

07-0150  
Property Tax/Locally Assessed  
Signed 08/07/2007

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BEFORE THE UTAH STATE TAX COMMISSION

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<p>PETITIONER,</p> <p>Petitioner,</p> <p>vs.</p> <p>BOARD OF EQUALIZATION OF SALT LAKE COUNTY, UTAH,</p> <p>Respondent.</p>	<p><b>ORDER</b></p> <p>Appeal No. 07-0150</p> <p>Parcel No. #####</p> <p>Tax Type: Property Tax/Locally Assessed</p> <p>Tax Year: 2006</p> <p>Judge: Phan</p>
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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 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 order, specifying the commercial information that the taxpayer wants protected.**

**Presiding:**

Jane Phan, Administrative Law Judge

**Appearances:**

For Petitioner: PETITIONER REPRESENTATIVE, Certified Appraiser  
For Respondent: RESPONDENT REPRESENTATIVE, Appeals Manager, Salt Lake  
County

STATEMENT OF THE CASE

Petitioner brings this appeal from the decision of the County Board of Equalization. This matter was argued in an Initial Hearing pursuant to the provisions of Utah Code Ann. Sec. 59-1-502.5, on May 9, 2007. Petitioner submitted posthearing information on May 22, 2007, and Respondent on May 31, 2007. Petitioner is appealing the assessed value as established for the subject property by Salt Lake County Board of Equalization. The lien date at issue is January 1, 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 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. ##### and is located at ADDRESS 1, CITY, Utah. 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 sustained the value.

The subject property consists of .35-acres of land improved with a two-story, Tudor-style residence. The residence is 25 years old and of good quality, brick and stucco construction. The residence has a total of 3,868 square feet above grade. The basement has 1871 square feet and is 85% finished, including a basement kitchen. There is an attached two-car garage. The yard is improved with a swimming pool, hot tub and sport court. The subject residence was larger in size than typical homes of that age in the area. The appraisers for both parties agreed that for this reason it was difficult to find comparables. The appraisers disagreed as to the condition of the residence. Petitioner's appraiser concluded the residence was in average condition while Respondent's appraiser considered the condition to be average/good. Petitioner's appraiser, who had viewed the interior, stated that the residence had the original carpets, kitchens and baths and had not been updated.

Both parties presented appraisals in this matter that indicated a value for the subject property lower than the value set by the County Board of Equalization. Petitioner's appraisal had been prepared by PETITIONER REPRESENTATIVE, Certified General Appraiser. It was his conclusion that the value as of the lien date at issue was \$\$\$\$\$. He included six comparables in his appraisal that had ranged in sale price from \$\$\$\$\$ to \$\$\$\$\$. The two lowest selling comparables were those nearest in age to the subject with similar lot sizes. However, these comparable residences were smaller. The remaining four comparables were all newer than the subject and of different styles. The subject residence was larger than any of PETITIONER REPRESENTATIVE'S comparables. In considering the differences, PETITIONER REPRESENTATIVE did rate the subject as having average condition and made condition adjustments, considering all but one comparable to be in better condition. After making appraisal

adjustments for differences, PETITIONER REPRESENTATIVE'S adjusted value range was from \$\$\$\$\$ to \$\$\$\$\$.

Respondent's appraisal had been prepared by RESPONDENT REPRESENTATIVE, Licensed Appraiser. It was RESPONDENT REPRESENTATIVE'S appraisal conclusion that the value of the subject property was \$\$\$\$\$. He listed six comparables in his appraisal. They ranged in sales price from \$\$\$\$\$ to \$\$\$\$\$. Only one of the six comparables was near the age of the subject and was also the most similar in style. This comparable was the lowest priced comparable at \$\$\$\$\$. He considered the subject to be a half step better in condition than had PETITIONER REPRESENTATIVE, so his condition adjustments were different. Also, RESPONDENT REPRESENTATIVE had considered the tudor style of the subject to be superior in design and style to the two-story modern properties. After making his appraisal adjustments, RESPONDENT REPRESENTATIVE'S indicated range of values for the subject was from \$\$\$\$\$ to \$\$\$\$\$.

Three of the comparables in RESPONDENT REPRESENTATIVE'S appraisal were also relied on by PETITIONER REPRESENTATIVE in his appraisal. These three common comparables were: 1) ADDRESS 2, which sold for \$\$\$\$\$ and for which Petitioner adjusted to \$\$\$\$\$ while Respondent adjusted to \$\$\$\$\$; 2) ADDRESS 3, which sold for \$\$\$\$\$ and for which Petitioner had adjusted to \$\$\$\$\$ while Respondent adjusted to \$\$\$\$\$; and 3) ADDRESS 4, which had sold for \$\$\$\$\$ and for which Petitioner's adjusted appraisal value had been \$\$\$\$\$ and Respondent's adjusted value from the appraisal was \$\$\$\$\$.

Of these common comparables, the first two were newer, two-story style residences. The third was similar to the subject in age and the most similar as far as style of any of the offered comparables. However, the subject residence was larger and appeared to be a better quality. In the posthearing submissions it was apparent that both appraisers had the above grade square feet wrong on this third comparable. PETITIONER REPRESENTATIVE indicates

if this is corrected his indicated value from this comparable was \$\$\$\$\$. If the square foot correction is made based on RESPONDENT REPRESENTATIVE'S other adjustments it would indicate a value from this comparable of \$\$\$\$\$.

Upon reviewing the appraisals the Commission notes that because of the lack of very similar comparables it does make this a more difficult property to determine a value and the valuation is more subjective. The comparables indicated a wide range of value for the subject and each appraisers' adjustments were different. Although both appraisers relied on the third comparable above, they determined different values for the subject from that comparable. The Commission does not find Petitioner's adjustments as far as condition persuasive on that comparable and would tend to agree more with Respondent's adjustments. However, even with Respondent's adjustments the comparable is supportive of Petitioner's appraisal value. The Commission concludes that Respondent has placed more weight on the higher indicated values and less on the one comparable that is more similar. Additionally there was another comparable in Petitioner's appraisal of an older residence, which also lent support to the lower value.

DECISION AND ORDER

Based upon the foregoing, the Tax Commission finds that the value of the subject property as of January 1, 2006, is \$\$\$\$\$. The County Auditor is hereby ordered to adjust its records in accordance with this decision.

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.

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Jane Phan  
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