BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JUDITH A. ALMQUIST from the decision of the Board of Equalization of Shoshone County for tax year 2006.	)))	APPEAL NO. 06-A-2126 FINAL DECISION AND ORDER

RURAL CABIN APPEAL

THIS MATTER came on for hearing October 27, 2006, in Wallace, Idaho, before Board Member Vernon L. Driver. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant Judith Almquist appeared for herself. Deputy Assessors John Furlin and Casey Stoddard appeared for Respondent Shoshone County. This appeal is taken from a decision of the Shoshone County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RPO27500000090A.

The issue on appeal is the market value of a rural cabin.

The decision of the Shoshone County Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is $67,660, and the improvements valuation is $90,060, totaling $157,720. Appellant requests the land value be reduced to $54,000, and the improvements value be reduced to $45,030, totaling $99,030.

The subject property is located in Riverside Homes in Prichard, Idaho. Subject property is a 1.510 acre lot with a 1,200 square foot “A frame” structure built in 1963. The structure is a one bedroom cabin with a loft, and the only improvement has been a new roof. A gazebo and pole building are also present on the lot.

Appellant created a spreadsheet “Riverlot Assessments A”, using the paperwork received from the County, which includes the assessed values of other properties in subject’s area. A second spreadsheet “Riverlot Assessments B” listed property sales in the area. Appellant maintained the dwellings were larger than subject and the lots had more river front. It was

claimed Respondent's sales were not comparable to subject.

Respondent addressed Appellant's spreadsheet "Riverlot Assessment B". Sale #2 took place after the January 1, 2006 lien date, and could not be considered in the current tax year. Sale #3 was reported to have not actually "sold", as the sale is still pending. Respondent noted a price per square foot, above grade, was $147 on Sale #1. The price per square foot above grade on Sale #2 was $595.

Respondent's Exhibit No. 1 compared the price per square foot above grade of the sales with the subject. The properties sold for $133, $115, $180 and $571 per square foot. The subject cabin is assessed for $131 per square foot.

In preparing the 2006 assessment, the County analyzed eight (8) sales of recreational property which took place on the North Fork of the Coeur d'Alene River. The comparison of 2005 assessed values to sale prices was so low, the assessments failed to meet statutory market value requirements. The County made a positive trend of 200% to all 2005 assessed values in subject's area.

At hearing, Appellant noted a deck was removed prior to 2006. Respondent was not aware the deck had been removed. At the last physical inspection in 2002, the deck was in poor condition and valued at $100. The assessed value would therefore have increased to $200 for the 2006 tax year.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho is a market value state for property tax purposes.

> 63-205. ASSESSMENT -- MARKET VALUE FOR ASSESSMENT PURPOSES. (1) All real, personal and operating property subject to property taxation must be assessed annually at market value for assessment purposes as of 12:01 a.m. of the first day of January in the year in which such property taxes are levied, except as otherwise provided. Market value for assessment purposes shall be determined according to the requirements of this title or the rules promulgated by the state tax commission.
>
> 63-201. DEFINITIONS. As used for property tax purposes in title 63, chapters 1 through 23, Idaho Code, the terms defined in this section shall have the following meanings . . .
>
> "Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant maintains subject is valued excessively.

Assessed values in subject area did not meet the market value standard for 2006. Consequently the County increased the older values using current sales. Granted a 200% increase appears excessive on its face, however the sales information submitted by the County supports the increase. It is the probable selling price of subject property on January 1, 2006 that must be reflected. The 2006 assessment of subject property was not proven to be excessive with one exception.

If was revealed at hearing that a deck was removed prior to 2006. The County was unaware the deck had been removed. It provided the trend would have increased the deck's value to $200 for 2006. Although the adjustment is fairly small, we will reduce the value of the improvements by $200 for removal of the deck.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the

Shoshone County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a decrease in the assessed value to $157,520.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

DATED this 8th day of March, 2007.