

as a rental property and noted no upgrades have been made since the property's purchase roughly fifteen (15) years ago.

Appellant provided a table of assessed values of properties located along the same street as subject. Appellant noted the increases in improvement values were somewhat varied, which contrasted with the relatively uniform increase in land values on a percentage basis. Appellant reported increases in the improvement assessments from 17.7% to 20.4%, with an average increase of 19.5%. The value of subject's improvements increased roughly 20%, which raised concerns of equity in Appellant's opinion.

Respondent explained the assessments in subject's subdivision were trended for the 2019 tax year. Overall assessed values increased between roughly 18% and 26%. Subject's overall assessment increased 20.4% for 2019.

Respondent noted there were eighteen (18) arm's-length sales during 2018 in subject's subdivision. Respondent offered information concerning four (4) of those improved sales for comparison with subject. The sale residences closely approximated subject in terms of square footage, age, design, garage size, bedroom and bathroom count, and quality. Sale prices ranged from \$219,000 to \$250,000. After applying a 1.5% per month upward time adjustment, as well as other noted appraisal adjustments for physical differences between subject and the sale properties, the adjusted prices ranged from \$258,200 to \$269,300.

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 in fee simple interest, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all the

testimony and documentary evidence submitted by the parties, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2019 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. The three (3) methods for estimating market value include the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada Cnty.*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Residential property is often valued using the sales comparison approach, which examines recent sales of nearby similar property and considers adjustments for differences compared to the subject property.

Support for Appellant’s value position came in the form of an analysis of assessed improvement values along subject’s street. In short, Appellant contended subject was assessed inequitably compared to other properties in the neighborhood. Appellant calculated an average increase in improvement values along subject’s street of 19.5%, however, noted the assessed value of subject’s improvements increased nearly 20.0%. While Appellant’s concerns are understood, the inequity claimed by Appellant does not square with the assessment data provided, which suggests only a .5% difference between subject’s increase and the average increase along the same street. This is not a significant difference, nor does it suggest subject was inequitably or over-assessed. Further, and more importantly, “[t]he

dominant principle of our constitutional mandate is that property shall be assessed for taxation under uniform rules so that equality in the burden of taxation results . . . absolute or perfect equality in taxation, being impossible of attainment, is not required. As long as there is substantial uniformity in the application of tax statutes, constitutional provisions relating to equality and uniformity are not violated.” *Xerox Corp. v. Ada Cnty. Assessor*, 101 Idaho 138, 142-143, 609 P.2d 1129, 1133-1134 (1980). In short, the Board was unpersuaded subject’s market value assessment should be changed on equity grounds.

Respondent’s market value position was based on a recognized appraisal approach to value, namely a sales comparison approach. Specifically, Respondent directly compared subject to four (4) recent sales of similar property located in the immediate neighborhood. Adjustments were made to account for physical differences, which we note for the record, were minimal. In fact, such minimal adjustments indicated a high level of comparability between subject and the sale properties. In all, the Board found Respondent’s analysis reasonable and well supportive of subject’s current assessed market value.

In appeals to this Board, Appellant bears the burden of demonstrating error in subject’s valuation by a preponderance of the evidence. Idaho Code § 63-511. As Appellant’s value claim relied on a comparison of assessed values rather than an analysis of recent market data, we did not find the burden of proof satisfied. Accordingly, the decision of the Ada County Board of Equalization is affirmed.

FINAL ORDER

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

is, AFFIRMED.

DATED this 16th day of December, 2019.