

BEFORE THE IDAHO BOARD OF TAX APPEALS

AUSTIN WHITE,)	
)	
Appellant,)	APPEAL NO. 19-A-1358
)	
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 denying an appeal of the valuation for taxing purposes on property described by Parcel No. RPRPMYH001100. The appeal concerns the 2019 tax year.

This matter came on for telephonic hearing April 13, 2020, before Hearing Officer Travis VanLith. Appellant Austin White 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 \$24,840, and the improvements' value is \$164,228, totaling \$189,068. Appellant contends the land value is \$19,800, and the improvements' value is \$150,542, totaling \$170,342.

The subject property is a .17 acre lot located within the city limits of Pocatello, Idaho. The property is improved with a 2,242 square foot twin-style home constructed in 2009. The residence consists of 1,142 square feet on the main level and 1,100 square feet in the

basement.

Appellant questioned the large increase in subject's assessment. The increase equated to over 40% attributed to land and 20% for improvements. Appellant acknowledged sale prices have indeed been rising, but contended an increase of 10% is more reasonable. The value reduction being requested is equal to 10% above subject's 2018 assessed value. Appellant further believes he was being denied due process by not being given access to public records in order to understand how the assessed value was derived or to present an adequate case during the Bannock County Board of Equalization hearing. Appellant additionally provided a number of newspaper articles discussing politics, concerns with the latest assessments and the appeal process in Bannock County.

In support of its assessment, Respondent presented a list of twin home sales which occurred between 2012 and 2020. In total, the 42 sale properties were all located in south Pocatello and reflected the increasing sale prices of twin-style homes. Respondent reported the trended dollar per square foot sale price increased from \$75 in 2012 to \$84 in 2018.

Respondent next provided information on ten (10) sales of twin-style homes from subject's general market area which occurred in 2018. These sales were not directly compared to subject, but rather represented market trends and average sale prices of similar properties in subject's neighborhood. The sales were located four (4) miles or less from subject and were considered generally similar in lot size, effective age and dwelling square footage. Sale prices ranged from \$146,000 to \$186,000. Once adjusted for time of sale and location, Respondent reported value indications between \$140,619 and \$201,088.

Respondent selected three (3) of these ten (10) sales for direct comparison to subject.

Respondent described the comparison as a litmus test to ensure the valuation models were functioning properly. Sale No. 1 was a .12 acre lot located 1.3 miles from subject which sold on October 19, 2018 for \$225,000. The lot was improved with a 2,484 square foot residence constructed in 1996. Sale No. 2 was a .12 acre lot located 4 miles from subject which sold on October 30, 2018 for \$182,000. The lot was improved with a 2,086 square foot residence constructed in 2000. Sale No. 3 was a .17 acre lot located 4 miles from subject which sold on February 26, 2018 for \$186,000. The lot was improved with a 1,913 square foot residence constructed in 2000. Respondent described the market conditions in Bannock County as inflationary, increasing at a rate of 1.02% per month in subject's neighborhood. As such, time adjustments were necessary to bring sale prices relevant to the January 1, 2019 assessment date. The sales were then directly compared to subject, and adjustments were applied for any differences in property characteristics. Respondent reported value conclusions of \$206,147, \$194,000 and \$229,240, respectively, or roughly \$87 to \$102 per square foot. In comparison, subject is valued at \$189,068, or roughly \$84 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.

Appellant expressed concern with the large increase in subject's assessment. Further areas of contention included perceived unfair treatment during appeals. While the Board understands Appellant's concerns and frustrations with the assessment and appeal process, the Board's sole jurisdiction is with the calculation of the fair market value. Amount or percentage increases cannot be considered when developing a property's most probable selling price. Assessed values must be based on current market transactions. Appellant failed to provide any market evidence that would support the value reduction requested, or would suggest subject's 2019 assessment was in excess of its most probable selling price.

Respondent analyzed sales information to develop values utilizing the sales comparison approach. Respondent presented three (3) separate analyses in support of subject's 2019 assessment. The Board gave primary consideration in its decision to the sales comparison on Exhibit 2 page 2. Information on three (3) sales in relative proximity to subject were presented. Respondent applied the necessary time and appraisal adjustments for variances in property

characteristics. With resulting value indications ranging from \$194,000 to \$229,240, the Board failed to find evidence that subject was assessed in excess of its fair market value.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish Respondent's valuation is erroneous by a preponderance of the evidence. The Board did not find the burden of proof satisfied in this instance. While Appellant expressed concerns with the amount of value increase as well as the assessment and appeal process, no market evidence was presented to support the requested value reduction. Respondent, however, provided sales information in three (3) separate analyses, all of which support the 2019 assessment. In the absence of competing value indicators, the Board concluded subject's assessment to be correct.

As such, 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 5th day of May, 2020.