

Institute for Professionals in Taxation



**ipt**



**PROPERTY TAX  
SYMPOSIUM**

**2 0 1 0**

October 31 - November 3, 2010 ~ Austin, Texas

**PRELIMINARY PROGRAM**



A Five-Star Program in the Lone-Star State!  
Institute for Professionals in Taxation  
Property Tax Symposium

**Sunday  
October 31, 2010**

4:00 PM - 7:00 PM

**Registration**

5:30 PM - 6:00 PM

**New Member/First Time  
Attendee Orientation**

Welcome from: IPT President:  
**Robert D. Butterbaugh, CMI**  
Sr. Manager, State & Local Taxes  
Ernst & Young LLP  
Philadelphia, PA

2010 Property Tax Symposium  
Committee Chair:  
**C. Stephen Davis, Esq.**  
Partner  
Cahill, Davis & O'Neall, LLP  
Los Angeles, CA

Overall Education Committee Chair:  
**Mark F. Semerad, CMI, Esq.**  
Senior Manager - Property Tax  
Level 3 Communications  
Broomfield, CO

6:00 PM - 7:00 PM

**“Welcome to Austin”  
Networking Social Hour**

**Monday  
November 1, 2010**

6:45 AM - 7:45 AM

**Continental Breakfast**

(Guests of hotel residing under  
IPT's Group Rate-Included in Group  
Rate)

7:00 AM - 4:00 PM

**Registration Continues**

8:00 AM - 8:15 AM

**Opening of Symposium**

IPT President:  
**Robert D. Butterbaugh, CMI**  
Sr. Manager, State & Local Taxes  
Ernst & Young LLP  
Philadelphia, PA

2010 Property Tax Symposium  
Committee Chair:  
**C. Stephen Davis, Esq.**  
Partner  
Cahill, Davis & O'Neall, LLP  
Los Angeles, CA

8:15 AM - 9:15 AM

**General Session  
The State of the U.S. Real  
Estate Market . . . November  
2010**

**Preliminary Program**  
October 31 ~ November 3, 2010  
Hilton Austin ~ Austin, Texas

Real estate demand, both in the space and sale transaction markets and the real property values it supports, is driven by economic activity. Measuring the impact of the mixed economic signals in 2010 on reasonable valuation estimates is a daunting task that requires careful attention to observable investor behavior. The Speaker will present and relate pertinent economic, real estate space market and sale transaction market information to the valuation issues facing the assessment industry in 2010.

**Learning Objectives:**

- Document the historical movement of cap rates from the pricing peak in 2007 through the significant rise in cap rates in 2008 and 2009 and up to the latest trends at the beginning of the last quarter of 2010
- Identify economic, space market and sale transaction market information and trends to demonstrate market support for fair and reasonable valuations for assessment purposes
- Demonstrate cap rate trends in 2010 and predict likely cap rate movement in 2011

**Speaker:**

**Peter F. Korpacz, MAI, CRE, FRICS**  
President  
Korpacz Realty Advisors  
Mount Airy, MD

9:30 AM - 10:30 AM

**General Session**

**Existing in the New Energy  
Bubble: The Impact of Price  
on Drilling Programs and  
the Long-Term Outlook for  
Natural Gas**

The price of oil and gas is a significant driver for numerous markets and affects the U.S. economy in various ways. Learn more about the key metrics that drive the supply and demand of these critical commodities and their impact on you and your business.

**Speaker:**

**James Duncan, PhD**  
Director of Structured Projects  
ConocoPhillips Company  
Houston, TX



10:45 AM - 11:45 AM

## General Session

### History May Not Repeat Itself, But it Certainly Does

Rhyme\*

### An Economic and Real Estate Outlook

\*Mark Twain

This downturn in the economy and real estate is not our first rodeo, so to speak. We had a similar episode in the late 1980s when over-built markets plunged commercial property into the tank and corresponding property values plummeted.

Jobs are everything to an economy and to real estate. Period. The U.S. economy has not had such an abysmal performance in job losses since the great depression.

The demand for commercial property of all types is a direct function of the number of jobs and the resulting incomes they produce. Unfortunately, the U.S. economy, which commenced deteriorating in January 2008, still hemorrhages jobs, albeit at a reduced rate.

The presentation will address these issues:

- So when does the economy recover? And commercial property values?
- When do we start adding real jobs (not temporary government jobs)?
- How can economists claim the recession is over when the country is still losing jobs and the likely true unemployment rate is more than 16 percent?

- What would be a better definition of a recession?
- Why is the Stimulus from the Government only stimulating an increased deficit?
- Can you really call a jobless recovery an economic recovery?
- When will liquidity reappear in the commercial segment? Could plummeting commercial values throw the country back into another recession?
- What are the opportunities in the commercial sector?
- Where are interest rates heading? And inflation?
- Have housing prices bottomed?
- What should we do to position the U.S. for long-term economic growth?
- How long till we get back to normal?

