

REPRESENTATIVES FOR PETITIONER: Gail A. Meador and Stephen J. Meador, pro se

REPRESENTATIVE FOR RESPONDENT: Morgan County Assessor Julie Minton, pro se

**BEFORE THE  
INDIANA BOARD OF TAX REVIEW**

GAIL A. MEADOR and STEPHEN J. MEADOR <sup>1</sup> ,  Petitioners,  v.  MORGAN COUNTY ASSESSOR,  Respondent.	) ) ) ) ) ) ) ) ) ) )	Petition No.: 55-012-22-1-5-00802-22  Parcel No.: 55-14-22-200-004.000-012  County: Morgan  Assessment Year: 2022
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August 22, 2023

**FINAL DETERMINATION**

The Indiana Board of Tax Review (“Board”), having reviewed the facts and evidence, and having considered the issues, now finds and concludes the following:

**INTRODUCTION**

1. Gail A. Meador and Stephen J. Meador contested their 2022 assessment. The Assessor had the burden of proof but failed to present any market-based evidence establishing the subject property’s true tax value. The Meadors similarly failed to present any reliable market-based evidence supporting their requested assessment. Because neither party provided probative evidence of the subject property’s true tax value, its 2022 assessment must revert to its assessed value from 2021.

<sup>1</sup> Because Stephen J. Meador and Gail A. Meador jointly own the subject property and mutually prosecuted this appeal, we will refer to both as petitioners throughout this Final Determination even though Gail was the only petitioner listed on the Form 131 petition.

## PROCEDURAL HISTORY

2. On April 29, 2022, the Meadors filed a Form 130 challenging the 2022 assessment<sup>2</sup> of their property located at 3102 S. Conservation Club Road in Morgantown, Indiana. On September 6, 2022, the Morgan County Property Tax Assessment Board of Appeals (“PTABOA”) issued a final determination valuing the subject property at \$167,600 (\$100,000 for land and \$67,600 for improvements).
3. The Meadors timely filed a Form 131 petition with the Board. On May 25, 2023, our designated administrative law judge, David Smith (“ALJ”), held a telephonic hearing on the petition. Neither he nor the Board inspected the subject property.
4. Gail Meador, Stephen Meador, and Morgan County Assessor Julie Minton appeared PRO SE and testified under oath.
5. The Meadors submitted the following exhibits:

Petitioner Ex. 1A:	Cover letter
Petitioner Ex. 1:	Form 114 Notice of Hearing
Petitioner Ex. 2:	Form 130 Taxpayer’s Notice to Initiate an Appeal
Petitioner Ex. 3:	Form 131 Petition for Review of Assessment
Petitioner Ex. 4:	Notice declining Assessor’s informal offer, and 2022 Property Record Card (“PRC”) for subject property
Petitioner Ex. 5:	Chief Realty land value analysis
Petitioner Ex. 6:	Form 115 Notification of Final Assessment Determination
Petitioner Ex. 7:	2023 Form 11 Notice of Assessment
Petitioner Ex. 8:	2022 Form 11 Notice of Assessment
Petitioner Ex. 9:	Morgan County Assessor’s evidence
Petitioner Ex. 10:	Comparative Market Analysis prepared by Robert Toth, RE/MAX 1 <sup>st</sup> Realty
Petitioner Ex. 11:	Pictures of subject property

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<sup>2</sup> Although the Meadors submitted evidence regarding their 2023 assessment and asked us to address it as part of this appeal, the only assessment year properly before us is 2022. Accordingly, our final determination will only address the 2022 assessment.

6. The Assessor submitted the following exhibits:

- Respondent Ex. 1A: Cover letter
- Respondent Ex. 1: 2022 PRC for subject property
- Respondent Ex. 2: Improved parcel list for subject neighborhood
- Respondent Ex. 3: Land analysis data from 2022 ratio study
- Respondent Ex. 4: December 2021 MIBOR market information for subject township

7. The record also includes the following: (1) all pleadings, briefs, motions, and documents filed in this appeal; (2) all notices and orders issued by the Board or our ALJ; and (3) an audio recording of the hearing.

