

BEFORE THE STATE TAX APPEAL BOARD
OF THE STATE OF MONTANA

ROBERT J. & LINDA A. SLEIGHT,)	
)	DOCKET NO.: PT-2002-11
Appellant,)	
)	
-vs-)	FACTUAL BACKGROUND,
)	CONCLUSIONS OF LAW,
THE DEPARTMENT OF REVENUE)	ORDER and OPPORTUNITY
OF THE STATE OF MONTANA,)	<u>FOR JUDICIAL REVIEW</u>
)	
Respondent.)	

The above-entitled appeal was heard on May 6, 2003, in the City of Polson, Montana, in accordance with an order of the State Tax Appeal Board of the State of Montana (the Board). The notice of the hearing was duly given as required by law.

Robert J. and Linda A. Sleight (the Taxpayer) presented testimony in support of the appeal. The Department of Revenue (the DOR), represented by Appraiser Kim Young, presented testimony in opposition to the appeal.

The duty of the Board is to determine the market value of the Taxpayer's property based on the preponderance of the evidence. The State of Montana defines "market value" as **MCA §15-8-111. Assessment - market value standard - exceptions.**
(1) All taxable property must be assessed at 100% of its

market value except as otherwise provided. (2)(a) Market value is a value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having a reasonable knowledge of relevant facts.

The Taxpayer is the Appellant in this proceeding and therefore has the burden of proof. It is true, as a general rule, that the appraisal of the Department of Revenue is presumed to be correct and that the Taxpayer must overcome this presumption. The Department of Revenue should, however, bear a certain burden of providing documented evidence to support its assessed values. **(Western Airlines, Inc., v. Catherine Michunovich et al., 149 Mont. 347, 428 P.2d 3, (1967).**

Based on the evidence and testimony presented, the market values are \$195,808 for the land and \$105,692 for the improvements as set forth in the following opinion. The decision of the Lake County Tax Appeal Board is affirmed.

FACTUAL BACKGROUND

1. Due, proper and sufficient notice was given of this matter, the hearing, and of the time and place of the hearing. All parties were afforded opportunity to present evidence, oral and documentary. The record remained open for an extended period of time after the

hearing to allow the DOR additional time to provide requested exhibits. In addition, the Taxpayer was afforded an opportunity to supplement the record with written testimony in response to the DOR's exhibits.

2. The Board has jurisdiction over this matter in accordance with **§ 15-2-301 MCA**.

3. The property which is the subject of this appeal is described as:

Lot 33, ST2 Addition and improvements located thereon. Street address of 1531 Rainbow Drive, Big Fork, Montana, Lake County. Assessor #13125, Geo Code #15-3708-14-3-01-05-0000.

4. For the current appraisal cycle the DOR appraised the subject property at \$195,808 for the land and \$105,692 for the improvements.

5. The Taxpayer appealed the DOR's value determination for the improvements to the Lake County Tax Appeal Board (County Board) on July 14 2002, requesting the value be reduced to \$72,732. (County Board transcript, page 6 and testimony before this Board) The Taxpayer cited the following:

Our property is valued considerably higher than numerous "comps."

6. In its November 6, 2002 decision, the County Board denied the Taxpayers appeal, stating:

The County Tax Appeal Board disapproved their reduction in appraised value. Appellants stated his appraisal is OK, but his neighbors were under appraised... unintelligible.

7. The Taxpayer appealed the County Board's decision to this Board on November 18, 2002. The taxpayer's reason for appeal is stated on two pages and is addressed within the Taxpayer's Contentions in this opinion.

STATEMENT OF THE ISSUE

The issue before the Board is the market value of the improvements to the subject property as of January 1, 1997, the base appraisal date for the current appraisal cycle and the equity of the DOR's appraisal.

