

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Ill. Land of Lakes L.L.C.
DOCKET NO.: 05-01748.001-F-2 through 05-01748.020-F-2
PARCEL NO.: See below

The parties of record before the Property Tax Appeal Board are Ill. Land of Lakes L.L.C., the appellant; and the Saline County Board of Review.

The subject property consists of 20 parcels of former strip coal mine areas that total 732.88 acres.

The appellant appeared before the Property Tax Appeal Board through Clay Fuhrhop, Manager, claiming the subject property should be classified and assessed as farmland. In support of this argument, the appellant submitted a list of eleven comparable properties, six of which were claimed to adjoin the subject. The comparables range in size from 4 to 152.6 acres and had land assessments ranging from \$235 to \$11,040 or from \$6.88 to \$116.75 per acre. The total of the assessments of the 20 subject parcels is \$139,670 or \$190.58 per acre. The appellant reported the subject property sold on September 30, 2005 for \$1,979,257. The appellant also submitted a letter from Dale Beasley, who claimed to farm 684 acres owned by the appellant. The letter did not specify how many acres were farmed or where the farmland is located. The appellant also submitted a letter by Fuhrhop, wherein the latter claimed the Lewis Brothers of Harrisburg farm some unspecified portion of the subject property and plan to continue doing so. The appellant also submitted a list of 13 additional rural parcels, three of which had no parcel numbers, but were described only as "Rt 34", or "Rock Hole Rd". Property tax information was provided, but no assessment information or other description of the additional comparables was submitted. Finally, the appellant submitted a copy of a decision by the Property Tax Appeal Board under docket no. 02-00869.001-F-1, wherein the Board reduced the assessment of the subject in that appeal in Jackson County, finding a farmland assessment was warranted for former strip mine land. Based on this evidence, the appellant requested a reduction in the subject's assessment.

During the hearing, Fuhrhop testified the subject is farmland and should be classified and assessed as such. However, he acknowledged only about 45 acres owned by the appellant in Saline County is in cropland. Fuhrhop opined the entire 732.88 acres

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Saline County Board of Review is warranted. The correct assessed valuation of the property is shown on page 5.

should be classified as farmland, claiming this is how a similar tract he purchased in Williamson County is assessed and because the subject parcels are adjacent to the three cropland parcels in Saline County. The witness also testified several of the comparables the appellant submitted in support of the appeal received farmland assessments. Fuhrhop acknowledged a forestry management plan for a substantial portion of the 20 parcels under appeal was approved in December 2005. Under questioning by the Hearing Officer, the witness agreed the three cropland parcels for which certificates of error were issued after the board of review was made aware farming activity was taking place and changed the parcels' classification, were not included in the 20 parcels under appeal. Fuhrhop claimed these three parcels comprise about 45 acres. The witness also testified the 20 parcels under appeal are all composed of swamp, water and woods.

The board of review submitted its "Board of Review Notes on Appeal", wherein the subject property's total assessment of \$139,670 was disclosed. In support of the subject's assessment, the board of review submitted property record cards for the 20 parcels under appeal, a letter prepared by the clerk of the board, aerial photographs, maps, a copy of the Real Estate Transfer Declaration detailing the subject's sale in September 2005 for \$1,124,220, maps depicting the subject parcels, property record cards and limited information on two comparable properties. The board of review also submitted evidence of two newspaper articles which state the Saline County Supervisor of Assessments encouraged people who own wooded land to apply for forestry management plans to reduce their assessments. The board of review also submitted a copy of a memorandum to chief county assessment officers from the Illinois Department of Revenue (IDOR) regarding the Forestry Management Act and forestry management plans. Highlighted portions of this memo include the statement "Changes in assessed value resulting from a new, amended, or cancelled plan should begin on January 1 of the assessment year immediately following the plan's effective date." Finally, the board of review submitted a document published by the IDOR entitled "Wooded Acreage Assessments". A highlighted paragraph in this document states:

Just because a tract is located in a remote or rural area, or because a tract of land has trees or brush on it does not make it eligible for a farmland assessment. Wooded acreage that does not qualify for a preferential assessment is assessed at 33 1/3 percent of market value **according to its highest and best use** (emphasis in original).

