

BEFORE THE IDAHO BOARD OF TAX APPEALS

MATTHEW FULLMER,)	
)	
Appellant,)	APPEAL NO. 22-A-1229
)	
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. RPRCVIV001600. The appeal concerns the 2022 tax year.

This matter came on for hearing December 15, 2022, in Pocatello, Idaho, before Board Member Leland Heinrich. Appellant Matthew Fullmer was self-represented. Bannock County Assessor Anita Hymas represented Respondent.

Board Members Leland Heinrich, Kenneth Nuhn, and Doug Wallis 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 \$82,800, and the improvements' value is \$461,421, totaling \$544,221. Appellant contends the correct total assessment is \$415,000, with \$75,000 attributed to land and \$340,000 to the improvements.

The subject property is a .227 acre lot located in the Victorian Village subdivision in Chubbuck, Idaho. The property is improved with a 3,862 square foot two (2) story

residence constructed in 2000. The subject is further improved with a three (3) car attached garage, a small shed, and a gazebo.

Appellant challenged the 2022 assessment and asserted subject's residence is overvalued due to its large size compared to neighboring properties. Appellant purchased the subject property in 2019 for \$290,000, though felt the price reflected a "premium" due to the large square footage.

Respondent presented three (3) sales in support of their valuation. Respondent attempted to find sales close in proximity to subject as well as similar in square footage, age, and quality of finishing. Sale No. 1 was a .25 acre lot improved with a 3,749 square foot residence constructed in 2006 which sold in June 2021 for \$554,900. Sale No. 2 was a .24 acre lot improved with a 3,385 square foot residence constructed in 2007 which sold in October 2020 for \$435,000. Sale No. 3 was a .33 acre lot improved with a 2,701 square foot residence constructed in 2005 which sold in July 2021 for \$400,000. Respondent first adjusted each sale price for time of sale, then directly compared the properties to subject and made adjustments for differences in property characteristics. After all adjustments, Respondent concluded adjusted sale prices ranging from \$430,000 to \$603,454, or roughly \$126 to \$137 per square foot. Subject is assessed at \$544,221 or roughly \$122 per square foot.

Appellant challenged Respondent's selection of comparable properties and contended the subject residence is being compared to newer, higher quality, more custom homes, due primarily to the similarity in square footage. In Appellant's view, Respondent's sales analysis did not adequately consider subject's lesser quality and more standard finishes.

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, 2022, 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 property characteristics between subject and the sale properties.

Appellant's value evidence consisted of subject's purchase in 2019 for \$290,000. While the purchase price of a property is a strong indicator of value, this sale occurred too far before the date of valuation for the Board to consider it the best evidence in this case. In the Board's view, without a substantial time adjustment, subject's sale price from three (3) years ago has little bearing on current market value. For this reason, the Board relied more heavily on Respondent's analysis of more recent sales.

In support of subject's current assessment, Respondent provided a sales comparison approach. The sale properties were generally similar to the subject property in lot size, location, square footage, and effective age. Variances in property characteristics were adjusted for and the result was value indications between \$430,000 and \$603,454. Based on these sales, the Board failed to find evidence subject was assessed above market value.

Pursuant to Idaho Code § 63-511, the burden is with Appellant to establish error in subject's assessed value by a preponderance of the evidence. We did not find the burden of proof met in this instance. The Board found Respondent's analysis was better supported and more indicative of subject's current market value. 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 25th day of April, 2023.