TAXPAYER'S CONTENTIONS

The Taxpayer's stated reasons for the appeal and attachment to the appeal form are as follows (emphasis in the original):

1. Our appraisal is not "fair or equitable" or "consistent" as required by the Montana Department of Revenue and as described in the publication, "Understanding Property Taxes", issued by the Department.

At issue here is the definition of "market value". The assessor has created an average market value, across our entire neighborhood, that is approximately 70%-75% of the true (1996 sales) value of the properties. If fifty properties are appraised at 70%-75% of true market value and one is appraised at 100%, then that one property (ours), is *unfairly* appraised, whether at true market value or not. We simply want to be treated the same as everyone else. Again, we are not comparing our appraisal to only one or two neighboring properties that might be appraised well below market value in error. Exceptions don't prove the rule. We're complaining that *we* are the exception and we want our property "appraised in a fair and equitable and consistent (sic) manner"

2. In our opinion, we received an unfair hearing.

We were not allowed to use a particular neighboring property as a comparable because the Chairman of the Appeals Board, Mr. Walter Schock, noted that we had not previously identified that property as a "comp". However, the enclosed letter, a part of my original submission to the Lake County Assessor's Office on Form AB-26, dated 6-15-02, (and denied on 6-27-02), devotes a full paragraph to that ("Watkins") property! It is part of

the record and that point was made at the hearing. It should *not* have been disallowed by the Chairman.

3. There are numerous, significant errors in the Lake County property record cards, the effect of which is further unfairness in *our* appraisal and further financial penalty for us.

The assessor states that many unrecorded property improvements, apparent to us, are not apparent to her because her office is routinely denied access to the interior of homes. (There are many instances of whole floors of heated living space being omitted from the records). But there are many property improvements *readily* apparent, (garages, outbuildings, additions), and in existence for many years, that do not appear on the record cards.

4. The Assessor may be biased.

We are aware that the previous owner of our property was in constant, *aggressive* conflict with this assessor. This conflict was far more serious than the “normal” adversarial relationship between property owner and assessor, it was particularly venomous. In our opinion, that prior relationship may be a reason why the assessor is being so rigid, almost vindictive, with us. For example, *she*, to our surprise and most inappropriately, brought up the subject of the previous owner at *our* hearing and was not ruled out of order by the Chairman. As further example, at the conclusion of my opening argument and the “stating of our case”, the assessor began her remarks by saying, “...is that all? I expected more”. We were stunned by that comment and even more surprised when it went completely unchallenged by the Chairman. Why would she say such a thing?

We have clearly not been treated as the Department of Revenue demands. “Fair”, “equitable” and “consistent”. And that is the basis of our appeal to you. Thank you.

Robert and Linda Sleight

Taxpayer Exhibit #1, page 1, summarized states the following:

Summary

We request that the appraised value of our property be reduced from \$301,500 to \$268, 540, a reduction of 11%.

That request is based upon the requirement that properties in Montana be “appraised in a fair and equitable and consistent manor”. (Montana Dept. of Revenue, “Understanding Property Taxes”).

See item #1 of our appeal to the State Board.

The request is based upon the fact that the Assessor has created a defacto “*effective* market value” in our neighborhood. We have examined almost all the properties here and determined that value is 70%-75% of *true* market value; we are unfairly assessed far more than that.

See item #1 of our appeal to the State Board.

The request is based upon the fact that there are so many gross errors in valuation in our neighborhood that true market valuation exists in but a rare few properties. They are the exceptions. A challenge to the accuracy of all the valuations can be reasonably made. (Examples provided).

See item #3 of our appeal to the State Board.

We received an unfair, biased hearing at the County Level.

See item #4 of our appeal to the State Board.

