

BEFORE THE IDAHO BOARD OF TAX APPEALS

BROOKSIDE DEVELOPMENT, LLC,)	
)	
Appellant,)	APPEAL NOS. 20-A-1107
)	and 20-A-1108
v.)	
)	FINAL DECISION
SHOSHONE COUNTY,)	AND ORDER
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEALS

These appeals are taken from decisions of the Shoshone County Board of Equalization modifying the valuations for taxing purposes on properties described by Parcel Nos. RPO09500230000A and RPO0950024018A. The appeals concern the 2020 tax year.

These matters came on for telephonic hearing November 20, 2020, before Hearing Officer Travis VanLith. Manager Matt Beehner appeared at hearing for Appellant. Prosecuting Attorney Keisha Oxendine represented Respondent.

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

The issues on appeal concern the market values of two (2) vacant rural residential parcels.

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

FINDINGS OF FACT

Parcel No. RPO09500230000A (Appeal 20-A-1107)

The assessed land value of this .695 acre lot is \$1,907. Appellant contends the correct land value is \$475.

Parcel No. RPO0950024018AA (Appeal 20-A-1108)

The assessed land value of this .367 acre lot is \$1,026. Appellant contends the correct land value is \$250.

The subject properties are contiguous unimproved rural residential parcels situated along the banks of Canyon Creek near Wallace, Idaho.

Appellant purchased the subject parcels in October 2019 for \$3,875, but contended the purchase price was too high. Appellant noted the subject lots sit in the creek bottom on a portion of the Old Wallace private dump which operated until at least 1976. The old dump site and the creek are known by the Environmental Protection Agency to be contaminated.

Appellant also explained there is currently no access to the subject lots because a neighboring property owner erected fencing across the county road. Appellant has endeavored to get the county to remove the fencing; however, the fence still remains in place. In Appellant's view, the subject lots have no value because they are not accessible.

Appellant additionally argued the subject lots were assessed inconsistently and inequitably compared to an adjacent property owned by the party who sold the subject parcels to Appellant. It was noted the assessed value of the adjacent property, a 1.76 acre vacant parcel, was only \$1,200 for 2020. Appellant further looked to the ProVal summary sheets for the subject lots and pointed out the smaller subject parcel received a downward 50% adjustment for location, whereas the larger parcel received only a 25% location adjustment. Appellant contended subjects' assessed values were inconsistent and should more closely approximate the value of the adjacent parcel.

Respondent explained the subject properties were initially assessed at \$4,170 (Parcel No. RPO09500230000) and \$3,415 (Parcel No. RPO0950024018A); however, the values were reduced by the Shoshone County Board of Equalization at the recommendation of the assessor's office. Respondent was unaware of any fence blocking access to the subject lots,

though testified the 25% access adjustment was a standard adjustment rate applied to parcels with difficult or impaired access. Respondent also stressed that Appellant was aware of subjects' contamination and access issues when the lots were purchased, and further, the current assessed values are less than the purchase price. In Respondent's opinion, the subject lots were reasonably and fairly assessed for 2020.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of market value in fee simple interest, or, as applicable, a property's exempt status. This Board, giving full opportunity for all arguments and having considered all the testimony and documentary evidence submitted by the parties, 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. Idaho Code § 63-201 provides the following definition,

“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. The three (3) primary approaches for determining value include the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979).

Neither party developed value opinions using one (1) of the accepted methods of appraisal. Appellant was primarily focused on the current lack of access to the subject lots.

Appellant explained there is currently a fence across the county road which prevents access to the subject parcels which, in Appellant's view, renders the subject lots effectively worthless. Appellant was also concerned the adjacent vacant parcel was assessed less than the subject lots and questioned whether subjects were inequitably assessed.

Though the Board understands Appellant's concerns, the record does not support a finding subjects were inequitably assessed. "[A]n individual who claims that a selective assessment procedure had deprived him or her of the protection guaranteed by the state constitutional requirement of uniformity of taxation must show a deliberate plan to discriminate based upon an unjustifiable or arbitrary classification." *Xerox Corp. v. Ada Cnty. Assessor*, 101 Idaho 138, 144, 609 P.2d 1129, 1135 (1980). Based on the available evidence, there was no indication subjects were assessed pursuant to a deliberately discriminatory plan based upon an unjustifiable or arbitrary classification. Indeed, the subject parcels were assessed as residential lots with significant downward adjustments for location, access, and creek bed. Why the adjacent parcel was assessed somewhat less than subjects was not clear in the record; however, a comparison of assessed values is not a recognized appraisal approach.

As for the access issue, the Board did not find support for a further adjustment on top of the downward 25% adjustment already applied. Appellant purchased the subject lots fully aware of the fence crossing the county road. On this point, it should be noted subjects do have legal access despite the neighbor's fence. Getting the fencing removed is another issue, but the subject parcels do indeed have legal access.

Appellant also pointed to an apparent inconsistency in the location adjustment applied to the subject lots. According to the ProVal printouts, the smaller subject lot received a 50%

location adjustments, whereas only a 25% location adjustment was applied to the larger lot. The Board agrees there appears to be an irregularity with respect to the figures reported on the ProVal worksheets; however, after reviewing the calculations, both subject lots received the 50% location adjustment, despite what is reflected on the ProVal worksheets. Therefore, both subject lots were valued consistently.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish subjects' assessed values are erroneous by a preponderance of the evidence. Given the record in this matter, the Board did not find the burden of proof satisfied. Appellant purchased the subject lots for roughly \$3,900 just two (2) months prior to the January 1, 2020, assessment date fully aware of the access and contamination issues. As the combined current assessed value of the subject lots is approximately \$1,000 less than the recent purchase price, the Board did not find support to further reduce the respective valuations. As such, the decisions of the Shoshone County Board of Equalization are affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Shoshone County Board of Equalization concerning the subject parcels be, and the same hereby are, AFFIRMED.

DATED this 19th day of March, 2021.