

06-0852
Property Tax/Locally Assessed
Signed 03/05/2007

BEFORE THE UTAH STATE TAX COMMISSION

| | | |
|-----------------------|---|--|
| PETITIONER, |) | INITIAL HEARING ORDER |
| |) | |
| Petitioners, |) | Appeal No. 06-0852 |
| |) | Parcel No. ##### |
| v. |) | |
| |) | Tax Type: Property Tax/Locally Assessed |
| BOARD OF EQUALIZATION |) | |
| OF SALT LAKE COUNTY, |) | Tax Year: 2005 |
| STATE OF UTAH, |) | |
| |) | Judge: Robinson |
| Respondent. |) | |

Presiding:

R. Spencer Robinson, Administrative Law Judge

Appearances:

For Petitioner: PETITIONER, M.D., *pro se*, by telephone
For Respondent: RESPONDENT REPRESENTATIVE, Appraiser, Salt Lake
County, by telephone

STATEMENT OF THE CASE

Petitioner brings this appeal from the decision of the County Board of Equalization. The parties participated in an Initial Hearing pursuant to the provisions of Utah Code Ann. Sec. 59-1-502.5, on December 4, 2006. Petitioner is appealing the assessed value as established for the subject property by the Salt Lake County Board of Equalization. The lien date at issue is January 1, 2005.

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(12).)

(1) 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. . . . (4) In reviewing the county board’s decision, the commission shall adjust property valuations to reflect a value equalized with the assessed value of other comparable properties if: (a) the issue of equalization of property values is raised; and (b) the commission determines that the property that is the subject of the appeal deviates in value plus or minus 5% from the assessed value of comparable properties. (Utah Code Ann. Sec. 59-2-1006(1)&(4).)

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

The subject property is parcel no. #####. It is a condominium located at ADDRESS, CITY, Utah. CITY is in CANYON 1. The Salt Lake County Assessor’s Office had originally set the value of the subject property, as of the lien date at \$\$\$\$\$. The Salt Lake County Board of Equalization determined the value was \$\$\$\$\$. At the hearing, the Respondent asked the Commission to sustain the Board of Equalization value.

The subject property is located in the (X) at CITY. It was in average condition on the lien date. It is 960 square feet in size. It has a total of five rooms. It has one bedroom and two bathrooms.

PETITIONER stated it is not in the rental pool. He said condominiums in the rental pool have been upgraded. He said those not upgraded and in the rental pool sell for 30% less. He said the cost of upgrading his condominium, \$\$\$\$\$ to \$\$\$\$\$, would not add sufficient value to be cost effective. He offered no evidence of comparable properties. Instead, he used RESPONDENT REPRESENTATIVE'S information.

Respondent submitted RESPONDENT REPRESENTATIVE'S appraisal, based on four comparables. Two are in the same building. One is in the (X) at CITY. One is located at the (X) in CANYON 2.

Respondent's comparable number 1 is located two floors above the subject, which is on the fourth floor. It is the same size as the subject and has the same number of rooms. It sold on November 15, 2003, for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted it to \$\$\$\$\$.

Respondent's comparable number 2 is located on the first floor in the (X) at CITY. It is slightly larger than the subject, by 40 square feet. It has the same number of rooms. It sold on April 18, 2003, for \$\$\$\$\$. After making adjustments, RESPONDENT REPRESENTATIVE opined that the adjusted sales price of this comparable was \$\$\$\$\$.

Respondent's comparable number 3 is also located in the (X). It is a studio unit, 423 square feet in size. It has a total of three rooms, including one bathroom. It sold on June 10, 2005, for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the sales price to \$\$\$\$\$.

Respondent's comparable number 4 is located at ADDRESS 2 at the (X). It is 1,031 square feet in size. It has a total six rooms, which includes two bedrooms and two bathrooms. It sold for \$\$\$\$\$ on October 28, 2004. After making adjustments, RESPONDENT REPRESENTATIVE opined that the adjusted sales price of this comparable was \$\$\$\$\$.

RESPONDENT REPRESENTATIVE said CITY management declined to tell him which properties were in the rental pool. PETITIONER believed RESPONDENT REPRESENTATIVE'S comparable number 2 was in the rental pool. It was this comparable that he used as the basis for arguing properties not in the rental pool sell for 30% less. However, he did not have access to documents showing whether comparable number 2 is in the rental pool or what upgrades, if any, were done.

The appraised value for the subject property was \$\$\$\$\$. However, RESPONDENT REPRESENTATIVE stated the Respondent offered the appraisal in support of the Board of Equalization value. He said the Respondent was not asking the Commission to raise the value.

Petitioner did not show the Board of Equalization that the value was erroneous, nor did he offer evidence establishing an alternative value. Respondent's appraisal supports the Board of Equalization value.

DECISION AND ORDER

Based upon the foregoing, the Tax Commission finds that the value of the subject property as of January 1, 2005, 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 _____, 2007.

R. Spencer Robinson
Administrative Law Judge

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 _____, 2007.

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner