

BEFORE THE IDAHO BOARD OF TAX APPEALS

TAYLOR VAN DEMARR,	)	
	)	
Appellant,	)	APPEAL NO. 23-A-1261
	)	
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. RPRPCP1000100. The appeal concerns the 2023 tax year.

This matter came on for Zoom hearing December 6, 2023, before Hearing Officer Travis VanLith. Appellant Taylor Van Demarr 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 \$120,000, and the improvements' value is \$628,860, totaling \$748,860. Appellant contends the correct land value is \$77,740, and the improvements' value is \$603,980, totaling \$681,720.

The subject property is a .30 acre residential parcel located in the Crestview Park subdivision near the Highland Golf Course in Pocatello, Idaho. The property is improved

with a 5,939 square foot two (2) story residence with an attached garage constructed in 1986.

Appellant was concerned with the increases in the subject property's assessed value the past several years and questioned whether the current valuation was at market level. Appellant described subject's location as somewhat undesirable due to the generally heavy traffic and associated noise. In Appellant's view, subject's land value does not adequately reflect the negative impact on subject's market value caused by the traffic noise.

Focusing on subject's land value, Appellant referenced four (4) vacant lots currently listed for sale in subject's subdivision. The first, located roughly 700 feet from subject, was a .29 acre lot with an asking price of \$60,000. The next parcel was a .32 acre lot with an asking price of \$75,000. Third was a .56 acre lot with a \$69,000 asking price. Lastly, Appellant reported a .40 acre lot with an asking price of \$99,000. Subject's land value is \$120,000, which Appellant regarded as excessive compared to the listing information.

Appellant additionally referenced two (2) improved sales located on subject's same street. The first was a .29 acre property which sold for \$640,000 in May 2023. Appellant attributed \$544,000 to the sale residence, which equated to roughly \$94 per square foot. Applying this rate to subject's square footage, Appellant calculated a value of nearly \$560,000 for subject's residence. After adding the \$120,000 for subject's land, Appellant determined a total valuation of approximately \$680,000. The second sale occurred in September 2023 for \$565,000. Appellant described the second sale residence as similar to subject's residence in terms of size and age. After removing \$120,000 for the land, Appellant calculated a residual value of \$86.56 per square foot for the residence. Using

this rate, Appellant determined a value of roughly \$514,000 for subject's residence, or a total value of \$634,000 after adding the land value. In Appellant's view, subject's assessed value should be approximately \$656,000, which represents the average of the two (2) adjusted sale prices.

Respondent explained land values in subject's subdivision are determined primarily on a site basis, not per-acre or per-square-foot. A typically sized lot like subject is assessed a flat rate of \$120,000, with additional acreage valued at a deeply discounted rate. In support of subject's valuation, Respondent offered information on four (4) sales from subject's subdivision. The sales varied in lot size from .29 to .69 acres and in total finished living area from 3,488 to 6,271 square feet. Sale prices ranged from \$592,900 to \$857,500. After adjusting the sale prices for date of sale to reflect pricing levels on January 1, 2023, Respondent calculated time-adjusted sale prices from \$616,616 to \$866,075. After removing values of land and other improvements, Respondent concluded price residuals from roughly \$493,000 to \$713,000, or from about \$114 to \$141 per square foot, for the sale residences. Subject's residence is assessed at \$620,000, or roughly \$104 per square foot, which Respondent stressed was lower than the value indicated by the residual price data.

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, 2023, 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. The three (3) primary approaches for determining market value include 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 contended subject's assessed value exceeded market value so petitioned the value be reduced. For support, Appellant offered limited details on several active listings and a couple sales from subject's subdivision. Though the information was appreciated, the Board was unable to rely on it for purposes of establishing subject's market value as of January 1, 2023. First, while active listings can provide guidance on the upper limit of potential value, they are not generally regarded as the best evidence of market value because the properties have not yet sold. Second, as January 1st is the date of valuation in this appeal, sales and listings after such date are untimely. Market value is estimated as of a precise date, which necessarily requires analysis of sales and market activity from prior to such date, as information after the date of valuation would be

unknown to market participants. Here, all of Appellant's market data transacted after January 1, 2023, so was therefore untimely.

Respondent's analysis, by contrast, relied solely on sales from 2022. Details concerning the characteristics of the sale properties were limited but given the roughly \$265,000 spread between the lowest and highest sale prices, it is clear there are notable differences. That being said, Respondent's sales represented the only timely market data in the record, so were weighted heavily by the Board. In this case, where subject's assessed value nearly matches the roughly \$747,000 average time-adjusted price of the sales, the Board was strained to find subject is overvalued.

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. Where Appellant did not offer any timely sales or market data to support a lower valuation, the Board did not find the burden of proof satisfied. Though the Board would have preferred a more direct comparative sales analysis which better accounted for differences in property characteristics, Respondent's sales information was found generally supportive of subject's assessed value. Accordingly, 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 1st day of March, 2024.