



Knox County Board of Assessment Review

A meeting of the Knox County Board of Assessment Review took place on Friday, October 17, 2014 at 10:00 a.m. in the Knox County Commission Hearing Room.

Board members in attendance: Wes Robinson, Marian Robinson, Tammy Brown, Jim Murphy, and Martin Cates. *Board members absent: Lauren Kenniston.*

County Administrative office staff in attendance: Administrative Assistant Candice Richards serving as recording secretary.

Others in attendance: John Ware, Sr., trustee and taxpayer; Thomas W. Edwards, Assessors' Agent for the Town of Owls Head, and Owls Head Selectboard Chair Dick Carver.

<h2 style="margin: 0;">AGENDA</h2>		
Friday – October 17, 2014 – 10:00 a.m.		
I.	10:00	Meeting Called To Order
II.	10:01	Opening Remarks by Board Chair
III.	10:05	Hearing
		1. Appellant
		2. Town of Owls Head
IV.		Board Deliberation & Vote
V.		Other Business
VI.		Adjourn

I. Meeting called to order

Chair Marian Robinson called the meeting to order at 10:00 a.m.

II. Opening Remarks by Chair

III. Hearing

Appellant's Evidence

The taxpayer requested an abatement based on the following information for the 2013 tax year:

Current Assessed Valuation	Land	\$338,890
	Building	\$205,800
	Total	\$544,690

Owner's Opinion of Current Valuation	Land	\$300,000
	Building	\$200,000
	Total	\$500,000

Abatement Requested	\$44,690
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Chair Marian Robinson noted that the abatement request of \$44,690 is less than 10% of the assessment as committed.

- Martin Cates motioned that the appellant has standing for this appeal by virtue of his ownership of this property and that his appeal was timely filed. Jim Murphy seconded the motion. A vote was taken with all in favor.

1. In support of the taxpayer's position, he submitted the following documents:

- Exhibit A: Application for Abatement to the Board of Assessment Review dated 8/8/14
- Exhibit B: Findings of Fact – Conclusions of Law, written by the Owls Head Board of Assessors to Mr. Ware, dated 6/23/14.
- Exhibit C: Letter to the Owls Head Board of Assessors from Mr. Ware, dated 5/20/14
- Exhibit D: Letter to Mr. Ware from Mr. Edwards, dated 5/9/14
- Exhibit E: Letter to Mr. Ware from Mr. Edwards requesting a 30-day extension, dated 3/19/14
- Exhibit F: Application for Abatement of Property Taxes to the Town of Owls Head dated 3/10/14
- Exhibit G: Cover letter to Mr. Edwards from Mr. Ware that went with his application dated 3/10/14
- Exhibit H: One-page printout from the Maine Real Estate Information System showing Knox County Single Family Income Sales study 2001 – 2013
- Exhibit I: Portions of an appraisal of the subject property done by Appraiser Rodney Painter dated 9/30/10.

2. In support of the taxpayer's position, he offered the testimony from the following witnesses:

The taxpayer, John Ware, Sr., was the only person present for his party. He did not offer any witnesses other than himself.

3. Overvaluation:

In this appeal, one of the taxpayer's concerns and arguments focused on his belief that the judgment of the Assessor was irrational or so unreasonable in light of the circumstances that the property was substantially overvalued. The evidence of overvaluation the taxpayer presented was primarily based on the taxpayer's belief that a 2010 appraisal that had been done on the subject property for the purpose of settling an estate with the IRS was valid in determining the subject property's 2013 valuation because the Maine State Real Estate Information System indicated that the dollar value of Single Family Homes sold from 2010 to 2013 in Knox County were flat. The taxpayer felt that it was unreasonable for the Owls Head's Assessors' Agent to expect the taxpayer to get an updated appraisal in 5 working days prior to a May 20, 2014 meeting with the Owls Head Board of Assessors. He also felt that the property's proximity to the airport and the subsequent noise level from the airport should result in a reduction in taxes on his property.

Mr. John Ware, Sr. explained that when his wife passed away in 2010, there was an appraisal required by the IRS to settle her estate. He said that he had hired Rodney Painter, a well established and respected appraiser, to do that appraisal. Mr. Painter appraised the property at \$500,000 and the IRS accepted that, but the Town's Assessors' Agent, Mr. Edwards, said that he would put no reliance on the appraisal because it was three years old. Mr. Ware stated that he had received a letter on May 13, 2014 from Mr. Edwards indicating that a new appraisal was needed by May 20th, which only left seven days, or five working days, to get a new one done. Mr. Ware felt that this was an unreasonable request. Prior to this, Mr. Edwards had asked for a 30-day extension of time, which Mr. Ware had immediately agreed to, and yet Mr. Edwards expected Mr. Ware to come up with an appraisal in five days! Mr. Ware said that he went to the Maine Real Estate Information Bureau to look up Knox County single family home sales and found that they did not change between 2010 and 2013. For this reason he believed that the 2010 appraisal is valid.

Mr. Ware quoted from the *Findings of Fact – Conclusions of Law* document from the Town of Owls Head dated June 23, 2014: "There being no evidence of unjust discrimination..." He said that he had

never alluded to the fact that there was discrimination in his application for abatement. That had nothing to do with it. Mr. Ware continued quoting: "...the property owner's appraiser's opinion of the value of the property was supported by factual material." Mr. Ware noted that earlier in the document it stated: "the appraisal by Mr. Painter are considered opinion." Mr. Ware felt that this was a contradiction.

Mr. Ware said that the other issue he wanted to mention was the proximity of his property to the County's airport because the planes that fly to the islands in the morning fly right over his house. He said that he has never complained about the airport and never would because he thinks the airport is wonderful and needed; however, he believes the noise level decreases the value of his home if he tried to sell it.

