



foot dry cabin. The parties disagreed on the land size. Appellant argued subject's actual acreage is 6.0430 acres. Respondent maintained following further examination and evaluation of the property by the county's cartographer, subject is actually a 5.607 acre parcel.

Appellant requested subject's 2018 assessment level be returned to the prior year's assessed value of \$8,236. This request was based on Appellant's assertion nothing has changed on the property since Appellant acquired it in 2017. The improvements were said to have been built in 1976, and the structure was modified "simply to prevent any further dilapidation to come upon it." Further, Appellant claimed the prior timber classification on the land was granted long ago and should remain in effect.

Appellant provided exhibits which included the subject parcel's legal description, letters from the Assessor's office, email correspondence between the Assessor's office and Appellant, and subject's current assessment notice.

Respondent explained subject's two-story dry cabin was previously assessed as a pole building. Upon inspection however, it was noted the improvement was a dry cabin with concrete foundation, board & batt siding, and a gable corrugated roofing system. The upper level was framed in and windows were noted. Due to these findings, the improvement was assessed as a dry cabin instead of as a pole building, thus resulting in an increase in value. Photographs were provided in support of the new findings.

Respondent reported Appellant's 2017 acquisition of subject caused further changes to the 2018 assessment. Subject had received a timber exemption in the past.

Respondent explained due to the change in the classification of the improvement, a standard 1-acre homesite was added to the assessment, thus resulting in a potential timber acreage total below the minimum required for qualification for a timber exemption. As such, Respondent removed the exemption from the assessment's land valuation. Respondent also explained a Forestland Designation form must be on file from the property owner before an exemption may be granted. Appellant explained the form was not filed as she was informed by the Assessor's office the parcel no longer qualified based on the updated acreage calculation.

In support of subject's market valuation, Respondent offered information on eight (8) sales from 2016 and 2017. The comparable sales' land sizes ranged from 2.74 acres to 10.09 acres, with the sale prices ranging from \$52,500 to \$129,000.

#### 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 the testimony and documentary evidence, hereby enters the following.

The first issue before the Board is whether any of subject's land is entitled to the forest land exemption. We begin by noting Appellant acquired subject in 2017 and failed to file a new forest land designation form. This latter evidence is undisputed. Regarding qualification for the *de facto* exemption, Respondent further contended after it established a 1-acre homesite associated with the presence of the cabin, the remaining land area was

no longer large enough to be eligible for the exemption, as it fell short of the five (5) acre minimum size requirement.

Appellant claimed Respondent's acreage measurements were inaccurate, however did not provide an independent size calculation. The 1-acre sizing for the homesite was not disputed. Respondent maintained a cartographer examined the survey records and calculated that subject is 5.607 acres in size. Though not fully documented, the Board found this to be probative evidence of subject's actual size. Further, county records and the subject county assessment enjoy a presumption of correctness. The Board found no error in Respondent updating subject's property records after discovering the homesite and the land size error. On appeal, Appellant did not provide good evidence of a different acreage calculation and the Board finds subject is properly 5.607 acres in size for assessment purposes.

Respondent contended the forested land does not qualify for the exemption because Appellant failed to timely file the required application material. The Board notes exemption statutes are narrowly construed and all property not specifically exempted by statute is subject to annual assessment and taxation. See Idaho Code §§ 63-203 and 63-602.

Regarding the two (2) possible designations, Idaho Code section 63-1703 provides in pertinent part;

(a) A forest landowner may choose to have his forest land assessed, appraised and taxed under the provisions of section 63-1705, Idaho Code, by filing such choice with the county assessor on a form prescribed by the state tax commission. Designation filed pursuant to section 63-1705, Idaho Code, shall become effective the first day of January following the year of designation.

(b) A forest landowner may choose to have his forest land assessed, appraised and taxed under the provisions of section 63-1706, Idaho Code, by filing such choice with the county assessor on a form prescribed by the state tax commission. Designation filed pursuant to section 63-1706, Idaho Code, shall become effective the first day of January following the year of designation.

While we understand the circumstances reported by Appellant, Idaho Code requires and mandates a forest landowner designate the assessment treatment of forest on an official form. Appellant did not file such form with the county assessor prior to 2018. The Board cannot ignore the provisions of the statute, so we are unable to grant the relief sought. Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2018 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). The sales comparison approach is commonly used to estimate the market value of residential property.

Respondent provided information relevant to the sales comparison approach with respect to subject’s land valuation. For the value of the improvements, Respondent noted subject was a dry cabin, and valued it accordingly. From the photographs in record, the

Board agrees with Respondent's classification of the improvements as a dry cabin. Appellant did not provide any information from recent sales or comparable property or any other market value evidence to support a reduction in value.

In appeals to this Board, Appellant bears the burden of proving error in subject's assessed value by a preponderance of the evidence. Idaho Code § 63-511. Based on the information presented in this matter, the Board finds the burden of proof was not satisfied. As such, the decision of the Valley County Board of Equalization is affirmed.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel's 2018 assessment be, and the same hereby is, AFFIRMED.

DATED this 17<sup>th</sup> day of December, 2018.

IDAHO BOARD OF TAX APPEALS