

BEFORE THE IDAHO BOARD OF TAX APPEALS

KEVIN ANDERSEN,)	
)	
Appellant,)	APPEAL NO. 19-A-1323
)	
v.)	FINAL DECISION
)	AND ORDER
BANNOCK COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Bannock County Board of Equalization modifying an appeal of the valuation for taxing purposes on property described by Parcel No. RPR3853013400. The appeal concerns the 2019 tax year.

This matter came on for telephonic hearing February 27, 2020 before Hearing Officer Cindy Pollock. Appellant Kevin Andersen was self-represented. County Assessor Sheri Davies represented Respondent.

Board Members David Kinghorn, Leland Heinrich and Kenneth Nuhn join in issuing this decision.

The issue on appeal concerns the market value of an improved residential property.

The decision of the Bannock County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$51,406, and the improvements' value is \$218,275, totaling \$269,681. Appellant contends the total value is \$236,771, with no detail given as to allocation between land and improvements.

The subject property is a one (1) acre parcel located on the outskirts of Pocatello, Idaho. The parcel is improved with a ranch style dwelling, over a basement, constructed in 1963. The dwelling totals 2,250 square feet in size, with 1,125 square feet on the main level and 1,125

square feet in the basement, of which 550 square feet are finished. The property is further improved with two large outbuildings measuring 32 x 70 feet and 30 x 100 feet.

Appellant questioned recent large increases in subject's assessment. In support of a lower assessment, Appellant offered for the record information on three sales, two (2) of which occurred in 2019 and one (1) which occurred in 2020. Sale No. 1 was a 1.07 acre property with a 2,002 square foot dwelling constructed in 1950 which sold for \$235,000 on October 10, 2019. Sale No. 2 was a .68 acre property with a 2,160 square foot residence constructed in 1954 which sold for \$199,000 on May 22, 2019. Sale No. 3 was a .75 acre property with a 2,223 square foot dwelling constructed in 1976 which sold for \$240,000 on January 17, 2020.

Respondent provided information on ten (10) sales which occurred in 2017 and 2018, showing trending in sales prices in subject's market neighborhood. These parcels were all located less than 17 miles from subject, and ranged in size from 1.0 to 3.7 acres. The dwellings ranged in effective age from 10 to 69 years and had square footages from 1,458 to 3,315 square feet. Sale prices for these properties ranged from \$203,000 to \$318,000. Respondent reported adjusted sale prices from \$219,528 to \$344,959.

Respondent analyzed and directly compared three (3) of these sales to subject. Two (2) occurred during 2017, and one (1) occurred during 2018. Sales were all located less than 17 miles from the subject. Details concerning the physical attributes of the sale properties were somewhat limited, though Respondent reported the residences ranged in size from 2,144 square feet to 2,312 square feet, and in effective age from 35 to 52 years. The prices ranged from \$203,000 to \$285,000. Respondent first adjusted the prices for time of sale. Each sale property was then directly compared to subject, and adjustments were made for differences

in property characteristics. After all appraisal adjustments, Respondent concluded values ranging from \$263,379 to \$294,180, or \$157 to \$176 per square foot. Subject is assessed at \$269,681, or \$161 per square foot.

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 in fee simple interest, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all the testimony and documentary evidence, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2019 in this case. Market value is always estimated as of a precise point in time. Market value is defined in Idaho Code § 63-201, as,

“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.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value: the sales comparison approach, the cost approach, and the income approach. The sales comparison approach is commonly used in the valuation of a residential property. In general terms, the approach examines recent sales of similar property and considers differences in the property characteristics between the subject and the sale properties.

Both parties offered value opinions developed using the sales comparison approach. Appellant provided information on three (3) sales in support of a lower assessment. While all

three (3) sale properties were similar to subject in lot size, dwelling square footage, and date of construction, the sales occurred well after the assessment date of January 1, 2019. In other words, the 2019 and 2020 sales were untimely for purposes of establishing a market value estimate. This data did not exist as of the 2019 assessment date, and such information would not have reflected the market factors a knowledgeable buyer and seller could have been aware of at the date of assessment. As such, the Board was reluctant to put much weight on Appellant's sale information.

In support of subject's current assessment, Respondent provided information on ten (10) sales located in subject's general market area which demonstrated increasing sale prices. Though characteristic data was limited for this secondary analysis, Respondent reported adjusted sale prices ranging from \$219,528 to \$344,959.

Respondent additionally analyzed and directly compared three (3) of the timely sales occurring in 2017 and 2018 to the subject. These sales were well received by the Board. Sales were all located in subject's general market area and were adjusted for time of sale and all variances in property characteristics. Adjusted sale prices ranged from \$263,379 to \$294,180. In comparison, subject's 2019 assessed value is \$269,681.

Pursuant to Idaho Code § 63-511, the burden is with the Appellant to demonstrate error in subject's assessment by a preponderance of the evidence. Based on the record before us, we did not find the burden of proof satisfied in this instance. Appellant provided information on three (3) sales which occurred well after the 2019 assessment date and therefore could not be considered for the 2019 assessment year. The Board found Respondent's sales analysis to be timelier and represent the better supported and more thorough analysis of subject's

current market value. The decision of the Bannock County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bannock County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 13th day of April, 2020.