Mr. Ware asked the Board to consider his request to bring the valuation of his property down to \$500,000. He said that he hadn't brought up neighboring properties for comparables as evidence of his valuation because he didn't want to delve into that and bring other people into it.

Town's Evidence

1. The Assessors' Agent for the Town of Owls Head submitted as evidence the following documents:
 - Exhibit A: Cover Letter to Board of Assessment Review from Assessors' Agent Thomas Edwards and the Owls Head Board of Assessors dated 9/5/14
 - Exhibit B: Copy of the Findings of Fact and Conclusion by the Owls Head Board of Assessors from a hearing on 6/16/14
 - Exhibit C: Copy of the Report of Assessment Review for the 2015 State Valuation as performed by Jamie D. Bolduc, Field Representative, of the Maine Revenue Service dated 6/18/14
 - Exhibit D: Copy of the 2013 Municipal Valuation Report as filed with Maine Revenue Service dated 10/15/13
2. The Assessors' Agent offered the testimony from the following witnesses:

Owls Head Assessors' Agent Thomas Edwards was present to testify on behalf of the Town. He offered no other witnesses. Owls Head Selectboard Chair Dick Carver was present but did not testify.
3. The town certified ratio for the assessment year being appealed:

Assessors' Agent Thomas Edwards testified that the certified ratio for 2013 is 100% and that the quality rating is 12.

Assessors' Agent Thomas Edwards commented that the property's valuation is consistent with the other property in town that were assessed. The cost files in place in 2004 are still in place today. He noted that the Knox County Board of Assessment Review had the report of the Assessors Report which did not arrive until after Mr. Ware's abatement request to the County was received but it confirms that the actual ratio was 103%. He said that Mr. Ware's property was assessed the same way as other similar properties so the Town does not believe that Mr. Ware is being unreasonably taxed. He said that Mr. Ware had brought up two points that need to be addressed:

1. Appraisal – the idea that Mr. Painter's appraisal is an opinion is true, but it doesn't mean it's 100 percent accurate. Yes, it's arrived at by looking at factual information/data like the size of the property, etc. The language in the Town's report is consistent with what happened.
2. Airport noise – the airport has two active runways, one that goes to the south and the other goes southeast. The subject property is to the south of the airport. The south-east runway is the much busier runway and it also has a restrictive by the FAA for height and structure. That is not where this subject property lies. The Town does not currently give any property in either

location a reduction for noise reduction. There does not seem to be any indication that it has affected the sales. We do not believe that any reduction is due for his property.

Mr. Ware said that he understood the phrase “factual material” to mean that the value of the property was supported by factual material therefore the appraisal is real. He asserted that there is a conflict and that he believed that the appraisal for his property is valid. In response to Mr. Edwards’ comments on the runway directions, he added that it does not matter which direction the jets take off because he can hear them on his property. Just because the property is not in the direct flight path doesn’t mean there’s no noise level there.

Chair Robinson noted that the Board would need solid evidence that the properties in the taxpayer’s area have a lower sales ratio than other areas because of the airport.

Mr. Edwards commented that the statistics shown by Mr. Ware are the generic statistics for the County as a whole. The fact that property sales in Knox County overall were flat between 2010 - 2013 does not mean that individual towns, or even portions of towns, haven’t changed during that time span. You have to look at individual properties because those do change. A 3-year old appraisal is no longer valid.

Mr. Ware stated that when he built his house, he wasn’t concerned about a view so he built his house back in the woods and had no view of the water. Since then, various trees have come down, which required him to clean them up, so over time the “view” became visible.

Public hearing closed at 10:32 a.m.

IV. Board Deliberation & Vote

Findings of fact

1. The appellant has standing for this appeal by virtue of his ownership of this property and the appeal was timely filed.
2. The Town’s commitment date was September 6, 2013.
3. The Town’s certified ratio was 100% and the quality rating was 12.
4. The written communication between the Town of Owls Head and the appellant was not entirely clear.
5. The testimony proved that the Town met its burden of equity by the demonstration of its ratio.
6. An appraisal is an opinion by definition, which can be substantiated in different ways, but it does not override the assessor’s valuation. The purpose of Mr. Painter’s appraisal was for the IRS in settling the estate but it is not valid for the purpose of property assessment.
7. No economic obsolescence, plus or minus, was considered in the appraisal for the property being near the airport. It is a moot point for this hearing.
8. The abatement request is within 10% of the assessed value, therefore the assessment is acceptable.
9. The appellant has not proven that the subject property was treated differently enough from any other properties in Owls Head resulting in unjust discrimination of value.
10. The study by the Maine Revenue Services Property Tax Division for the pertinent commitment indicates that water influenced property in Owls Head is undervalued.
11. No proof of just value was presented by the appellant to determine a different assessed value of the subject property.

12. The Knox County Board of Assessment Review finds that the appellant's testimony was not persuasive as to the question of burden of proof for overvaluation.

- **Martin Cates made a motion to accept the Findings of Fact. Tammy Brown seconded the motion. A vote was taken with all in favor.**

Decision

It is the Board's decision that the taxpayer's testimony was not persuasive as to the question of overvaluation. The applicant has failed to show proof of comparable properties and that the assessment is irrational or so unreasonable in light of the circumstances that the property is substantially overvalued and an injustice results, there was unjust discrimination, or the assessment is fraudulent, dishonest, or illegal.

The Knox County Board of Assessment Review therefore finds in favor of the Town of Owls Head.

V. Other Business

VI. Adjourn

- A motion was made by Martin Cates to adjourn. The motion was seconded by Tammy Brown. A vote was taken with all in favor.

Meeting adjourned 10:54 a.m.

Respectfully Submitted,

Candice Richards
Administrative Assistant
Board of Assessment Review Recording Secretary