

07-0291
Property Tax/Locally Assessed
Signed 11/07/2007

BEFORE THE UTAH STATE TAX COMMISSION

<p>PETITIONER 1 & PETITIONER 2, Petitioner, vs. BOARD OF EQUALIZATION OF SALT LAKE COUNTY, UTAH, Respondent.</p>	<p>ORDER Appeal No. 07-0291 Parcel No. ##### Tax Type: Property Tax/Locally Assessed Tax Year: 2006 Judge: Jensen</p>
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Presiding:

Clinton Jensen, Administrative Law Judge

Appearances:

For Petitioner: PETITIONER 1

For Respondent: RESPONDENT REPRESENTATIVE, from the 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 August 27, 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.

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

The subject property is parcel no. #####, located at ADDRESS in Salt Lake County. 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 reduced to \$\$\$\$\$.

The subject property consists of a 0.11-acre lot improved with a cabin. The cabin was 23 years old as of the lien date and built of fair quality of construction. It has 1,093 square feet above grade and a finished basement of 515 square feet. The County considered the cabin to be in average 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 evidence of some of the drawbacks to his cabin, including its construction with low-cost and salvaged materials, impediments to access, small lot size, and lack of access for fire protection or holding tank pumping from the time when snow starts to when it melts.

The county provided an appraisal, prepared by RESPONDENT REPRESENTATIVE. It was the appraiser’s conclusion that the value for the subject property as of the lien date at issue was \$\$\$\$\$. The appraiser relied on the sales of three comparable properties with sale dates from January 2001 to October 2005. All three comparable properties are in CANYON as is the subject. The appraiser explained that there were few comparable sales available and that he thus had to choose the best of the available properties. The appraiser adjusted for differences between

the comparable properties for factors such as time of sale, lot size, site, and cabin size. After taking these adjustments into account, the comparable sales had adjusted selling prices of \$\$\$\$\$, \$\$\$\$\$, and \$\$\$\$\$. The appraiser also completed a valuation using a cost approach. By this approach, the appraiser valued the subject at \$\$\$\$\$. In reconciling values from the sales approach and the cost approach, the appraiser explained that because comparable sales were difficult to find, he had placed greater weight on the cost approach than he would under other circumstances. The appraiser reconciled the value to \$\$\$\$\$.

Considering the evidence presented, the Commission is mindful of the burden of proof imposed on Petitioner by statute to provide the Commission with a sound evidentiary basis for reducing the value established by the county board of equalization. *See Nelson v. Bd. Of Equalization of Salt Lake County*, 943 P.2d 1354 (Utah 1997); *See also, Utah Power & Light Co. v. Utah State Tax Commission*, 530 P.2d. 332 (Utah 1979). In this case, Petitioner apparently provided evidence of comparable sales to the county board of equalization, but did not present any evidence of comparable sales in the hearing before the Commission. Without evidence to support a value lower than the \$\$\$\$\$ as determined by the county's appraiser, the Commission finds that Petitioner has not sustained his burden of proof with regard to showing any lower value.

DECISION AND ORDER

On the basis of the foregoing, the Tax Commission finds that the value of the subject property as of January 1, 2006 is \$\$\$\$\$. The Salt Lake County Auditor is 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.

Appeal No. 07-0291

Clinton Jensen
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

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