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## 2021 Real Property Assessment Manual

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### Introduction

A general reassessment of all real property within the state is required as of January 1, 2021. This assessment manual contains the rules for assessing real property located in Indiana for the January 1, 2021 assessment date. The valuation date for the 2021 general reassessment is January 1, 2021. The assessing official shall use sales of properties occurring during a period of time from January 1, 2020 through December 31, 2020 for the January 1, 2021 general assessment date. Sales occurring before the valuation date shall be trended, if appropriate, in accordance with the International Association of Assessing Officers (IAAO) standard.

IC 6-1.1-31-6(c) provides that “[w]ith respect to the assessment of real property, true tax value does not mean fair market value....Subject to this article, true tax value is the value determined under the rules of the department of local government finance.” In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines adopted by the Department of Local Government Finance and IC 6-1.1-4-13. In the case of all other real property, true tax value shall mean market value-in-use, which is defined as follows:

The market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property.

True tax value may be considered as the price that would induce the owner to sell the real property, and the price at which the buyer would purchase the real property for a continuation of use of the property for its current use. In markets in which sales are not representative of the utility to the owner, either because the utility derived is higher than indicated sales prices, or in markets where owners are motivated by non-market factors such as the maintenance of a farming lifestyle even in the face of a higher use value for some other purpose, true tax value will not equal value-in-exchange. The market value-in-use standard includes a market value-in-exchange component in markets where there are regular exchanges for the current use.

The true tax value of property under this definition shall be determined as of the applicable assessment date.

Three standard approaches are used to determine market value-in-use. The first approach, known as the *cost approach*, estimates the value of the land as if vacant and then adds the depreciated cost new of the improvements to arrive at a total estimate of value. The second approach, known as the *sales comparison approach*, estimates the total value of the property directly by comparing it to similar, or comparable, properties that have sold in the market. The third approach, known as the *income approach*, is used for income producing properties that are typically rented. It converts an estimate of income, or rent, the property is expected to produce into value through a mathematical process known as capitalization. Each of these approaches is appropriate for determining the true tax value of property under the definition provided in this manual. The approaches to determining market value-in-use and the reconciliation of such approaches shall be applied in accordance with generally recognized appraisal principles. Standard appraisal and valuation texts such as those published by the Appraisal Institute and the IAAO are acceptable sources for determining such principles.

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The Guidelines adopted by the Department of Local Government Finance provide procedures and schedules that are acceptable in determining true tax value under the cost approach. Assessing officials may also consider other relevant information in applying the cost approach and may also use either the sales comparison approach or the income approach, or both, in determining true tax value if they are applicable to the type of property being assessed and if relevant and reliable data is available to support the use of such approaches.

An assessment determined by an assessing official in accordance with this manual shall be presumed to be correct. Any evidence relevant to the true tax value of the property as of the assessment date may be presented to rebut the presumption of correctness of the assessment. Such evidence may include an appraisal prepared in accordance with generally recognized appraisal standards. However, there is no requirement that an appraisal be presented either to support or to rebut an assessment. Instead, the validity of the assessment shall be evaluated on the basis of all relevant evidence presented. Whether an assessment is correct shall be determined on the basis of whether, in light of the relevant evidence, it reflects the property's true tax value as defined in this manual.

The county assessor shall also utilize assessment studies, as provided in a separate rule (50 IAC 27), as a means to attain a just and equal basis of assessment among taxpayers in the county under IC 6-1.1-13-6. Assessment studies seek to measure both the level of assessment and level of uniformity within assessing jurisdictions and property classes.

*Level of assessment* refers to the extent to which property assessments approximate legally mandated assessed valuation standards. By comparing the certified assessed values of sample parcels within townships with values based on the valuation standards, assessment ratios can be calculated for each township in a county. These ratios will serve as a basis for level of assessment measures.

*Level of uniformity* refers to the degree to which property classes are equally assessed within assessing jurisdictions. Based on assessment ratio data for each township in a county, various statistical measures, including coefficient of dispersion, can be applied to determine the level of uniformity within assessing jurisdictions.

Data utilized to measure level of assessment and levels of uniformity are to be used by county assessors to equalize the assessed value of property within the county. When deemed necessary to equalize assessments between or within townships or between classes of property, or when deemed necessary to raise or lower assessments within a county or any part thereof to the level prescribed by law, the county assessor shall apply a percentage increase or decrease to individual assessments to attain just and equal assessments.

Assessment studies generally involve five basic steps: (1) definition of purpose and objectives, (2) collection and preparation of market data, (3) matching appraisal and market data, for consistency, (4) statistical analysis, and (5) evaluation and use of results.