Taxpayer Exhibit #1, pages 5 & 6 is a comparison of values for eighteen of the nineteen contiguous lots to the subject property. These pages illustrate the following:

#	Owner	Total	Land	Bldg	F/F	\$/FF	Acre	Sq. Ft.	\$/Sq. Ft.
1	Phuhl	\$285,100	\$191,452	\$93,648	125	\$1,531	.57	2,368	\$40
2	Thueson	366,108	199,798	173,310	110	1,752	4.94	2,565	68
3	Hegger	373,794	177,124	196,670	110	1,610	.59	2,954	67
4	Larson		168,628		101	1,669	.63		
5	Supan		187,648		121	1,551	.58		
6	Corn	453,398	145,528	307,870	76	1,915	.88	4,904	63
7	Matosich	335,600	245,128	90,472	161	1,522	5.88	2,640	40
8	Sleight	301,500	195,808	105,692	128	1,529	.98	2,204	48
9	Goddard	294,700	181,792	112,908	114	1,595	.82	2,880	39
10	Thomas	538,074	267,124	270,950	200	1,336	1.59	3,618	75
11	Simmons	231,600	168,172	63,428	100	1,682	.77	2,060	31
12	Siblerud	231,000	170,020	60,980	102	1,667	.75	2,044	35
13	Strainer								
14	Strainer II	278,100	157,948	120,152	114	1,386	.59	2,744	44
15	Nicholson	419,200	284,560	134,640	220	1,293	1.10	1,953	69
16	Humphreys	331,100	154,540	176,560	110	1,405	.55	3,080	57
17	Solberg	204,100	171,112	32,988	104	1,645	.52	899	50
18	Watkins	308,600	145,376	161,224	101	1,459	.60	3,632	44
19	Axelberg	360,126	223,396	136,730	157	1,423	.91	2,404	57

Page 7 of Exhibit #1 illustrates the following:

1. - VALUE BY LAKEFRONT FOOT.

PROP #	TOTAL AC	TOTAL LAND VALUE	\$/FT.
16	.55	\$154,540	\$1,405
17	.52	\$171,112	\$1,645 (17%)

2. – VALUE PER ACRE, UNDER 1 ACRE.

PROP #	TOTAL AC	TOTAL LAND VALUE	\$/FT.
17	.52	\$171,112	\$329,061
18	.60	\$147,376	\$245,627 (34%)

3. – VALUE PER SQ. FT., SIMILAR SIZE AND QUALITY.

PROP #	TOTAL AC	TOTAL LAND VALUE	\$/FT.
8	2,204	\$105,692	\$48
11	2,060	\$ 63,428	\$31
12	2,044	\$ 60,980	\$35 (55%)

Taxpayers Exhibit #2 states the following:

At the November (County) appeal hearing the Assessor refused to explain on the most egregious violations of the “fair”, equitable and consistent” rule because, it was claimed, the property had not been identified as a “comp”.

Sleight, a 20 year old 2204 sq. ft. home in good condition, situated on 128 ft. of lake frontage. Total assessed valuation, **\$301,500**.

Watkins, a new, top quality custom built home, 3632 sq. ft., on 101 ft. of lake frontage. Total assessed valuation, **\$308,600**.

Please explain it now.

The Taxpayer testified that the property was purchased in 1996 for \$277,000. In 1997 a garage and storage shed were constructed and the DOR added these improvements to the appraisal.

Mr. Sleight testified that his value determination of \$301,500 most likely represents the true market value for the property. The problem is that neighboring properties are under appraised; therefore creating an appraisal system that is inequitable.

DOR'S CONTENTIONS

The DOR Exhibit A is the property record card (PRC) that contains information relative to the subject property. Summarized, this Exhibit illustrates the following:

Land Data

Valued on a front foot basis - Waterfront					
Width	Width	Depth	Depth Factor	Unit Price	Land Value
128	128	334 Avg.	100	1,303.75	166,880
Valued on an per acre basis – Primary Site					
Acres					
.98					28,928
Total Land Value					\$195,808

