

BEFORE THE IDAHO BOARD OF TAX APPEALS

JAMES THOMAS,)	
)	
Appellant,)	APPEAL NO. 15-A-1020
)	
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 the protest of valuation for taxing purposes of property described by Parcel No. RP1114800. The appeal concerns the 2015 tax year.

This matter came on for hearing October 2, 2015 in Blackfoot, Idaho before Board Member David Kinghorn. Appellant James Thomas was self-represented. Teresa Cronquist represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in 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 \$15,309, and the combined value of the improvements is \$101,385, totaling \$116,694. Appellant contends the total value is \$66,000.

The subject property is a .322 acre lot in Blackfoot, Idaho, improved with 1,104 square foot residence constructed in 1959. The residence contains five (5) bedrooms, two and one-half (2.5) bathrooms, and a 1,104 square foot basement. Subject is further

improved with a detached shop building assessed for \$5,760.

Appellant expressed concerns with increasing property and city taxes. Appellant also claimed Respondent used sales of properties outside the immediate area to determine subject's assessed value. Appellant further referenced a recent sale located on the same street as subject, which Appellant contended should be used as the basis for subject's valuation. The property was characterized as similar to subject with regard to many key features. The property sold for \$105,000.

Respondent provided county-wide sales information comparing the general real estate market from 2013 and 2014. The data revealed an increased number of sales in 2014 compared to 2013, as well as, an increase in median sale price from \$124,000 to \$130,850 during the same time frame. Respondent concluded the increased sales activity and median sale price from 2013 to 2014 evidenced an appreciating real estate market across the county.

Focusing on the subject property, Respondent submitted information on eight (8) sales from 2014. All the sale properties were located within the city limits and were generally representative of subject in terms of age, size, and design. In an attempt to further increase the similarity between subject and the sale properties, Respondent removed the value of subject's shop building for purposes of comparison because none of the sale properties had a similar outbuilding. The sale prices ranged from \$105,000 to \$143,000. By contrast subject's assessed value, minus the shop building, was \$110,934.

Respondent also presented assessment information for three (3) properties

regarded as similar to subject in terms of size, age, and design. Again, subject's shop value was removed for purposes of comparison. The assessed values ranged from \$111,368 to \$112,738. When compared to subject's assessed value, minus the shop, of \$110,934, Respondent commented on the consistent assessment treatment of like-kind properties in the city.

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, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2015 in this case. 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.

The three (3) primary methods of determining market value are the cost approach, the sales comparison approach, and the income approach. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Residential properties like subject are commonly valued using the sales comparison approach.

Appellant focused on the one (1) sale on subject's street. The property sold for \$105,000 in 2014. Appellant argued subject's value should not exceed the price of this one (1) sale. While the Board agrees the recent sale of a similar property located in subject's immediate area generally represents good market data, a competent sales comparison approach typically includes consideration of more than just a single sale. A broader consideration of sales minimizes the risk of unusual or unknown conditions which may have impacted the individual sale price. For this reason, the Board is reluctant to rely on this one (1) sale to determine subject's assessed value, though the sale featured prominently in the Board's consideration.

In addition to the above-referenced sale on subject's street, the Board also considered the other seven (7) sales provided by Respondent. Based on the limited information provided, the sale properties were generally representative of subject. The exception of having no outbuilding like subject would undoubtedly impact value. Sale prices were between \$123,000 and \$143,000. Subject's assessed value was \$110,934, excluding the shop building which was assessed for \$5,760.

In accordance with Idaho Code § 63-511, the burden is with the Appellant to establish error in subject's valuation by a preponderance of the evidence. Based on the sales information provided by Respondent, the Board does not find subject's assessed value was overstated. Indeed, the bulk of the sales information indicates subject's valuation was conservative.

For the reasons expressed above, 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 24th day of December, 2015.