

06-0217
Locally Assessed Property
Signed 12/28/2006

BEFORE THE UTAH STATE TAX COMMISSION

PETITIONER 1 and PETITIONER 2,	)	ORDER	
)		
Petitioners,	)	Appeal No.	06-0217
	)	Parcel No.	#####
v.)		
	)	Tax Type:	Property Tax/Locally
	)		Assessed
BOARD OF EQUALIZATION OF)		
SALT LAKE COUNTY,	)	Tax Year:	2005
UTAH,)		
	)	Judge:	Jensen
Respondent.)		

Presiding:

Clinton Jensen, Administrative Law Judge

Appearances:

For Petitioner:	PETITIONER 1						
For Respondent:	RESPONDENT REPRESENTATIVE 1,	Salt	Lake	County			
	Assessor's Office						
	RESPONDENT REPRESENTATIVE 2,	Salt	Lake	County			
	Assessor's Office						

STATEMENT OF THE CASE

Petitioner brings this appeal from the decision of the Salt Lake County Board of Equalization. This matter was argued in an Initial Hearing on June 26, 2006, in accordance with Utah Code Ann. §59-1-502.5.

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 provide by law.
(Utah Code Ann. 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 Ann. 59-2-102(11).)

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 Ann. Sec. 59-2-1006(1).)

To prevail in a real property tax dispute, the Petitioner must (1) demonstrate that the County's original assessment contained error, and (2) provide the Commission with a sound evidentiary basis for reducing the original valuation to the amount proposed by Petitioner. *Nelson v. Bd. Of Equalization of Salt Lake County*, 943 P.2d 1354 (Utah 1997).

DISCUSSION

Petitioner is appealing the market value of the subject property as set by Respondent for property tax purposes. The lien date at issue in this matter is January 1, 2005. The subject property is parcel no. #####, located at ADDRESS in CITY, Utah. The County Assessor had set the value of the subject property, as of the lien date at \$\$\$\$\$. The County Board of Equalization sustained the value. Petitioner requests that the value be reduced to between \$\$\$\$\$ and \$\$\$\$\$. Respondent requests that the value set by the County Board of Equalization be reduced to \$\$\$\$\$.

The subject property consists of a .18-acre lot improved with a two-story style residence. The residence was 13 years old. It has 1854 square feet above grade and 930 basement square feet of which 930 are finished. There is also an attached two- car garage. The County considered the residence to be in good condition.

Petitioner has the burden of proof in this matter and must demonstrate not only an error in the valuation set by the County Board of Equalization, but also provide an evidentiary basis to support a new value. In this matter Petitioner provided information on the sales of five comparable properties. These properties sold in late 2004 and early 2005. Their selling prices were between \$\$\$\$\$ and \$\$\$\$\$. Three of these comparable properties, numbers 1, 3, and 4, are weakened as comparables by their distance from the subject property. The other properties, numbers 2 and 5 are close to the subject property, but are listed as split-level or multi-level properties, which would be inferior to the 2-story style of the subject property. Additionally, comparable number 5 is listed as a repossessed property and thus may not have been a sale with typical seller motivation. The Petitioner did indicate that he does have a health club adjoining his back yard, but did not provide evidence that this would negatively affect the his home's value.

Respondent provided an appraisal, prepared by RESPONDENT REPRESENTATIVE 2. It was the appraiser's conclusion that the value for the subject property as of the lien date at issue was \$\$\$\$\$. The appraiser arrived at this value after considering the sales of three comparable properties. The earliest sale was in February 2004, but the appraiser made adjustments to compensate for time of sale. The appraiser also made adjustments to allow for differences in items such as square footage, number of bathrooms, and basement finish. The appraiser's adjustments all appear reasonable. One of the comparable sales, number 1 is on the same street as the subject property. Comparable sale number 2 is also close to the subject property. The county's comparable sale number 3 is not as similar as the other two in that it is farther away than the others and has style differences. The selling prices of the three comparable sales, after adjustments, are between \$\$\$\$\$ and \$\$\$\$\$.

Even if the commission ignores the county's third comparable sale, the other two comparable sales support the appraiser's \$\$\$\$\$ valuation. The county's first comparable sale is

on the same street as the subject, has a nearly identical style, and has an adjusted selling price of \$\$\$\$\$. The other county's other comparable sales generally lend support to this value and show that it is typical for the marketplace in the neighborhood of the subject property.

DECISION AND ORDER

Based upon the foregoing, the Tax Commission finds that the value of the subject property as of January 1, 2005 is \$\$\$\$\$. The Salt Lake County Auditor is ordered to adjust its records in accordance with this decision. 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.

Clinton Jensen
Administrative Law Judge

Appeal No. 06-0217

BY ORDER OF THE UTAH STATE TAX COMMISSION.

The agency 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

CDJ/06-0217-int