

BEFORE THE IDAHO BOARD OF TAX APPEALS

BARTLOME LIVING TRUST,)	
)	
Appellant,)	APPEAL NO. 22-A-1099
)	
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. RPR4013023316. The appeal concerns the 2022 tax year.

This matter came on for hearing October 4, 2022, in Pocatello, Idaho, before Board Member Leland Heinrich. Trustee Mike Bartlome appeared at hearing for Appellant. Bannock County Chief Deputy Assessor Anita Hymas represented Respondent.

Board Members 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 \$128,359, and the improvements' value is \$571,296, totaling \$699,655. Appellant does not dispute the improvements' value but contends the correct land value is \$40,000, totaling \$611,296.

The subject property is a 6.3 acre parcel located on the southern outskirts of Pocatello, Idaho, in the Mink Creek area. The property is improved with a 4,197 square foot residence and attached garage.

Appellant was mainly concerned that subject's assessed land value was not equal to the assessed land values of nearby parcels. Appellant shared assessment information for twelve (12) properties within one (1) mile of subject. The properties were all vacant except for one (1) and were between 1.04 acres and 20.93 acres in size. They had assessed land values ranging from \$0 to \$140,749, or roughly \$0 to \$10,970 per acre. Subject's 6.3 acres of land were assessed at \$128,359, or approximately \$20,374 per acre. Appellant stated most of the properties were affected by the 2013 Charlotte Fire like subject. Appellant claimed 5.3 acres of the subject parcel are not usable due to the Charlotte Fire. Appellant shared a local news article which stated most things cannot grow in areas where the fire did the most damage and testified nothing is able to grow on subject.

Of the twelve (12) properties, there were five (5) parcels Appellant focused on, labeled Parcels A through E in Appellant's exhibits. Parcel A, which is adjacent to subject on the west, has been assessed at \$0 for over ten (10) years. Parcel B has been assessed at \$0 for over twenty (20) years. Parcel C was approximately twenty (20) to thirty (30) feet away from subject, and its 20 acres were assessed at approximately \$5,275 per acre. Parcel D is adjacent to subject on the east and was assessed at approximately \$799 per acre. Subject is assessed at over \$20,000 per acre. Appellant petitioned subject be assessed at around \$6,350 per acre, which would be closer in range to the assessed values of nearby parcels.

Respondent explained subject and other properties in Bannock County are assessed using a mass appraisal approach. In this approach, all land sales were compiled, arranged by area, then compared to last year's land values to determine necessary adjustments to reach current market value. As subject is improved, Respondent classified it according to residence type, grade, size, and age, which is standard appraisal practice in the county. Respondent provided both improved and unimproved sales to validate subject's assessed value.

Respondent supplied three (3) improved sales in support of subject's assessment, but at hearing focused on the land sales as Appellant was not concerned with the improvements' valuation. Six (6) unimproved lot sales were provided. They were all located within 1.1 miles of subject and were between 1.0 and 5.68 acres. The sale properties sold between April and June 2021 with time-adjusted sale prices between \$115,500 and \$194,668. None of the lots had well or septic, and Respondent indicated subject's well and septic is valued at \$15,675. Sales 1, 2, and 3 were in the vicinity of the Charlotte Fire. Sale Nos. 4, 5, and 6 were directly affected by the Charlotte Fire like subject. Sale No. 4 was a 2.54 acre lot which sold in May 2021 for an adjusted sale price of \$143,000. Sale No. 5 was a 2.7 acre lot which sold in May 2021 for an adjusted sale price of \$115,500. Sale No. 6 was a 5.68 acre lot which sold in June 2021 for an adjusted sale price of \$135,938. Subject's 6.3 acres of land, minus the well and septic value, are currently assessed at \$112,684. Respondent found this value to be reasonable in comparison of the nearby sales.

Respondent also spoke to Appellant's concern with the assessments of land near subject, especially the parcels with \$0 assessments. All five (5) of the parcels with a \$0

valuation were “open space” parcels, dedicated to landowners in common, which means everyone in the corresponding neighborhood has access to use the space. They have a different land category and are not residential lots. They cannot be sold and are deeded to each individual owner in the respective subdivisions. Respondent stated all rural subdivisions have building restrictions and the county’s planning and zoning regulations do not allow the full acreage to be developed, as there is a requirement for designated open space.

It was noted Appellant’s other seven (7) comparable parcels also had different land categories. Six (6) were contiguous ownerships, meaning the owner of each parcel also owned an adjacent homesite parcel or multiple other parcels, which was where most of the assessed value was assigned. The last parcel, Appellant’s Parcel E, had an agricultural exemption and was thus valued specially as required by the relevant statutes.

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, 2022, 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. There are three (3) approaches to value: 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). 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 the differences in property characteristics between subject and the sale properties.

Appellant did not provide a traditional sales comparison analysis in support of its land valuation request. Instead, Appellant focused on a comparison of assessed values between subject and twelve (12) nearby vacant parcels. While the Board appreciates information regarding subject's neighborhood, comparing assessments is not a recognized appraisal approach to develop an accurate estimation of current market value. Additionally, Respondent demonstrated none of the parcels were truly comparable to subject as they all had different land categories. Five (5) were dedicated to landowners in common, six (6) were contiguous parcels where the homesite was on an adjacent parcel, and one (1) was receiving an agricultural exemption. Where subject is a residential parcel with a homesite and is not receiving an agricultural exemption, the Board agrees Appellant's comparable parcels were not truly comparable.

Respondent provided recent sales in support of subject's current assessed value, with a focus on sales of unimproved lots. The unimproved parcels were between 1.0 and 5.7 acres and sold between \$115,500 and \$194,668. Subject is 6.3 acres and its land, minus the value of well and septic to accurately compare it to the vacant parcels, is

currently assessed at \$112,684. In light of Respondent's nearby sales, the Board agrees subject's land value is reasonable.

In accordance with Idaho Code § 63-511, the burden is with Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. While a comparison of assessed values can provide evidence of inequitable assessments in an area, the Board finds no such inequity here. Where Respondent's sales substantiate subject's land value and where there is no indication of inequitable assessment, the Board will affirm the decision of the Bannock County Board of Equalization and deny this appeal.

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 22nd day of December, 2022.