

THE LAST WORD

A Tax Appraiser's Perspective

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- **FACTS:**
- Nobody likes paying taxes.
- We all need Roads, Schools, Parks, Police & Fire protection.
- **The Tax Assessor's Job is to fairly apportion the tax burden.**

To Avoid Paying Property Taxes

In 1696, England began taxing houses based on the number of windows they had.

This led to many houses having very few windows in order to avoid paying the tax.

Eventually, this became a public health problem and ultimately led to the tax's repeal in 1851.



What is Market Value for Property Tax?

Three Approaches to Value:

1. Market
2. Cost
3. Income
4. Whatever the State Legislature defines it as.

What is Market Value?

- Market value (also known as OMV, or "open market valuation") is the price an asset would fetch in the marketplace, or the value that the investment community gives to a particular equity or business. Market value is also commonly used to refer to the [market capitalization](#) of a publicly traded company, and is calculated by multiplying the number of its [outstanding shares](#) by the current share price. Market value is easiest to determine for exchange-traded instruments such as stocks and futures, since their market prices are widely disseminated and easily available, but is a little more challenging to ascertain for over-the-counter instruments like fixed income securities. *Investopedia*

Old Telecom vs New Telecom

- “Old” - Traditional Wireline Companies valued with an Income/Cost Unit Appraisal
- “New” - Wireless/Broadband Companies are often valued using a discounted cost analysis.

Unit Valuation Issues

1. Income to Capitalize
 - Unusual Expenses
 - Unusual Income
 - Income changes from mergers & acquisitions
2. Cap Rate
3. Value of Intangible Property
4. Federal Income Tax Rate

Depreciated Cost Issues

1. RCN
 - Rebooked costs
2. Shelter values
3. Depreciation Schedule.
 - How long equipment will be in use
 - Equipment in use but outdated
 - Equipment that can use software to upgrade
 - Category of Equipment

EQUIP CATEGORIES BY COMPANY

Wireless 1	Wireless 2	Wireless 3	Wireless 4
Antennas	Antennas	Antenna Systems	4G Cell Site Computer Equip
LTE RF Equipment	Communications Equipment	Antenna Systems- 4G	Antenna
Power Equipment	Computers-BTS	Computers and Equipment	Cell Site Computer Equip
Routers/ Data Equip	Leased Handsets	Digital PCS Equipment-3G	Cell Site Shelters
Shelters	Network Computers	Digital PCS Equipment-4G	Cellular Switching Computer Equipment
Towers	Power Equipment	Equipment Shelter and Cabinets	Excess Reserve
UMTS 3G COE- RF Equip	Switch Computers	Power Supply	Power Batteries
UMTS 3G COE- Switching	Switch Equipment	Power Supply-Battery	Towers
Microwave		Switch Equipment-2G	4G Cellular Switching Equip
		Tower and Related Hardware	

Additional Potential for Problems

1. Double Assessments
2. Late Notification of Ownership Change
3. Late Protest
4. Make sure we have the correct Mailing Address and Department
5. If equip is removed, please note on the Rendition that it is gone.
6. Don't Render Property that is Removed!

THANK YOU FOR LISTENING!

