

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2022 REGULAR SESSION**

MEASURE

2022 BR NUMBER 76

HOUSE BILL NUMBER 260

TITLE AN ACT relating to property assessments.

SPONSOR Representative Randy Bridges

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2021-2022	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES				
NET EFFECT				

() indicates a decrease/negative

PURPOSE OF MEASURE: HB 260 adds requirements to the income approach and sales comparison approach, which are used when valuing property for property tax purposes. It requires that the appraisal of property for assessing property tax meet the minimum International Association of Assessing Officers (IAAO) standards; reflect the reasonable, probable, and most profitable use of the property that is legally permissible, physically possible, and financially feasible; and take into consideration any value that is added to a property from a lease.

HB 260 also modifies the qualifications for taxpayer representatives who receive compensation when representing taxpayers in the appeal of real property assessments.

FISCAL EXPLANATION: HB 260 does not have a fiscal impact on state property tax revenues. In assessing property, the Department of Revenue and the Property Valuation Administrators already abide by the requirements that are added to the statute by HB 260. Similarly, there is no expected impact on tax administration costs for the Department of Revenue.

DATA SOURCE(S): LRC Staff; KY PVA Association

PREPARER: Cynthia Brown **NOTE NUMBER:** 82 **REVIEW:** JAB **DATE:** 2/21/2022