#### Learning Objectives

- Learn the leading indicators of where the economy is heading
- Forecasting interest rates
- Data sources to forecast local economies (how you can replicate this in your local market)
- Commercial property value trends and data sources
- Learn why the unemployment rate is an empty and meaningless statistic

#### Speaker:

#### Ted C. Jones, PhD

Chief Economist, Director of Investor Relations  
Stewart Title Guaranty Co.  
Houston, TX

11:45 AM - 12:45 PM

## Lunch

Monday, November 1, 2010

12:45 PM - 2:00 PM

## Concurrent Breakout Session

### Functional Obsolescence: Real Life Stories

One key aspect of an appraiser's cost approach analysis is to investigate and quantify functional obsolescence ("FO"). Two forms of FO must be investigated; excess construction costs and excess operating expenses (operating obsolescence). The presentation will provide insight into the investigation of FO through real life stories (war stories). Several "strange but true" functional obsolescence stories will be discussed.

#### Learning Objectives:

- Know where to look for Functional Obsolescence in an operating business or plant
- Quantify FO through the use of techniques supported by the American Society of Appraisers and their text books
- Support the analysis through factual data
- Experience "strange but true" examples of how functional obsolescence was identified and applied in various situations

#### Speakers:

#### Kevin S. Reilly, ASA

Senior Manager  
American Appraisal Associates, Inc.  
Milwaukee, WI

#### Michael J. Remsha, CMI, PE, ASA

Managing Director and Vice President  
American Appraisal Associates, Inc.  
Milwaukee, WI

Monday, November 1, 2010

12:45 PM - 2:00 PM

## Concurrent Breakout Session

### Social Networking in the Workplace

(Repeated at 3:45 PM)

Social Networking increases in popularity and activity on a daily basis. What does this mean for businesses and their employees? Companies in every industry are embracing Social Networking for branding, client service, research, recruiting, and to increase employee engagement, but what does it mean for taxpayers and corporate tax executives? Is Social Networking a fad, a significant problem or a significant opportunity? We will define Social Networking and explore the questions businesses and individuals have regarding the use of social media such as Facebook, LinkedIn and Twitter.

#### Learning Objectives:

- Describe/Define Social Networking
- Identify both present and potential Social Network users
- Recognize the risks faced by companies and participants of Social Networking and the questions that should be asked
- List the benefits of Social Networking



- Assess the future of Social Networking

**Speakers:**

**James J. Lee**  
President  
The Lee Strategy Group, Inc.  
Los Angeles, CA

**Mindy McLees, CMI**  
Senior Manager  
Moss Adams LLP  
Los Angeles, CA

**Monday, November 1, 2010**

**12:45 PM - 2:00 PM**

**Concurrent Breakout Session**

**Understanding 1031**

**Exchange Transaction Prices (Repeated at 2:15 PM)**

There is a story behind every sales transaction and an appraiser interpreting comparable sales needs to understand the story to make credible adjustments. One typical adjustment is for terms and conditions of the sale. Should 1031 exchange transactions be adjusted if used as a comparable sale in the appraisal process? Professor Petrova will present the results of a study examining the impact of timing and buyer motivations in 1031 exchange transactions and will quantify the differential, if any, of prices paid in a 1031 exchange and a non-tax deferred type transaction.

**Learning Objectives:**

- Examine the extent to which income tax deferral benefits

available to some market participants are capitalized into asset prices

- Analyze conceptually and empirically the role tax-deferred exchanges play in the determination of commercial real estate transaction prices
- Examine if a participant in a tax-deferred exchange has compromised his or her bargaining position in acquiring commercial real estate to complete the exchange
- Determine whether an exchanger pays a premium for an acquired property relative to its fair market value in an illiquid, highly segmented commercial real estate market
- Examine the impact of timing and motivations of exchange participants on transaction prices
- Present the results of a study quantifying the differential, if any, of prices paid in a 1031 exchange transaction and a non-tax deferred type transaction

**Speaker:**

**Milena Petrova, PhD**  
Assistant Professor of Finance  
Martin J. Whitman School of Management  
Syracuse University  
Syracuse, NY

**Monday, November 1, 2010**

**2:15 PM - 3:30 PM**

**Concurrent Breakout Session**

**Property Tax Incentives - A Systematic Approach**

Credits and Incentives should be an integral part of any organization's strategy for reducing overall tax liabilities and funding corporate growth objectives. Companies can substantially enhance the return on their capital investment by using a systematic approach to identify, negotiate, and realize credits and incentives. Negotiating the terms of an incentive is only the first step toward actually realizing its benefits. This session will provide attendees with strategies and best practices for securing and maximizing the benefit of state and local property tax incentive programs. Further, we will discuss strategies to avoid the common pitfalls, such as "clawbacks" and compliance lapses, that have prevented many companies from realizing the benefits from their negotiated incentives.