Improvement Data

Year Built – 1983	1 st Floor Area (SF) – 872
3 Bed/3 Bath	2 nd Floor Area (SF) – 480
Pre-fab fireplaces/stoves – 2	Physical Condition – (4) – Average
Quality Grade – 5- Average	Condition/Desirability/Utility (CDU) – Very Good
Heated Floor Area – 2,203	Percent Good – 92 / Depreciation – 8%
Basement Area - 851	Economic Condition Factor (ECF) – 117%

Replacement Cost New (RCN)	\$98,840
Percent Good	92
ECF	117
Replacement Cost New Less Depreciation	106,390
Other Buildings – (Garage & Storage Shed)	23,900
Total Cost of Improvements	130,290
Land Value	195,808
Total Property Value (Cost Approach)	\$326,098

SUMMARY OF VALUES

Final Value	Date	Reason
\$301,500	05/14/1997	1 - Market

Based on DOR's testimony and the PRC, the DOR relied on the sales comparison approach or market approach to establish the value for the subject property.

DOR Exhibit B are plat maps depicting the location of the subject property.

Mr. Young testified that the taxpayer purchased the property at the time the DOR was conducting a statewide reappraisal. The purchase price of \$277,000 and the addition of a garage and storage shed support the total value determination of \$301,500.

BOARD DISCUSSION

The two issues the Board will address are the market value of the subject property and the equity of the DOR's appraisal.

The first issue is the market value of the subject property as of January 1, 1997 pursuant to **MCA, 15-7-111. Periodic revaluation of certain taxable property.** (1) *The department shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. All other property must be revalued annually. The revaluation of class three, four, and ten property is complete on December 31, 1996. The amount of the change in valuation from the 1996 base year for each property in classes three, four, and ten must be phased in each year at the rate of 25% of the change in valuation from December 31, 1998, to the appropriate percentage of taxable market value for each class (emphasis supplied).*

There is no dispute that the taxpayer purchased this class four property for \$277,000 in 1996 and soon after added

a garage and storage shed to the property.

As indicated on the PRC the DOR relied upon the sales comparison approach in establishing the market value of the subject property. When asked by the Board to produce a copy of the "Montana Comparable Sales" which illustrates the comparable properties that sold and were used to establish value for the subject, the DOR was unable to comply. The Board left the record open for an extended period of time in the hope the DOR could locate the document. In the DOR's post hearing submission Mr. Young stated:

"...As for the actual comparable property list used to value the Sleight property, it is unfortunately unavailable. The 2002 computer records are locked and can only be viewed; however, the market/comparables screens are not even available for viewing. It is my understanding that even the programmers in Helena cannot access these records. I would be more than happy to supply them to you if I could."

The burden of appeal rests with the Taxpayer, but the DOR should provide credible evidence to support their appraisal.

(Western Airlines, Inc., v. Catherine Michunovich et al., 149 Mont. 347, 428 P.2d 3, (1967)).

The obligation of this Board is to establish the market value of the property under appeal based upon the preponderance of the evidence presented.

MCA 15-8-111. Assessment -- market value standard -- exceptions. (1) All taxable property must be assessed at 100% of its market value except as otherwise provided.

(2) (a) Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts.

The Administrative Rules of Montana provide for the actual sales price of a property to be considered as the market value when certain criteria are met. 42.20.454 CONSIDERATION OF SALES PRICE AS AN INDICATION OF MARKET VALUE

(2)(b) verify the subject sale as a valid arm's-length transaction as defined in 15-8-111, MCA. (Emphasis supplied)

There is nothing in the record to suggest that the sale of the property in 1996 was not an "arm's-length" transaction. The taxpayer's post-hearing response to the DOR's submission states in summary:

"...In our opinion, the Assessor has relied solely upon the purchase price of our property to establish its value. Based upon our comps' it is clear that we overpaid for our home. We unfortunately failed the "informed buyer" section of the market value definition, as we were in Montana only a matter of days prior to the purchase, used an inexperienced realtor, (Mr. Tom Seefelt; ours was, we believe, his first sale and he left the business and the area shortly thereafter), and a realty company, John L. Scott, Inc. of Kalispell, that has long since closed its doors..."

