

BEFORE THE IDAHO BOARD OF TAX APPEALS

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|-----------------|---|-----------------------|
| JAMES THOMAS,   | ) |                       |
|                 | ) |                       |
| Appellant,      | ) | APPEAL NOS. 14-A-1096 |
|                 | ) |                       |
| 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. RP1288500. The appeal concerns the 2014 tax year.

This matter came on for hearing October 1, 2014 in Blackfoot, Idaho before Board Member David Kinghorn. Appellant James Thomas was self-represented. Bingham County Deputy Prosecutor Chase Hendricks 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 parcel.**

**The decision of the Bingham County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$13,898, and the improvements' valuation is \$78,472, totaling \$92,370. Appellant contends the correct total value is \$25,000.

The subject property is a .31 acre lot situated in Blackfoot, Idaho. The parcel is improved with multi-level residence totaling 2,258 square feet in size.

Appellant purchased subject in December 2011 for \$26,000. Remodeling work was completed in 2012, however details of the improvements were not provided. Appellant argued there was no support for subject's total assessed value to more than triple the 2011 purchase price.

Respondent offered information on four (4) sales which occurred during 2013. The sale residences ranged in size from 1,038 to 1,909 square feet and lot sizes were between .096 and .31 acres. The sale properties were located in subject's general area. Sale prices ranged from \$72,000 to \$103,000.

#### 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, 2014 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.

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 County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979).

Appellant contended subject's current value should approximate its \$26,000 purchase price from December 2011. The Board agrees a recent purchase of the property being valued is generally strong evidence of its market value. In this particular instance, however, the Board is reluctant to rely heavily on subject's purchase price. First, Appellant provided no details about the purchase other than the price. There was no indication from the evidence presented whether the purchase was an arm's-length transaction. Compared to the other sales offered by Respondent, subject's purchase price appears to be an outlier. The next lowest sale price in the record was \$72,000, which concerned a 1,038 square foot residence constructed in 1920 situated on a .096 acre lot. For comparison, subject's residence totals 2,258 square feet and the lot is .31 acres in size.

In addition to the one (1) sale referenced above, Respondent provided three (3) others. Sale prices ranged from \$84,000 to \$103,000. The sale residences were all older and notably smaller than subject. And with the exception of Sale No. 2, subject's lot is larger. While there were some major differences between subject and the sale properties, such sales represented the only timely market value data in the record. Subject's assessed value represented the middle of the range indicated by the available sales. Overall, subject's assessment appears reasonable.

In appeals to this Board, Appellant has the burden of proving error in subject's

assessed value by a preponderance of the evidence. Idaho Code § 63-511. Given the limited evidence presented, that burden was not satisfied. As such, 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 16<sup>th</sup> day of December, 2014.