

BEFORE THE IDAHO BOARD OF TAX APPEALS

DEA HAIGHT,)	
)	
Appellant,)	APPEAL NO. 18-A-1120
)	
v.)	FINAL DECISION
)	AND ORDER
SHOSHONE COUNTY,)	
)	
Respondent.)	
)	
_____)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Shoshone County Board of Equalization denying an appeal of the valuation for taxing purposes of property described by Parcel No. RPE00500120170A. The appeal concerns the 2018 tax year.

This matter came on for hearing October 24, 2018 in Shoshone, Idaho before Hearing Officer Cindy Pollock. Attorney G. W. Haight represented Appellant at hearing. Assessor Jerry White represented Respondent.

Board Members David Kinghorn, Leland Heinrich and Kenneth Nuhn join in issuing this decision.

The issue on appeal concerns the market value of an improved residential property.

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

FINDINGS OF FACT

The assessed land value is \$21,499, and the improvements' value is \$7,890, totaling \$29,389. Appellant contends the correct land value is \$20,000, and that there is no value attributable to the improvements.

The subject property is a .20 acre parcel improved with a residence built in the early 1900's, a small shed, and some paving. The property is located in Wardner, Idaho.

Appellant maintains the value assigned to subject's improvements is arbitrary and

capricious. When subject was constructed, it was built on a log foundation which has been modified over the years to prevent collapsing. Appellant detailed some of the residence's exterior issues, such as a collapsing porch, defective windows, roof leaks, and overall instability. Appellant contended the residence needs to be torn down, and therefore the improvements have a negative contributory value. Subject has been vacant of human occupancy for over ten (10) years. It cannot be rented or sold in its current condition, as federal regulations require subject's environmental issues must first be mitigated. Photographs depicting the dilapidation were provided in record. Currently, Appellant uses the residence to store furniture, as well as legal files.

Appellant did not dispute the land value. However it was explained a creek which traverses the back portion of the parcel periodically floods. As a result there are setback requirements limiting the future building footprint.

Respondent explained the residence was valued at \$7,500, which was the determined salvage value. The remaining improvements' value was associated with a shed and some pavement. Respondent recognizes subject has been vacant and has deteriorated, however, noted the improvements do contain value, and per Idaho law must be assessed accordingly.

Respondent's market data consisted of two (2) vacant land sales from subject's immediate area. The first sale was .32 acre parcel which sold in January 2016 for \$27,500. The second sale was a .24 acre vacant land parcel which sold for \$27,000 in May of 2017. Based on these sales, Respondent concluded subject's current assessed land value of \$21,499 was 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, 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. Respondent valued subject using the sales comparison approach.

Appellant provided evidence which substantiated subject's poor condition. Photographs depicted the deterioration of the residence's exterior. Also demonstrated in the record was the use of the old residence for storage purposes.

Respondent explained non-exempt property must be valued and assessed per Idaho Code. Respondent's consideration of subject's market value was supported. Respondent's analysis factored in the property's deteriorated condition, and explained all structures in the county are given some value. In this case, a salvage value was determined and applied to the disputed structure. Respondent provided information on nearby market sales to support subject's land value.

Appellant argued subject's improvements have a negative value because they must be

demolished. The Board understands Appellant's position, however, the main structure is currently being used for storage purposes and it is not currently a condemned property. The Board finds some value is fairly and reasonably attributable to the old residence. Idaho Code § 63-203, dictates "all property within the jurisdiction of this state, not expressly exempted, is subject to appraisal, assessment and property taxation." We did not find Appellant supported that subject has no present or potential use or a near zero market value.

Idaho Code § 63-511 places the burden on Appellant to demonstrate error in subject's assessed value by a preponderance of the evidence. Given the record in this case, we did not find the burden of proof satisfied. Respondent provided the only market evidence in record, which evidence did offer support for the correctness of the 2018 assessment. Appellant's information failed to offer good support for the requested value.

Based on the above, the decision of the Shoshone County Board of Equalization is affirmed.

FINAL ORDER

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

DATED this 16th day of January, 2019.

IDAHO BOARD OF TAX APPEALS