

BEFORE THE IDAHO BOARD OF TAX APPEALS

LARRY AND LORRAINE CLARK,)	
)	
Appellants,)	APPEAL NO. 16-A-1150
)	
v.)	FINAL DECISION
)	AND ORDER
BONNEVILLE COUNTY,)	
)	
Respondent.)	
_____)	

COMMERCIAL PROPERTY APPEAL

This appeal is taken from a decision of the Bonneville County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. RPA1560006033A. The appeal concerns the 2016 tax year.

This matter came on for hearing November 15, 2016 in Idaho Falls, Idaho before Board Member David Kinghorn. Appellants Larry and Lorraine Clark were self-represented. Assessor Blake Mueller represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of a vacant commercial parcel.

The value decision of the Bonneville County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$16,875, and the improvements' value is \$2,400, totaling \$19,275. Appellants contend the assessed value is too high.

The subject property is a .287 acre commercial parcel located in an industrial area near the railroad tracks in Idaho Falls, Idaho. Metal chainlink fencing runs along the

borders of the lot. Respondent noted the fencing was valued at \$2,400 as an average fence built in 1970.

Appellants purchased subject in 1994 for \$10,000. Appellants explained no improvements have been made to the property since its purchase and the primary use of the lot is storage for old construction and other equipment. It was noted the lot does not have curb and gutter and is located in an undesirable neighborhood. In all, Appellants believed subject's assessed value was overstated for 2016. Respondent remarked the assessed land value had remained steady at \$12,500 since 2004, and explained the value increase for 2016 followed a reappraisal of subject's neighborhood.

Respondent offered information concerning numerous vacant commercial lot sales, both inside the city limits and outside. The sales occurred between 2011 and 2016 and involved lots of varying size. Sale prices were also widely scattered, ranging from \$0.80 to \$2.66 per square foot, with an average of \$1.38 per square foot. The subject lot was assessed at \$1.35 per square foot.

In a similar analysis, Respondent focused solely on 2014 and 2015 sales. As before, the lot sizes varied and the sale price rates ranged widely. Respondent calculated an average price rate of \$1.60 per square foot. Respondent highlighted the newer sales information pointed to a higher value than the \$1.35 per square foot subject was assessed for, however, maintained subject's value is reasonable.

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, 2016 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 offered information on numerous sales of vacant commercial lots in support of subject's assessed value. No direct comparisons between subject and the sale lots were attempted. However, Respondent noted the average sale price rate from all the sales was \$1.38 per square foot, which is higher than subject's assessed value at \$1.35 per square foot. As these sales represent the only market value evidence in record, the Board is left with little choice but to find subject's valuation is reasonable and supported.

In appeals to this Board, pursuant to Idaho Code § 63-511, the burden is with

Appellants to establish subject's assessed valuation is erroneous by a preponderance of the evidence. Appellants did not provide any recent sales or other current market value evidence for the Board's consideration. The sales offered by Respondent were found to be supportive of subject's land value, and the Board did not find sufficient cause to disrupt the assessed value.

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

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonneville County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 20th day of March, 2017.