

BEFORE THE IDAHO BOARD OF TAX APPEALS

JAMES THOMAS,	)	
	)	
Appellant,	)	APPEAL NO. 14-A-1097
	)	
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 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 \$15,309, and the improvements' valuation is \$101,385, totaling \$116,694. Appellant contends the correct total value is \$60,000.

The subject property is a 1,104 square foot residence attached to a .322 acre parcel in Blackfoot, Idaho. The residence was constructed in 1959 and includes an attached 635

square foot garage. The parcel is further improved with a detached shop structure assessed for \$5,760.

In support of subject's assessed value, Respondent offered four (4) sales which transpired during 2013 for comparison with subject. The sale residences were between 1,012 and 1,582 square feet in size and were similar to subject in terms of age. Lot sizes ranged from .192 to .45 acres. None of the sale properties included detached shop improvements, however, Sale No. 4 was improved with a detached garage. Sale prices were between \$115,000 and \$125,000.

Appellant challenged the comparability of the Respondent's sale properties to subject. According to Appellant, Sale Nos. 2 and 3 had been substantially renovated prior to sale. Appellant estimated the costs of the renovations to be \$60,000 for Sale No. 2 and \$80,000 for Sale No. 3. Because subject had not been recently updated, Appellant contended it should be assessed lower.

#### 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).

Respondent utilized a sales comparison approach in valuing subject, which is a typical appraisal method for residential properties. In this regard, Respondent provided information related to four (4) recent improved residential sales. The sales were generally representative of subject in terms of age, size, design, and bedroom and bathroom count. The primary difference was none of the sale properties included an attached garage. Further, with the exception of Sale No. 4, none of the sales were improved with detached shops or garages. Sale prices were between \$115,000 and \$125,000.

Appellant challenged the comparability of two (2) of Respondent’s sales on the basis they had been recently updated. While the Board understands Appellant’s concerns in this regard, the renovations occurred prior to the properties being sold, and were therefore factored into the sale prices. Furthermore, subject’s assessed value is lower than all except one (1) of the sales offered. That sale, however, did not include a detached shop like subject.

In appeals to this Board, the burden is with the Appellant to establish subject's valuation is erroneous by a preponderance of the evidence. Idaho Code § 63-511. Given the evidence presented in this particular case, the Board finds that burden was not satisfied. The sale properties provided by Respondent compared favorably to subject in terms of physical characteristics, and Appellant did not offer competing market value evidence to support a lower value.

Given the 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 16<sup>th</sup> day of December, 2014.