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### Definitions

Definitions preceded by ■ are taken from the publication, **Glossary for Property Appraisal and Assessment**, copyright © 2013 by the International Association of Assessing Officers (IAAO), 314 W 10th Street, Kansas City, Missouri 64104-1616. Definitions preceded by ▼ are those developed by the Department of Local Government Finance. Words in bold print in the definition refer to other words defined in this section.

- Appraisal** ■ (1) The act of estimating the money value of property. (2) The money value of property as estimated by an appraiser. (3) Of or pertaining to appraising and related functions, for example, appraisal practice, appraisal services.
- Appraisal Date** ■ The date as of which a property's value is estimated. ▼ The date as of which the **true tax value** of the property is estimated. In the case of the 2021 general reassessment, this would be January 1, 2021.
- Appraisal Methods** ■ The three methods of appraisal, that is, the **cost approach**, **income approach**, and **sales comparison approach**. ▼ Any method of estimating value.
- Arithmetic Mean** ■ *See also mean.*
- Array** ■ An ordered arrangement of data, such as a listing of sales ratios, in order of magnitude. ▼ A ranking of data in order of value. May be either in ascending (lowest to highest) or descending (highest to lowest) order. Also referred to as a rank order.
- Assess** ■ To value property officially for the purpose of taxation.
- Assessed Value** ■ (1) A value set on real estate and personal property by a government as a basis for levying taxes. (2) The monetary amount for a property as officially entered on the assessment roll for purposes of computing the tax levy. ▼ An amount equal to 100% of the true tax value of property. Also referred to as assessed valuation.
- Assessment** ■ (1) In general, the official acts of determining the amount of the tax base. (2) As applied to property taxes, the official act of discovering, listing, and appraising property, whether performed by an assessor, a board of review, or a court. (3) The value of taxable property to which the tax rate is to be applied in order to compute the amount of taxes. It may be used synonymously with assessed value, taxable value, true tax value, and tax base.
- Assessment-Appraisal Ratio** ■ The ratio of the **assessed value** of a property to an independent appraisal.

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<b>Assessment Date</b>	▼ January 1st of any year.
<b>Assessment Equity</b>	■ The degrees to which assessments bear a consistent relationship to <b>market value</b> .
<b>Assessment Level</b>	■ The common or overall ratio of <b>assessed values</b> to <b>market values</b> .
<b>Assessment Ratio</b>	■ (1) The fractional relationship an assessed value bears to the market value of the property in question. (2) By extension, the fractional relationship the total of the assessment roll bears to the total market value of all taxable property in a jurisdiction. <i>See</i> assessment level.
<b>Assessment Ratio Study</b>	■ An investigation intended to determine the <b>assessment ratio</b> and <b>assessment equity</b> .
<b>Assessment-Sale Price Ratio</b>	■ The ratio of the assessed value to the <b>sale price</b> (or adjusted sale price) of a property.
<b>Average</b>	■ The arithmetic <b>mean</b> .
<b>Central Tendency</b>	■ (1) The tendency of most kinds of data to cluster around some typical or central value, such as the mean, median, or mode. (2) By extension, any or all such statistics.
<b>Coefficient of Dispersion</b>	■ The <b>average deviation</b> of a group of numbers from the <b>median</b> expressed as a percentage of the median. In ratio studies, the average percentage deviation from the median ratio.
<b>Comparable Sales</b>	■ (1) Recently sold properties that are similar in important respects to a property being appraised. The sale price and the physical, functional, and locational characteristics of each of the properties are compared to those of the property being appraised in order to arrive at an estimate of value. (2) By extension, the term “comparables” is sometimes used to refer to properties with rent or income patterns comparable to those of a property being appraised.
<b>Dispersion</b>	■ The degree to which data is distributed either tightly or loosely around a measure of central tendency.
<b>Equalization</b>	■ The process by which an appropriate governmental body attempts to ensure that all property under its jurisdiction is assessed at the same assessment ratio or at the ratio or ratios required by law.
<b>Level of Assessment</b>	■ The common or overall ratio of assessed values to market values. <i>See also</i> <b>assessment level</b> and <b>assessment ratio</b> .

