

JURISDICTIONAL EXCEPTION RULE

404 **If any applicable law or regulation precludes compliance with any part of USPAP, only that part**
405 **of USPAP becomes void for that assignment.**

FAQ

See also
FAQ 106-
116

406 Comment: When compliance with USPAP is required by federal law or regulation, no part of
407 USPAP can be voided by a law or regulation of a state or local jurisdiction.

408 **In an assignment involving a jurisdictional exception, an appraiser must:**

- 409 **1. identify the law or regulation that precludes compliance with USPAP;**
- 410 **2. comply with that law or regulation;**
- 411 **3. clearly and conspicuously disclose in the report the part of USPAP that is voided by that law or regulation;**
412 **and**
- 413 **4. cite in the report the law or regulation requiring this exception to USPAP compliance.**

414 Comment: The JURISDICTIONAL EXCEPTION RULE provides a saving or severability clause intended
415 to preserve the balance of USPAP if compliance with one or more of its parts is precluded by the law or
416 regulation of a jurisdiction. When an appraiser properly follows this Rule in disregarding a part of USPAP,
417 there is no violation of USPAP.

418 Law includes constitutions, legislative and court-made law, and administrative rules and ordinances.
419 Regulations include rules or orders having legal force, issued by an administrative agency. Instructions from a
420 client or attorney do not establish a jurisdictional exception.