code calls that interpretation into question.

If the value of the land or improvements changes the assessor is to send a notice indicating "the new appraised value of the land, the new appraised value of improvements, and the new assessed value of each if different from the appraised value." (Va Code Ann. § 58.1-3330). In order to comply with this requirement, it seems assessors would have to calculate the values separately. In any event, Virginia courts have interpreted the law to require separate valuations for land and improvements. (see *Alexandria Park Assn. V. County Board of Arlington,* 4 Va. Cir. 454 (1977)).

A survey of six Virginia counties (Carroll, Spotsylvania, Arlington, Fairfax, Buchanan, Franklin) found that all six valued land separately from improvements and all six notified property owners of the separate valuations.

**Washington**

The board of county commissioners may require an assessor to break down the assessment records by land and value of improvements. (ARCW § 84.40.160) If the value of land or improvements changes, the assessor is required to mail a notice to the taxpayer no later than 30 days after the assessor. The notice must list land and improvements separately. (ARCW § 84.40.045) The assessor is required to determine the true and fair value of the land and the improvements in preparing the assessment list (ARCW § 84.40.040)

Nothing in the case law directly comments on the relevant provisions of those statutes.

A survey of six Washington counties (Adams, Benton, Franklin, Grant, King, Lewis) found that all six valued land separately from improvements and all six notified property owners of the separate valuations.

**West Virginia**

Land and improvements must be assessed and listed separately in the land books (W.Va. Code § 11-4-10). There are no reported West Virginia cases discussing the subject.

All four West Virginia counties surveyed (Berkely, Monongalia, Ohio, Wayne) valued land and improvements separately. None of the surveyed counties notified property owners of the separate valuations.

**Wisconsin**

Assessment rolls submitted to the state by the county must list land and improvements separately (Wis. Stat. § 70.53). The property tax bill (except for agricultural land) must list land and improvements separately (Wis. Stat. § 74.09 (3)(b)(1)). The assessor must segregate land and improvements into separate columns when they value real estate (Wis. Stat. § 70.32)(2)(a))

When taxpayers seek review of their assessment before the board of review, however, they can object only on the basis of the aggregate assessment, not on the land or improvements separately (Wis. Stat. § 70.47(7)(a)).

The survey of six Wisconsin municipalities (Beloit, Burlington, Adams, Wausau, Appleton, Madison) found that all six valued land and improvements separately. All of the surveyed municipalities notified property owners of the separate valuations.

**Wyoming**

The Wyoming Constitution requires land and improvements be listed, valued and assessed separately (Art. 15, § 1). There are no reported Wyoming cases discussing the subject.

All three Wyoming counties surveyed (Laramie, Natrona, Fremont) valued land and improvements separately. Only one of the surveyed counties (Fremont) notified property owners of the separate valuations.

## Appendix A: Methodology

### The Law

In determining the legal requirements regarding valuation of property and improvements, state constitutions, regulations, statutes, administrative rulings, and appellate court opinions were examined in each of the fifty one jurisdictions. The legal research was completed on February 1, 2002 and this report does not reflect changes that may have occurred after that date. In conducting the research, the goal was to locate specific language in the legal authorities expressly or implicitly requiring the taxing jurisdiction to value land separately from improvements.

This report does not contain information from state court opinions dealing with non-tax related issues or government documents of a non-legal nature (i.e., press releases, bulletins, public advisories, etc.)

We limited our research to state law. We did not conduct research on individual local governments (i.e., the laws of a particular city or county in the jurisdictions subject to the report). We recognize however that such laws may have a bearing on the question of how property is valued, particularly with respect to valuation practices.

### Practice

In determining how local governments value land and improvements, we conducted a random survey of 246 local government offices charged with administering the property tax.

In most states six local government offices were surveyed. While in others (i.e., the District of Columbia) fewer government offices were surveyed. With the exception of the District of Columbia, Hawaii, Delaware, and Idaho, at least four jurisdictions that imposed real property taxes were surveyed in each of the remaining forty-seven states. And in 30 of those states, at least six jurisdictions were surveyed. The surveys were conducted by telephone during the period March 2001—May 2002.

In each of the offices surveyed, an attempt was made to talk a person involved in the valuation process. That person was asked the following questions:

1. Does your office value land and improvements separately for the purposes of ascertaining property tax values?
2. If yes, please describe the methodology used to value land and improvements separately.
3. If your offices values land and improvements separately, how would you describe your level of confidence that the allocation of values is accurate: High (less than five percent of value misallocated), Modest (between five and fifteen percent of value misallocated), Low (more than fifteen percent of value misallocated).
4. Are the property owners in your jurisdiction notified of the separate valuation?

The researchers are not making any assertions as to the statistical relevancy or accuracy of the survey. While the sample may be representative of the jurisdictions in the state, the researchers did not possess the resources or the technical expertise to conduct a scientifically valid experiment. Nonetheless, given the unanimity of the results, the answers are likely to provide significant insight to the valuation procedures for local governments imposing real property taxes.