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<b>Lien Date</b>	■ The date on which an obligation, such as a property tax bill (usually in an amount yet to be determined), attaches to a property and the property becomes security against its payment.
<b>Market Value</b>	The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
<b>Market Value-in-Use</b>	■ <i>See Value-in-Use.</i> Synonymous with <b>Use Value</b> .
<b>Mass Appraisal</b>	■ The process of valuing a group of properties as of a given date, using standard methods, employing common data, and allowing for statistical testing.
<b>Mean</b>	■ A <b>measure of central tendency</b> . The result of adding all the values of a variable and dividing the number of values.
<b>Measures of Central Tendency</b>	■ A single point in a range of observations around which the observations tend to cluster. The three most commonly used measures of central tendency are the <b>mean</b> , <b>median</b> , and <b>mode</b> .
<b>Median</b>	■ A <b>measure of central tendency</b> . The value of the middle item in an uneven number of items arranged or arrayed according to size; the arithmetic average of the two central items in an even number of items similarly arranged; a positional average that is not affected by the size of extreme values.
<b>Mode</b>	■ A <b>measure of central tendency</b> . (1) In an array of the values of a variable, the most frequently occurring value. (2) By extension for grouped data, the class with the greatest number of observations.
<b>Model</b>	■ (1) A representation of how something works. (2) For purposes of appraisal, a representation (in words or an equation) that explains the relationship between value or estimated sale price and variables representing factors of supply and demand.
<b>Property Wealth</b>	▼ The abundance of economic utility realized from property rights.
<b>Ratio Study</b>	■ A study of the relationship between appraised or <b>assessed values</b> and <b>market values</b> . Indicators of market values may be either sales ( <b>sales ratio study</b> ) or independent “expert” appraisals ( <b>appraisal ratio study</b> ). Of common interest in ratio studies are the level uniformity of the <b>appraisal</b> or <b>assessments</b> .

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<b>Reassessment</b>	▼ The revaluation of all properties within a given jurisdiction for the purpose of establishing a new tax base.
<b>Replacement Cost</b>	■ The cost, including material, labor, and overhead, which would be incurred in constructing an improvement having the same utility to its owner as a subject improvement, without necessarily reproducing exactly any particular characteristics of the subject.
<b>Reproduction Cost</b>	■ The cost of constructing a new improvement, reasonably identical (having the same characteristics) with the given property except for the absence of physical depreciation, using the same materials, construction standards, design, and quality of workmanship, computed on the basis of prevailing prices and on the assumption of normal competency and normal conditions.
<b>Sales Chasing</b>	■ The practice of using the sale of a property to trigger a reappraisal of that property at or near the selling price. If sales with such appraisal adjustments are used in a ratio study, the practice causes invalid uniformity results and causes invalid appraisal level results, unless similar unsold parcels are reappraised by a method that produces an appraisal level for unsold properties equal to the appraisal level of sold properties. By extension, any practice that causes the analyzed sample to misrepresent the assessment performance for the entire population as a result of acts by the assessor's office. A subtle, possibly inadvertent, variety of sales chasing occurs when the recorded property characteristics of sold properties are differentially changed relative to unsold properties. Then the application of a uniform valuation model to all properties results in the recently sold properties being more accurately appraised than the unsold ones.
<b>Sales Price</b>	■ The actual amount of money exchanged for a unit of goods or services, whether or not established in a free and open market. An indicator of market value.
<b>Sales Ratio Study</b>	■ A <b>ratio study</b> that uses sales price as a proxy for market values.
<b>Single-Property Appraisal</b>	■ Systematic appraisal of properties one at a time. ▼ Contrasts with <b>Mass Appraisal</b> .
<b>Statistics</b>	■ (1) Numerical descriptions calculated from a sample. For example, the <b>median, mean, or coefficient of dispersion</b> . Statistics are used to estimate corresponding measures, termed parameters, for the population. (2) The science of studying numerical data systematically and of presenting the results usefully
<b>Subject Property</b>	■ The property being appraised.

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- Taxable Value** ■ The appraised value minus all applicable exemptions, deductions, and abatements. Property taxes are levied on taxable value. ▼ In Indiana, the taxable value is referred to as net assessed value.
- True Tax Value** ▼ In the case of agricultural land, the value determined in accordance with the Guidelines adopted by the Department of Local Government Finance. True Tax Value means market value-in-use as defined in this manual.
- Use Value** ▼ *See Value-in-Use.* Synonymous with **Market Value-in-Use.**
- Valuation Date** ■ The specific date as of which assessed values are set for purposes of property taxation. ▼ The date as of which the **true tax value** of the property is estimated. In the case of the 2021 general reassessment, this would be January 1, 2021.
- Value-in-Use** ■ The value of property for a specified use. The concept that holds value to be inherent in property itself, that is, the value is based on the ability of the asset to produce revenue through ownership. ▼ The value a specific property has for a specific use. Synonymous with **Use Value** and **Market Value-in-Use.**

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### **Overview of Mass Appraisal Methods and Models**

The purpose of this section of the rule is to give the assessing official an introduction to, and an overview of, mass appraisal methods and models. It is not the intent to be all-inclusive or to be the definitive source of information on the topic. Those desiring more detail on the subject are referred to the IAAO textbook, **Fundamentals of Mass Appraisal**; copyright © 2011 by the IAAO (ISBN Number: 978-0-88329-198-6), 314 W 10th Street, Kansas City, Missouri 64104-1616.

