

BEFORE THE IDAHO BOARD OF TAX APPEALS

NETA AND MARLIN KENT,	)	
	)	
Appellants,	)	APPEAL NOS. 19-A-1527,
	)	19-A-1528, 19-A-1529,
v.	)	19-A-1530, and 19-A-1531
	)	
BANNOCK COUNTY,	)	FINAL DECISION
	)	AND ORDER
Respondent.	)	
	)	
	)	
	)	

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**RESIDENTIAL PROPERTY APPEALS**

These appeals are taken from decisions of the Bannock County Board of Equalization denying appeals of valuations for taxing purposes on property described by Parcel Nos. RPR4015025802, RPR4015025801, RPR4015030700, RPR4057003305 and RPR4015030104. The appeals concern the 2019 tax year.

These matters came on for telephonic hearing February 27, 2020 before Board Member Kenneth Nuhn and Hearing Officer Cindy Pollock. Appellants Neta and Marlin Kent were self-represented. County Assessor Sheri Davies represented Respondent.

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

**The issues on appeal concern the market values of five (5) residential properties.**

**The decisions of the Bannock County Board of Equalization are affirmed.**

FINDINGS OF FACT

Appeal 19-A-1527 (Parcel no. R4015030104)

The assessed land value is \$10,037. Appellants contend the land is waste and therefore has no value.

Appeal 19-A-1528 (Parcel no. R4057003305)

The assessed land value is \$1,749. Appellants contend the land is waste and therefore

has no value.

Appeal 19-A-1529 (Parcel no. R4015030700)

The assessed land value is \$7,351. Appellants contend the land is waste and therefore has no value.

Appeal 19-A-1530 (Parcel no. R4015025801)

The assessed land value is \$6,257. Appellants contend the land is waste and therefore has no value.

Appeal 19-A-1531 (Parcel no. R4015025802)

The assessed land value is \$62,290, and the improvements' assessed value is \$2,989, totaling \$65,277. Appellants contend the land is waste and therefore has no value.

The subject properties are contiguous agricultural parcels located within three (3) miles of Inkom, Idaho. The five (5) subjects together total 196.66 acres. One (1) acre is designated as a homesite for the Appellants' residence, 2.92 acres are designated as waste with zero (0) value, and the remaining 192.75 acres are designated as Dry Grazing in Idaho State's agricultural exemption program. Four (4) of the subjects (RPR4015025801, RPR4015030700, RPR4057003305, and RPR4015030104) are vacant. The improved subject (RPR4015025802) has seven (7) outbuildings, each valued at \$427. The property is further improved with a manufactured residence, which value was not contested in this appeal.

Appellants questioned the initial increase in subjects' assessments for 2019. Appellants contend subjects are primarily rock-side hills and brush that cannot be utilized for buildings or residential purposes. Appellants currently graze personal horses and lease the remainder for cattle grazing.

Additionally, Appellants questioned the valuation of the improved subject's seven (7) outbuildings, each of which is valued at \$427. Appellants submitted for the record photographic evidence of each structure, showing a general state of disrepair. Appellants contend the subject's outbuildings contribute no additional value to the property.

Respondent provided a total of ten (10) sales which occurred in 2017 and 2018. Sale properties were all located less than 32 miles from subjects and ranged in size from 5.08 to 7.29 acre in size. After the appraisal adjustments, Respondent concluded values ranging from \$76,012 to \$191,159.

Respondent's sales information analysis utilized two separate groupings of subject properties. Respondent analyzed information on three (3) residential sales from the group of sales noted above. Sales were located between ten (10) and twenty (20) miles from subjects. Respondent reported the sale residences ranged in size from 6 to 7.29 acres in size. The prices ranged between \$45,474 and \$59,000. Respondent first adjusted the prices for time of sale. Next, each sale property was directly compared to subject, and adjustments were made for differences in location and size. In Respondent's first analysis, compared to Parcel Nos. RPR4015030700, RPR4015025801, and RPR4015025802, after all appraisal adjustments, Respondent concluded values ranging between \$236,503 and \$385,849. In Respondent's second analysis, compared to Parcel Nos. RPR4057003305 and RPR4015030104, after all appraisal adjustments, concluded values ranged between \$213,263 and \$349,655.

As to the market value of the improved subjects' outbuildings, as reported by Respondent, a token \$500 value was placed on all such structures in the county which carry little utility and are distressed in condition. The outbuildings' assessments were further reduced

by the Bannock County Board of Equalization to \$427 per structure, for a total value of \$2,989 for all outbuildings.

### 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, 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 always estimated as of a precise point in time. 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. The sales comparison approach is commonly used in the valuation of a residential property. In general terms, the approach examines recent sales of similar property and considers differences in the property characteristics between the subject and the sale properties.

Appellants contested that subjects' assessments were overstated, as the land and outbuildings are primarily unusable for residential purposes. As such, Appellants contend they should bear little to no assessed value. While the Board appreciated the Appellants' concerns

in this regard, subjects' 2019 assessed values are reflective of an agriculture exemption. Values for this program are derived by studying lease and production rates for similar use properties throughout the county and state. As such, the Board did not find support in the record to disturb subjects' assessments.

It is well understood by the Board that subjects' 2019 assessments are based on agricultural exemption rates and were not developed utilizing a sales comparison analysis. However, Respondent provided sales information in support of subjects' potential market values had the exemption not been in place. The sale properties were adjusted primarily for location and lot size, resulting in adjusted prices ranging between \$213,263 and \$385,849. In comparison, subjects' collective 2019 assessed land values total \$77,065.

As to the value of the outbuildings, Respondent stated for the record that all such structures in Bannock County carry a token value of \$500. While the Board recognizes Appellants' concerns regarding the structures' condition, utility and usability, the Board was unable to find support that the structures were overvalued.

Pursuant to Idaho Code § 63-511, the burden is with the Appellants to establish error in subjects' assessed values by a preponderance of the evidence. We did not find the burden of proof met in this instance. The Board found Respondent's analysis better supported and more indicative of subjects' market values.

Based on the above, the decisions of the Bannock County Board of Equalization are affirmed.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of

Kent  
Appeal Nos. 19-A-1527 thru 19-A-1531

the Bannock County Board of Equalization concerning the subject five (5) parcels be, and the same hereby are, AFFIRMED.

DATED this 21<sup>st</sup> day of April, 2020.

IDAHO BOARD OF TAX APPEALS