The DOR did not rely on the sale price for setting the value for the subject, but rather mentioned it as support for their value conclusion. It is rather unsettling that the DOR could not provide the supporting appraisal data used to arrive at the value. The DOR's value determination from the cost approach for the improvements is \$130,290 or \$24,598 higher than the current value. This Board is not willing to adopt that value indication. The Taxpayer has indicated that he paid too much for the property but this is unsupported by any credible market data. As previously noted the DOR did not use the sales price of the subject property in establishing value,

nor is the Taxpayer requesting the Board adopt the sales price as the value for tax purposes. Without the "Montana Comparable Sales" the Board must consider the sales price as an indicator of value. It is the Board's opinion that the sales price of \$277,000 and the addition of the garage and storage shed supports the DOR's value determination.

The second and main issue raised by the Taxpayer is the appraised values of neighboring properties compared to the appraised value of the subject property. It is the opinion of the Taxpayer, after reviewing numerous surrounding properties, that some are not being appraised at 100% of market value; therefore, creating an unfair system. If the Taxpayer's property is appraised at 100% of market value and other properties are appraised at something less than 100%, the Taxpayer is being asked to pay a larger portion of the tax burden. The Taxpayer presented values and square footages of neighboring properties to illustrate the inequity of the DOR's appraisals (Exhibit #1). It is the Taxpayer's opinion that based on the DOR's under appraising of neighboring property, the value of the improvements should be reduced 11% in order that equity is achieved. While the Taxpayer didn't present the property record cards (PRC's) for those properties identified in Exhibit #1, the Board requested that the DOR

submit them as a post hearing submission. The following table is a summary of those PRC's:

//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//

	Owner	Valuation Method	Year Built	Effective Age	Physical Condition	Quality Grade	Condition/ Desirability & Utility (CDU)	Bedrooms/ Bathrooms	Heated Floor Area (SF)	Improvement Value	Value/SF
1	Sleight (subject)	Market	1983	1983	Average	5	Very Good	3/3	2203	\$105,692	\$47.98
2	Pfuhl	Market	1991	1991	Average	5	Good	3/2	2368	\$93,648	\$39.55
3	Thueson	Cost	1988	1988	Average	6+	Good	4/2	2565	\$173,310	\$67.57
4	Hegger	Cost	1986	1992	Good	6+	Very Good	¾	2954	\$196,670	\$66.58
5	Larson	Only improvement is a garage.									
6	Supan	No improvements at the time of the appraisal.									
7	Corn	Cost	2001	2001	Good	7	Very Good	5/3	4904	\$307,870	\$62.78
Improvements were valued at 85% complete											
8	Matosich	Market	19779	1977	Average	5	Good	2/2	2240*	\$90,472	\$40.39
9	Goddard	Market	197910	1979	Average	6	Good	4/2	2880	\$128,308	\$44.55
10	Thomas	Cost	1979	1989	Good	7	Excellent	4/3	3618	\$270,950	\$74.89
11	Simmons	Market	1982	1982	Average	4	Good	1/1	2060*	\$63,428	\$30.79
12	Siblerud	Market	1984	1984	Average	5	Good	2/1	1176	\$60,980	\$51.85
13	Strainer	Market	1978	1980	Average	5	Very Good	3/2	2744	\$120,152	\$43.79
14	Nicholson	Market	1983	1986	Good	6+	Good	4/2 ½	2345	\$134,640	\$57.42
15	Humphreys	Market	1993	1993	Good	6	Good	4/3	3080	\$176,560	\$57.32
16	Solberg	Market	1983	1983	Average	4	Good	4/1	899*	\$32,988	\$36.69
17	Watkins	Market	1997	1997	Good	5+	Very Good	5/3	3632	\$161,224	\$44.39
18	Axelberg	Cost	1977	1977	Average	5	Good	3/2 ½	2404	\$136,730	\$56.88

* Denotes the heated floor area section on the PRC is blank. Utilized total floor area.

Excluding the two properties without residences, the following table shows that the subject at \$47.98 per square foot falls within the middle when comparing the property on a price per square foot:

3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
\$30.79	\$36.69	\$39.55	\$40.39	\$43.79	\$44.39	\$44.55	\$47.98	\$51.85	\$56.88	\$57.32	\$57.42	\$62.78	\$66.58	\$67.57	\$74.89

It should be noted that some properties have significant outbuildings while others were minimal or non-existent, such as garages, boat docks, paving, etc. The Taxpayer asserts that the DOR's appraisal is suspect inasmuch as property that should be appraised is not even present on the DOR's PRC's, i.e. garages, finished living area, etc. Undoubtedly errors will be made when conducting mass appraisals, or that structures or additions will be made to properties without the DOR being aware. As Mr. Young indicated, the DOR does not inspect the interior of a property unless the owner requests an inspection be made. Also, building permits may not be required when structures are added to the property. Mr. Young indicated that in many instances the DOR discovers missed property when time is spent in the field inspecting other new construction.

The Taxpayer's argument appears to challenge **MCA, 15-7-112. Equalization of valuations.** *The same method of appraisal and assessment shall be used in each county of the state to*

the end that comparable property with similar true market values and subject to taxation in Montana shall have substantially equal taxable values at the end of each cyclical revaluation program hereinbefore provided. In Albright v. Montana Department of Revenue, 281 Mont. 196,933 P.2d 815., the Court held that "We recognize that the Department's method of assessing property and estimating market values is by no means perfect, and will occasionally miss the mark when it comes to the Constitution's goal of equalizing property valuation. However, perfection in this field is, for all practical purposes, unattainable due to the logical and historical preference for a market-based method, and the occasional lack of market data. Nonetheless, we conclude that the Department's interdisciplinary method--which utilizes the market data approach, the income approach, the cost approach, or some combination of these approaches--is a reasonable attempt to equalize appraisal of real property throughout the State and that it comports with the most modern and accurate appraisal practices available. Finally, we note that in those occasional situations when, due to the inherent imperfections in the Department's market-based method, fair, accurate, and consistent valuations are not achieved, individual taxpayers can and should avail themselves of the property tax appeals process set forth at 15-15-101, -102, -103, and -104, MCA."

The Taxpayer in this case has brought a timely appeal to this Board but is asking us to do something beyond our jurisdiction. He is asking us to reduce the value of his property because it is his opinion that some neighboring property is being under appraised. The Montana Supreme Court held in part and in effect in State ex rel. Schoonover v. Stewart, 89 Mont. 257 (1931), that *in no proceeding is one to be heard who complains of a valuation which, however erroneous it may be, charges him with only a just proportion of the tax. If his own assessment is not out of proportion, as compared with valuations generally on the same roll, it is immaterial that some one neighbor is assessed too little; and another too much.* In Larson v. State, 166 Mont. 313, 317, 661 P2d 44, 47 (1983), the Court said, "Tax appeal boards are particularly suited for settling disputes over the appropriate valuation of a given piece of property or a particular improvement, and the judiciary cannot properly interfere with that function."

This Board's jurisdiction rests solely on the proper valuation of the property under appeal. Although the DOR could not produce the document that established the value for the subject property, it is fortunate that the property sold during the same period of time it was conducting reappraisal. There was nothing presented to suggest the transaction was not

"arms-length" in nature; therefore it is this Board's opinion the DOR's value determination reflects true market value.

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. (2) (a) Market value is the value at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. (b) If the department uses construction cost as one approximation of market value, the department shall fully consider reduction in value caused by depreciation, whether through physical depreciation, functional obsolescence, or economic obsolescence.
3. **§15-2-301 MCA, Appeal of county tax appeal board decisions.** (4) In connection with any appeal under this section, the state board is not bound by common law and statutory rules of evidence or rules of discovery and may affirm, reverse, or modify any decision.
4. **MCA, 15-7-112. Equalization of valuations.** The same method of appraisal and assessment shall be used in each

county of the state to the end that comparable property with similar true market values and subject to taxation in Montana shall have substantially equal taxable values at the end of each cyclical revaluation program hereinbefore provided.

5. It is true, as a general rule, that the appraisal of the Department of Revenue is presumed to be correct and that the taxpayer must overcome this presumption. The Department of Revenue should, however, bear a certain burden of providing documented evidence to support its assessed values. (Western Airlines, Inc., v. Catherine Michunovich et al., 149 Mont. 347, 428 P.2d 3, (1967)).

6. **§ 15-7-111. Periodic revaluation of certain taxable property.** (1) The department shall administer and supervise a program for the revaluation of all taxable property within classes three, four, and ten. All other property must be revalued annually.

7. **State ex rel. Schoonover v. Stewart, 89 Mont. 257 (1931),** "And in no proceeding is one to be heard who complains of a valuation which, however erroneous it may be, charges him with only a just proportion of the tax. If his own assessment is not out of proportion, as compared with valuations generally on the same roll, it is immaterial that some one neighbor is assessed too little; and

another too much."

8. **Albright v. Montana Department of Revenue**, 281 Mont. 196,933 P.2d 815., the Court held that We recognize that the Department's method of assessing property and estimating market values is by no means perfect, and will occasionally miss the mark when it comes to the Constitution's goal of equalizing property valuation. However, perfection in this field is, for all practical purposes, unattainable due to the logical and historical preference for a market-based method, and the occasional lack of market data. Nonetheless, we conclude that the Department's interdisciplinary method--which utilizes the market data approach, the income approach, the cost approach, or some combination of these approaches--is a reasonable attempt to equalize appraisal of real property throughout the State and that it comports with the most modern and accurate appraisal practices available. Finally, we note that in those occasional situations when, due to the inherent imperfections in the Department's market-based method, fair, accurate, and consistent valuations are not achieved, individual taxpayers can and should avail themselves of the property tax appeals process set forth at 15-15-101, -102, -103, and -104, MCA.

9. **Larson v. State**, 166 Mont. 313, 317, 661 P2d 44, 47 (1983), the Court said, Tax appeal boards are particularly suited for settling disputes over the appropriate valuation of a given piece of property or a particular improvement, and the judiciary cannot properly interfere with that function.
10. **Maxwell v. Shivers (1965)**, 257 Iowa 575, 133 N.W.2d 709, 711; **Department of Revenue v. State Tax Appeal Board**, 613 P.2d at 695. Based on that evidence, in protests over which STAB now has jurisdiction, it may affirm, modify or reverse the decision of the County Tax Appeal Boards.
11. The Board finds that the evidence presented supports its conclusion that the decision of the Lake County Tax Appeal Board be upheld.

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 Lake County by the local Department of Revenue office at the value of \$195,808 for the land and \$105,692 for the improvements. The appeal of the Taxpayer is denied.

Dated this 9th day of June, 2003.

BY ORDER OF THE
STATE TAX APPEAL BOARD

(S E A L)

GREGORY A. THORNQUIST, Chairman

JEREANN NELSON, Member

MICHAEL J. MULRONEY, 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 9th day of June, 2003, 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:

Robert & Linda Sleight
1531 Rainbow Drive
Big Fork, Montana 59911-6901

Office of Legal Affairs
Department of Revenue
Mitchell Building
Helena, Montana 59620

Kim Young
Appraiser
Lake County Appraisal Office
106 4th Avenue East
Polson, Montana 59860

Walt Schock
Chairman
Lake County Tax Appeal Board
2663 Hi Hi Tah Road
St. Ignatius, Montana 59865

DONNA EUBANK
Paralegal