As defined by the IAAO and in the Definitions section of this rule, mass appraisal is, “The process of valuing a group of properties as of a given date using standard methods, employing common data, and allowing for statistical testing.” This definition can be compared to single-property appraisal, which is the process of valuing an individual property as of a given date. Although the two differ in the areas of data analysis and the degree of quality control required, they are similar in the steps applied to arrive at a final conclusion of value. Both are applied economic theory and have as a foundation various economic principles and theories.

Mass appraisal and single-property appraisal methods are based on what are known as the three approaches to value. These approaches are the cost approach, the sales comparison approach, and the income approach. They are three distinct ways of looking at property and estimating its value. The approaches to value offer three different alternatives a potential buyer has when deciding to make an offer on a property.

### **Cost Approach**

The cost approach to value is based on the assumption that potential buyers will pay no more for the subject property than it would cost them to purchase an equally desirable substitute parcel of vacant land and construct an equally desirable substitute improvement. In this approach, the appraiser calculates the cost new of the improvements, subtracts from it accrued depreciation to arrive at an estimate of the improvement's value, and then adds the value of the land as if vacant to arrive at an estimate of the subject property's total value. It can be expressed in a formula as follows:

$$(RCN - D) + LV = V$$

Where:

RCN	= Replacement/Reproduction Cost New of the Improvements
D	= Accrued Depreciation
LV	= Land Value, as if vacant
V	= Total Property Value

### **Sales Comparison Approach**

The sales comparison approach to value is based on the assumption that potential buyers will pay no more for the subject property than it would cost them to purchase an equally desirable substitute improved property already existing in the market place. In this approach, the appraiser locates sales of comparable improved properties and adjusts the selling prices to reflect the subject property's total value. The adjustments are the quantification of characteristics in

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properties that cause prices paid to vary. The appraiser considers and compares all possible differences between the comparable properties and the subject property that could affect value. Objectively verifiable market evidence should be used to determine these items. Items, which are identified as having an influence on value in the market place, are then quantified by the use of their contributory values. These contributory values then become the adjustments which are added to, or subtracted from, the selling price of the comparable property.

The sales comparison approach can be expressed in a formula as follows:

$$SP \pm Adj = V$$

Where:      SP      = Sale Price of a Comparable Improved Property  
              ±        = Plus or minus  
              Adj     = Adjustments  
              V        = Total Property Value

### **Income Approach**

The income approach to value is based on the assumption that potential buyers will pay no more for the subject property than it would cost them to purchase an equally desirable substitute investment that offers the same return and risk as the subject property. It considers the subject property as an investment and, to that end; its value is based on the rent it will produce for the owner. It can be expressed in a formula as follows:

$$V = I \div R$$

Where:      V        = Value  
              I        = Income  
              R        = Rate

### **Using the Three Approaches**

All three approaches to value are the basis for any single-property or mass appraisal “model” used by an appraiser. A “model” is defined by the IAAO, and in the Definition section of this rule, as “A representation of how something works; for purposes of appraisal, a representation (in words or an equation) that explains the relationship between value ... and variables representing factors of supply and demand.” The appraisal model selected and used by the appraiser can be thought of as the formula that is mathematically processed to arrive at an estimate of value for a property. Therefore, the formulas given for the three approaches to value above could be referred to as “models”.

These general models of the three approaches to value outlined above can be refined and expanded through a process referred to as model specification. Model specification is the designing of a model that is based upon appraisal theory and attempts to reflect the actions of buyers and sellers in the market. Specification of a model includes choosing variables to be included in the formula and mathematically defining their relationship to each other and the property’s value.

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For example, the specification of a simple model is expressed below:

$$(SF * \$/SF) + (SF_L * S_L/SF) = V$$

Where: SF = Improvement area in square feet  
\$/SF = Unit price of the improvement per square foot  
SF<sub>L</sub> = Land area in square feet  
S<sub>L</sub>/SF = Unit price of the land per square foot  
V = Total Property Value

The model could be even further refined as follows:

$$NHF * [(SF * \$/SF) + (SF_L * S_L/SF)] = V$$

Where: NHF = Neighborhood Factor  
SF = Improvement area in square feet  
\$/SF = Unit price of the improvement per square foot  
SF<sub>L</sub> = Land area in square feet  
S<sub>L</sub>/SF = Unit price of the land per square foot  
V = Total Property Value

As can be seen from the above demonstration, models can become very sophisticated in their attempt to reflect market conditions.

There are a multitude of models that have been developed for the mass appraisal process by assessing officials, vendors, and academics. Any of these models may be capable of producing accurate and uniform values for a particular class of property within a specified geographic area. However, not all models can be used for every type of property or in every jurisdiction nor do they all offer ease in administration. The market dictates what type of models should be used and administrative constraints, such as knowledge of the user and budget concerns, dictate what models can be used.

