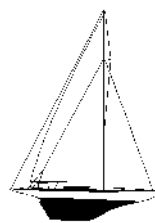
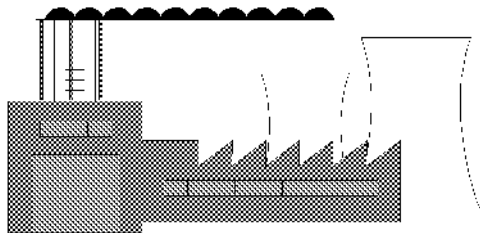


PROPERTY TAX NEWS



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DATES FOR 1999 CONFERENCE ON ASSESSMENT ADMINISTRATION SET

The 1999 Conference on Assessment Administration will be held October 25 - 29 at the Executive Inn in Paducah. This year marks the first time since 1986 that the conference is being held in Paducah. This conference is required by KRS 131.140 for the purpose of providing Property Valuation Administrators with "systematic instruction in the fair and just valuation and assessment of property and their duty in connection therewith."

More details regarding the conference will be released as they become available.

INTANGIBLE PROPERTY: WHAT'S STILL TAXABLE FOR 1999

With the decision in the case of *St. Ledger v. Revenue Cabinet*, many taxpayers and PVAs still have questions concerning the taxability of intangible personal property. Corporate stocks, mutual funds (including money market accounts), and deposits in out-of-state banks and credit unions are no longer taxable for intangible property tax purposes. However, **bonds, notes, mortgages, land contracts, accounts receivable, and life insurance contracts, etc., are still taxable.**

For the 1999 tax calendar, the listing, assessment, billing and collection of intangible property taxes is the same as previous years. PVAs should have

received forms for use in their office. Forms are also included in the Individual Income Tax Packet or available from the Revenue Cabinet. Questions regarding intangible property taxes can be directed to the Personal Property Branch at (502) 564-8160.

PVA RECAPS DUE BY APRIL 5

Kentucky Revised Statute 133.040 requires that by the first Monday in April all PVAs must submit a recapitulation of the real property tax roll to the Department of Property Valuation. For 1999, the recapitulations are due by April 5. If additional time is necessary, a request must be made in writing as soon as possible. All requests should explain why the extension is needed and state the amount of additional time required.

Direct questions regarding recaps to Tom Crawford or Nancy Moore at (502) 564-8338.

RAILROAD REVITALIZATION AND REGULATORY REFORM RATE SET

The Railroad Revitalization and Regulatory Reform (4-R) rate for intrastate railroad, railroad car line, airline and apportioned vehicle property has been set for 1998 at 22.28 cents per \$100 of valuation.

The local multiplier for intrastate railroads and airlines is 54 percent for 1998.

The aggregate state and local rate for railroad carlines and apportioned vehicles is 67.23 cents per \$100 of assessed value. Taxes on railroad carlines and apportioned vehicles are paid to the Revenue Cabinet and local money is then distributed to the taxing jurisdictions.

Direct questions concerning the 4-R rate to the Public Service Branch at (502) 564-8175.

STATE VALUATION MOVES TO FOURTH FLOOR

The Division of State Valuation, which includes the MOTAX Branch, the Tangible Personal Property Branch, the Intangible Personal Property Branch, and the Public Service Branch, has moved to the fourth floor of 200 Fair Oaks Lane, across the hall from the Division of Technical Support. The entire Department of Property Valuation, as well as the PVA Administrative Support Branch, may now be found on one floor. All telephone numbers and addresses remain the same.

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DAVIESS PVA RETIRES

Ray Gist, PVA in Daviess County since 1981, retired January 31, 1999. A reception was held in his honor at the Daviess County Courthouse on January 27.

Ten out of twelve persons passed a special examination conducted by the Department on February 13 to determine qualified candidates to fill the vacancy. Governor Paul Patton appointed Ron Durbin to fill the vacancy until the results of the general election are finalized in November. Since the examination took place after the filing deadline for the May primary, each party will nominate a candidate to run in November.