#### **FINDINGS OF FACT**

8. The subject property is located at 3102 S. Conservation Club Road in Morgantown, Indiana. It consists of a 1-1/2 story, single family home constructed in 1976 and a utility shed situated on a 5-acre parcel. The home has 1,560 square feet of finished living area with two bedrooms and one and a half bathrooms, and a walkout basement with 780 square feet of unfinished space. It has water and sewer service, electricity, and a driveway. For 2022, the Assessor assessed one acre of the property as a homesite and the remaining four acres of undeveloped land as residential excess acreage. The four undeveloped acres have no utility services, no access road, and consist of hills, ravines, a creek, and other natural features. *G. Meador testimony; S. Meador testimony; Minton testimony; Pet'r Exs. 10, 11; Resp't Exs. 1, 1-A.*

#### **THE ASSESSOR'S CONTENTIONS**

9. The Assessor followed the Real Property Assessment Guidelines to determine the January 1, 2022 assessment for the subject property's land and improvements. She relied on the approved 2022 ratio study to calculate the land values for this area of Morgan County. After excluding sales from the Painted Hills Subdivision due to their superior amenities, her analysis of the ratio study data showed that the price for a one-acre homesite like the subject property's was approximately \$35,000 as of January 1, 2022.

The Assessor then surveyed local contractors to determine the costs to improve the land, resulting in an assessed value of \$60,000 for the Meadors' one-acre homesite. The Assessor assessed the Meadors' other four acres as residential excess acreage. Using data from the ratio study, the Assessor determined that the rate for residential excess acreage was just over \$13,000/acre. However, to remain consistent across other areas of the county, she applied a rate of \$10,000/acre to the Meadors' four acres. Adding the values of the one-acre homesite and the four acres of excess residential acreage together produced a total land assessment of \$100,000 for 2022. The Assessor applied the same \$60,000 homesite value and \$10,000/acre residential excess acreage rate consistently across the parcels within the subject property's assessment neighborhood. *Minton testimony; Resp't Exs. 1-A, 1, 2, 3.*

10. Both of the Meadors' property analyses have flaws. Two of the three sales Toth used in his Comparative Market Analysis ("CMA") sold outside of the acceptable sales window of January 1, 2021 through December 31, 2021. He also made no adjustments to his comparable properties for the site development costs the "land manual" includes for a one-acre homesite such as a water and sewer source, a driveway, and landscaping. Finally, Toth did not provide any analysis explaining how he arrived at an improvement value of \$67,800 for the Meadors' home. And because the subject property is improved, Toth's analysis is not probative evidence of its total market value. Like Toth, Walker's CMA used two sales from outside of the January 1, 2021 through December 31, 2021 sales window. Walker also made no adjustments to the comparable sales for the improvements, and he did not offer any probative evidence of the subject property's total market value. *Minton testimony; Pet'r Exs. 5, 10.*

#### **THE MEADORS' CONTENTIONS**

11. The subject property's assessment is not fair or equitable. Its assessment increased from \$116,600 in 2021 to \$167,600 in 2022. And the Assessor increased its land assessment to \$20,000/acre in 2022, which is nearly twice its actual market value according to the two licensed realtors the Meadors hired. The subject property is unusual and cannot be

equitably compared to other properties. The house has no air conditioning, and it has not been updated or remodeled since it was built in 1976. It also sits between two ravines and there is enough slope in the back to allow for a walkout basement. The land is not rolling as the Assessor describes it. It is rugged, and full of ravines, ridges, and steep drop offs. None of the excess acreage is buildable or otherwise usable. *G. Meador testimony; S. Meador testimony; Pet'r Exs. 1A, 4, 6, 8, 11.*