Whatever mass appraisal method(s) and model(s) a county chooses, they must be capable of producing accurate and uniform values throughout the jurisdiction and across all classes of property.

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### **Minimum Data Requirements**

Any mass appraisal method must have certain types of data available. These minimum data requirements are intended to allow taxpayers to understand the valuation process and provide the necessary information for the Department of Local Government Finance to perform its duties. These requirements are not intended to be restrictive but only to standardize the minimum data each county must have in its mass appraisal method. Any additional data a county wishes to collect is allowed under this manual.

#### Property Specific Characteristics:

- Parcel Number
- County
- Township
- Corporation
- Rectangular Survey Section #
- Subdivision/Plat Name
- Ownership information
- Street Address
- Property Class Code (See Appendix A)
- Taxing District #
- Neighborhood Code (residential only)
- Land Type Code (See Appendix B)
- Land dimensions
- Land Size
- Improvement(s) Sketch with labels
- Improvement Photograph (principal structure)
- Year of Construction for all improvements
- Condition Rating of all improvements
- Sales History with sales prices, annotated for any adjustments
- Assessment History from the last reassessment forward; broken down by land, improvement, and total

#### Comparative Data:

- Copies of all sales disclosure statements

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### Assessment Ratio Studies and Equalization

The accuracy and uniformity of the assessments produced by any mass appraisal method shall be measured by an assessment ratio study. Should the results of the study show the assessments to be inaccurate and/or non-uniform, equalization shall be the remedy.

In addition to the assessment ratio study, the Department of Local Government Finance may apply IAAO statistical tests and analysis and other analysis the Department may develop to determine whether the assessments are accurate, uniform, and equitable and in accordance with the IAAO standard.

### Assessment Ratio Studies

A ratio study is a measure of the performance of a mass appraisal method. It compares the assessing official's estimate of value with objectively verifiable data. The objectively verifiable data used in the comparison comes from selling prices and single-property appraisals prepared independent of the assessment process. Sales based ratio studies are preferred because they are less expensive and are more objective than independent single property appraisals.

The ratios used in assessment ratio studies are computed on individual properties by dividing the assessing official's estimate of assessed value, for the property by the sale price, or by an appraised value developed by single-property appraisal methods. If sale price was used, the ratio would be known as the assessment-sale price ratio. If appraised value was used, the ratio would be known as the assessment-appraisal ratio. The formula for an assessment-sale price ratio follows:

$$A/S = (AV) \div SP$$

Where:    A/S = Assessment-Sale Price Ratio  
          AV = Assessed Value  
          SP = Sale Price

\*This variable is excluded for non-owner occupied property

For example, assume a property sold for \$104,000 and was assessed for \$79,000. Applying the above formula would yield the following:

$$A/S = (\$79,000) \div \$104,000$$

$$A/S = 0.7596 \text{ Rounded to } 0.76$$

In this example, the assessment-sale price ratio would be 0.76, which is the equivalent of seventy-six percent (76%). In other words, this property is assessed at seventy-six (76%) of the value it should be assessed. Ideally, all assessment ratios should be at one hundred percent (100%) in order to be considered accurate.

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The ratio study uses assessment ratios as the basic data to measure the performance of a mass appraisal method. It statistically measures the accuracy and uniformity of the assessments produced by the mass appraisal method. Accuracy is measured through the application of statistics by measures of central tendency. Uniformity is measured through the application of statistics by measures of relative dispersion.

The statistical measure of central tendency most often used in assessment ratio studies is the median. The statistical measure of relative dispersion most often used is the coefficient of dispersion about the median. Both of these measures are defined in the definitions section of this rule.

The median assessment ratio reveals the “average” level at which property is assessed. If, for example, the median assessment ratio for single-family homes in a particular neighborhood is 0.86 (86%) the conclusion can be drawn that, on the average, all homes are assessed at 86% of their value. If the assessment level is supposed to be 100% for this neighborhood, then the ratio study has shown that single-family homes are underassessed and, therefore, not accurately assessed. Ideally, the median should be at 1.00 (100%). This means all properties are, on the average, accurately assessed. But since mass appraisal methods produce only estimates of value and are not an exact science, the actual median assessment ratio may vary from the ideal.

The coefficient of dispersion reveals the “average” difference between individual assessment ratios and the median assessment ratio. It demonstrates the typical amount of deviation the individual assessment ratios have from the median. If, for example, the coefficient of dispersion about the median ratio for single-family homes in a particular neighborhood is 0.18 (18%) the conclusion can be drawn that the individual assessment ratios deviate, on the average, plus or minus 18% from the median assessment ratio. Ideally, the coefficient of dispersion should be at 0 (0%). This means all properties are assessed at the level shown by the median and, therefore, no deviation is present. But, like the median assessment ratio, the actual coefficient of dispersion may vary from the ideal.