NEW MENIFEE COUNTY PVA APPOINTED

Governor Paul Patton has appointed Jim Lawson as Property Valuation Administrator (PVA) in Menifee County. Lawson was one of 14 people who passed a special examination given by the Department on January 16, 1999. Eight people have filed to run in the May primary election. Lawson's appointment will expire after the results of the general election are certified in November.

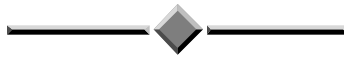


WASHINGTON COUNTY PVA RETIRES

Barbara Stumph, Washington County PVA, retired February 28, 1999. Stumph served as PVA in Washington County since 1988, and was a deputy for 11 years before taking office. A reception was held in her honor at the Washington County Courthouse on February 26.

A special examination to qualify candidates for the position of PVA was administered by the Department March 20, 1999. Ten of thirteen persons who took the

examination passed and are eligible for appointment to fill the position until the November general election. Since the examination was given after the filing deadline for the primary election, the Democratic and Republican parties will nominate their candidates for the general election from the list of successful candidates.



OHIO COUNTY PVA RETIRES

Emma Geary, Ohio County PVA since 1981, retired March 31, 1999. Geary has over 35 years of service in the PVA office, spending 17 years as a deputy before taking office herself.

The Department has scheduled a special qualifying examination for candidates desiring to seek the office of PVA for April 17, 1999. This examination is open only to Ohio County residents.



IN MEMORY OF GEORGE WILSON

George Wilson, former supervisor in the PVA Fiscal and Personnel Section and a friend to many PVAs and Department personnel, died January 15 in Nashville, Tennessee. He was 79. Wilson began his career with Revenue in 1976 as a supervisor in the Research section. He retired from the Cabinet in 1991.

He is survived by his wife, Rachel, and children Pete and Steve. Our sympathies are with Rachel and the rest of the family.



FROM THE COMMISSIONER'S DESK

The first two months on the job as Commissioner have been great. My transition has been an easy one because of our excellent staff and the past outstanding leadership of Mike Haydon. Thanks to all of you for providing cards, letters, e-mails, and words of encouragement to me.

I have enjoyed my relationship with the PVA Association for the past three years and look forward to visiting many of you in your offices soon. For the 19 new PVAs who may find things a bit overwhelming, take some comfort that you've been on the job a month longer than I have. We will learn together!

The Revenue Cabinet made an hour-long presentation to Governor Patton at the Capitol on February 8. Our presentation was determined by the Governor and Secretary Luallen to be the most professional and informative discussion by any Cabinet. Charts produced by our Technical Support Division for our presentation greatly contributed to this success. Thanks again to all those involved in this production.

State Valuation completed their move to the fourth floor at 200 Fair Oaks in early February. It is significant that all of our Department in Frankfort is now located on one floor, in one building. I appreciate the positive attitude of those involved in this moving process. I never heard a complaint by our staff and also proudly witnessed our employees assisting another Department in their move.

Keep up the good work,

Vince Lang
Commissioner



Y2K WORK PROGRESSING ON TRIM/SACS

For the past year and a half, it seems that a day doesn't pass that someone doesn't talk about, hear or see something about Y2K and the impact that it will have on our daily lives. Many approach the year 2000 with skepticism; some even with panic and fear. They wonder if many of the technological advances will come to a crashing halt at the stroke of midnight on December 31, 1999. Will many of the things that they normally use and, perhaps, even take for granted stop working all of a sudden? They want to know if their household appliances, communication tools, means of transportation and, yes, even their computers, will continue to work without problems into the next millennium. These are all valid concerns for everyone. Much has been done to address and find solutions to many of these potential problems.

