



**FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Robert Wahls
DOCKET NO.: 08-02299.001-R-1 through 08-02299.002-R-1
PARCEL NO.: See Below

The parties of record before the Property Tax Appeal Board are Robert Wahls, the appellant; and the McHenry County Board of Review.

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 **McHenry** County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET NO	PARCEL NUMBER	LAND	IMPRVMT	TOTAL
08-02299.001-R-1	09-01-300-010	51,375	79,013	\$130,388
08-02299.002-R-1	09-02-400-019	8,003	0	\$8,003

Subject only to the State multiplier as applicable.

ANALYSIS

The subject properties consist of two adjoining parcels. Parcel 09-01-300-010 (hereinafter "010") contains 3.28 acres of land area and parcel 09-02-400-019 (hereinafter "019") contains 2.07 acres of land area. Parcel 010 is an improved parcel and parcel 019 is a vacant lot. The appellant is not disputing the assessment of the subjects' improvements. The parcels are located in McHenry Township, McHenry County, Illinois.

The appellant appeared before the Property Tax Appeal Board claiming unequal treatment in the assessment process as the basis of his legal contention. In support of this argument, the appellant argued that the Illinois Supreme Court in Walsh v. Property Tax Appeal Board, 181 Ill.2d 228, 229 Ill.Dec. 487, 692 N.E.2d 260 (1998), prohibited the use of recent sales prices to determine the fair cash value and tax assessment of only certain parcels of property which violates the uniformity clause of the Illinois Constitution. The appellant argued that the procedure used by the McHenry Township Assessor to increase the subject's assessment violates the uniformity clause of the Illinois Constitution as set out in Walsh v. Property Tax Appeal Board,

Id. The appellant argued that the McHenry Township Assessor assessed the subject and approximately 500 other properties using a formula based on recent sales, while the bulk of the McHenry Township properties were re-assessed only using the McHenry Township equalizer. In support of this argument, the appellant submitted a written statement from the McHenry Township Assessor regarding the development of the 2007 market value formula used to reassess "large lot[s]." In addition, the appellant submitted an analysis of the property sales used to reassess the subject properties in this appeal. Based on this evidence and argument, the appellant requested a reduction in the subjects' land assessments.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessments for parcel 010 of \$130,388 and for parcel 019 of \$8,003 were disclosed. The subjects' assessment for parcel 010 reflects a market value of \$392,262 and a market value for parcel 019 of \$24,076 using the 2008 three-year median level of assessments for McHenry County of 33.24% as determined by the Illinois Department of Revenue. In support of the subjects' assessments, the board of review submitted a letter from the McHenry Township Assessor, Carol L. Perschke. The letter depicts that in 2006, during a reassessment of all farmland residential property, the assessor discovered that the assessments of similar home site parcels, located on county or township highways, that were not a part of farmland were not assessed at market value or in a uniform manner. The assessor explained that a sales ratio of 24 arm's-length vacant and improved properties from 2005 through 2007 produced a median sales ratio of 25.05% with a coefficient of dispersion of 30.48%, which she considered unacceptable. After a revaluation in 2007, using a 2007 formula, the median sales ratio depicted a median sales ratio of 29.61% with a coefficient of dispersion of 19.81%, which was described as "far better on a uniformity basis." The letter further depicts the market value formula was derived after consultation with real estate brokers and appraisers, and it was concluded that 5-acre parcels retained the majority of their value in the first 2.5-acres with the remaining land being deemed excess land. Perschke went on to explain in the letter that in 2007 approximately 600 parcels were assessed using a calculation of \$1.25 per square foot for the first 2.5-acres and \$0.25 for any remaining square foot of land area. A sales ratio report of 23 rural sites was submitted in support of the method used. The report depicts total sales were \$8,156,600 from January 1, 2005 to December 31, 2007. These properties had a total assessed value of \$2,018,147, a median of 26.87% and a coefficient of dispersion of 24.24% which indicated a need for revaluation according to Perschke. Also included, were two worksheets. The first worksheet depicts "Highway Parcels - Vacant Land Sales" that were used for the 2007 revaluation. This worksheet depicts that the sale prices of three vacant land sales were very high when compared to their 2006 assessment, which further indicated the need for revaluation. The three land sales used in the first worksheet ranged in size from 4.12-acres to 7.57-acres and sold from June 2005 to March 2007 for prices ranging from \$150,000 to