**Learning Objectives:**

- Evaluate the benefit and requirements of various types of tax incentives to their organization
- Identify who should be a member of your team and their contribution
- Develop a systematic approach for incentive applications, follow up and notification to senior management
- Develop a systematic approach for review at the end of the incentive term

- Recognize potential issues that can arise between the taxpayer and the governmental authority in the negotiation of the abatement agreements to prevent problems down the line
- Determine when, in the process, should the company become proactive in dealing with issues with government authorities
- Examine how best to position the company to avoid "clawback" of benefits
- Evaluate the various types of property tax incentives, and the different mechanisms required in certain states
- Identify the types of leverage that provide for incentives
- Develop a systematic approach to incentive compliance and maintenance

**Speakers:**

**Fred W. Geldmaker, III**  
Manager, Property and Value Added Taxes  
Bayer Corporation  
Pittsburgh, PA

**Christopher J. Girod**  
Director  
Ryan  
Pittsburgh, PA

**Stephen H. Paul, Esq.**  
Partner  
Baker & Daniels LLP  
Indianapolis, IN



**Monday, November 1, 2010**  
**2:15 PM - 3:30 PM**  
**Concurrent Breakout Session**  
**State Updates: California and Texas**  
(Repeated at 3:45 PM)

In the ever-changing world of property taxation, it is important to keep abreast of the major issues of the day. This session will explore proposed legislation, constitutional amendments, and case law and the ramifications of such actions. Emphasis will be on California and Texas.

**Learning Objectives:**

- Identify trends in property tax litigation and legislation
- Anticipate upcoming issues in the property tax area
- Understand the impact of recent activity

**Speakers:**

**Susan Traylor Bittick, Esq.**  
Director, Public Affairs  
Ryan  
Austin, TX

**Dale Craymer**  
President  
Texas Taxpayers and Research Association (TTARA)  
Austin, TX

**David J. Kaplan, Esq.**  
Shareholder  
Geary, Porter & Donovan, P.C.  
Dallas, TX

**Cris K. O’Neill, Esq.**  
Partner  
Cahill, Davis & O’Neill, LLP  
Los Angeles, CA

**2:15 PM - 3:30 PM**  
**Concurrent Breakout Session**  
**Understanding 1031**  
**Exchange Transaction Prices**  
(Repeated from 12:45 PM)

**Monday, November 1, 2010**  
**3:45 PM - 5:00 PM**  
**Concurrent Breakout Session**  
**Investment Value v. Market Value**

Many assessment jurisdictions look at purchase prices in establishing assessed values on the assumption that they indicate fair market value on the date of acquisition. In addition, appraisers utilize comparable sales to derive their conclusion of market value for a subject property. However, since most commercial properties are purchased as an investment, how should the purchase price be interpreted – as an investment value or as fair market value, or are they the same?

**Learning Objectives:**

- Define investment value
- Differentiate investment value from market value
- Identify characteristics of an investment value transaction
- Distinguish an investment value transaction from a market value transaction

**Speakers:**

**Eric Gardner, MAI, CCIM, MRICS**  
Senior Vice President, Principal  
Cassidy Turley  
Cincinnati, OH

**Richard A. Morehouse, Esq.**  
Real Estate Tax Manager  
Forest City Enterprises, Inc.  
Cleveland, OH

**Monday, November 1, 2010**  
**3:45 PM - 5:00 PM**  
**Concurrent Breakout Session**  
**Social Networking in the Workplace**  
(Repeated from 12:45 PM)

**Monday, November 1, 2010**  
**3:45 PM - 5:00 PM**  
**Concurrent Breakout Session**  
**State Updates: California and Texas**  
(Repeated from 2:15 PM)

**Monday, November 1, 2010**  
**5:45 PM - 6:45 PM**  
**Networking Social Hour**

**Tuesday**  
**November 2, 2010**  
**6:45 AM - 7:45 AM**  
**Continental Breakfast**  
(Guests of hotel residing under IPT’s Group Rate)

**8:00 AM - 9:15 AM**  
**Concurrent Breakout Session**  
**Assessment and Valuation**  
**Issues Surrounding Retail Properties**

Weak economic conditions, structural changes in the retail industry, bankruptcies of tenants and property owners, and the continued evolution of retail strategies and formats present challenging problems to the valuation and assessment of retail properties. This session will deal with the differences between fee simple and leased fee valuations, including the estimation of net effective rents, treatment of TIs and concessions, the distinction between fee simple and leased fee cap rates and ways to calculate each. The panel will also discuss “second generation” space, the market rent of such space, obsolescence issues, and the reasons why second generation space is often more difficult to rent than newer retail space. In addition, methods for dealing with the dearth of sales of retail properties, declining markets, reductions in consumer spending, and the recent rise in cap rates will be addressed.