The subject's total 2005 assessment of \$139,670 equals 12.4% of its September 2005 sale price of \$1,124,220.

The board of review's letter refers to the transfer declaration, which indicates the subject's current and intended use is vacant

land. The letter states that land approved for a forestry management plan cannot be classified and assessed as such until January 1st of the year following the plan's approval. As a result of the forestry management plan approved for a significant portion of the subject property in December 2005, 516.75 acres of the subject were classified and assessed according to the Forestry Management Act for the 2006 assessment year. Referring to the appellant's claim regarding farming activity on the subject property, the board of review submitted a copy of a notarized statement from Ellen Lewis of JL Farms, Ltd., which states that Mike Lewis farms approximately 45 acres in Saline County that are leased from the appellant, Land of Lakes, LLC. The board of review's letter states the board classified and assessed 60.68 acres as cropland pursuant to the appellant's claim and the Lewis statement. However, the three parcels which include cropland were split off and, as stated above, are not among the 20 parcels included in the appellant's petition. Regarding the appellant's additional 13 comparables, the board of review described 10 of the comparables as having been classified and assessed as farmland since the 1970's. One comparable is not in Saline County and two comparables could not be detailed by the board of review because of the incomplete description and lack of parcel numbers in the appellant's evidence.

During the hearing, the board of review's representative testified the subject property had been classified as industrial property for many years and that the previous owner, Peabody Coal Company, never petitioned to have the subject's classification changed. The witness also testified regarding the 11 comparables submitted by the appellant. The appellant's comparable 1 has been in a forestry management plan since 1997. Comparable 2 is cropland. Comparable 3 is a pond, but is classified as other farmland because it is adjacent to a 240 acre tract, portions of which are in cropland or have been in a forestry management plan since 1996. Comparables 4 and 5 have been in forestry management plans since 2000. Comparable 6 is owned by the State of Illinois and is exempt. Comparables 7, 8 and 9 were cropland on January 1, 2005, but were subsequently subdivided into residential lots, part of the Scarlet Lake development. Comparable 10 was classified as industrial, but was changed to residential after a split in 2005. Comparable 11 is cropland. The board of review's representative testified cropland is assessed according to productivity indices and assessments are typically much lower than with other types of property. The witness then testified concerning two comparables submitted by the board of review in support of the subject's assessment. The comparables contain five and seven acres and were classified as residential land. When the Hearing Officer asked the witness if there was other ex-coal mine property in the county, she responded that there was, but thought she should have submitted comparables near the subject, even if they were classified differently than the subject.

After hearing the testimony and reviewing the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board finds the subject property is not entitled to a farmland classification for 2005, because no farming activity took place on any portion of the 20 subject parcels in 2005. The Board finds Section 1-60 of the Property Tax Code defines "farm" in part as:

Any property used solely for the growing and harvesting of crops; for the feeding, breeding and management of livestock; for dairying or for any other agricultural or horticultural use or combination thereof; including, but not limited to hay, grain, fruit, truck or vegetable crops, floriculture, mushroom growing, plant or tree nurseries, orchards, forestry, sod farming and greenhouses; the keeping, raising and feeding of livestock or poultry, including dairying, poultry, swine, sheep, beef cattle, ponies or horses, fur farming, bees, fish and wildlife farming (35 ILCS 200/1-60).

The Board also finds Section 10-110 of the Code provides in part:

Farmland. The equalized assessed value of a farm, as defined in Section 1-60 and if used as a farm for the preceding two years, except tracts subject to assessment under Section 10-45, shall be determined as described in Sections 10-115 through 10-140... (35 ILCS 200/10-110)

