

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

Property Owner: CARDINAL CG COMPANY

Parcel Number(s): 99002014200

Assessment Year: 2019

Petition Number: 19-0549

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>25,228,485</u>
TOTAL:	\$ <u>25,228,485</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>19,500,000</u>
TOTAL:	\$ <u>19,500,000</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 reviews of the subject property.

The Petitioner was represented by Jack Young of Nor Cal Valuations, appraiser for the owners, Chris Smith, Corporate Controller for Cardinal Glass, and Travis Carlson of Property Tax Assistance Company, Inc. The Petitioner's Representatives revised their estimate of value to \$16,040,000 at the hearing. Mr. Young reviewed his appraisal. Mr. Young testified that: the loss of business in 2018 led to some of the equipment being idle; rolling stock and forklifts were valued using comparable sales; and the cost approach includes physical, functional and economic depreciation. Mr. Young also contends that: the Assessor's indirect cost method using an index and trending does not represent market value and is particularly problematic for the equipment that is more than ten years old; the Washington State Department of Revenue's index is a guide, not a rule; the Washington State Board of Tax Appeals found that all short-lived consumable equipment should have a ten year life; the Assessor applies a twenty year life to the consumable parts of the glass coating process; the old coaters are functionally obsolescent; and the Washington State Board of Tax Appeals agreed with his direct cost method of valuation.

The Assessor was represented by Appraisal Supervisor Teresa Hoyer who provided a written Response. She clarified that personal property is self-reported by the property owner. Ms. Hoyer stated that: appeals have been ongoing for several years; neither Party was satisfied with the Washington State Board of Tax Appeals' prior Decisions on the informal appeals; and the Assessor's Office is interested in meeting with the principals to discuss the issues with the hope of avoiding future appeals and litigation.

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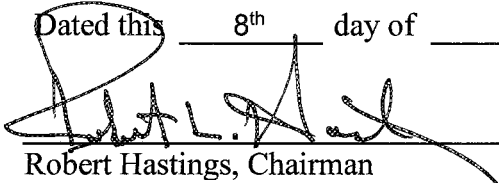
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The Board finds the appraisal and analysis of the Petitioner's Representatives to be persuasive, but does not find that the evidence supports the Petitioner's revised requested value. The Board concludes that the Petitioner's Representatives provided clear, cogent, and convincing evidence sufficient to overcome the Assessor's presumption of correctness and to warrant a reduction in the valuation.

Dated this 8th day of October, 2020


Robert Hastings, Chairman


Ruth J. Elder, Clerk of the Board

NOTICE

This order can be appealed to the State Board of Tax Appeals by filing a formal or informal appeal with them at PO Box 40915, Olympia, WA 98504-0915 or at their website at <https://bta.wa.gov> within thirty days of the date of mailing of this order. The appeal forms are available from either your county assessor or the State Board of Tax Appeals.

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REV 64 0058 (5/25/2017)

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