

BEFORE THE IDAHO BOARD OF TAX APPEALS

RUSTY AND JESSICA JACKMAN,	)	
	)	
Appellants,	)	APPEAL NO. 23-A-1254
	)	
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 modifying an appeal of the valuation for taxing purposes on property described by Parcel No. RPRPMCD001301. The appeal concerns the 2023 tax year.

This matter came on for hearing October 30, 2023, in Pocatello, Idaho, before Board Member Doug Wallis. Appellants Rusty and Jessica Jackman were 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 parcel.

The decision of the Bannock County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$54,000, and the improvements' value is \$366,531, totaling \$420,531. Appellants contend the correct land value is \$40,000, and the improvements' value is \$260,564, totaling \$300,564.

The subject property is a .18 acre parcel located in south Pocatello, Idaho. The property is improved with a 2,212 square foot single-level, ranch-style residence built in

2016 with three (3) bedrooms and two (2) bathrooms. The residence includes 1,672 finished square feet on the main level and a 540 square foot bonus room over the garage, of which only 81 square feet are finished. The improvements further include a 928 square foot attached garage.

Appellant supplied information on six (6) active listings in Pocatello as of August 2023. Appellant stated all the listings provided were in nicer neighborhoods than subject's. The listings regarded parcels ranging in size from .21 to .98 acres which were improved with residences from 3,046 to 3,772 square feet. The residences were built from 2008 to 2020, and listing prices ranged from \$529,000 to \$739,500, or roughly \$156 to \$208 per square foot. Appellants stated the average price rate was roughly \$182 per square foot, and the average listing price was \$300,564. In comparison, subject is a .18 acre lot improved with a 2,212 square foot residence built in 2016. The 2023 assessment is \$420,531, or roughly \$190 per square foot.

Respondent explained there are no sales of similar properties in subject's immediate neighborhood because subject is surrounded by older homes and multi-family dwellings. Respondent was able to provide three (3) sales which occurred in the broader area in support of subject's assessment. Sale Nos. 1 and 2 were in Pocatello, where Sale No. 3 was located in Chubbuck.

Sale No. 1 was a .16 acre property which sold in April 2022 for \$387,000, or a time-adjusted sale price of \$421,830. The property was improved with a 1,486 square foot residence built in 2017. Respondent removed the values of the land and detached buildings or garages from the time-adjusted sale price, resulting in a residual price of \$363,690 for the residence, or roughly \$245 per square foot.

Sale No. 2 was a .18 acre property which sold in October 2021 for \$300,000, or a time-adjusted price of \$345,000. The property was improved with a 1,441 square foot residence built in 2006. After removing land and other buildings' values from the time-adjusted sale price, Respondent determined a residence price of \$282,470, or roughly \$196 per square foot.

Sale No. 3 was a .22 acre property which sold in November 2021 for \$415,000, or a time-adjusted sale price of \$473,100. The property was improved with a 1,542 square foot residence built in 2019. Respondent removed land and other improvement values from the time-adjusted sale price, resulting in a value of \$388,050 for the residence, or roughly \$252 per square foot. Respondent characterized this sale as most closely resembling subject, though it had an extra garage bay and was located in neighboring Chubbuck.

In comparison, subject is a .18 acre property with a 2023 assessment of \$420,531. Subject is improved with a 2,212 square foot residence built in 2016 with 1,753 square feet of finished area. The residence is assessed at \$361,161, or roughly \$206 per square foot when considering just finished area. Respondent noted its comparable sales were close in size to subject's finished area, and opined its analysis demonstrated subject's value is in-line with area sales whose prices bracketed subject's assessment.

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. 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 provide a traditional valuation analysis, instead providing active listings. While listings can provide insight into the likely upper range of value, they are not considered reliable evidence of market value, particularly where recent sales are available. Accordingly, the Board did not rely on Appellant’s listing information.

Respondent, on the other hand, provided three (3) sales for the Board’s consideration. Though Respondent only adjusted for time, the sales represented the only market information in the record, and the analysis generally supported subject’s assessment. The sales indicated time-adjusted residual residence values of \$282,470 to \$388,050, or roughly \$196 to \$252 per square foot, which bracketed the valuation of subject’s residence at \$361,161, or roughly \$206 per square foot.

In accordance with Idaho Code § 63-511, the burden is with Appellants to establish subject's valuation is erroneous by a preponderance of the evidence. The burden of proof was not met in this instance. Appellants offered no timely market data which would support a reduction in subject's assessment, and Respondent's sales analysis demonstrated subject's valuation is reasonable. 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 5th day of March, 2024.