**Learning Objectives:**

- Distinguish between leased fee and fee simple valuations of retail property
- Estimate effective net rent in a retail lease
- Compare fee simple and leased fee cap rates
- Investigate the economic forces behind rising retail cap rates



- Analyze the issues surrounding second-generation retail space and the difficulties inherent in leasing such space

**Speakers:**

**Steven R. Gill, Esq.**

Partner  
Sleggs, Danzinger & Gill Co. LPA  
Cleveland, OH

**Richard Marchitelli, MAI, CRE, FRICS**

Executive Managing Director  
National Practice Leader  
Dispute Analysis & Litigation Support  
Cushman & Wakefield of North Carolina, Inc.  
Charlotte, NC

**Harry G. Spell, Jr.**

Senior Manager, Property Tax  
Simon Property Group  
Indianapolis, IN

**Tuesday, November 2, 2010**

**8:00 AM - 9:15 AM**

**Concurrent Breakout Session  
Adjusting Data from Capital  
Markets to Value Real  
Property**

(Repeated at 9:30 AM)

In the income approach to value, assessors will often obtain discount rate data from traded securities such as stocks and bonds. Investors who lock up substantial amounts of money in real property which can be sold only with considerable time, expense and effort

demand dramatically higher rates of return than stocks and bonds that can be sold in seconds with the click of a mouse *even at the same level of risk*. Return data from stocks and bonds (interest rates, betas, risk premiums, etc.) are biased dramatically too low to use for valuing real property without adjustment. This session will review both the evidence of higher required returns and offer various methods for adjusting return data from securities to obtain appropriate discount rates for real property.

**Learning Objectives:**

- Differentiate between return data from liquid, traded securities and discount rates appropriate for real property
- Explain research demonstrating dramatically higher required returns on real property compared to traded stocks and bonds
- Adjust returns obtained from liquid securities for use in valuing real property

**Speaker:**

**Hal B. Heaton, PhD**

Denny Brown Professor of Finance,  
Marriott School of Management  
Brigham Young University  
Provo, UT

**Tuesday, November 2, 2010**

**8:00 AM - 9:15 AM**

**Concurrent Breakout Session  
Physical Depreciation - The  
Uses and Abuses of Iowa  
Curves and Other Errors**

**Speakers:**

**Bruce D. Cartwright, CMI**

Managing Director  
Duff & Phelps LLC  
Denver, CO

**Earl M. Robinson, CDP**

Principal & Director  
AUS Consultants Valuation Services Group  
Tijeras, NM

**Tuesday, November 2, 2010**

**9:30 AM - 10:45 AM**

**Concurrent Breakout Session  
Adjusting Data from Capital  
Markets to Value Real  
Property**

(Repeated from 8:00 AM)

**Tuesday, November 2, 2010**

**9:30 AM - 10:45 AM**

**Concurrent Breakout Session  
Appraising Properties with  
Declining Utility**

A search of appraisal literature reveals a total void in articles or textbooks that address the valuation of property with declining future utility. This type of property could include an apartment

complex, retail complex, or hotel in an area with declining population or economic trends, or industrial facilities supplying declining markets. Focusing on current utility or utilization alone, particularly where the cost approach is considered the most reliable indicator of value, omits critical steps from the appraisal process. The failure to consider future utility is “short-sighted” in the true sense. A property’s expected future use cannot be ignored in an appraisal, in the same way that a buyer would not ignore the future prospects for use. The future use is most clearly defined by the income approach, but declining utility must also be considered and quantified in the cost and comparable sales approaches.

**Learning Objectives:**

- Identify circumstances where declining utility will influence value
- Develop appropriate analyses using the income approach, the comparable sales approach and the cost approach to determine the impact on value of declining utility
- Select from several methods to quantify the obsolescence associated with the future declining utility of a property in the cost approach
- Understand the attributes to be reconciled in the conclusion of value for a property

**Speaker:**

**Kathy G. Spletter, ASA**

Vice President  
Stancil & Co.  
Irving, TX



**Tuesday, November 2, 2010**

**9:30 AM - 10:45 AM**

**Concurrent Breakout Session  
Issues Affecting Assessment  
of Regulated Industries**

This session is intended to foster an understanding of how the regulatory and competitive landscape has changed for industries previously known as “public utilities” and how these changes impact assessment issues. These companies are often centrally assessed for property tax purposes by state agencies using financial analysis techniques commonly known as unit valuation. The underlying theory of unit valuation is that the operating property of these companies, which typically consists of integrated assets spanning multiple tax jurisdictions, can best be valued as a whole rather than by a summation of the parts. In recent years, the business environment faced by these companies has changed dramatically. Most are no longer regulated monopolies and operate within a much looser regulatory framework. The session will address topics such as whether unit valuation is still relevant and why there may not be a level playing field when there are locally assessed competitors providing essentially the same services as centrally assessed taxpayers.

**Learning Objectives:**

- Understand changes in the nature of regulation
- Evaluate the impact of increased competition
- Question the validity of unit valuation and the lack of a level

playing field with locally assessed competitors providing similar services

- Quantify the impact of economic downturns and changing technology
- Determine whether intangible value is being captured in unit valuation
- Measure depreciation and obsolescence
- Consider the potential assessment disparity caused by write-downs, bankruptcies and fresh-start accounting

**Speakers:**

**Carl R.E. Hoemke**

Managing Director, City Leader for Plano Center of Excellence  
Duff & Phelps LLC  
Dallas, TX

**Judith G. Ross, CMI**

Director, Property Tax  
Ryan  
Atlanta, GA

**Jerome C. Weinert, PE, ASA, CDP**

Executive Vice President, Valuation Services  
AUS Consultants Valuation Services Group  
Greenfield, WI

**Tuesday, November 2, 2010**

**11:00 AM - 12:15 PM**

**Concurrent Breakout Session  
Analyzing External  
Depreciation in Today’s Real  
Estate Market**

This session will provide property tax professionals with an in-depth analysis of the effects of external depreciation on property value in the current market. Specifically, the “big box” retail property type will be isolated and a drill down into data will illustrate the forms of depreciation and their impact on property value. Examples will be presented and discussed and valuation tools using traditional and commonly accepted methodologies will be covered. An allocation method will reveal external depreciation in this turbulent market and strategies for communicating the result to taxing authorities will be explored.

