

06-0122
Locally Assessed Property
Signed 08/29/2006

BEFORE THE UTAH STATE TAX COMMISSION

PETITIONER,)	INITIAL HEARING ORDER
)	
Petitioner,)	Appeal No. 06-0122
)	
v.)	Parcel No. #####
)	Tax Type: Property Tax/Locally
BOARD OF EQUALIZATION)	Assessed
OF SALT LAKE COUNTY,)	
STATE OF UTAH,)	Tax Year: 2005
)	
Respondent.)	Judge: Robinson

Presiding:

R. Spencer Robinson, Administrative Law Judge

Appearances:

For Petitioner: PETITIONER, *pro se*

For Respondent: RESPONDENT REPRESENTATIVE, Appraiser, Salt Lake County

STATEMENT OF THE CASE

The Salt Lake County Board of Equalization valued the above noted property at \$\$\$\$\$. From that decision, Petitioner appeals, asking the Commission to redetermine the value of the property and proposing a value of \$\$\$\$\$. As part of the appeal process, the parties participated in an Initial Hearing pursuant to the provisions of Utah Code Ann. §59-2-501.5 on April 20, 2006.

APPLICABLE LAW

All tangible taxable property shall be assessed and taxed at a uniform and equal rate on the basis of its fair market value, as valued on January 1, unless otherwise provided by law. (Utah Code Sec. 59-2-103 (1).)

“Fair market value” means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts. (Utah Code Sec. 59-2-102(12).)

Any person dissatisfied with the decision of the county board of equalization concerning the assessment and equalization of any property, or the determination of any exemption in which the person has an interest, may appeal that decision to the commission by filing a notice of appeal specifying the grounds for the appeal with the county auditor within 30 days after the final action of the county board. (Utah Code Sec. 59-2-1006(1).)

Per the Utah Supreme Court, Petitioners' burden under Utah Power & Light Co. v. Utah State Tax Commission, 590 P.2d 332 (Utah 1979), is in two parts. "Where the taxpayer claims error, it has an obligation, not only to show substantial error or impropriety in the assessment but also to provide a sound evidentiary basis upon which the Commission could adopt a lower valuation." The Court reaffirmed this standard in Nelson v. Board of Equalization, 943 P.2d 1354 (Utah 1997).

DISCUSSION

The subject property is a single-family dwelling located at ADDRESS in CITY, Utah. It is a 28-year-old bi-level home in average condition. The upper floor consists of 1,250 square feet. The basement consists of 576 finished square feet. The lot is .24 acres in size. The Board of Equalization determined the market value of the subject property to be \$\$\$\$\$. Petitioner appeals that value, proposing a value of \$\$\$\$\$.

Petitioner did not submit an appraisal, though he did provide multiple listing information on five properties¹. The first is a 1,788 square foot split-entry built in 1972. The upper floor is 924 square feet. The basement is 864 square feet. The MLS data shows the basement 0% finished, though this appears to be an error, as the listing also shows two bedrooms and a three-

¹ Petitioner referenced the same properties he submitted to the Board of Equalization.

quarter bathroom in the basement. The lot is .15 acres. It listed August 1, 2004. The home was on the market for seven months. It sold for \$\$\$\$\$ on March 5, 2005. The listing includes a notation of \$\$\$\$\$ in concessions.

Petitioner's second property is a 1,688 square foot split entry built in 1981. The upper floor is 872 square feet. The basement is 816 square feet. The listing shows one bedroom in the basement, and that the basement is 60% finished. The lot is .23 acres in size. It listed on May 18, 2005 for \$\$\$\$\$. It sold on June 24, 2005 for \$\$\$\$\$.

Petitioner's third property is a 1,476 square foot split-entry home built in 1993. The upper floor is 1,026 square feet. The basement is 450 square feet. The listing shows one half-bathroom, a family room, and a laundry room in the basement, which is 95% finished. The lot is .10 acres. It listed on July 25, 2004, for \$\$\$\$\$. It sold on September 18, 2004, for \$\$\$\$\$.