12. Stephen's parents own 27 acres of land in rural Johnson County with two big barns, several outbuildings, and a house. But their property tax bill is only \$400 more than the Meadors' tax bill. The Meadors are baffled by their assessed value and cannot afford for their taxes to continue to increase as they have limited income. *G. Meador testimony; Pet'r Ex. 1A.*
  
13. Realtors John Walker with Chief Realty and Robert Toth with RE/MAX both looked at the subject property and concluded that the Meadors' five acres of land should be valued at \$11,542/acre and \$10,000/acre, respectively. The two realtors specifically excluded the subject property's improvements at the Meadors' request but came to very similar land value conclusions. The Meadors did not pay either realtor for their opinion of value, and Toth and Walker do not know each other. The Meadors contend that their 2022 assessment should be \$117,800, which includes the original \$67,800 assessment for their improvements plus \$50,000 for their five acres of land. *G. Meador testimony; S. Meador testimony; Pet'r Exs. 5, 10.*

#### CONCLUSIONS OF LAW

- A. **Because the assessment increased by more than 5% between 2021 and 2022, the Assessor has the burden of proof.**
  
14. Generally, the taxpayer has the burden of proof when challenging a property's tax assessment. Accordingly, the assessment on appeal, "as last determined by an assessing official or the county board," will be presumed to equal "the property's true tax value." Ind. Code § 6-1.1-15-20(a) (effective March 21, 2022).

15. However, the burden of proof shifts if the property's assessment "increased more than five percent (5%) over the property's assessment for the prior tax year." I.C. § 6-1.1-15-20(b). Subject to certain exceptions, the assessment "is no longer presumed to be equal to the property's true tax value, and the assessing official has the burden of proof." *Id.*
16. If the burden has shifted, and "the totality of the evidence presented to the Indiana board is insufficient to determine the property's true tax value," then the "property's prior year assessment is presumed to be equal to the property's true tax value." I.C. § 6-1.1-15-20(f).
17. Here, the current assessment of \$167,600 was an increase of more than 5% over the previous year's assessment of \$116,600. The Assessor agreed that she therefore has the burden of proof.

**B. Because neither party offered probative evidence to show the property's true tax value, the assessment must revert to its 2021 level.**

18. The Indiana Board of Tax Review is the trier of fact in property tax appeals, and our charge is to "weigh the evidence and decide the true tax value of the property as compelled by the totality of the probative evidence" before us. I.C. § 6-1.1-15-20(f). Our conclusion of a property's true tax value "may be higher or lower than the assessment or the value proposed by a party or witness." *Id.* Regardless of which party has the initial burden of proof, either party "may present evidence of the true tax value of the property, seeking to decrease or increase the assessment." I.C. § 6-1.1-15-20(e).
19. 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 rules of the Department of Local Government Finance ("DLGF"). 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.” 2021 REAL PROPERTY ASSESSMENT MANUAL at 2.

