

06-1346  
Property Tax/Locally Assessed  
Signed 09/25/2007

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BEFORE THE UTAH STATE TAX COMMISSION

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PETITIONER,

Petitioner,

vs.

BOARD OF EQUALIZATION OF  
GRAND COUNTY, UTAH,

Respondent.

**ORDER**

Appeal No. 06-1346

Parcel No. #####

Tax Type: Property Tax/Locally Assessed

Tax Year: 2006

Judge: M. Johnson

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**This Order may contain confidential "commercial information" within the meaning of Utah Code Sec. 59-1-404, and is subject to disclosure restrictions as set out in that section and regulation pursuant to Utah Admin. Rule R861-1A-37. The rule prohibits the parties from disclosing commercial information obtained from the opposing party to nonparties, outside of the hearing process. However, pursuant to Utah Admin. Rule R861-1A-37, the Tax Commission may publish this decision, in its entirety, unless the property taxpayer responds in writing to the Commission, within 30 days of this notice, specifying the commercial information that the taxpayer wants protected. The taxpayer must mail the response to the address listed near the end of this decision.**

**Presiding:**

Marc B. Johnson, Commissioner

**Appearances:**

For Petitioner: PETITIONER, appearing by phone

For Respondent: RESPONDENT REPRESENTATIVE 1, Grand County Assessor  
RESPONDENT REPRESENTATIVE 2, Grand County Clerk/Auditor

STATEMENT OF THE CASE

Petitioner brings this appeal from the decision of the Grand County Board of Equalization. This matter was argued in an Initial Hearing on April 24, 2007. 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, 2006.

The subject property is a 30-acre tract of land, parcel no. #####, located in CITY, Grand County, 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 \$\$\$\$\$.

Respondent requests that the value set by the County Board of Equalization be sustained.

#### 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).)

Utah Code Ann. §59-2-1006(1) provides that “[a]ny 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 . . . .”

Any party requesting a value different from the value established by the county board of equalization has the burden to establish that the market value of the subject property is other than the value determined by the county board of equalization.

To prevail, a party requesting a value that is different from that determined by the county board of equalization must (1) demonstrate that the value established by the county board of equalization contained error, and (2) provide the Commission with a sound evidentiary basis for reducing the value established by the county board of equalization to the amount proposed by the party. *Nelson v. Bd. Of Equalization of Salt Lake County*, 943 P.2d 1354 (Utah 1997), *Utah Power & Light Co. v. Utah State Tax Commission*, 530 P.2d. 332 (Utah 1979).

#### DISCUSSION

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 testified that he had effectively purchased the property “sight unseen,”

even though his family and realtor had visited the site. He stated that no one knew the precise boundaries were. After purchasing the property he found that only 5-6 acres was buildable, and that the balance was a ridge going 240 feet “straight up” from the buildable ground. However, in a letter to the assessor he stated that “the house would be within property boundaries no matter what.” On this basis, Petitioner is seeking a reduction in value.

Respondent testified that the property was purchased for \$\$\$\$\$ in 2006. It is assessed at \$\$\$\$\$ for the first acre, and just under \$\$\$\$\$ per acre as secondary land for the balance, including the remaining buildable land. She recognized the non-buildable area has poor access and is only accessible by four-wheel drive. However, the assessor stated that while most of the land in the area is hilly, she didn't realize most of the property was on a ridge. She stated that hillside land is assessed at \$\$\$\$\$ per acre.

Poor access is not a basis in and of itself to reduce a valuation. In this case Petitioner provided no evidence that the property had been assessed at an incorrect value. However, Respondent stated that hillside land is assessed at \$\$\$\$\$ per acre. The assessment is the only evidence of value presented in this matter. Although the assessor introduced the purchase price, and in spite of the fact that the Commission often finds a sales price to be the best indication of value, extenuating circumstances were present in this transaction. The fact that the Petitioner had not seen the property himself, and the fact that the amount of buildable acreage was not readily available or determinable from a visual inspection, renders the purchase price questionable as to whether it represented fair market value. Based on the testimony presented, the Commission finds that the land should be assessed as follows: \$\$\$\$\$ for the first acre, \$\$\$\$\$ for five acres of secondary land, and \$\$\$\$\$ for the residual hillside land.

#### DECISION AND ORDER

Based upon the foregoing, the Tax Commission finds that the value of the subject property as of January 1, 2006 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

Appeal No. 06-1346

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.

Pam Hendrickson  
Commission Chair

R. Bruce Johnson  
Commissioner

Marc B. Johnson  
Commissioner

D'Arcy Dixon Pignanelli  
Commissioner

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