The basic concern behind the problem or "bug" as it is commonly referred, is founded on the premise that so much modern day technology is date oriented. In other words, the date, (month, day and year) provides vital, even critical, information for the proper functioning and operation of many items that are used in our daily lives now. Until recently, many dates were structured in two-digit fields; two digits for the day, two for the month and two for the year. This worked well for a long time but the dilemma comes when the new century begins where the two-digit year would appear as 00 and the manner in which many of the things that are date dependent are able to decipher that. If the date is incorrectly identified as 1900 instead of 2000, then this can create a real problem. In an attempt to resolve these potential problems, steps are being taken, where possible, to re-tool or re-program many of the things that are date oriented and expanding the date field for the year to three or four digits so the correct year can then be determined.

For those PVA and Sheriff's offices who have been using TRIM and SACS, rest assured that similar steps are being taken and work has already begun to bring both programs into compliance for the Year

2000. SCB Computer Technology, Inc., a computer service company out of Memphis, Tennessee, has been given the task of making the updates to both of these programs to enable them to continue, uninterrupted, into the next millenium. With 98 PVAs' offices currently using TRIM to maintain the day to day administration of their property tax rolls and 72 Sheriffs' offices dependent on SACS to perform their annual tax bill collections, these respective software programs have been given top priority in becoming Y2K compliant.

Y2K project representatives have met with staff members of the TRIM Branch to ascertain which areas of the TRIM and SACS programs they need to concentrate their efforts to make the necessary updates for Y2K compliancy. Some preliminary work has already progressed to the point where the updates are almost ready to be tested. Once all enhancements are complete and the results are documented and fully tested, it is hoped that the program updates can be provided to all users on diskette that can be easily loaded into each office's personal computers, very similar to program updates done in the past. It is anticipated that the program changes will not have to involve any major data conversion of existing tax roll or bill file information. SCB is planning to utilize a process called "windowing" that will allow the changes to be made to existing data without going through any major or lengthy conversion process.

SCB has given the Department a tentative timetable for proceeding through the various steps needed to finalize the changes and updates. It still may be too early at this time, however, to predict when this project will be completed and the program updates provided to each office. The clock is ticking though, so to speak, and the updates need to be in place by the time those counties who print tax bills in TRIM begin this process. All TRIM and SACS offices are assured that they will be kept informed of any and all pertinent information, as the situation warrants, concerning the Y2K project.

KENTUCKY CHAPTER OF IAAO OFFICERS AND COMMITTEES MEET AT LAKE CUMBERLAND STATE PARK

The Kentucky Chapter of IAAO held its annual officer and committee meeting at Lake Cumberland State Park in February. Once again it proved to be a very productive meeting with several goals for 1999 being set within each of the five committees.

Barry Murphy, past president of IAAO, who is now serving on the IAAO Associate Member Committee, graciously agreed to speak at the general session. Barry was at the initial meeting of the Chapter Committee meetings and was both surprised and encouraged by how fast the Kentucky Chapter has grown in such a short time. He encouraged all members to continue to be supportive and involved. He also offered to help the Chapter as it grows and continually sets new goals.

As of this date, 103 counties are members of the Kentucky Chapter. We invite those who are not members, but are interested in learning more about the Kentucky Chapter and its activities, to contact one of the officers or the chair of the Membership Committee, Debbie Smith, Campbell County Deputy. The Chapter promotes education through both the Education and Designation Committees by sponsoring IAAO courses and providing support to those interested in attaining IAAO designations. A scholarship fund has also been established for PVA office employees wishing to apply for assistance with Kentucky Property Tax courses or IAAO courses. Information has been distributed to each county.

Last, but not least, please remember to submit your quilt square to the McCracken County PVA Office.



EDUCATION UPDATE

Due to the overwhelming demand for IAAO 101 and IAAO 400, two additional sections of these courses have been scheduled. An additional section of IAAO 101 has been scheduled for July 12 - 16 at the Best Western in Frankfort. An additional section of IAAO 400 has been scheduled for October 4 - 8 also at the Best Western. If anyone who is currently enrolled in the first section of either class would like to change to these new dates, please contact Stacey Ewalt so that someone else can take your place.

Kentucky 5, scheduled for April 5 - 8 at Barren River in Lucas, has been cancelled due to low enrollment.

Kentucky 7, scheduled for April 19 - 22 at Days Inn in Madisonville, has also been cancelled due to low enrollment.

