

BEFORE THE IDAHO BOARD OF TAX APPEALS

ROBERT BOYD,	)	
	)	
Appellant,	)	APPEAL NO. 23-A-1145
	)	
v.	)	FINAL DECISION AND ORDER
	)	
BINGHAM COUNTY,	)	
	)	
Respondent.	)	
	)	
_____	)	

**RESIDENTIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Bingham County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. RP8270030. The appeal concerns the 2023 tax year.

This matter came on for a Zoom hearing on November 7, 2023, before Hearing Officer Travis VanLith. Appellant Robert Boyd was self-represented. Bingham County Assessor Donovan Harrington 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 Bingham County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$68,600 and the improvements' value is \$620,890, totaling \$689,490. Appellant contends the correct land value is \$47,000, and the improvements' value is \$473,000, totaling \$520,000.

The subject property is a 1.43 acre parcel located in the Silver Leaf Division #3 subdivision in Blackfoot, Idaho. The property is improved with a three (3) bedroom, two

and one-half (2½) bathroom 4,153 square foot residence built in 2021. The residence includes 2,128 square feet on the main floor and 2,025 square feet of fully finished area in the basement. The property is also improved with a 1,008 square foot attached garage and a 2,400 square foot detached shop.

Appellant purchased the subject property when it was a vacant lot in April 2020 for approximately \$47,250. The improvements were completed in 2021. Appellant shared construction costs totaled roughly \$444,000, which included approximately \$399,000 for the residence and \$45,000 for the detached shop. Appellant argued that because subject's improvements did not have a sale price, the valuation should be based on the cost to purchase the lot and build the improvements, plus 20% for inflation over time, which would bring subject's 2023 market value to roughly \$589,000.

Appellant shared assessment information for properties on subject's street. The vacant lot next door to subject is 1.39 acres and has a land value of \$57,800. The vacant lot adjacent to this lot is 1.4 acres with a land assessment of \$58,000. Subject's land value is \$68,600. Appellant also shared information on a property three (3) lots from subject whose improvements were built approximately six (6) months before subject's. The 1.4 acre property was improved with a six (6) bedroom, three and one-half (3½) bathroom residence as well as a detached shop, and the property's 2023 assessment was \$510,574. In comparison, subject is improved with a three (3) bedroom, two and one-half (2½) bathroom residence as well as a detached shop and is assessed at \$689,490.

Appellant additionally shared a listing on subject's street. The property was five (5) lots west of subject and was improved with a 2,250 square foot residence with four (4) bedrooms and three (3) bathrooms. The property was listed for sale at \$465,000 in

September 2022. According to Zillow, a sale was pending in July 2023 for \$395,000, but it was not clear if the property had sold.

Appellant next shared some land values from Division 4 of subject's subdivision, pointing specifically to two (2) lots with low land values and comparing them to neighboring lots of the same size. One (1) 2.4 acre lot was assessed at \$78,000, but a neighboring 2.4 acre lot was assessed at \$19,500. A 3.68 acre lot was assessed at \$103,600, but the neighboring 3.68 acre lot was assessed at \$25,900. Appellant also noted two (2) parcels similar in size to subject, at 1.5 acres each, had assessments of \$60,000 and \$65,200.

Last, Appellant shared Zillow price estimates and assessed values for subject and eight (8) other properties. Subject's value was estimated at \$494,000. The other properties ranged in size from 1,700 to 2,800 square feet, had three (3) to six (6) bedrooms, and two (2) to three (3) bathrooms. Zillow price estimates ranged from \$341,000 to \$543,000. Assessments ranged from \$316,623 to \$566,726.

Respondent first addressed some of Appellant's concerns. Respondent noted the two (2) vacant lots neighboring subject had lower assessments because they did not have utilities. Regarding Appellant's concern about the lower valuation of the six (6) bedroom, three and one-half (3½) bathroom property, Respondent clarified its valuation methodology focuses on square footage and plumbing fixtures, not bedroom and bathroom counts. Last, the two (2) properties with low assessments in Division 4 of the subdivision were lower because they were specially assessed as business inventory, as the parcels are still held by the developer. Once the lots are sold and the developer factor is removed, Respondent explained, the properties will be assessed at market value.

Respondent next shared information on four (4) sales in support of subject's assessed value. Sale No. 1 was a 1.0 acre parcel which sold for \$680,000 in February 2023. The property was improved with a 2014-built 4,106 square foot residence, which included 2,053 square feet on the main level and a fully finished 2,053 square foot basement. The residence was further improved with a 1,283 square foot attached garage.

Sale No. 2 was a 1.51 acre parcel which sold for \$879,900 in March 2022. The property was improved with a 2003-built 5,012 square foot residence, which included 2,450 square feet on the main level and a fully finished 2,562 square foot basement. The residence was further improved with an attached two (2) car garage.

Sale No. 3 was a 1.67 acre parcel which sold in October 2021 for \$744,500. The property was improved with a 2018-built 4,419 square foot residence, which included 2,224 square feet on the main level and a fully finished 2,195 square foot basement. The residence was further improved with a 1,281 square foot attached garage and a detached shop stated to be a little smaller than subject's with an assessed value of \$31,000.

Sale No. 4 was a 1.73 acre parcel which sold in January 2022 for \$845,000. The property was improved with a 2018-built 4,483 square foot residence; which included 1,914 square feet on the main level, 815 square feet on the upper level, and a 1,754 square foot fully finished basement. The property was further improved with a 1,081 square foot attached garage. Respondent noted this property was in subject's subdivision.

In comparison, subject is a 1.43 acre parcel improved with a 2021-built 4,153 square foot residence which includes 2,128 square feet on the main floor and a 2,025 square foot fully finished basement. The subject property is further improved with a 1,008

square foot attached garage and a 2,400 square foot detached shop assessed at \$41,200. Subject's total assessment is \$689,490.

### 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, 2023, 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. *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 differences in the property characteristics between subject and the sale properties.

Appellant did not perform a traditional valuation analysis to support a reduction in subject's assessed value. Appellant instead focused on a comparison of assessed values and value estimates from Zillow. Neither is a reliable approach which would accurately

estimate subject's market value. A comparison of assessed values can potentially show inequity, but such was not demonstrated here, where Respondent explained the perceived discrepancies in assessed values.

Appellant also shared cost information for subject's construction, but it was not clear where the 20% adjustment factor was sourced from, or if it had a source. The Board appreciated the cost information, but where there have been recent relevant sales, the Board did not consider the information in its determination of subject's market value.

Respondent also did not perform a traditional value analysis, but did provide information on four (4) sales for the Board's consideration. Excluding the sale which occurred in 2023, which was past the date of valuation in this matter, the three (3) properties ranged between 1.50 and 1.73 acres and were improved with residences from 4,419 to 5,012 square feet. All had attached garages and basements like subject, but only Sale No. 3 had a shop, and Sale No. 4 was a one and one-half (1½) story design. Sale prices were \$879,000, \$744,000, and \$845,000. Though no adjustments were made to make the properties more comparable to subject, the Board is strained to see how subject's valuation of \$689,490 is excessive given the sale prices of similar properties.

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. The burden of proof is not met in this instance. Appellant offered no market information to support a reduction in value, and Respondent's sales generally supported subject's assessment. The decision of the Bingham County Board of Equalization is affirmed.

FINAL ORDER

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

DATED this 14<sup>th</sup> day of March, 2024.