

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

Petition: 45-004-17-1-5-00299-20
Petitioner: Gold Coast Rand Development Corp.
Respondent: Lake County Assessor
Parcel: 45-08-10-154-016.000-004
Assessment Year: 2017

The Indiana Board of Tax Review issues this determination, finding and concluding as follows:

Procedural History

1. Gold Coast Development Corp. contested the 2017 assessment of its property. The Lake County Property Tax Assessment Board of Appeals (“PTABOA”) issued a Form 115 determination valuing the property at \$1,600.
2. Gold Coast then filed a Form 131 petition with the Board and elected to proceed under our small claims procedures. On August 11, 2022, our designated administrative law judge, Joseph Stanford (“ALJ”), held a telephonic hearing on Gold Coast’s petition. Neither he nor the Board inspected the property.
3. Gold Coast’s president, Andy Young, appeared for Gold Coast. The Lake County Assessor’s hearing officer, Robert Metz, appeared for the Assessor. Both testified under oath.

Record

4. The official record for this matter includes: (1) all petitions and other documents filed in this appeal, (2) all notices and orders issued by the Board or the ALJ, (3) an audio recording of the hearing, and (4) the audio recordings of hearings on related appeals involving the same parties and addressing properties located at 1017 Ellsworth Place, 1357 Ellsworth Place, 1533 Delaware Street, and 1529 Delaware Street.¹
5. Neither party offered any exhibits.

Findings of Fact

6. The subject property is a vacant lot located at 1128 Delaware Street in Gary.

¹ The hearing on those appeals (Pet Nos. 45-004-17-1-5-00292, 45-004-17-1-5-00294-20, 45-004-17-1-5-00300-20, and 45-004-17-1-5-00301-20) took place earlier the same day. The ALJ agreed to Gold Coast’s request to incorporate statements from those hearings.

Contentions

A. Gold Coast's Contentions

7. Gold Coast contends that the Calumet Township Assessor failed to determine the subject property's base rate in accordance with Indiana law and the procedures prescribed by the Department of Local Government Finance ("DLGF"). *Young argument.*
8. According to Gold Coast, the land order upon which the assessment is based was invalid because it did not contain the proper year's sales data, if it contained any actual sales data at all. Gold Coast's president, Andy Young, asserted that the county's neighborhood map and corresponding base rates have not been modified for over 25 years. He also claimed that Calumet Township's land orders were submitted four years late. Young asserted that the DLGF was investigating the late submission, and Gold Coast requested that we defer our decision in this appeal until the DLGF finishes its investigation. *Young testimony and argument.*
9. The base rate used to assess the subject property exceeds the base rates used to assess properties with similar characteristics by more than 20%, which Young, asserted is the maximum variance allowed by the DLGF's assessment manual. Indeed, the base rates used to assess the subject property and Gold Coast's other properties from the incorporated appeals ranged from \$113 per front foot to \$131 per front foot, even though Young claimed that they were "identical" to each other or at least had similar characteristics. *Young testimony and argument.*
10. According to Young, appraisals commissioned by the county have been discussed at other hearings, and they address properties that are identical to 1017 Ellsworth Place—a property from one of those incorporated appeals. Young asserted that the appraised values, which he did not specify, were well below the properties' assessments, which he likewise did not specify. *Young testimony and argument.*
11. Finally, Young testified that the Calumet Township Assessor applied a negative influence factor of 50% to the subject property, which is what she customarily gives lots with similar dimensions. Yet other properties owned by Gold Coast with those dimensions received only a 20% negative influence factor. *Young testimony.*

B. The Assessor's Contentions

12. The Assessor contends that Gold Coast failed to offer any market evidence to support its requested assessment and therefore failed to make a prima facie case. *Metz argument.*

Analysis

13. Generally, an assessment determined by an assessing official is presumed to be correct. 2021 REAL PROPERTY ASSESSMENT MANUAL at 3. A petitioner has the burden of proving

the assessment is incorrect and what the correct assessment should be. *Piotrowski v. Shelby Cty. Ass'r*, 177 N.E.3d 127, 131-32 (Ind. Tax Ct. 2022).

