

PROPERTY ASSESSMENT APPEAL BOARD

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2016-022-00201A

Parcel No. 41-15-462-001

PAUL D. ANTHERS,

Appellant,

vs.

CLAYTON COUNTY BOARD OF REVIEW,

Appellee.

Introduction

On September 12, 2016, the above-captioned appeal came on for written consideration before the Property Assessment Appeal Board (PAAB). The appeal was conducted under Iowa Code section 441.37A(2)(a-b) (2015) and Iowa Administrative Code rules 701-71.126(1) et al. Paul Anthes was self-represented and requested the appeal proceed without a hearing. Clayton County Assessor Alan Heavens represented the Board of Review.

Anthes is the owner of 2.190 acres of unimproved land located in Clayton County; identified as Parcel 41-15-462-001. On February 25, 2016, the County Assessor notified Anthes the subject property was classified residential and that the January 1, 2016 assessed value was set at \$8756; this was an increase from 2015. Anthes petitioned the Board of Review claiming an error in the assessment and noted the property "is zoned Agriculture (A1) not Residential." Anthes' error claim essentially asserted the property was misclassified under Iowa Code section 441.37(1)(a)(1)(c). The Board of Review changed the property's classification to agricultural and applied a

25% obsolescence adjustment for limited use/access; further reducing the January 1, 2016, assessment to \$5,659.

Anthes then appealed to PAAB asserting “values not equal.” Along with his appeal, Anthes provided a comparison of his property’s assessed value with Parcel 41-15-476-001. We opine Anthes is asserting a claim under Iowa Code section 441.37(1)(a)(1)(a); contending his assessment was not equitable compared to the assessment of other like properties.

It should be noted this is a new claim, not previously raised before the Board of Review. Generally PAAB only considers those grounds presented to or considered by the Board of Review. §§ 441.37A(1)(a-b). However, the Board of Review adjourned after modifying the subject property’s assessment, thereby removing Anthes’ opportunity to address any claims arising from that modification. We therefore take exception with this case and address his equity claim.

Standard of Review and Applicable Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2015). The provisions of the Administrative Procedure Act also apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

The subject property is classified as agricultural property. Iowa Code section 441.21(1)(e) requires agricultural property be assessed by giving exclusive consideration to its productivity and net earning capacity. In making this determination, the assessor is required to use available data from Iowa State University, the Iowa crop and livestock reporting service, the Department of Revenue, the IOWA REAL PROPERTY APPRAISAL MANUAL, and to consider the results of a modern soil survey, if completed.

§ 441.21(1)(f); Iowa Admin. Code r. 701-71.3. The corn suitability rating, or CSR, is a measure of a given soil's productivity based on the soil type, its water holding capacity, slope, soil depth, and other factors. IOWA REAL PROPERTY APPRAISAL MANUAL p. 2-26. The Assessor's Office is also required to determine which portion of a property qualifies as non-cropland and make adjustments to non-cropland in future years. R. 701-71.3(1)(b-c).

Anthes asserts his assessment is not equal to another property he submitted for comparison. (Appeal). To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993).

Findings of Fact

Anthes asserts the correct net assessed value for the subject property is \$4,611 (rounded). Anthes' claim appears to be based on a simple assumption: if the neighbor's assessed value per acre was applied to his land area it would result in a lower total assessed value for the subject property.

Anthes relies on a 40-acre agricultural tract in support of his position (Parcel 41-15-476-001). The following is representative of Anthes' calculations:

Neighboring Property (parcel 41-15-476-001)

Total acres: 40
Assessed value: \$112,418
Assessed value/acre: \$112,418 (÷) 40 ac (=) \$2,810.45

Subject Property (2.1875 acres)

Total assessment using neighbor's rate/acre: 2.1875 acres (x) \$2,810.45 (=) \$6,147.86
25% limited access reduction granted by BOR: \$6,147.86 (x) .25 (=) \$1,536.97
Asserted Correct Net Assessment: \$6,147.86 (-) \$1,536.97 (=) \$4,610.90

When considering the property record card for the subject property and that of the neighbor's, we can identify distinct differences between the two properties. (Ex. A & Ex. B). First, each property consists of several types of soils and each soil type is assigned its own corn suitability rating (CSR). Second, the Board of Review applied a 25% discount for land area in timber because it is non-cropland.

Third, and most importantly, Anthes' property has a superior CSR as compared to Parcel 41-15-476-001. The subject property has an average CSR of 82.522 whereas Parcel 41-15-476-001 has an average CSR of 67.316. 100% of Anthes' property consists of soils with a CSR of 87 or higher while only 33% of the neighbor's forty acres consists of soils with a CSR of 87 or higher. The CSR points assigned to the properties indicates the neighbor's land consists of less productive soils than the subject property.

Finally, CSR points are determined by multiplying the specific soil-type CSR times the land area that contains that given soil type. It is noteworthy that the assessment rate per CSR point is identical for both properties. The table below summarizes the assessment calculations, rounded, from the two property record cards:

	Acres	Net CSR Points	Assessment Rate Per Point	Total Assessment
Subject Property	2.190	180.723	\$41.750	\$7,545
Neighboring Parcel	40.0	2692.640	\$41.750	\$112,418

Upon application of the 25% Board of Review adjustment, the final assessed value for the subject property is \$5,659 (rounded).

Conclusions of Law

Iowa law requires agricultural property be assessed by giving exclusive consideration to its productivity and net earning capacity. Iowa Code § 441.21(1)(e). This is done, in part, by utilizing the modern soil survey and the CSR. The subject property consists of more productive soil than Parcel 41-15-476-001, as shown by its higher average CSR. In essence, Anthes' mathematical calculation is based on Parcel 41-15-476-001's less productive soil, contrary to the agricultural assessment method mandated by law.

By a preponderance of all evidence in the record, and for the reasons stated above, we find the assessor applied a uniform assessing method to the identified properties and Anthes failed to prove inequity existed in the determination of the subject property's January 1, 2015 assessment.

Order

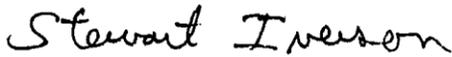
The Clayton County Board of Review's action is AFFIRMED.

This Order is the final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located, within 20 days of the date of this Order, and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.



Camille Valley, Presiding Officer



Stewart Iverson, Board Chair



Karen Oberman, Board Member

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