

INDIANA BOARD OF TAX REVIEW
Small Claims
Final Determination
Findings and Conclusions

Petition #: 62-009-02-1-5-00022
Petitioners: Harold & Carolyn Craddock
Respondent: Troy Township Assessor, Perry County
Parcel #: 009-00570-00
Assessment Year: 2002

The Indiana Board of Tax Review (the “Board”) issues this determination in the above matter, and finds and concludes as follows:

Procedural History

1. The Petitioners initiated an assessment appeal with the Perry County Property Tax Assessment Board of Appeals (the “PTABOA”) by written document dated November 24, 2003.
2. The Petitioners received notice of the decision of the PTABOA dated March 25, 2004.
3. The Petitioners filed an appeal to the Board by filing a Form 131 with the Perry County Assessor on April 7, 2004. The Petitioners elected to have this case heard in small claims.
4. The Board issued a notice of hearing to the parties dated October 14, 2004.
5. The Board held an administrative hearing on November 30, 2004, before the duly appointed Administrative Law Judge Rick Barter.
6. Persons present and sworn as witnesses at hearing:
 - a) For Petitioner – Harold Craddock, Taxpayer,
 - b) For Respondent – Mendy Ward, Perry County Assessor.¹

¹ In this case, the Perry County Assessor is not a party and no written authorization for her to represent the Respondent has been filed. Nevertheless, at the hearing the County Assessor stated that such authorization had been given. The Township Assessor did not attend the hearing, but there was no challenge to that authority or evidence to the contrary. Therefore, in this case the Board will accept that representation, but in the future assessors should document such authorization. See 52 I.A.C. 1-1-6(3); 52 I.A.C. 2-6-6.

Facts

7. The property is a 1,896 square foot, one and a half story, residential dwelling on a lot measuring 96 feet by 140 feet, as is shown on the property record card for parcel #009-00570-00.
8. The Administrative Law Judge (the “ALJ”) did not conduct an inspection of the property.
9. Assessed Value of subject property as determined by the PTABOA:
Land \$11,900 Improvements \$153,200.
10. Assessed Value requested by Petitioners:
Land \$ 9,524 Improvements \$115,476.

Issue

11. Summary of Petitioners’ contentions in support of alleged error in assessment:
 - a) The assessed value of the property is higher than the market value of the property. The assessed value should be \$125,000. *Craddock testimony.*
 - b) The appraisal estimates the market value of the subject property at \$125,000. The appraisal was prepared for the purpose of appealing the property tax assessment. *Pet. Exhibit 3; Craddock testimony.*
 - c) Many of the homes on this block have become rental homes and that his neighborhood has become rundown. *Craddock testimony.* Over the last 15 or 16 years, since the Petitioners bought this property, the neighborhood has gotten worse. *Craddock testimony.* The market value of the property is affected by the poor conditions of the surrounding properties. *Craddock testimony.*
12. Summary of Respondent’s contentions in support of the assessment:
 - a) The assessed values of the comparable properties used in the appraisal compared to the actual sales of those comparable properties and other similar properties demonstrate that the assessed values in this neighborhood are lower in general than the sale prices. *Ward testimony.*
 - b) Comparable #1 used in the appraisal sold for \$94,000 at public auction and is not representative of market value. The assessed value of Comparable #1 is \$148,900. Comparable #2 used in the appraisal sold for \$120,000 and is assessed at \$102,100. Comparable #3 used in the appraisal sold for \$215,000 and is assessed at \$205,500. *Ward testimony; Resp. Exhibits 2, 4, 5.*
 - c) The property located at 120 12th Street sold for \$200,000 and is assessed at \$145,500. The property at 48 12th Street sold for \$111,500 and is assessed at

\$103,500. These sales demonstrate that, in general, the assessments are below market value in the area. *Ward testimony; Resp. Exhibits 6, 7.*

Record

13. The official record for this matter is made up of the following:

- a) The Petition.
- b) The tape recording of the hearing labeled IBTR #6056.
- c) Exhibits:
 - Petitioners Exhibit 1: A summary of the Petitioners' contentions concerning the appraisal of the subject.
 - Petitioners Exhibit 2: Photographs of surrounding properties.
 - Petitioners Exhibit 3: An appraisal for the subject property.
 - Petitioners Exhibit 4: A copy of the subject Form 131.
 - Respondent Exhibit 1: The property record card for the subject property.
 - Respondent Exhibit 2: The property record card for the property located at 1217 Main Street.
 - Respondent Exhibit 3: The property record card for the property adjacent to 1217 Main Street.
 - Respondent Exhibit 4: The property record card for the property located at 626 9th Street.
 - Respondent Exhibit 5: The property record card for the property located at 104 12th Street.
 - Respondent Exhibit 6: The property record card for the property located at 120 12th Street.
 - Respondent Exhibit 7: The property record card for the property located at 48 12th Street.
- d) These Findings and Conclusions.