**Learning Objectives:**

- Examine external depreciation and obsolescence
- Measure external obsolescence in the current market using traditional and widely accepted valuation techniques
- Interpret the impact of external obsolescence on a specific property type
- Document the effect on value to assessing officials or a judicial authority in a credible and quantifiable manner

**Speaker:**

**Anthony C. Barna, MAI, SRA**

Principal  
Kelly-Rielly-Nell-Barna Associates, Inc.  
Pittsburgh, PA

**Tuesday, November 2, 2010**

**11:00 AM - 12:15 PM**

**Concurrent Breakout Session  
Optimization of Tangible  
& Intangible Asset Cost  
Segregation Procedures for  
Conflicting Reasons**

*Never before presented*, the speakers will review the optimal Cost Segregation of Tangible and Intangible Assets for differing financial and tax reporting purposes within a case model. Reasons for allocating real property, tangible personal property and intangible personal property are Ad Valorem Taxation, Income Tax Reporting, and Financial Reporting in accordance with Fair Value Accounting. The conflicts of optimization will be discussed, as well as how to ameliorate such conflicts through the advanced use of fixed asset accounting systems. “Bargain purchases”, “adequate economic support”, and economic/external obsolescence concepts will be an integral element of the forum.

**Learning Objectives:**

- Recognize Tangible and Intangible Asset Optimal Cost Segregation for Purchase Price Allocations
- Explain/Describe how bargain purchases, adequate economic support and economic/external obsolescence concepts are applied within the optimal cost segregation process
- Recognize the conflicts of interest between the financial and tax reporting objectives of such



- processes
- Explain how to ameliorate these conflicts through the use of advanced fixed asset accounting systems
- Describe allocation models for differing facility types and asset groups

**Speakers:**

**Jim Reinhardt**  
Valuer  
Southeast Appraisal  
Atlanta, GA

**Alexander Ruden, ASA**  
President  
Southeast Appraisal  
Atlanta, GA

**Tuesday, November 2, 2010**  
**11:00 AM - 12:15 PM**  
**Concurrent Breakout Session**  
**The Business Case for GIS and Online Resources to Improve Tax Determination**

Concerned about making accurate jurisdiction assignments? Need to reduce compliance response times, penalties and interest? Want better estimates of acquisition costs, accurate bill backs, early payment discounts? This session is designed for property tax professionals and their managers interested in learning how geographic information systems and web-services can improve tax determination. It covers the four key processes for determining accurate tax jurisdiction information. The presentation also

provides a framework to help you quantify the value that improving these processes will have on your tax department and your company. This presentation is intended for companies with personal property taxable assets.

**Learning Objectives:**

- Evaluate their current processes for making jurisdiction assignments
- Explore the four key processes necessary for accurate compliance
- Discover additional benefits with on-line resources
- Assess the value a GIS system or web-service will have on your tax department and company

**Speakers:**

**Joe Bolian**  
President  
Taxography, Inc.  
St. Louis, MO

**Gwynne Gresham**  
GIS Manager - Property Tax  
Verizon Communications, Inc.  
Irving, TX

**Tuesday, November 2, 2010**  
**12:15 PM - 1:15 PM**

**Lunch**

**Tuesday, November 2, 2010**  
**1:15 PM - 2:30 PM**  
**Concurrent Breakout Session**  
**Inventory in Transit – The Taxability Battle Continues**

Tax exposure on inventory can be a significant economic factor driving decisions for corporate resource allocation and affecting negotiations in business transactions. Over the past several years, the taxation of goods in transit has come under increasing scrutiny by taxing authorities and has become a highly visible topic. Conflicting legal opinions and recent legislative activity in a handful of states have added more confusion than clarity to the issue. Our experienced panel will discuss recent activity in three battleground states and how this activity is applicable across a broad spectrum of inventories. Attend this session and come away with the understanding and tools necessary to maximize your effectiveness in providing strategic tax planning advice to management on best practices and tax mitigation strategies.

