

Part III, Declaration of Appraiser

If you had to get an appraisal, you must get it from a qualified appraiser. A qualified appraiser is an individual who meets all the following requirements.

1. The individual either:
 - a. Has earned an appraisal designation from a recognized professional appraiser organization for demonstrated competency in valuing the type of property being appraised, or
 - b. Has met certain minimum education and experience requirements.
2. The individual regularly prepares appraisals for which he or she is paid.
3. The individual demonstrates verifiable education and experience in valuing the type of property being appraised. To do this, the appraiser can make a declaration that, because of his or her background, experience, education, and membership in professional associations, he or she is qualified to make appraisals of the type of property being valued. The declaration must be part of the appraisal. However, if the appraisal was already completed without this declaration, the declaration can be made separately and associated with the appraisal.
4. The individual has not been prohibited from practicing before the IRS under section 330(c) of title 31 of the United States Code at any time during the 3-year period ending on the date of the appraisal.

In addition, the appraiser must complete Part III of Form 8283. See section 170(f)(11)(E), Notice 2006-96, and Regulations section 1.170A-13(c)(5) for details.

Persons who cannot be qualified appraisers are listed in the Declaration of Appraiser. Generally, a party to the transaction in which you acquired the property being appraised will not qualify to sign the declaration. But a person who sold, exchanged, or gave the property to you may sign the declaration if the property was donated within 2 months of the date you acquired it and the property's appraised value did not exceed its acquisition price.

An appraiser may not be considered qualified if you had knowledge of facts that would cause a reasonable person to expect the appraiser to falsely overstate the value of the property. An example of this is an agreement between you and the appraiser about the property value when you know that the appraised amount exceeds the actual FMV.

Usually, appraisal fees cannot be based on a percentage of the appraised value unless the fees were paid to certain not-for-profit associations. See Regulations section 1.170A-13(c)(6)(ii).

If the appraiser completed Part III of the December 2005 revision of Form 8283 and you file your return after February 16, 2007, you must get a statement signed by the appraiser that states: "I understand that a substantial or gross valuation misstatement resulting from the appraisal of the value of the property that I know, or reasonably should know, would be used in connection with a return or claim for refund, may subject me to the penalty under section 6695A." Include this statement with your return. (If the appraiser completes Part III of the December 2006 revision of Form 8283, this statement is included in Part III.) If this applies to you and you *e-file*, mail the statement with Form 8453, U.S. Individual Income Tax Declaration for an IRS *e-file* Return, or Form 8453-OL, U.S. Individual Income Tax Declaration for an IRS *e-file* Online Return; you cannot sign your return electronically.

If the appraiser makes a separate declaration to satisfy requirement (3) on this page and the appraisal must be included with the return, follow the procedures described in the preceding paragraph to submit the separate declaration.