The Board finds the Real Estate Transfer Declaration detailing the subject property's sale by Peabody Energy Corporation to the appellant occurred in September 2005. Testimony by the board of review's representative was that the subject had been classified as industrial property for many years, even after coal mining had ceased. The appellant submitted no evidence that farming activity of any kind, as described in Section 1-60 of the Property Tax Code, had occurred on the subject parcels in 2003 and 2004, the two years prior to the subject's January 1, 2005 assessment date, as required in Section 10-110 of the Code. The Board finds portions of three other parcels totaling 60.68 acres that are also owned by the appellant but not part of this appeal, were reclassified as cropland by the board of review, even though the appellant claimed only about 45 acres were being farmed. The appellant contends all 732.88 acres of the 20 subject parcels under appeal should be considered farmland because they are near the three parcels that were changed to cropland. The Board finds the appellant acknowledged the subject parcels are swamp, water and woods. The Board finds all eleven comparables submitted by the appellant were comprised of cropland, acreage that had been in forestry management plans for years, State of Illinois exempt land, land that was subdivided for residential development, or parcels that were adjacent to large farmed parcels. The Board gave no weight to the 13 additional comparables submitted by the

appellant because sufficient descriptive information on these parcels was not provided. Ten of these comparables were ascertained by the board of review to have been farmland since the 1970's, one is not in Saline County, and two had no parcel numbers.

The evidence in the record revealed that a forestry management plan for 516.75 acres of the subject was approved in December 2005. The board of review submitted a copy of a memorandum to chief county assessment officers from the IDOR regarding the Forestry Management Act and forestry management plans. Highlighted portions of this memo include the statement "Changes in assessed value resulting from a new, amended, or cancelled plan should begin on January 1 of the assessment year immediately following the plan's effective date (emphasis added)." The Property Tax Appeal Board finds the board of review dutifully reclassified the aforementioned 516.75 acres covered by the subject's forestry management plan on January 1, 2006, as instructed in the IDOR memo, less than one month after the plan was approved.

In summary, the Property Tax Appeal Board finds the appellant's contention that the 20 subject parcels comprising 732.88 acres of swamp, water and woods should have been classified and assessed as farmland in 2005 because of its relative proximity to 60.68 acres of cropland, is unpersuasive. Therefore, the Board finds the assessment of the subject parcels by the board of review is correct and no reduction is warranted.

DOCKET NO.	PROPERTY NO.	LAND	IMPR.	TOTAL
05-01748.001-F-2	10-08-300-004-0080	\$ 2,840	\$0	\$ 2,840
05-01748.002-F-2	10-16-100-008-0080	\$ 370	\$0	\$ 370
05-01748.003-F-2	10-17-400-001-0080	\$ 490	\$0	\$ 490
05-01748.004-F-2	10-17-400-002-0080	\$ 3,215	\$0	\$ 3,215
05-01748.005-F-2	10-17-400-004-0080	\$ 1,420	\$0	\$ 1,420
05-01748.006-F-2	10-17-400-005-0080	\$ 210	\$0	\$ 210
05-01748.007-F-2	10-17-400-006-0080	\$ 7,530	\$0	\$ 7,530
05-01748.008-F-2	10-17-400-007-0080	\$ 210	\$0	\$ 210
05-01748.009-F-2	10-17-400-011-0080	\$ 210	\$0	\$ 210
05-01748.010-F-2	10-17-400-012-0080	\$ 1,880	\$0	\$ 1,880
05-01748.011-F-2	10-17-300-001-0080	\$33,880	\$0	\$33,880
05-01748.012-F-2	10-18-200-002-0080	\$25,110	\$0	\$25,110
05-01748.013-F-2	10-18-400-003-0080	\$ 9,975	\$0	\$ 9,975
05-01748.014-F-2	10-18-400-002-0080	\$ 7,530	\$0	\$ 7,530
05-01748.015-F-2	10-19-200-101-0080	\$11,290	\$0	\$11,290
05-01748.016-F-2	10-20-200-103-0080	\$ 5,410	\$0	\$ 5,410
05-01748.017-F-2	10-20-200-104-0080	\$ 4,720	\$0	\$ 4,720
05-01748.018-F-2	10-20-100-101-0080	\$11,290	\$0	\$11,290
05-01748.019-F-2	10-20-100-102-0080	\$11,290	\$0	\$11,290
05-01748.020-F-2	13-18-400-001-0080	\$ 800	\$0	\$ 800

Subject only to the State multiplier as applicable.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



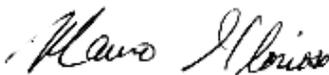
Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: March 20, 2009



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.