

The appraisal staff shall recommend to the board of tax assessors a review and audit selection criteria. The criteria is designed to maximize the number of personal property returns that may be reviewed or audited with existing resources.(budgeted each year) The criteria should be fair, unbiased, and developed consistent with the requirements of Code section 48-5-299. The use of the tracking system will assist in determining which taxpayers should be reviewed. The goal of the verification is to substantiate the cost amounts that have been reported by the taxpayer through the review of appropriate and pertinent records. All personal property accounts should be reviewed or audited at least once every three years. The North American Industrial Classification System shall be used in the selection criteria for review and audit. The

Government produces this manual that assigns a code to each type of business. Accounts with the same North American Industrial Classification System code are chosen during the same time frame for verification. Upon approval of this policy, the date of the next review will be contingent upon the last review date. The county appraisal staff will use the review dates to schedule future reviews of accounts to maintain compliance. with a three year review rotation. Results of each review are tracked by maintaining a list of accounts, the date of the review, the date review is completed, breakdown of value under review, and final value.

Accounts with a value of \$50,000 or more shall be reviewed through a contracted vendor. Accounts with a value of \$49,999 shall be reviewed in-house by the county appraisal staff. Requests for Proposals will be mailed out every three years to vendors.

The end result of the audit is developed and designed so that several purposes can be achieved: to educate taxpayers whenever possible as to encourage voluntary compliance with the reporting procedures; to discover all business property subject to taxations; to verify that all business property items have been reported and that the information given is accurate; to equalize the tax burden among taxpayers; to achieve uniformity; to set standard audit procedures to insure that the correct valuation procedures are followed to reach reasonable and equitable estimates of market value and assessment among the county; and to establish measurements to determine the level of compliance of businesses reporting taxable business personal property. Taxpayers are treated as customers; realizing their needs and being as informative as possible, keep scheduling flexible. The practice of good customer service and effective public relation skills as well as the importance of courtesy and professionalism is emphasized. The result of the audit should be accurate, complete records and by the least intrusive means.

Adopted by the Board of Tax Assessors: January 9, 2012

