

# Nancy Harrison

Having worked as an appraiser at Sotheby's for 26 years before setting up her own shop and eventually moving to Emigrant Bank Fine Art Finance, Nancy Harrison is attuned to the diverse membership of the Appraisers Association of America, where she has been president since 2011. She spoke with Eric Bryant about recent changes in the profession, the importance of independence, and the development of a new guidebook for her organization's members.

**With the expansion of the art market in recent years, it seems the significance of appraisals has been magnified.**

It used to be kind of a sleepy profession, if I may say so, but appraisers now operate in a much more complex universe. The stakes are higher. The IRS is increasingly keen that appraisals be done correctly, so we all have to be at the top of our game. The field has a lot of component parts that people need to be aware of. That means we need to have a lot more training.

**Are there legal rules for appraisals?**

Congress created the Appraisal Foundation in response to the savings and loan crisis in the late 1980s, and the foundation codified the Uniform Standards of Professional Appraisal Practice so the public would have confidence in these procedures. There are guidelines for proper research, reporting, record keeping, et cetera. And these have been updated and revised over time. One of the basic tenets is that you not have any vested interest in the object. And the fee is not based on the value of the object. All of our members

are required to adhere to these rules when they're preparing their reports. That is what the IRS is asking for.

**Was there some moment when the IRS started looking more closely at charitable donations and estate values?**

The Pension Protection Act of 2006 was a huge document about pension reform, but at the very end there was appraisal reform language. For the first time the law also provided sanctions against appraisers who are under- or over-valuing. Increasingly, legal authorities and businesses such as insurers would also like appraisers to be in a professional organization like ours that vets—for ethics and references and background and all the rest—and tests its members. We thought this was a very good step, even if it meant the loss of certain members who didn't want to undergo several days of testing.

**So you have different standards, depending on the type of art being appraised?**

Yes, because every field has its ins and outs. We take the connoisseurship piece extremely seriously. This

400-page guidebook we are now putting together has input not only from some of the best and brightest people in the industry, our allied professionals, and the legal community, but also from some of the best connoisseurs writing about the standard for their specialty areas.

**And that is part of the organization's move into ongoing education?**

We have had an accreditation program with NYU for a long time. But we are expanding. It's a very dynamic business; you have to keep up on everything. A lot of our courses are online now, and we are trying to disseminate them to our national members, not just here in New York; we're a national organization. Each fall we have the national conference, a three-day marathon with our art law day at NYU. Everyone comes to New York to hear the latest. And next month is our annual luncheon where we gather with the entire art community to celebrate someone who has made an important contribution. This year we honor Ai Weiwei.

**What advice do you have for collectors looking for an appraisal?**

Well, there are many occasions to seek out an appraiser—an estate situation, but also at the time of a donation, or when updating insurance—and the process differs depending on the goal. Always look for an expert you can build a relationship with. You want to be able to check in if you are collecting in a fast-changing field or if something shifts with your estate plan. It's almost like the relationship between a doctor and a patient—it should be a dynamic relationship. ▣