Petitioner's fourth property is 1,430 square foot split-entry built in 1985. The upper floor is 980 square feet. The 450 square foot basement is 80 percent finished, with a family room and a laundry room. The lot is .23 acres. The property listed on June 1, 2005 for \$\$\$\$\$. It sold on August 8, 2005 for \$\$\$\$\$, with \$\$\$\$\$ in concessions.

Petitioner's fifth property is a 1,858 square foot split-entry built in 1978. It is located closer to the subject than the other comparables offered by the parties. It is also Respondent's comparable number one. The upper floor is 1,282 square feet. The basement is 576 square feet. The basement has one bedroom, one family room, one laundry room, and a half-bathroom. The lot is .23 acres. The property listed on February 2, 2005 for \$\$\$\$\$. It sold on March 25, 2005, for \$\$\$\$\$ with \$\$\$\$\$ in concessions.

Petitioner is not an appraiser. He made no adjustments to the properties in order to compare them to the subject property.

Respondent submitted an appraisal with three comparable properties. The appraisal was prepared in accordance with the Uniform Standards of Professional Appraisal

Practice. Appropriate adjustments were made for lot size, age, and other factors. Based on the analysis using the sales comparison approach, the appraisal set the value of the subject property at \$\$\$\$\$.

Respondent's comparable number one is Petitioner's comparable number five. It is on the same street as the subject property, approximately one-half block away. It is a split-entry of the same age as the subject. The lot size is essentially the same. It has 20 more square feet on the main floor, and 51 square feet less in the basement. It has two more rooms, though both have four bedrooms. The subject has 1.75 bathrooms. This property has 2.5 bathrooms. It sold for \$\$\$\$\$ on December 11, 2003. After adjustments, RESPONDENT REPRESENTATIVE valued it at \$\$\$\$\$. RESPONDENT REPRESENTATIVE did not use the sale on March 25, 2005, for \$\$\$\$\$ with \$\$\$\$\$ in concessions.

Respondent's comparable number two is also a split-entry. It is five years newer, the lot size is essentially the same, and it has the same total number of rooms. It is 164 square feet smaller than the subject. It sold on February 16, 2005 for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the value to \$\$\$\$\$.

Respondent's comparable number three is also a split-entry. It is thirteen years old, fifteen years newer than the subject, the lot size is .10, less than half the size of the subject lot, and it has one fewer bedroom. It is 350 square feet smaller than the subject. It sold on September 18, 2004 for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the value to \$\$\$\$\$.

RESPONDENT REPRESENTATIVE also used the cost approach. Using Marshal and Swift, he determined the value was \$\$\$\$\$. He said the sales comparison approach was more reliable.

Both parties focused on the comparable located one-half a block from the subject property. Petitioner said it had an 850 square foot deck, built at a cost of \$\$\$\$\$. He said the

home was remodeled two years ago, that a Jacuzzi and Jenn-Aire range were installed, and that it had been painted. Petitioner acknowledged his landscaping was better.

Respondent said the deck was not well maintained and did enhance the value of the property. Respondent said Petitioner's property was the nicest looking property on STREET. This, per RESPONDENT REPRESENTATIVE, outweighed any potential value to be found in the deck.

Absent adjustments, Petitioner's evidence does not rise to the level of establishing a substantial error or impropriety in the assessment, nor does it provide a sound evidentiary basis upon which the Commission could adopt a lower valuation. Additionally, the Respondent's appraisal is persuasive as to the value of the subject property.

DECISION AND ORDER

Based on the foregoing, the Commission finds the value of the subject property is \$\$\$\$\$. It is so ordered.

This Decision does not limit a party's right to a Formal Hearing. Any party to this case may file a written request within thirty (30) days of the date of this decision to proceed to a Formal Hearing. Such a request shall be mailed to the address listed below and must include the Petitioner's name, address, and appeal number:

Utah State Tax Commission
Appeals Division
210 North 1950 West
Salt Lake City, Utah 84134

Failure to request a Formal Hearing will preclude any further appeal rights in this matter.

DATED this ____ day of _____, 2006.

R. Spencer Robinson
Administrative Law Judge

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BY ORDER OF THE UTAH STATE TAX COMMISSION.

The Commission has reviewed this case and the undersigned concur in this decision.

DATED this _____ day of _____, 2006.

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

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