

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

Property Owner: CARDINAL CG COMPANY

Parcel Number(s): 99002014200

Assessment Year: 2017

Petition Number: 17-0756

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 type="checkbox"/> Land	\$ <u>0</u>
<input type="checkbox"/> Improvements	\$ <u>0</u>
<input type="checkbox"/> Minerals	\$ <u> </u>
<input checked="" type="checkbox"/> Personal Property	\$ <u>22,828,928</u>
TOTAL:	\$ <u>22,828,928</u>

BOE True and Fair Value Determination

<input type="checkbox"/> Land	\$ <u>0</u>
<input type="checkbox"/> Improvements	\$ <u>0</u>
<input type="checkbox"/> Minerals	\$ <u> </u>
<input checked="" type="checkbox"/> Personal Property	\$ <u>14,994,000</u>
TOTAL:	\$ <u>14,994,000</u>

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 personal property. The Petitioner was represented by Travis Carlson with Property Tax Assistance Co., Inc. and Jack Young, CPA and ASA-MTS/ARM. At the hearing, the Petitioner's Representatives revised their estimate of value to \$14,994,000. Mr. Young provided an equipment appraisal that included a cost approach for the specialized glass equipment, and a sales comparison approach for the fork lifts. Mr. Young contends that the Assessor's valuation was not compliant with the Uniform Standards of Professional Appraisal Practice (USPAP). He argued that the sales comparison approach should have been considered, noting that no functional or economic obsolescence were accounted for in the Assessor's analysis, only physical depreciation. Mr. Young testified that he used the indirect method of using industry-specific trend data. He argued that the Assessor's valuation does not consider a weighted average life analysis that should be applied to the consumable components such as glass coater lines and tempering lines. He argued that there is significant economic obsolescence in these assets and a perception in the marketplace that used equipment will sell for as much as a 50 percent discount. Mr. Young stated that the Petitioner is requesting a 25 percent discount. The Assessor's Representative did not participate in the hearing, but provided a written response including a cost approach. The Assessor contends that the Department of Revenue supports the Assessor's valuation. The Department of Revenue's appraisal was not submitted to the Board for review. The Board finds the Petitioner's appraisal and analysis to be compelling evidence. The Board concludes that the Petitioners provided clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 23rd day of August, 2018


John L. Morrison, 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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