

**Order of the Thurston County
Board of Equalization**

Property Owner: RONALD COLEMAN

Parcel Number(s): 58350200800

Assessment Year: 2016

Petition Number: 16-0226

Having considered the evidence presented by the parties in this appeal, the Board hereby:

☐ sustains ☒ overrules the determination of the assessor.

Assessor's True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 76,950
<input checked="" type="checkbox"/> Improvements	\$ 1,400
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 78,350

BOE True and Fair Value Determination

<input checked="" type="checkbox"/> Land	\$ 19,500
<input checked="" type="checkbox"/> Improvements	\$ 1,400
<input type="checkbox"/> Minerals	\$
<input type="checkbox"/> Personal Property	\$
TOTAL:	\$ 20,900

This decision is based on our finding that: The Board overrules the Assessor's determination of value based on the testimony and evidence presented. The Board relies, in a measure, on its previous review of the subject property.

The Petitioner contends that the lot is unbuildable due to its size, the proximity to water wells, set back requirements, and the fact that there is no place for an onsite septic system. The Petitioner claims that the subject property is limited to recreational use only. The Petitioner provided a comparative market analysis from Al Eckroth of Virgil Adams Real Estate, which identified the sale of a vacant recreational lot located at 2824 15th Avenue SE, Olympia, that for \$22,500 on September 16, 2016, via a statutory warranty deed.

The Assessor provided a market-adjusted cost approach and a neighborhood sales listing in support of the current assessed value. The Board finds that the Assessor provided limited information about the characteristics of the vacant land sales, so it is unclear whether any of the sold properties have restrictions or whether they are unbuildable.

The requirement for assessment in Washington is that "all property must be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law." RCW 84.40.030(1). In response to the Appellant's petition, the Assessor's Office stated, "The Restrictions 50% influence adjustment has been applied to reflect the very likely status that the lot is unbuildable. When an owner provides the assessor's office with documentation that confirms that the property is not buildable then typically we apply a 30% good adjustment." Assessor's Response, unnumbered page 8 (bold omitted). There is nothing in statute that requires a landowner to prove the value of his land as a condition precedent to having his tax parcel valued at one hundred percent of its true and fair value in money.

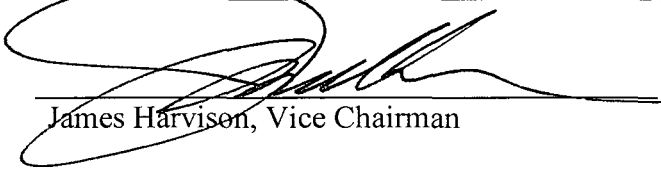
The Washington Supreme Court has defined fair market value as "the amount of money which a purchaser willing but not obliged to buy the property would pay to an owner willing but not obliged to sell it, taking into consideration all uses to which the property is adapted and might in reason be applied."¹ The statement in the Assessor's Response makes it clear the Assessor's Office did not take into consideration all uses to which the property is adapted and might in reason be applied.

¹ *Bellingham Community Hotel Co., Inc., v. Whatcom County et al.*, 190 Wash. 609, 614 (1937).

The Board finds that there is no evidentiary standard that requires the Petitioner to apply for permits in order to find that the subject property cannot be developed. The Board concludes that there is no evidence to suggest that it worth the Petitioner's time, effort, and extraordinary expense to apply for a building permit under these circumstances. [See BOE Orders for Teitge Order, Petition Numbers 15-0384 through 15-0391, hearing date: August 11, 2016] The Board finds that the Assessor should consider other valid documentation of the property's unbuildable status in determining the true and fair value.

The Board determines the value of the subject property by asking what a willing buyer would have offered on January 1, 2016. The Petitioner has provided clear, cogent, and convincing evidence that land use regulations prevent building a house on the property. The Petitioner's evidence is buttressed by the Assessor's Office statement that the property is likely unbuildable. The Board concludes a willing buyer would not offer fifty percent of the value of the lot as the Assessor's Office concludes. The Board finds that the subject property is a recreational lot. The Petitioner provided evidence to support the proposed value of \$20,900. The Board concludes that the Petitioner has provided clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation. The Board adopts the Petitioner's requested value.

Dated this 11th day of May, 2017


James Harvison, Vice Chairman


Ruth J. Elder, Clerk of the Board

NOTICE

This order can be appealed to the State Board of Tax Appeals by filing a notice of appeal with them at PO Box 40915, Olympia, WA 98504-0915 or at their website at bta.state.wa.us/appeal/forms.htm within thirty days of the date of mailing of this order. The Notice of Appeal form is available from either your county assessor or the State Board.

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