

BEFORE THE IDAHO BOARD OF TAX APPEALS

DANE WATKINS,)	
)	
Appellant,)	APPEAL NO. 18-A-1245
)	
v.)	FINAL DECISION
)	AND ORDER
BONNEVILLE COUNTY,)	
)	
Respondent.)	
_____)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Bonneville County Board of Equalization denying an appeal of the valuation for taxing purposes on property described by Parcel No. RPA2100002019O. The appeal concerns the 2018 tax year.

This matter came on for hearing November 15, 2018 in Idaho Falls, Idaho before Hearing Officer Cindy Pollock. Appellant Dane Watkins was self-represented. Assessor Blake Mueller 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 Bonneville County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$44,468, and the improvements' value is \$285,394, totaling \$329,862. Appellant contends the correct total value is \$225,196.

The subject property is a 5,547 square foot, 2-story residence with basement. The home was constructed in 1949. The residence includes five (5) bedrooms, five (5) bathrooms, and a detached two-car garage of roughly 484 square feet. The property is situated on a 1.04

acre lot in the Rose Park subdivision, located in Idaho Falls, Idaho.

Appellant noted subject's assessed values had increased by about \$100,000 over the past two (2) years. In Appellant's view, this value increase was substantial. Respondent remarked the increase reflected a new 5-year revaluation, wherein it was discovered subject's assessed value had been artificially low compared to other properties in the immediate area.

Appellant described the overall condition of subject's improvements as poor and in need of being remedied. Specifically, subject is older and needs a new roof, asbestos abatement, and removal of an old oil fuel tank. In Appellant's opinion, the deferred maintenance suggests a lower assessment is warranted. Three (3) 2018 bids were provided to the record. If all the indicated work was pursued, the total cost would be about \$80,000.

Respondent explained subject is located in a premier area. The county appraiser's inspection in 2017, found subject's residence was in very good condition for its age. Respondent explained the property had been previously under-graded compared to other homes constructed in the same year. Upon this finding, a grade adjustment was made which increased subject's assessed value. At the time of inspection, Respondent also noted the boiler was original, and the portico over the front steps needed some repair, therefore a negative functional obsolescence adjustment was applied of 15%, or \$45,966. To account for physical depreciation, a negative 25% or minus \$102,150 adjustment was also made. After making all the changes, an assessed value of \$285,394 was determined for the improvements.

Focusing specifically on subject, Respondent provided information on eight (8) 2017

sales, most of which had older residences than the subject. The sales were located in close proximity to subject. The sale prices ranged from \$172,320 to \$449,728, and indicated average price rates from \$60.69 to \$124.46 per square foot. By comparison, subject was assessed at \$329,862, or \$76.01 per square foot.

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.

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. Residential properties like the subject are commonly valued using the sales comparison approach. Such approach typically involves a consideration of recent, proximate sales of similar properties.

Appellant did not adopt any recognized appraisal methods to determine the value

requested for subject. Instead Appellant relied on bids related to addressing subject's deferred maintenance issues. The bids were for an extensive and costly roof cover replacement, asbestos removal, and removal of an old oil fuel tank together with other related restorations. The evidence from both parties suggests subject does have some deferred maintenance, though the large home is also noted to be in good condition for its age. Respondent is noted to have applied large depreciation adjustments within an appraisal approach to value, which the Board found reasonably accounted for total accrued depreciation. Aiding this consideration was a recently completed property inspection and reappraisal of the neighborhood and like homes. Appellant was not found to have presented an appraisal like consideration of subject's market value, nor to have provided sufficient evidence to substantiate further adjustment for depreciation.

In further support of subject's current assessment, Respondent submitted information on eight (8) recent comparable sales. The sale residences were found to be reasonably similar to subject in terms of age and location. The prices ranged from \$172,320 to \$449,728, or from \$60.69 to \$124.46 on a price per square foot basis. Subject was assessed for \$329,862, or for comparison \$76.01 per square foot, which is noted to be inline with sales information from similar older properties. We find Respondent's appraisal analysis reasonably addressed subject's deficiencies.

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. Based on the record in this matter, such burden was not satisfied. Respondent's analysis was detailed

and well-supported. The information provided by Appellant was insufficient to overcome Respondent's appraisal conclusion. Accordingly, 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 15th day of February, 2019.