### **Equalization**

Standards for evaluating the accuracy and uniformity of mass appraisal methods have been developed by the assessing community. These standards state the overall level of assessment, as determined by the median assessment ratio, should be within ten percent (10%) of the legal level. In Indiana, this means the median assessment ratio within a jurisdiction should fall between 0.90 (90%) and 1.10 (110%) in order to be considered accurate. This standard of ten percent (10%) on either side of the value provides a reasonable and constructive range for measuring mass appraisal methods.

These standards also state the coefficient of dispersion about the median should be at 0.15 (15%) or less for single-family residences and 0.20 (20%) or less for other classes of property. If the coefficient of dispersion is at, or below, these standards, then the mass appraisal method has produced uniform assessments. However, if the coefficient of dispersion is above these standards, then the mass appraisal method has produced non-uniform assessments.

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Whenever inaccurate and/or non-uniform assessments are present, the county assessor and the Department of Local Government Finance are required to equalize assessments. Equalization of assessments is the process of ensuring all property is, on the average, accurately and uniformly assessed. The equalization process can be accomplished in two ways; through the application of factors to correct the accuracy and through reassessment to correct non-uniformity.

The following decision chart shows when each of the equalization procedures are appropriate:

Median Assessment Ratio	Coefficient of Dispersion	Action Required
Accurate (0.90 to 1.10)	Uniform ( $\leq 0.15$ )	Nothing
Accurate (0.90 to 1.10)	Non-uniform	Reassess
Inaccurate	Uniform ( $< 0.15$ )	Apply Factors
Inaccurate	Non-uniform	Reassess

More details on assessment ratio studies and equalization will be found in the equalization rule, 50 IAC 17.

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## Appendix A – Property Class Codes

**Table A-1. Property Class Codes**

Code	Class of Property
1	Agricultural taxable land and improvements used primarily for agricultural purposes
2	The legal description is being valued for severed mineral rights at a flat value of sixty dollars (\$60) per acre
3	Industrial taxable land and improvements used primarily for manufacturing, processing, or refining foods and materials
4	Commercial taxable land and improvements used for general commercial and recreational purposes
5	Residential taxable land and improvements used primarily for residential purposes
6	Exempt property
8	Taxable land and improvements owned by a public utility company

**Table A-2. Property Subclass Codes**

Class Code 1 Agricultural taxable land and improvements used primarily for agricultural purposes			
<b>100</b> Vacant land	<b>104</b> Poultry farm	<b>110</b> Hog farm	<b>149</b> Agricultural land with personal property mobile home
<b>101</b> Cash grain/general farm	<b>105</b> Fruit & nut farm	<b>111</b> Beef farm	<b>198</b> Structure on leased land
<b>102</b> Livestock other than dairy or poultry	<b>106</b> Vegetable farm	<b>120</b> Timber	<b>199</b> Other agricultural use
<b>103</b> Dairy farm	<b>107</b> Tobacco farm	<b>141</b> Agricultural land with mobile home	
	<b>108</b> Nursery		
	<b>109</b> Greenhouses		
Class Code 2 The legal description is being valued for severed mineral rights at a flat value of sixty dollars (\$60) per acre			
<b>200</b> Severed mineral rights			
Class Code 3 Industrial taxable land and improvements used primarily for manufacturing, processing, or refining foods and materials			
<b>300</b> Vacant land	<b>330</b> Medium manufacturing and assembly	<b>346</b> Research and development facility	<b>370</b> Small shops
<b>309</b> Parcel classified as vacant but is part of the support land for another parcel	<b>340</b> Light manufacturing and assembly	<b>350</b> Industrial warehouse	<b>380</b> Mine or quarries
<b>310</b> Food and drink processing facility	<b>345</b> Industrial office	<b>360</b> Industrial truck terminal	<b>385</b> Landfill
<b>320</b> Foundries and heavy manufacturing			<b>390</b> Grain elevators
			<b>398</b> Structure on leased land
			<b>399</b> Other industrial structure

