

06-1317
Property Tax/Locally Assessed
Signed 03/20/2007

BEFORE THE UTAH STATE TAX COMMISSION

PETITIONER,)	INITIAL HEARING ORDER
)	
Petitioner,)	Appeal No. 06-1317
)	
v.)	Parcel No. #####
)	Tax Type: Property Tax/Locally
BOARD OF EQUALIZATION)	Assessed
OF SALT LAKE COUNTY,)	
STATE OF UTAH,)	Tax Year: 2006
)	
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 January 25, 2007.

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 30-year-old two-story home in good condition. The above grade space consists of 2,728 square feet, with twelve rooms, including four bedrooms, 2 and ½ bathrooms,. It has a 1,320 square foot full basement, 50% of which is finished. Total square feet is 4,048. It also has a four-car garage. The lot is .61 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 seventeen properties. Of the seventeen, Petitioner said the eighth was like his. He also pointed out the second and fifth.

Petitioner's eighth property is a 4,443 square foot home built in 1965. The upper floor is 1,127 square feet. The main floor is 2,192 square feet. The 100% finished basement is 1,114 square feet. The listing shows one bedroom on the upper floor, four bedrooms and 1 and $\frac{3}{4}$ bathrooms on the main floor, and two bedrooms and one bathroom in the basement. The lot is .65 acres in size. It listed on September 2, 2005 for \$\$\$\$\$. It sold on December 4, 2005 for \$\$\$\$\$.

Petitioner's second property is a 4,372 square foot two story home built in 1993. The upper floor is 1,300 square feet. The main floor is 1,632 square feet. The basement is 1,440 square feet. The listing shows four bedrooms and two bathrooms on the upper floor, a half bath on the main floor, and a full basement, which is 15% finished. The lot is .26 acres. It listed on July 15, 2005, for \$\$\$\$\$. It sold on August 30, 2005, for \$\$\$\$\$.

Petitioner's fifth property is 4,720 square foot two story built in 1995. The upper floor is 1,610 square feet, with four bedrooms and two bathrooms. The main floor is 1,546 square feet with a half bath. The 1,564 square foot basement is 100 percent finished, with a $\frac{3}{4}$ bath. The lot is .22 acres. The property listed on May 27, 2005 for \$\$\$\$\$. It sold on July 27, 2005 for \$\$\$\$\$.

Petitioner is a real estate broker and mortgage broker. He 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 four comparable properties. The appraisal was prepared in accordance with the Uniform Standards of Professional Appraisal Practice. Appropriate adjustments were made for lot size, age, time of sale, and other factors. Based on the analysis using the sales comparison approach, the appraisal set the value of the subject property at \$\$\$\$\$. This is within five percent of Petitioner's requested value.

Respondent's comparable number one is within two miles of the subject. Petitioner pointed out it is zip code #####-1. The subject is zip code #####-2. He argued

properties in zip code #####-1 appreciated at twice the rate of properties in his zip code, though he provided no data to substantiate that point.

Respondent's comparable number one is a two-story brick home built two years after the subject. The lot size is .23 acres. It has 272 more square feet above grade, and 180 square feet more in the basement. It has one more room than the subject, though both have four bedrooms. This property, like the subject, has 2.5 bathrooms. The basement in the subject is 50% finished. In comparable number one the basement is unfinished. Comparable number one has a two-car garage and one fireplace. The subject has a four-car garage and two fireplaces.

Comparable number one sold for \$\$\$\$\$ on July 17, 2005. After adjustments, including \$\$\$\$\$ for the time of sale and \$\$\$\$\$ for the difference in acreage, RESPONDENT REPRESENTATIVE adjusted the value to \$\$\$\$\$. He also said he felt the area was inferior to that of the subject.

Respondent's comparable number two is a 95 year old, 4,569 square foot multi-level home in good condition, with 3,200 square feet above grade. Its 1,369 square foot basement is 100% finished. It sits on a .98 acre lot. It has sixteen total rooms, six bedrooms, and four bathrooms. It sold on July 3, 2005 for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the value to \$\$\$\$\$. Of RESPONDENT REPRESENTATIVE'S four comparables, this one required the least net adjustment.

Respondent's comparable number three is a thirty-two year old two-story brick home in good condition. It is located in zip code #####-1. The lot size is .32 acres. It has the same number of total rooms, bedrooms, and bathrooms as the subject. It has 64 more square feet above grade than the subject. Its unfinished basement is 192 square feet larger than that of the subject. It sold on July 30, 2005 for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the value, including an adjustment of \$\$\$\$\$ for time of sale, to \$\$\$\$\$.

Respondent's comparable number four is an eight-year-old brick, stone, and stucco two-story home, in good condition, on .23 acres. It has 2,880 square feet above grade, with thirteen total rooms, four bedrooms, and 3.5 bathrooms. Its 1,498 square foot basement is unfinished. It sold on November 9, 2005 for \$\$\$\$\$. RESPONDENT REPRESENTATIVE adjusted the value to \$\$\$\$\$.

Using the sales comparison approach, RESPONDENT REPRESENTATIVE opined the value of the subject property was \$\$\$\$\$. He did not develop the cost or income approaches.

Petitioner's eighth property, which he said is most like his, sold one month prior to the lien date of January 1, 2006, for \$\$\$\$\$. No time adjustment is necessary. The lots are nearly identical in size, requiring no adjustment. This property has three more bedrooms than the subject, which would support an upward adjustment. It has more space above grade. This would also support an upward adjustment. It has slightly less space in its finished basement. This would support a downward adjustment. It has a two-car carport, as opposed to a four-car garage. This would support a downward adjustment. Overall, it supports the appraised value.

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

Appeal No. 06-1317

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

Appeal No. 06-1317

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 _____, 2007.

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

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