The following classes are closed:

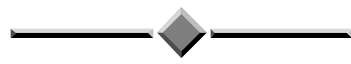
Ky. 6	April 26-29	Frankfort
Ky. 9	April 26 - 29	Lake Barkley
Ky. 5	June 7 - 9	Frankfort
Ky. 4	August 2 - 5	Frankfort
Ky. 9	October 11 - 13	Frankfort

Student Manual Update

Each PVA office will be receiving a revised copy of the student manual with this edition of Property Tax News. Although most of the changes to the manual are minor, there are some significant changes that PVAs and deputies should be aware of.

The Education Committee approved the creation of a new mapping track for the Certified Kentucky Assessor Professional Designation. Course requirements include Kentucky Courses 1, 4, and 8; IAAO Courses 101 and 600; and one elective Kentucky course or GIS workshop of at least 15 hours. The mapping track was created in response to a suggestion by Clay County deputy Raleigh Campbell.

The other significant change involves the procedure for re-examinations. The committee approved the adoption of a re-examination fee of \$25.00 for Kentucky Courses. Students must complete an application for re-examination, available from the Education and Research Branch. Re-examinations must be scheduled within one year of the original examination date, or the course must be repeated. All re-examinations must be administered by an approved instructor in conjunction with any regularly scheduled course, by appointment in Frankfort, or in special examination sessions scheduled as part of the annual conference.



CLARK, LEE AND MARSHALL RECEIVE ESRI START UP GRANTS

The Clark, Lee and Marshall county PVA offices have been chosen to receive Local Government Start-Up Grants from ESRI, the makers of ARC/INFO GIS software. The grant includes software and training valued at \$9,091.00.

REMINDER: NEW AREA CODE BEGINS MAY 1

Beginning May 1 telephone users will have to remember a new area code to dial the state's western counties.

The Public Service Commission assigned counties in Western Kentucky a 270 area code because the 502 area code was running out of numbers.

Callers will have from May 1 to November 1 to get used to the idea, during that period, either area code will ring through, however; after November 1, the 270 area code must be used.

The counties affected by the change include:

Adair	Graves	Marion
Allen	Grayson	Marshall
Ballard	Green	Meade
Barren	Hancock	Metcalfe
Breckinridge	Hardin	Monroe
Butler	Hart	Muhlenberg
Caldwell	Henderson	Ohio
Calloway	Hickman	Russell
Carlisle	Hopkins	Simpson
Christian	LaRue	Taylor
Crittenden	Livingston	Todd
Cumberland	Logan	Trigg
Daviess	Lyon	Union
Edmonson	McCracken	Warren
Fulton	McLean	Webster

**Calendar of Events
Spring 1999**

April 5 - 8	Kentucky Course 4	Buckhorn Lake State Park
April 26 - 29	Kentucky Course 6	Frankfort - Hampton Inn
April 26 - 29	Kentucky Course 9	Lake Barkley State Park
May 3 - 5	GIS Conference	Ft. Mitchell, Drawbridge Estates
May 10 - 12	Kentucky Course 8	Frankfort - Hampton Inn
May 24 - 27	Kentucky Course 1	Carter Caves State Park
June 7 - 10	Kentucky Course 2	Jenny Wiley State Park
June 7 - 10	Kentucky Course 5	Frankfort - Hampton Inn
June 14 - 18	IAAO 311	Frankfort - Hampton Inn
June 21 - 24	Kentucky Course 7	Frankfort - Best Western
June 28 - July 1	Kentucky Course 6	Jenny Wiley State Park
June 28 - July 2	IAAO 400	Frankfort - Best Western

Property Tax News is a quarterly publication of the Revenue Cabinet's Department of Property Valuation dedicated to increasing communication among professionals involved in the field of assessment administration in Kentucky.

Comments and suggestions for future articles should be addressed to Cindy Meholovitch, Editor, 200 Fair Oaks Lane Frankfort, KY 40620, (502) 564-8340.

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