**Learning Objectives:**

- Examine statutes and current case law regarding taxation of inventory
- Examine the Interstate Commerce Clause and its application
- Analyze inventory exemption opportunities
- Recommend best practices to maximize exemption opportunities

**Speakers:**

**William K. Elias, Esq.**  
Partner  
Elias, Books, Brown & Nelson, P.C.  
Oklahoma City, OK

**Brian T. Howes, CMI, Esq.**  
Counsel  
Polsinelli Shughart, P.C.  
Kansas City, MO

**Jasper G. Taylor, III, Esq., CPA**  
Senior Partner  
Fulbright & Jaworski, LLP  
Houston, TX

**Tuesday, November 2, 2010**  
**1:15 PM - 2:30 PM**  
**Concurrent Breakout Session**  
**Distinctions Between Real Property Tax Appraisals and Traditional Appraisals**

Most appraisals are performed to derive an opinion of “fair market value” - but can fair market value be different for the same property on the same date of valuation? The speakers will address this question and explain how an appraisal for property tax purposes can differ from an appraisal performed for other purposes.

**Learning Objectives:**

- Distinguish the unique “bundle of rights” related to the appraisal definition, scope and purpose
- Distinguish and quantify the difference between “leased fee” and “fee simple” valuations
- Differentiate the motivations and assumptions of a “sale leaseback” compared to conventional market value
- Differentiate the underlying assumptions of condemnation appraising and issues of “severance”
- Consider methods of valuation during periods of declining market values when sales velocity is weak



- Compare and contrast direct capitalization and yield capitalization
- Demonstrate how to forecast supply and demand and their impact on rental rates
- Explain how exposure time and price will fluctuate depending on participant's motivations
- Examine how to use foreclosure sales/appraisals to gain acceptance by assessors
- Implement statistics to develop confidence levels of stated value conclusions.

**Speakers:**

**Daniel T. Boris, MAI, CCIM, SRA**

Vice President  
Cassidy Turley  
Minneapolis, MN

**Dan Paulus, MAI**

President  
NAI Horizon Valuation Services Group, LLC  
Phoenix, AZ

**Tuesday, November 2, 2010**

**1:15 PM - 2:30 PM**

**Concurrent Breakout Session**

**Valuation of Electric Generation Stations Owned by Independent Power Producers**

In this session, the speakers will discuss the process of appraising electric generating stations owned by Independent Power Producers.

The presenters will analyze the unique challenges of three traditional approaches to value and how they are utilized and reconciled in order to develop a reasonable and supportable opinion of value.

**Learning Objectives:**

- Recognize the unique valuation characteristics of appraising IPP's
- Categorize the type of power plant to be appraised by technology and fuel type
- Determine whether replacement cost, reproduction cost, or both should be considered in the cost approach analysis
- Analyze the key components of a Discounted Cash Flow analysis of an IPP
- Create an accurate financial performance estimate to utilize in the DCF
- Develop a sales comparison analysis of comparable plants to the subject
- Assess the applicability of the sales comparison approach

**Speakers:**

**Paul Bellon, CPA**

Director  
Thomson Reuters  
Austin, TX

**Mark Pomykacz, MAI, MRICS**

Director  
MR Valuation Consulting, LLC  
Colts Neck, NJ

**Mark Rodriguez, ASA, MRICS**

Managing Partner  
MR Valuation Consulting, LLC  
Colts Neck, NJ

**Tuesday, November 2, 2010**

**2:45 PM - 4:00 PM**

**Concurrent Breakout Session**

**Negotiation - Your Personality Does Matter and How to Psych-out Your Opponent**

What makes your opponent tick? Maybe more importantly, what makes you tick? From the moment you wake up in the morning you are negotiating. It is critically important that you understand your natural inclinations. In our tax world, maybe you are preparing for an informal hearing with local officials on that big property tax case or do you have a meeting with the attorney, appraiser, and assessor from the taxing jurisdiction. What should you say? Who goes first? Do you know what motivates your opponent? Do you know everything you can about them? What motivates you? This session will help you identify various personality traits and then understand what kind of behavior and expectations flow from each type. You will recognize how that behavior can affect the negotiation process and how properly utilizing it will benefit you to maximize your negotiate position.

**Learning Objectives:**

- Identify personality traits of participants
- Understand behavior and expectations that flow from each personality type
- Recognize how this behavior can affect the negotiation process

- Utilize this information to maximize the effectiveness of a negotiation

**Speaker:**

**Philip J. Giannuario, Esq.**

Partner  
Garippa, Lotz & Giannuario, P.C.  
Montclair, NJ

**Tuesday, November 2, 2010**

**2:45 PM - 4:00 PM**

**Concurrent Breakout Session**

**Short on Head Count? How about Interns?**

Is your property tax department short on head count? Many departments are stretched when it comes to resources. Adding full time head count may not be a possibility. How do you deal with the seasonality of personal property? The vast majority of returns are due between January and May. Imagine if it were possible to cost effectively add resources to assist your department on a seasonal basis. In this session, we will take a look at the impact that an internship program can have on your property tax department. We will discuss benefits to starting an intern program, as well as consequences of not doing it well. This session will address ideas for effective selection of interns and what to do with them once they are hired. The speakers for this session will provide perspectives from both corporate and consulting points of view.

