

BEFORE THE IDAHO BOARD OF TAX APPEALS

KEVIN SPENCER CONSOLIDATED,)	
)	APPEAL NOS. 19-A-1324,
Appellant,)	19-A-1325, 19-A-1326 and
)	19-A-1327
v.)	
)	FINAL DECISION
BANNOCK COUNTY,)	AND ORDER
)	
Respondent.)	
)	

RESIDENTIAL PROPERTY APPEALS

These appeals are taken from decisions of the Bannock County Board of Equalization modifying protests of valuation for taxing purposes on property described by Parcel Nos. RPRRETY001400, RPRRETY001900, RPRRETY002000 and RPRRETY001700. The appeals concern the 2019 tax year.

The parties stipulated to have the Board hear these matters on the documentary record without the necessity of personal appearances at hearing. The Board subsequently ordered all information and evidence be submitted by both parties, after which the record was closed. The Board now renders its decision based upon the record created. Appellant Kevin Spencer was self-represented. County Appraiser Celeste Gunn represented Respondent.

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

The issue on appeal concerns the market values of four (4) unimproved residential properties.

The decisions of the Bannock County Board of Equalization are affirmed.

FINDINGS OF FACT

Appeal No. 19-A-1324 (Parcel No. RPRRETY001400)

The assessed value of this .983 acre land-only parcel is \$24,300. Appellant contends the value is \$18,000.

Appeal No. 19-A-1325 (Parcel No. RPRRETY001900)

The assessed value of this .964 acre land-only parcel is \$24,300. Appellant contends the value is \$18,000.

Appeal No. 19-A-1326 (Parcel No. RPRRETY00200)

The assessed value of this 1.44 acre land-only parcel is \$24,300. Appellant contends the value is \$19,050.

Appeal No. 19-A-1327 (Parcel No. RPRRETY001700)

The assessed value of this .627 acre land-only parcel is \$32,735. Appellant contends the value is \$24,249.

The subject properties are four (4) vacant lots ranging in size from .627 acres to 1.44 acres. They are located in the Eighty Acres subdivision on the outskirts of Pocatello, Idaho.

Appellant questioned the increases in subjects' assessments for 2019. Appellant challenged Respondent's use of mass appraisal techniques to set values by utilizing sales that are not similar to the subjects. Appellant contends there was little basis for increasing the assessed values.

In support of lower assessments, Appellant provided assessment data for ten (10) properties located near subjects. The comparison parcels ranged in size from 1.84 to 6.6 acres, and assessed values ranged from \$304 to \$45,559. Appellant reported these parcels are similar in access and lot composition, and reported these neighboring parcels are, generally, all larger than subjects, but with lower assessments than subjects.

Respondent analyzed information on three (3) unimproved sales in support of each assessment. Respondent first adjusted for time of sale in order to bring the sale price relevant

to the January 1, 2019 assessment date. Next, the sales were directly compared to subjects and adjusted for location and size differences. Summaries follow for each subject.

Appeal No. 19-A-1324 (Parcel No. RPRRETY001400)

Sale No. 1 is a 3.17 acre vacant parcel located 9 miles from subject which sold in 2017 for \$23,000. After appraisal adjustments, the value was \$16,124. Sale No. 2 is a 2.33 acre vacant parcel located 14 miles from subject which sold in 2018 for \$50,000. Once adjusted, the value was \$43,681. Sale No. 3 is a .459 acre parcel located .12 miles from subject which sold in 2018 for \$16,000. This sale adjusted to \$21,150. This subject is assessed at \$24,300.

Appeal No. 19-A-1325 (Parcel No. RPRRETY001900)

Sale No. 1 is a 1.01 acre vacant parcel located 18 miles from subject which sold in 2018 for \$25,000. Once adjusted, the value was \$23,207. Sale No. 2 is a .915 acre unimproved parcel located 4 miles from subject which sold in 2017. After adjustments, the value was \$23,207. Sale No. 3 is a 1.01 acre vacant parcel located 13 miles from subject which sold in 2018 for \$30,000. Once adjusted, the value was \$32,452. This subject is assessed at \$24,300.

Appeal No. 19-A-1326 (Parcel No. RPRRETY002000)

Sale No. 1 is a 3.17 acre vacant parcel located 9 miles from subject which sold in 2017 for \$23,000. Once adjusted, the value was \$16,124. Sale No. 2 is a 2.33 acre unimproved parcel located 13 miles from subject which sold in 2018. After appraisal adjustments, the value was \$43,681. Sale No. 3 is a .459 acre vacant parcel located .23 miles from subject which sold in 2018 for \$16,000. Once adjusted, the value was \$21,150. This subject is assessed at \$24,300.

Appeal No. 19-A-1327 (Parcel No. RPRRETY001700)

Sale No. 1 is a 1.01 acre vacant parcel located 9 miles from subject which sold in 2018 for \$30,000. After appraisal adjustments, the value was \$37,279. Sale No. 2 is a .915 acre vacant parcel located 4 miles from subject which sold in 2017 for \$43,650. Once adjusted, the value was \$26,659. Sale No. 3 is a 2.33 acre parcel located 13.41 miles from subject which sold in 2018 for \$50,000. The value was then adjusted to \$49,917. This final subject is assessed at \$32,735.

CONCLUSIONS OF LAW

This Board's goal in its proceedings 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 the evidence submitted by the parties in support of their respective positions, hereby enters the following conclusions.

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 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 adjustments for differences in property characteristics between the subject and the sale properties.

Appellant challenged Respondent's choice of comparable sales and contends subjects' assessments should not have increased from the 2018 values. Appellant's value evidence involved a comparison of assessment data between subjects and ten (10) nearby properties. The comparison parcels ranged between 1.84 acres and 6.6 acres in size. While the Board understands Appellant's concerns here, a comparison of assessed values is not a recognized way in which to estimate or appraise the market value of a property.

In support of subjects' 2019 assessments, Respondent utilized mass appraisal techniques, using recent sales to develop valuation models with the sales comparison approach. Information on three (3) sales were submitted for each of the four (4) subject properties. Respondent's effort to provide timely sales data and associated appraisal analysis were well received. The sales provided were generally similar to subjects and were reportedly in subjects' general neighborhood. The adjusted sale prices ranged from \$16,124 to \$49,917. Subjects' current assessments range from \$24,300 to \$32,735. Based on the provided sales data, the Board was strained to find evidence to support a reduction in assessed values.

Pursuant to Idaho Code § 63-511, the burden is with the Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. We did not find the burden of proof met in these instances. The Board found Respondent's analysis better supported and more indicative of subjects' market values.

FINAL ORDER

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

of the Bannock County Board of Equalization concerning the subject parcels be, and the same hereby are, AFFIRMED.

DATED this 2nd day of April, 2020.