\$360,000. These properties had 2006 assessments ranging from \$11,939 to \$35,462 which reflected market values ranging from \$35,842 to \$106,461 using the 2006 three-year average median level of assessments for McHenry County of 33.31% as determined by the Illinois Department of Revenue. It was argued that these properties were grossly under-assessed based on their actual sale price. The first worksheet further depicts that after the land revaluation in 2007, the same three properties had 2007 equalized assessed values ranging from \$52,933 to \$65,826 with market values ranging from \$153,767 to \$191,337. The second worksheet depicts the subject two parcels were assessed at \$1.25 per square foot of land area for the first 2.5-acres with the remaining 2.85-acres being assessed at \$0.25 per square foot of land area. The 2008 assessment is the result of using the 2007 revaluation assessment and applying a 2008 township equalization factor of 1.0325. Five other parcels were included in the second worksheet to depict the same method was used to value "Highway Parcels" excluding subdivisions. Based on this evidence, the board of review requested confirmation of the subjects' assessments.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Property Tax Appeal Board further finds that a reduction in the subjects' assessments is not warranted.

The appellant's argument was unequal treatment in the assessment process. The Illinois Supreme Court has held that taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the assessment data, the Board finds the appellant has not met this burden.

The Board finds the appellant's reliance on Walsh v. Property Tax Appeal Board, 181 Ill.2d 228, 229 Ill.Dec. 487, 692 N.E.2d 260 (1998), is misplaced. In Walsh the evidence depicted the subject assessment was originally based upon application of a sales assessment ratio factor utilizing the mass appraisal method. The board of review in Walsh adjusted the assessment of the subject in question to reflect 33 1/3% of the subject's recent sale price. In addition, other evidence was presented depicting the assessed values of other homes in Walsh were based on the mass appraisal method. The court in Walsh found that the county was required to use the same basis for determining assessed valuations for all like properties and attempts to alter the basis for assessing values must be uniform. Walsh at 235. The Board finds the appellant in this case offered no substantive documentary evidence in support of this assertion. There is nothing in this record to reflect the McHenry Township Assessor used the subjects' sale price to individually assess the subject parcels. In contrast, the Board finds the McHenry County

Assessor performed a revaluation after discovery of non-uniform assessments and grossly under-assessed properties. After consultation with real estate professionals, it was determined that a more appropriate method was required based on sales within McHenry County. Thereafter, rural (non-subdivision) lots, described as "Highway - rural" non-farmland lots were assessed at \$1.25 per square foot for the initial 2.5-acres and \$0.25 per square foot for any remaining land area. The board of review presented evidence that this was uniformly applied throughout McHenry Township.

Although only three vacant land sales were used in the sales ratio study involving the 23 sales, the appellant failed to refute this data as being incorrect or not indicative of the market with substantive market value data, and further failed to show that the method used by the McHenry Township Assessor to revalue property in 2007 was in error.

The Board finds that actual assessments of properties together with their salient characteristics must be compared and analyzed to determine whether uniformity of assessments exists. The Board finds township assessors and boards of review are required by the Property Tax Code to revise and correct real property assessments, annually if necessary, that reflect fair market values, maintain uniformity of assessments, and are fair and just. This may result in many properties having increased or decreased assessments from year to year of varying amounts and percentage rates depending on prevailing market conditions and prior assessments.

The Board finds the appellant failed to present substantive documentary evidence to show the subject was not uniformly assessed. The testimony in the record disclosed the subject was assessed using the same method as other large non-farmland rural lots, as was every other property within the subject's township. Nothing in this record depicts the subject was singled out and assessed at a rate or method dissimilar to comparable properties within the subject's immediate market area.

The constitutional provision for uniformity of taxation and valuation does not require mathematical equality. The requirement is satisfied if the intent is evident to adjust the burden with a reasonable degree of uniformity and if such is the effect of the statute enacted by the General Assembly establishing the method of assessing real property in its general operation. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill.2d 395 (1960). Although the comparables presented by the board of review disclosed that properties located in the same geographic area are not assessed at identical levels, all that the constitution requires is a practical uniformity, which appears to exist based on the evidence submitted.

In conclusion, the Board finds the appellant failed to demonstrate a lack of uniformity in the subject's assessment by

clear and convincing evidence. Therefore, the Board finds the subject properties' assessments as established by the board of review are correct and no reduction is warranted.

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.

Donald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario Morris

Member

J. R.

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: February 24, 2012

Allen Castrovillari

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.