**Learning Objectives:**

- Determine where interns can



- positively impact your process
- Identify suitable candidates for internship positions
- Effectively equip interns to accomplish their work assignments
- Measure success of internship program

**Speakers:**

**David H. LeVan, CMI**  
CEO  
Advantax Group, LLC  
St. Charles, IL

**Syna Sturdivant**  
Sr. Property Tax Analyst  
The Walt Disney Company  
Burbank, CA

**Liza Schaefer Vance, CMI, CPA**  
Senior Manager, State and Local Tax  
The Walt Disney Company  
Burbank, CA

**Tuesday, November 2, 2010**  
**2:45 PM - 4:00 PM**  
**Concurrent Breakout Session**  
**The Assessment of Billboards and Cell Towers**

**Speakers:**

**Robert L. Gordon, Esq.**  
Partner  
Michael Best & Friedrich LLP  
Milwaukee, WI

**Jason V. Raab, CMI**  
Director of Property Tax  
Global Tower Partners  
Boca Raton, FL

**Tuesday, November 2, 2010**  
**4:15 PM - 5:15 PM**  
**Concurrent Breakout Session**  
**Industry Roundtable**

The Property Tax Symposium Roundtables are now a popular IPT tradition. Join colleagues in your industry in an informal discussion group to exchange ideas, experiences and strategies for your industry's hot topics and burning issues. Don't miss this great opportunity to network with the players in your industry.

- **Commercial Real Estate**
- **Energy**
- **Hotel & Healthcare**
- **Industrial**
- **Personal Property**
- **Retail**
- **Telecom/High-Tech**

**Tuesday, November 2, 2010**  
**5:45 PM - 6:45 PM**  
**Networking Social Hour**

**Wednesday**  
**November 3, 2010**  
**6:45 AM - 7:45 AM**  
**Continental Breakfast**

(Guests of hotel residing under IPT's Group Rate)

**Wednesday, November 3, 2010**  
**8:00 AM - 9:15 AM**  
**General Session**  
**Appraisal Methodologies for Declining Markets**

Supporting an appraisal conclusion can be difficult enough when the market is robust. In times like these, it can be daunting. This session will describe how the current market conditions factor into each of the three classic approaches, Cost, Sales Comparison, and Income Capitalization, and what you should look for to alert you to an unsupported conclusion.

**Learning Objectives:**

- Examine methods to establish the timing component of highest and best use
- Apply the timing forecast to comparables in Sales Comparison
- Calculate appropriate depreciation in a Cost Approach
- Select proper capitalization and discount rates for use in Income Capitalization

**Speaker:**

**David C. Lennhoff, MAI, CRE, FRICS**  
President  
PGH Consulting LLC  
Rockville, MD

**Wednesday, November 3, 2010**  
**9:30 AM - 10:30 AM**  
**General Session**  
**The New R & D - Recession and Depression**

The real estate market is cyclical and is at times predictable. What factors influence real estate markets? What are the telling signs that so many economist, bankers, and real estate developers missed that were the "red sky in the morning" warnings? How bad is/was this "recession"? How long will this "recession" last and will it be reclassified as a "depression"? How does this "Great Recession" compare to the "Great Depression" of the 1930's? Is it really any different? What must business and Congress do to stop this "Great Recession" from being reclassified as the "Second Great Depression"?

**Learning Objectives:**

- Understand what factors influenced the real estate market from boom to bust
- Identify which warning signs were ignored
- Compare the current recession to previous recessions
- Recognize what business and Congress must do to stimulate renewed real estate development
- Learn how this "Great Recession" could become the "Second Great Depression"



*Speaker:*

**Ernie Williams**  
Senior Vice President  
NAI Brannen Goddard  
Atlanta, GA

**Wednesday, November 3,  
2010**

**10:45 AM - 11:45 AM**

**General Session**

**Ethics: What Tax  
Professionals Can Learn  
from Atticus Finch**

Celebrating the 50th anniversary of “To Kill a Mockingbird”, we will examine the ethical lessons learned from the examples set by Atticus Finch, the most respected fictional lawyer of all time.

**Learning Objectives:**

- Recognize the important ethical principle epitomized by Atticus Finch
- Apply those principles to more ethically represent clients.

*Speaker:*

**Terry O. Tottenham, Esq.**  
President, State Bar of Texas and Of Counsel  
Fulbright & Jaworski L.L.P.  
Austin, TX

**11:45 AM Program concludes**

**Registration Information:**

Any IPT member or employee of a member company/firm that has members in the Institute may register for the symposium. The registration fee provides for the usual symposium expenses and also includes two luncheons, three receptions, and refreshment breaks, (for those hotel guests registered under IPT’s room block) and symposium materials. The early registration fee for IPT members is **\$575 before October 1, 2010 and \$600 after October 1, 2010**. Registrant saves \$25 if payment is received prior to October 1, 2010. Individuals who are not members of IPT, but whose company or firm has members in IPT, may attend the symposium for an additional \$200 charge. In this case, the total symposium fee for nonmembers would be \$775 before October 1, 2010 and \$800 after October 1, 2010. If the registrant so elects, he or she may join as an Associate Member (providing their company already has a member in IPT) for annual dues of \$275. In this case, the total symposium fee would be \$850 before October 1, 2010 and \$875 after October 1, 2010. An individual, who is not an employee of a company that has members in IPT, but who is eligible for membership, may attend at the fee of \$1,000, paid before October 1<sup>st</sup> or \$1,025 if payment is received after October 1<sup>st</sup>. Please see **registration form**.