20. In order to meet its burden of proof, a party “must present objectively verifiable, market-based evidence” of the property’s value. *Piotrowski v. Shelby Cty. Ass’r*, 177 N.E.3d 127, 132 (Ind. Tax Ct. 2021) (citing *Eckerling v. Wayne Twp. Ass’r*, 841 N.E.2d 674, 677-78 (Ind. Tax Ct. 2006)). For most real property types, neither the taxpayer nor the assessor may rely on the mass appraisal “methodology” of the “assessment regulations.” *P/A Builders & Developers, LLC v. Jennings Cty. Ass’r*, 842 N.E.2d 899, 900, (Ind. Tax Ct. 2006). This is because the “formalistic application” of the procedures and schedules from the DLGF’s assessment guidelines lacks the market-based evidence necessary to establish a specific property’s market value-in-use. *Piotrowski*, 177 N.E.3d at 133.
21. Market-based evidence may include “sales data, appraisals, or other information compiled in accordance with generally accepted appraisal principles.” *Peters v. Garoffolo*, 32 N.E.3d 847, 849 (Ind. Tax Ct. 2015). Relevant assessments are also admissible, but arguments that “another property is ‘similar’ or ‘comparable’ simply because it is on the same street are nothing more than conclusions . . . [and] do not constitute probative evidence.” *Marinov v. Tippecanoe Cty. Ass’r*, 119 N.E.3d 1152, 1156 (Ind. Tax Ct. 2019). Finally, the evidence must reliably indicate the property’s value as of the valuation date. *O’Donnell v. Dept. of Local Gov’t. Fin.*, 854 N.E.2d 90, 95 (Ind. Tax Ct. 2006). For 2022 assessments, the valuation date was January 1, 2022. See I.C. § 6- 1.1-2-1.5(a).
22. As explained above, the Assessor has the burden of proof. However, she did not present any objectively verifiable, market-based evidence showing the subject property’s true tax value as of January 1, 2022. Instead, the Assessor simply asserted that she followed the DLGF’s assessment guidelines to determine the subject property’s 2022 assessment and then detailed how she used the guidelines to develop its land assessment for 2022. We therefore conclude that the Assessor failed to make a prima facie case.

23. We now turn to the Meadors' evidence. They argued that the subject property's 2022 assessment should be \$117,800 based on the original \$67,800 assessment for their improvements and two CMAs prepared by local realtors that valued their five acres of land at \$50,000. Like the Assessor, however, we conclude that the Meadors failed to make a prima facie case.
24. We start by noting that we are ultimately concerned with the market value-in-use for the subject property as a whole rather than the contributory values of selected components. Thus, the Meadors' request directing the realtors to value the five acres of land without regard for the improvements was misguided. In fact, the realtors' focus on valuing the land independently led both of them to analyze the subject property as if it was a vacant homesite and to rely on vacant land sales as comparables. However, the Meadors could not sell only their land because it is improved with a 1-1/2 story, single family home with a walkout basement, water and sewer service, electricity, and a driveway. Thus, none of the purportedly comparable sales included in the realtors' CMAs are actually comparable to the subject property, rendering both analyses unreliable. Further, by simply adopting the Assessor's original assessed value for the improvements of \$67,800, the Meadors also failed to present objectively verifiable, market-based evidence of the value of their improvements. Finally, we note that the evidence about the tax bill for property owned by Stephen's parents tells us nothing about the value of the subject property.
25. Even if we were inclined to consider the land component in isolation (we are not), neither realtor sufficiently compared the characteristics of the subject property to those of the purportedly comparable properties. Nor did they explain how relevant differences in characteristics such as size, zoning, topography, and site improvements affected values. Thus, we would still conclude that the realtors' CMAs lack probative value. *See Long v. Wayne Twp. Ass 'r*, 821 N.E.2d 466,471 (Ind. Tax Ct. 2005) (finding that the taxpayers' comparable sales data lacked probative value where they failed to explain how their property's characteristics compared to those of purportedly comparable properties, and



how differences affected market value-in-use). We also note that neither of the realtors' CMAs specifically relate their concluded land value to the January 1, 2022 assessment date as required by *O'Donnell*.

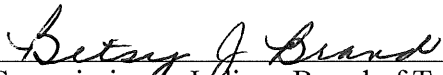
26. When, as here, the totality of the evidence presented by the parties is insufficient to determine the property's true tax value, I.C. § 6-1.1-15-20(f) mandates that the property's assessment revert to the assessed value from the previous assessment year. We therefore conclude that the subject property's 2022 assessment must revert to its assessed value from 2021.

#### FINAL DETERMINATION

Because neither party provided probative evidence of the subject property's true tax value, we order its 2022 assessment reduced to \$116,600.

This Final Determination of the above captioned matter is issued by the Indiana Board of Tax Review on the date written above.

  
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>>.