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<b>Class Code 4</b> Commercial taxable land and improvements used for general commercial and recreational purposes			
<b>400</b> Vacant land	<b>422</b> Discount and junior department stores	<b>443</b> Drive-up/walk-up bank only	<b>460</b> Theaters
<b>401</b> 4 to 19 family apartments	<b>424</b> Full line department stores	<b>444</b> Full service banks	<b>461</b> Drive-in theaters
<b>402</b> 20 to 39 family apartments	<b>425</b> Neighborhood shopping center (Strip center)	<b>445</b> Savings and loans	<b>462</b> Golf range or miniature course
<b>403</b> 40 or more family apartments	<b>426</b> Community shopping center	<b>447</b> Office building (1 or 2 story)	<b>463</b> Golf course
<b>409</b> Parcel classified as vacant but is part of the support land for another structure	<b>427</b> Regional shopping center	<b>448</b> Office building (O/T 47 walk-up)	<b>464</b> Bowling alley
<b>410</b> Motels or tourist cabins	<b>428</b> Convenience market	<b>449</b> Office building (O/T 47 elevator)	<b>465</b> Lodge hall
<b>411</b> Hotels	<b>429</b> Other retail structures	<b>450</b> Convenience market with gasoline sales	<b>466</b> Amusement park
<b>412</b> Nursing homes and private hospitals	<b>430</b> Restaurant, café, or bar	<b>451</b> Convenience market / franchise-type restaurant with gasoline sales	<b>467</b> Health club
<b>415</b> Mobile home parks	<b>431</b> Franchise-type restaurant	<b>452</b> Auto service station	<b>468</b> Ice rink
<b>416</b> Commercial camp grounds	<b>435</b> Drive-in restaurant	<b>453</b> Car washes	<b>469</b> Riverboat gaming resort
<b>419</b> Other commercial housing	<b>439</b> Other food service	<b>454</b> Auto sales and service	<b>480</b> Commercial warehouse
<b>420</b> Small detached retail of less than 10,000 square feet	<b>440</b> Dry clean plant or laundry	<b>455</b> Commercial garage	<b>481</b> Commercial mini-warehouse
<b>421</b> Supermarkets	<b>441</b> Funeral home	<b>456</b> Parking lot or structure	<b>482</b> Commercial truck terminals
	<b>442</b> Medical clinics or offices		<b>490</b> Marine service facility
			<b>495</b> Marina
			<b>496</b> Marina – small boats
			<b>498</b> Structure on leased land
			<b>499</b> Other commercial structures
<b>Class Code 5</b> Residential taxable land and improvements used primarily for residential purposes			
<b>500</b> Vacant platted lot	<b>510</b> One family dwelling on a platted lot	<b>521</b> Two family dwelling on unplatted land of 0 to 9.99 acres	<b>531</b> Three family dwelling on unplatted land of 0 to 9.99 acres
<b>501</b> Vacant unplatted land of 0 to 9.99 acres	<b>511</b> One family dwelling on unplatted land of 0 to 9.99 acres	<b>522</b> Two family dwelling on unplatted land of 10 to 19.99 acres	<b>532</b> Three family dwelling on unplatted land of 10 to 19.99 acres
<b>502</b> Vacant unplatted land of 10 to 19.99 acres	<b>512</b> One family dwelling on unplatted land of 10 to 19.99 acres	<b>523</b> Two family dwelling on unplatted land of 20 to 29.99 acres	<b>533</b> Three family dwelling on unplatted land of 20 to 29.99 acres
<b>503</b> Vacant unplatted land of 20 to 29.99 acres	<b>513</b> One family dwelling on unplatted land of 20 to 29.99 acres	<b>524</b> Two family dwelling on unplatted land of 30 to 39.99 acres	<b>534</b> Three family dwelling on unplatted land of 30 to 39.99 acres
<b>504</b> Vacant unplatted land of 30 to 39.99 acres	<b>514</b> One family dwelling on unplatted land of 30 to 39.99 acres	<b>525</b> Two family dwelling on unplatted land of 40 or more acres	<b>535</b> Three family dwelling on unplatted land of 40 or more acres
<b>505</b> Vacant unplatted land of 40 or more acres	<b>515</b> One family dwelling on unplatted land of 40 or more acres	<b>530</b> Three family dwelling on a platted lot	<b>540</b> Mobile or manufactured home on a platted lot
<b>509</b> Parcel classified as vacant but is part of the support land for another parcel	<b>520</b> Two family dwelling on a platted lot		