Analysis

14. The most applicable governing cases are:

- a) A petitioner seeking review of a determination of an assessing official has the burden to establish a prima facie case proving that the current assessment is incorrect, and specifically what the correct assessment would be. *See Meridian Towers East & West v. Washington Twp. Assessor*, 805 N.E.2d 475, 478 (Ind. Tax Ct. 2003); *see also, Clark v. State Bd. of Tax Comm'rs*, 694 N.E.2d 1230 (Ind. Tax Ct. 1998).

- b) In making its case, the taxpayer must explain how each piece of evidence is relevant to the requested assessment. *See Indianapolis Racquet Club, Inc. v. Washington Twp. Assessor*, 802 N.E.2d 1018, 1022 (Ind. Tax Ct. 2004) (“[I]t is the taxpayer’s duty to walk the Indiana Board...through every element of the analysis”).
 - c) One the petitioner establishes a prima facie case, the burden shifts to the assessing official to rebut the Petitioner’s evidence. *See American United Life Ins. Co. v Maley*, 803 N.E.2d 276 (Ind. Tax Ct. 2004). The assessing official must offer evidence that impeaches or rebuts the Petitioner’s evidence. *Id.*; *Meridian Towers*, 805 N.E.2d at 479.
 - d) For the 2002 general reassessment, the assessment of a property is to reflect its value as of January 1, 1999. When an independent appraisal indicates values for 2003 or 2004, there must be some explanation as to how that value opinion demonstrates or is relevant to the value of the subject property as of January 1, 1999. Without such an explanation, that appraisal has no probative value. *Long v. Wayne Twp. Assessor*, No. 49T10-0404-TA-20, slip op. at 8 (Ind. Tax Ct. January 28, 2005).
15. The Petitioners failed to provide sufficient evidence to support their contentions. This conclusion was arrived at because:
- a) A qualified expert prepared the appraisal of the subject property. The appraisal is based on a sales comparison approach and uses three sales of comparable properties to estimate the property’s market value at \$125,000 as of March 31, 2004. *Pet. Exhibit 3*.
 - b) The Petitioners’ appraisal gives an opinion of value that is over five years removed from the valuation date for this general reassessment. That is even more remote than the appraisal date was in *Long*. Neither the appraisal nor the testimony, however, provides any explanation about how the appraisal demonstrates or is relevant to the value of the subject property as of January 1, 1999. Consequently, that evidence has no probative value in determining what the assessment of the Petitioners’ property should be in this case. *Id.*
 - c) The declining quality of the neighborhood and what that condition has done to the market value of those properties increases the significance of the time differential between the valuation date and the appraisal date in this case.
 - d) Mr. Craddock’s opinions that he has a good house in a bad location and it would not sell for as much as the assessment also fail to prove the Petitioners’ case. Such unsupported statements and conclusory observations are not probative evidence. *See Clark v. State Bd. Of Tax Comm’rs*, 742 N.E.2d 46, 52 (Ind. Tax Ct. 2001); *Whitley Products, Inc. v. State Bd. of Tax Comm’rs*, 704 N.E.2d 1113, 1119 (Ind. Tax Ct. 1998).

Conclusion

16. The Petitioners failed to establish a prima facie case that the current assessment is incorrect or what the correct assessment should be. The Board finds in favor of the Respondent.

Final Determination

In accordance with the above findings and conclusions the Indiana Board of Tax Review now determines that the assessment should not be changed.

ISSUED: _____

Commissioner,
Indiana Board of Tax Review

IMPORTANT NOTICE

- APPEAL RIGHTS -

You may petition for judicial review of this final determination pursuant to the provisions of Indiana Code § 6-1.1-15-5. The action shall be taken to the Indiana Tax Court under Indiana Code § 4-21.5-5. To initiate a proceeding for judicial review you must take the action required within forty-five (45) days of the date of this notice.