Faxed registrations are subject to the payment due date and cancellation fees. There is a cancellation charge of \$100. Any faxed registration that is not cancelled in writing prior to the October 21, 2010 cut-off date is subject to the entire symposium fee. **All requests for refunds must be in writing**. No refunds for cancellations will be given after October 21, 2010 (5:00 p.m. EST). All registrations are to be handled in ADVANCE through the IPT office. If a person is not registered in advance, a surcharge of \$25 will be assessed over and above the regular registration fee. Admission to all social functions and sessions is by display of badge (tickets when applicable).

All fees must be in U.S. funds. The following credit cards may be used: American Express, VISA and MasterCard. In order for credit cards to be processed, it is important that the information requested on the registration form be filled out completely. If the address on your registration form differs from the billing address for your credit card, you must provide IPT with the credit card billing address.

There is a substitution charge of \$40 on or before October 1, 2010; a \$50 charge after that date (a substitute must be someone from your company). All registrations must be paid in full within three weeks of



acceptance and prior to the symposium. The discount of \$25 does not apply to any payment received after October 1, 2010; after November 3, 2010 a \$50 fee applies. A confirmation of acceptance will be sent.

Make checks payable to: Institute for Professionals in Taxation  
1200 Abernathy Road, N.E., Building 600, Suite L-2, Atlanta, GA 30328  
Phone: 404-240-2300 Fax: 404-240-2315

## Hotel Information and Reservations:

The Institute's annual symposium is being held at the Hilton Austin Hotel at 500 East 4th Street, Austin, Texas, phone: 512-482-8000. There are separate costs for the hotel. Room reservations and special requests should be made directly with the hotel as soon as possible. **Reservations requested after the room block is filled or beyond the cut-off date of October 1, 2010, whichever comes first, are subject to availability.** Rooms may still be available after the room block fills or beyond the cut-off date, but not necessarily at the group rate which is \$204 for single occupancy and \$224 for double occupancy, plus applicable taxes. Please contact the hotel for triple and quad rates. In the event you check out of your guest room prior to your reserved check-out date, you will be charged an early check-out fee. To avoid an early check-out fee, be certain to advise the hotel at, or before check-in, of any change in your planned length of stay. Guest room reservations need to be confirmed with a first night's guarantee, refundable with 48 hours advance notice of cancellation. There is no charge for children under 18 years of age occupying a room with their parents, with existing bedding. All reservations are subject to a local room tax. Check-in time is after 3:00 p.m. Check-out time is noon. In order to request a room in the IPT room-block, please call 512-482-8000. Mention that you are attending the Institute's program in all contact with the hotel in order to receive the group rate.

Click here for [online hotel reservations](#).

### Ground Transportation:

**Hotel Parking**, excluding tax: Self Parking: \$18, Valet Parking: \$26

**Transportation to and from Austin-Bergstrom International Airport: Super Shuttle** is \$13 one-way. Call 512-258-3826 or click on following link: <http://www.supershuttle.com/en/AUSAirportShuttleAustin.html> to make reservations. The Shuttle van makes multiple stops.

**Taxi fare** is approximately \$25 one-way.

**Symposium Materials:** Prior to the program, registrants will receive access to print papers for the sessions they will be attending. These papers will be available after the symposium as well. Printed copies of materials will not be given out on site.

**Continuing Education Credits:** Approximately twenty and one-half (20.5) CPE credits (including 1 IPT ethics credit hour) are available for full attendance Monday through Wednesday.

As required by regulatory agencies, IPT must verify individual attendance at sessions in order to grant Continuing Education Credits. Each attendee's name badge has a unique barcode that identifies that individual's IPT membership ID number and name. A scanner will be at the door of each session and in order to obtain CE credit, attendees must have their bar-coded badge scanned during the first 15 minutes of each session. A lost name badge should be reported immediately, or at the break, to the registration desk in order to obtain a replacement. If you do not participate in the barcode scanning, IPT will not be able to verify your attendance or award any credit in the future.

CMI's will receive hour-for-hour continuing education credits for actual session attendance based upon scanning and no longer need to submit a form for CMI credit.

Field of Study: Taxation

Prerequisites: None

Program Level: Overview of Timely Property Tax Issues

Instructional Method: Group Live

Advance Preparation Required: None

The Institute for Professionals in Taxation is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Website: [www.nasba.org](http://www.nasba.org). In accordance with the standards of the National Registry of CPE Sponsors, CPE credits are granted based on a 50-minute hour. For more information regarding administrative policies such as complaint and refund, please contact our office at (404) 240-2300.



Dress: For the symposium, business casual dress is appropriate throughout the daytime sessions.

Photos will be taken at this event. These photos may be published in IPT publications, photo albums, multimedia presentations, and on IPT's website. Your attendance at this event grants IPT the right to publish these photos.

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