*Continued on next page.*

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<b>Class Code 5</b> <i>continued</i>			
<b>541</b> Mobile or manufactured home on unplatted land of 0 to 9.99 acres	<b>545</b> Mobile or manufactured home on unplatted land of 40 or more acres	<b>554</b> Condominium unit on unplatted land of 30 to 39.99 acres	<b>591</b> Personal property mobile or manufactured home on unplatted land
<b>542</b> Mobile or manufactured home on unplatted land of 10 to 19.99 acres	<b>550</b> Condominium unit on a platted lot	<b>555</b> Condominium unit on unplatted land of 40 or more acres	<b>598</b> Structure on leased land
<b>543</b> Mobile or manufactured home on unplatted land of 20 to 29.99 acres	<b>551</b> Condominium unit on an unplatted land of 0 to 9.99 acres	<b>556</b> Condominium dwelling (row type)	<b>599</b> Other residential structures
<b>544</b> Mobile or manufactured home on unplatted land of 30 to 39.99 acres	<b>552</b> Condominium unit on unplatted land of 10 to 19.99 acres	<b>557</b> Condominium common areas	
	<b>553</b> Condominium unit on unplatted land of 20 to 29.99 acres	<b>558</b> Condominium master card	
		<b>590</b> Personal property mobile or manufactured home on platted property	
<b>Class Code 6</b> Exempt property			
<b>600</b> Exempt property owned by the United States of America	<b>640</b> Exempt property owned by a municipality	<b>665</b> Exempt property owned by a public library	<b>686</b> Church, chapel, mosque, synagogue, tabernacle, or temple that is granted an exemption
<b>610</b> Exempt property owned by the State of Indiana	<b>645</b> Exempt property owned by a municipal housing authority	<b>669</b> Other exempt property owned by a governmental unit	<b>690</b> Exempt property owned by a cemetery organization that is granted an exemption
<b>620</b> Exempt property owned by a county	<b>650</b> Exempt property owned by a board of education	<b>670</b> Exempt property owned by a private academy or college	<b>699</b> Other exempt property owned by an organization that is granted an exemption
<b>621</b> Exempt property certified for treasurer's sale	<b>660</b> Exempt property owned by a park district	<b>680</b> Exempt property owned by a charitable organization that is granted an exemption	
<b>622</b> Exempt property held for resale	<b>661</b> Exempt property owned by a conservancy district	<b>685</b> Exempt property owned by a religious organization that is granted an exemption	
<b>630</b> Exempt property owned by a township	<b>662</b> Exempt property owned by a sanitary district		

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<b>Class Code 8</b> Taxable land and improvements owned by a public utility company			
<b>800</b> Locally assessed vacant utility land	<b>825</b> Locally assessed property owned by a light, heat, or power company-industrial	<b>845</b> Locally assessed property owned by a railroad company-industrial	<b>861</b> State assessed property owned by a telephone, telegraph, or cable company that constitutes a part of any right-of-way of the distribution system
<b>805</b> Locally assessed vacant utility land-industrial	<b>830</b> Locally assessed property owned by a pipeline company	<b>850</b> Locally assessed property owned by a sewage company - commercial	<b>865</b> Locally assessed property owned by a telephone, telegraph, or cable company - industrial
<b>810</b> Locally assessed property owned by a bus company	<b>831</b> State assessed property owned by a pipeline company that constitutes a part of any right-of-way of the distribution system	<b>851</b> State assessed property owned by a sewage company that constitutes a part of any right-of-way of the collection system	<b>870</b> Locally assessed property owned by a water distribution company - commercial
<b>811</b> State assessed property owned by a bus company	<b>835</b> Locally assessed property owned by a pipeline company-industrial	<b>855</b> Locally assessed property owned by a sewage company - industrial	<b>871</b> State assessed property owned by a water distribution company that constitutes a part of any right-of-way of the distribution system
<b>815</b> Locally assessed property owned by a bus company-industrial	<b>840</b> Locally assessed property owned by a railroad company	<b>860</b> Locally assessed property owned by a telephone, telegraph, or cable company - commercial	<b>875</b> Locally assessed property owned by a water distribution company - industrial
<b>820</b> Locally assessed property owned by a light, heat, or power company	<b>841</b> State assessed operating property owned by a railroad company		
<b>821</b> State assessed property owned by a light, heat, or power company that constitutes a part of any right-of-way of the light, heat, or power company			

**Note:** Under class code 8, subclass codes 21, 31, 41, 51, 61, and 71 have a zero value at the local level.

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### Appendix B – Land Type Codes

**Table B-1. Land Type and Sub-type Codes**

Code	Type of Land
1 Commercial and Industrial Land	
11 Primary	12 Secondary
13 Undeveloped Useable	14 Undeveloped Unusable
2 Classified Land	
21 Classified Forest	22 Wildlife Habitat
23 Riparian Land	24 Windbreak
25 Filter Strip	26 Cemetery
3	Undeveloped Land
4	Tillable Land
41 Flooded Occasionally	42 Flooded Severely
43 Farmed Wetlands	
5	Non-tillable Land
6	Woodland
7	Other Farmland
71 Farm Buildings	72 Farm Pond
73 Wetlands	
8 Agricultural Support Land	
81 Legal Ditch	82 Public Road/Row
83 Utility Transmission Towers	
9 Homesite	
91 Residential Excess Acreage	92 Agricultural Excess Acreage