

BEFORE THE STATE TAX APPEAL BOARD
OF THE STATE OF MONTANA

CURT COX,)
) DOCKET NO.: PT-2005-9
)
 Appellant,)
)
 -vs-)
)
 THE DEPARTMENT OF REVENUE) FACTUAL BACKGROUND,
 OF THE STATE OF MONTANA,) CONCLUSIONS OF LAW,
) ORDER and OPPORTUNITY
 Respondent) FOR JUDICIAL REVIEW

The above-entitled appeal was heard on March 7th, 2006, in Thompson Falls, Sanders County, Montana, in accordance with an order of the State Tax Appeal Board of the State of Montana (Board). The notice of the hearing was duly given as required by law. The taxpayer, Curtis Cox, presented testimony in favor of the appeal. The Department of Revenue (DOR), represented by Appraiser Ed Thompson, presented testimony in opposition to the appeal.

The duty of this Board is to determine the appropriate market value for the property based on a preponderance of the evidence. Testimony was presented and exhibits were received.

The Board denies the taxpayer's request for a reduction in market value.

This decision upholds the decision of the Sanders County Tax Appeal Board.

STATEMENT OF ISSUE

The issue before this Board is the market value of the subject property.

FACTUAL BACKGROUND

1. Due, proper, and sufficient notice was given of this matter. All parties were afforded opportunity to present evidence, oral and documentary.

2. The subject property is described as follows:

Mobile Home (Make – Skyline, Model – Buddy, Year – 1972). Assessor Code - 300598

3. The Sanders County Tax Appeal Board received an appeal on June 6, 2005.

4. The County Board issued its decision on November 14, 2005, denying the taxpayer's request for a valuation in the amount of zero dollars, stating:

Per Montana Code Annotated 15-7-139 this Board cannot make adjustments to this property due to taxpayer's refusal to allow inspection of property.

5. The taxpayer appealed that decision to this Board on December 19, 2005.

TAXPAYER'S CONTENTIONS

Mr. Cox has requested a value of \$0 based on the condition of the property. He presented no expert or documentary evidence in support of his requested valuation. He stated that he had talked to a

plumber and an electrician and that they had told him that the repair cost of those items would exceed the value of the trailer. However, Mr. Cox did not present any testimony or written evidence to substantiate his claim.

DOR'S CONTENTIONS

The DOR testified that they have not been allowed to physically review the property in order to verify what the taxpayer represents as to the physical condition. Based on the DOR's best information, the mobile home is being appraised as a livable unit with a market value of \$4,760. The DOR's property record card (PRC), exhibit A, described the subject property as:

- 1972 Skyline/Buddy 12 X 60 mobile home.
- Effective Age - 1972.
- Physical condition - Fair.
- Condition/Desirability/Utility - Poor.
- Cost approach to value.

Replacement Cost New	\$ 26,240
Percent Good - 18%	
Depreciation (82%)	<u>(\$ 21,517)</u>
Replacement Cost New Less Depreciation	4,760

While it is an older mobile home with some physical deterioration, Appraiser Ed Thompson testified that it appears to maintain some value. Without authorization to enter the property to evaluate the trailer, Mr. Thompson said he was only able to give his best judgment based on his view of the trailer from the public road, which passes, by the property.

BOARD'S DISCUSSION

By statute, the DOR is to value all taxable property at 100% of market value, **§15-8-111 MCA**.

The DOR maintains a property record card (PRC) for each property in Montana. This PRC contains data with respect to the property that aids in the DOR's ability to estimate value. Periodically, the DOR conducts statewide reappraisals of all property in Montana. Because property has the potential to appreciate or depreciate in value, it is necessary for the DOR to collect data, whether it is specific to the property or general market data, in order to establish an opinion of value. The Taxpayer has informed the DOR that a physical inspection of this property was out of the question. Therefore, the DOR must rely on the best information it has in its possession at the time of reappraisal to determine a value for taxation purposes.

A Taxpayer is not precluded from contesting the DOR's value determination, but it is difficult for a CTAB or this Board to adjust the value without credible documentation. The Taxpayer filed this appeal and requested a \$0 value for this particular piece of property. In order for a taxpayer to effectively challenge the DOR's determination of values they must be prepared to present credible evidence. The Taxpayer provided nothing that would suggest a \$0 value. Therefore, the only credible evidence in the record is that

of the DOR.

CONCLUSIONS OF LAW

1. The State Tax Appeal Board has jurisdiction over this matter.
§15-2-301 MCA.
2. §15-8-111 MCA. Assessment - market value standard -
exceptions. (1) All taxable property must be assessed at 100%
of its market value except as otherwise provided.
3. ARM 2.51.403 (2), With respect to taxable real property and
improvements thereon, the decision of the state tax appeal
board shall be final and binding unless reversed or modified
by the district court upon judicial review. If the decision
of the state tax appeal board is not reviewed by a district
court, it is final and binding for subsequent tax years
unless there is a change in the property itself or
circumstances surrounding the property which affects its
value.

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ORDER

IT IS THEREFORE ORDERED by the State Tax Appeal Board of the State of Montana that the subject property shall be entered on the tax rolls of Sanders County by the local Department of Revenue office at the value of \$4,760 for tax year 2005. The appeal of the taxpayer is therefore denied and the decision of the Sanders County Tax Appeal Board is affirmed.

Dated this 23rd day of May 2006.

BY ORDER OF THE
STATE TAX APPEAL BOARD

(S E A L)

GREGORY A. THORNQUIST, Chairman

JOE ROBERTS, Member

SUE BARTLETT, Member

NOTICE: You are entitled to judicial review of this Order in accordance with Section 15-2-303(2), MCA. Judicial review may be obtained by filing a petition in district court within 60 days following the service of this Order.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 23rd day of May, 2006, the foregoing Order of the Board was served on the parties hereto by depositing a copy thereof in the U.S. Mails, postage prepaid, addressed to the parties as follows:

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