

BEFORE THE IDAHO BOARD OF TAX APPEALS

LESLIE LYNCH,)	
)	
Appellant,)	APPEAL NO. 20-A-1027
)	
v.)	FINAL DECISION
)	AND ORDER
GOODING COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Gooding County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. RP003160020020A. The appeal concerns the 2020 tax year.

This matter came on for telephonic hearing October 27, 2020, before Board Member Leland Heinrich. Appellant Leslie Lynch was self-represented. County Assessor Justin Baldwin 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 unimproved rural residential property.

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

FINDINGS OF FACT

The assessed land value is \$15,000. Appellant contends the correct land value is less than \$1,000.

The subject property is an unimproved .50 acre parcel located on the outskirts of Hagerman, Idaho, in the Sand Creek subdivision.

Appellant purchased eight (8) lots from the City of Hagerman for \$6,500 in the 1980s, and then traded six (6) of those parcels for six (6) subdivision lots, one (1) of which was the

subject parcel. Appellant explained the subject parcel is unimproved and has remained vacant since the lot was acquired. Appellant further stated the subject lot now has a 40 to 50 foot setback and does not believe the property will be able to have a home built on it due to city setback requirements. Appellant also argued the law on taxation is being misinterpreted, and subject should not be valued according to what is happening on other parcels around subject.

Respondent testified the values in the subdivision were determined using sales directly from the development. In this regard, Respondent discussed two (2) sales from the subdivision which occurred in 2018. One (1) sale lot was adjacent to subject, and the other was located a couple lots away. Both sale lots were .50 acres in size. The lot adjacent to subject sold for \$20,000, and the other parcel sold for \$34,000. Both sales were burdened by the same setbacks as subject. Based on these sales, Respondent maintained subject's current assessed value of \$15,000 was reasonable, and there was no indication the setbacks had any impact on value. Respondent also testified there had been four (4) lots in the subdivision the same size as subject, which were developed within the last 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 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, 2020, 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 did not provide any sales information to support the requested value for subject lot. One of Appellant's concerns was the market value of the vacant subject lot. Subject was acquired in the 1980s, and no improvements have been added. Appellant stated the total investment was less than \$1,000, and subject should not be valued more than that. The Board understands Appellant's position; the subject parcel was acquired through a trade, so there was not an actual sale price. However, if the actual purchase price was \$1,000, the acquisition occurred in the 1980s, which bears little resemblance to the current real estate market.

Appellant also raised an issue concerning the setback requirements restricting subject's development options. Because of the setback restrictions, Appellant argued the subject lot is no longer buildable. Respondent testified this year alone four (4) lots in the same neighborhood with the same lot size as subject were built on. Respondent also testified there were two (2) lot sales in 2018 in subject's immediate proximity. Both sale lots were .50 acres, with respective sale prices of \$34,000 and \$20,000. The subject parcel is the same size as both

sale lots, is restricted by the same setbacks, and is assessed at \$15,000. Respondent stated the setbacks have not been shown to have an impact on value in the neighborhood. Based on the available sales data, the Board is strained to find error in subject's valuation.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Having presented no market value evidence, or otherwise providing support for the requested value reduction, Appellant failed to satisfy the requisite burden of proof. As such, the decision of the Gooding County Board of Equalization is affirmed.

FINAL ORDER

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

DATED this 16th day of February, 2021.

IDAHO BOARD OF TAX APPEALS