

BEFORE THE IDAHO BOARD OF TAX APPEALS

DAVID GOODMAN,)	
)	APPEAL NO. 22-A-1236
Appellant,)	
)	FINAL DECISION AND ORDER
v.)	
)	
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. RPRPPOC425000. The appeal concerns the 2022 tax year.

This matter came on for hearing January 9, 2023, in Pocatello, Idaho, before Board Member Doug Wallis. Appellant David Goodman 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 value of the subject property is \$222,122, consisting of \$49,060 for the land and \$173,062 for the improvements. Appellant disputed this valuation and proposed an alternative value of \$167,273, with \$29,901 for the land and \$137,372 for the improvements.

The subject property is a .22 acre residential lot located within the city limits of Pocatello, Idaho, improved with a 2,496 square foot residence constructed in 1925. The main floor of the residence is 1,394 square feet and the basement consists of 1,102 square feet, of which 826 square feet are finished.

Appellant expressed concern about the significant increase in the subject property's assessed value for the 2022 assessment year, which amounted to a 37% rise compared to the previous year. Appellant claimed the subject property has outdated knob and tube wiring, and that all the wiring needs to be replaced to sell the property in the future. Additionally, Appellant found insuring the property difficult, although it is currently insured. Appellant also expressed frustration with the county's handling of the valuation and appeal process, as Appellant was unable to obtain the valuation methods and comparable sales used by the Respondent to support the subject property's assessment prior to the hearing.

Respondent acknowledged Appellant's concerns regarding the increase in assessed values but explained the local real estate market has continued to appreciate, which has caused assessed values to increase. To support the current valuation of the subject property, Respondent provided information on three (3) sales from the immediate area that occurred in 2021. The first two (2) sales were located a block away from the subject property, while the third was a couple of blocks away. The sale properties were generally similar to the subject property in terms of design, finished living area, and lot size, and all three (3) sales involved residences constructed in the 1920s. Respondent time-adjusted the sale prices to reflect pricing levels on January 1, 2022, the relevant date of valuation in this appeal. Respondent removed assessed land and other improvement

values from the respective sale prices, leaving residual values ranging from \$224,455 to \$248,528, or from roughly \$98 to \$153 per square foot for the sale residences. The subject residence is assessed at \$170,822, or roughly \$100 per square foot, which Respondent noted was well within the range indicated by the sales.

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 had two (2) primary concerns. First, Appellant was alarmed the value of the subject property had increased by approximately 37% from the previous year. Second, Appellant was dissatisfied the county did not provide any sales information to justify the assessment process prior to the hearing. The Board understands Appellant's frustration. Had Appellant requested discovery during the case, the data would have been made available through an order issued by the Board.

The only information provided by Appellant regarding the subject property was the need to replace the knob and tube wiring, with no estimate for the cost of repair. Respondent provided the only evidence of value in the case, three (3) recent sales of properties in the immediate area. Although the Board appreciated the sales data, it would have preferred to see a direct comparison of the sale properties to the subject property, as is typically done in a sales comparison analysis. Nonetheless, the subject property's current valuation was consistent with the adjusted sale prices, and the Board found no good cause to reduce the assessed value of the subject property.

In an appeal to this Board, Appellant bears the burden of proving error in subject's valuation by a preponderance of the evidence. Idaho Code § 63-511. Given the record in this matter, the Board did not find the burden of proof satisfied. Appellant did not provide support for a reduction in subject's assessed value. Respondent's value position was supported by recent sales, which demonstrated subject's current assessed value is reasonable. Accordingly, the Board will affirm the decision of the Bannock County Board of Equalization.

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.