14. Gold Coast failed to meet its burden. The goal of Indiana's real property assessment system is to arrive at an assessment reflecting a property's true tax value. 50 IAC 2.4-1-1(c); MANUAL at 2. True tax value does not mean "fair market value" or "the value of the property to the user." I.C. § 6-1.1-31-6(c), (e). Instead, it is determined under the DLGF's rules. I.C. § 6-1.1-31-5(a); I.C. § 6-1.1-31-6(f). The DLGF defines true tax value as "market value-in-use," which it in turn defines as "[t]he market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property." MANUAL at 2.²
15. Evidence in an assessment appeal should be consistent with that standard. For example, a market-value-in-use appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice often will be probative. *See id.*; *see also, Kooshtard Property VI, LLC v. White River Twp. Ass'r*, 836 N.E.2d 501, 506 n.6 (Ind. Tax Ct. 2005). A party may also offer actual construction costs, sales information for the property under appeal or comparable properties, and any other information compiled according to generally accepted appraisal principles. *See Eckerling v. Wayne Twp. Ass'r*, 841 N.E.2d 674, 678 (Ind. Tax Ct. 2006). Simply attacking the methodology used to determine an assessment, however, does not suffice; instead, a party must offer market-based evidence to show that the property's assessed value does not reflect its market value-in-use. *Piotrowski*, 177 N.E.3d at 132.
16. Gold Coast contends that we should reduce the subject property's 2017 assessment. Although Gold Coast did not specify a value at the hearing, it requested an \$800 assessment on its Form 131 petition. But it did not offer any market-based evidence to show the subject property's market value-in-use. Young's conclusory assertion that appraisals of similar properties show that those properties were over-assessed has no probative value. Gold Coast did not offer the appraisals or any information about the appraised properties or their assessments. Instead, Young simply claimed that the appraisals had been discussed at other hearings. To the extent Young was asking us to take official notice of the records in those unspecified hearings, we decline to do so.
17. The rest of Gold Coast's allegations go to the Assessor's methodology in determining the assessment. That includes Young's claims about the neighborhood map, which Gold Coast did not offer, as well as his claims about irregularities with the land order.³ As explained above, simply attacking the methodology used to determine an assessment does not suffice to make a prima facie case for changing the assessment. Thus, because Gold Coast offered no probative market-based evidence, it failed to make a prima facie case for changing the subject property's assessment.

² The 2011 Real Property Assessment Manual, which applied to the assessment date at issue in this appeal, used the same definition. 2011 REAL PROPERTY ASSESSMENT MANUAL at 2.

³ We decline Gold Coast's request to defer our determination pending the DLGF's completion of the investigation that Young vaguely referenced.

18. Similarly, to the extent Gold Coast meant to allege a lack of uniformity and equality through Young's vague references to the assessments of other properties, it failed to make an actionable claim. The Indiana Tax Court has previously rejected a taxpayer's claim of lack of uniformity and equality where the taxpayer focused on methodology—namely, the differing base rates used to assess the landing area of its driving range as opposed to the base rates used to assess other driving-range landing areas—and failed to show the market value-in-use either of its property or of any of the other driving ranges. *Westfield Golf Practice Ctr., LLC v. Washington Twp. Ass'r*, 859 N.E.2d 396, 397-99 (Ind. Tax Ct. 2007). Gold Coast's claim fails for the same reasons.

Conclusion

19. Gold Coast failed to make a prima facie case for changing the subject property's assessment. We therefore find for the Assessor and order no change.

Date: 11/7/2022



Chairman, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review

- APPEAL RIGHTS -

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <http://www.in.gov/legislative/ic/code>. The Indiana Tax Court's rules are available at <http://www.in.gov/judiciary/rules/tax/index.html>.