

BEFORE THE IDAHO BOARD OF TAX APPEALS

ROBERT MARCINKO,)	
)	
Appellant,)	APPEAL NO. 19-A-1418
)	
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. RPRPRS1001100. The appeal concerns the 2019 tax year.

This matter came on for telephonic hearing March 10, 2020, before Hearing Officer Cindy Pollock. Appellant Robert Marcinko was self-represented. County Appraiser Celeste Gunn 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 modified.

FINDINGS OF FACT

The assessed land value is \$42,525, and the improvements' value is \$262,248, totaling \$304,773. Appellant contends the total value is \$275,000, with no detail given as to allocation between land and improvements.

The subject property is a .14 acre lot located within the city limits of Pocatello, Idaho. The property is improved with one half of a single-story duplex constructed in 2006. The dwelling consists of 3,325 square feet, with 1,626 square feet on the main level and 1,699

square foot in the basement, of which 1,599 square feet is finished.

Appellant questioned subject's assessment, specifically citing the inequality when compared to several neighboring properties' assessments. Noted were the vastly different assessed values for nearly identical properties. Appellant reported the other half of subject's duplex, a mirror image of subject, was assessed at \$252,574, over \$50,000 less than subject. Appellant additionally reported a property across the street which had an assessed value of \$247,282, while subject was assessed for \$304,773.

In support of a lower assessment, Appellant provided information on five (5) property sales from subject's same neighborhood. Sales were reportedly similar to subject in design, square footage, and floor plan. Sale No. 1 was a .14 acre lot improved with a 3,010 square foot residence which sold in September 2018 for \$250,000. Sale No. 2 was a .19 acre lot improved with a 3,265 square foot residence which sold in October 2018 for \$260,000. Sale No. 3 was a .12 acre lot improved with a 2,908 square foot residence which sold in January 2018 for \$232,000. Sale No. 4 was a .19 acre lot improved with a 3,300 square foot residence which sold in October 2017 for \$265,000. Sale No. 5 was a .14 acre lot improved with a 3,000 square foot residence which sold in March 2019 for \$260,000. Appellant further submitted subject's own purchase for \$260,000 in September 2017.

Respondent provided information on three (3) sales in support of its assessment. Sale No. 1 was a .35 acre lot located .5 miles from subject which sold on September 1, 2017 for \$215,000. The property is improved with a 2,849 square foot dwelling constructed in 2007. Sale No. 2 was a .12 acre lot located .1 miles from subject which sold on September 13, 2018 for \$250,000. The property is improved with a 2,960 square foot residence constructed in

2008. Sale No. 3 was a .17 acre lot located 4 miles from subject which sold on February 26, 2018 for \$186,000.

Respondent reported that subject's neighborhood contained many discrepancies, including grading inequality. As seen in Respondent Exhibit 2, subject is reported as "good" quality. Respondent stated subject should, in order to obtain consistency, instead be ranked as "average" quality. As such, the adjusted value indications would be updated to reflect a median value of \$278,958, which value Respondent is recommending for subject's assessment.

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.

Appellant questioned the inequality and vastly different assessed values for nearly identical properties when compared to subject. Respondent recognized that subject's neighborhood had many discrepancies that affected 2019 assessments and stated they would be reconciled for the 2020 assessment. However, the appeal before the Board concerns the 2019 assessed value. Respondent recommended subject's assessed value be adjusted from \$304,773 to \$278,958. This change would reflect a reduction in dwelling quality of construction from "good" to "average".

Both parties offered a valuation conclusion utilizing the sales comparison approach. Appellant provided information on five (5) sales from subject's direct neighborhood which sold from 2017 to 2019 with sale prices ranging from \$232,000 to \$265,000. Respondent provided information on three (3) sales in subject's general market area. Once adjusted for time and differences in property characteristics, Respondent reported a median value indication of \$278,958. After review, the Board found the sales from both Appellant and Respondent support the new recommended value of \$278,958.

In appeals to this Board, pursuant to Idaho Code § 63-511, the burden of proof is with the Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Both parties provided sales information for the record. Respondent recommended a reduction in value on the basis of correcting an inconsistency in the dwelling's quality of construction. After review, Respondent's value recommendation was judged to be well supported by sales

information from both parties. The decision of the Bannock County Board of Equalization is modified, setting the assessed value to \$278,958, as recommended by Respondent.

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, MODIFIED, setting the value at \$278,958. The assessor's office may determine the allocation of value between land and improvements.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 63-1305, 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.

Idaho Code § 63-3813 provides under certain circumstances that the above ordered value for the current tax year shall not be increased in the subsequent assessment year.

DATED this 7th day of April, 2020.