SUPREME COURT OF IDAHO

Castrigno v. McQuade, 141 Idaho 93

106 P.3d 419 (2005) · No. No. 30051 · Decided January 28, 2005

SUMMARY

The Idaho Supreme Court affirmed summary judgment for Ada County in a property-tax dispute involving a prorated assessment notice. The court held that the taxpayers failed to exhaust the exclusive administrative remedies for challenging the assessment and that no exception to the exhaustion requirement applied. The court declined to reach the taxpayers' due process and notice claims and awarded Ada County attorney fees and costs on appeal.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Trout, Justice; Schroeder, Chief Justice; Kidwell, Justice; Eismann, Justice; Burdick, Justice
JURISDICTION	Idaho
DECIDED	January 28, 2005
DOCKET	No. 30051
DISPOSITION	affirmed
PROCEDURAL POSTURE	The Castrignos appealed from the district court's grant of summary judgment to Ada County in an action seeking a property-tax refund and alleging that the assessment notice violated Idaho law and procedural due process.
STANDARD OF REVIEW	The Supreme Court reviews summary judgment under the same standard as the district court. Summary judgment is proper when there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. The construction and application of a legislative act are reviewed freely as questions of law. Property-tax valuations are presumed correct, and a challenger must establish by clear and convincing evidence that the valuation is manifestly excessive, fraudulent, oppressive, arbitrary, capricious, or erroneous.
PRECEDENTIAL VALUE	Published precedential opinion
PARTIES	Matthew Castrigno, Melissa Castrigno v. Robert H. McQuade, Ada County Board of Equalization, Ada County

TOPICS

property tax | tax refunds | tax court procedure | exhaustion of remedies | procedural due process

PRACTICE AREAS

property tax | administrative law | appellate procedure | constitutional law

QUESTIONS PRESENTED

1. Whether the Castrignos' challenge to the property assessment and request for a tax refund was barred by their failure to exhaust the exclusive administrative appeal procedures.
2. Whether the alleged defect in the assessment notice created an exception to the exhaustion requirement.
3. Whether the court could reach the merits of the alleged statutory and procedural-due-process defects in the assessment notice without an administrative adjudication.
4. Whether Ada County was entitled to attorney fees and costs on appeal.

HOLDINGS

1. Idaho's statutory administrative procedures provide the exclusive method for contesting a county property assessment, and a taxpayer must exhaust those remedies before a court obtains subject-matter jurisdiction over an assessment challenge.
2. The alleged defect in the assessment notice did not excuse the Castrignos' failure to exhaust administrative remedies because no applicable exception to the exhaustion doctrine was established.
3. The court could not reach the merits of the alleged statutory or procedural-due-process defects in the assessment notice because the failure to exhaust administrative remedies deprived the district court of jurisdiction.
4. Ada County was entitled to reasonable attorney fees and costs on appeal because the continued appeal was frivolous and unreasonable.

KEY QUOTATIONS

> *"It is a well settled rule of law that statutory remedies of this nature are exclusive and that a taxpayer may not maintain an action against a county for a general money judgment for the amount of taxes erroneously or illegally exacted, where the tax is not absolutely void."* (141 Idaho at 97)

> *"As stated above, in tax assessment cases, a court "does not acquire subject matter jurisdiction until all the administrative remedies have been exhausted.""* (141 Idaho at 98)

> *"The Castrignos failed to appeal either their original 2001 assessment or the re-assessed valuation to the BOE within the proper statutory timeframe and have failed to provide an adequate basis upon which to excuse their failure to exhaust administrative remedies."* (141 Idaho at 102)

FACTUAL BACKGROUND

The Castrignos owned a 5.626-acre lot in Eagle, Idaho, and constructed a large residence on it during 2001. The assessor sent them a 2001 assessment notice showing a $290,400 value for the residential improvement, but the actual full-year improvement assessment was $1,039,300 prorated for 102 days of occupancy. The Castrignos did not timely appeal the assessment, later obtained a reassessment and a $1,259.70 refund, but did not appeal the reassessed value before filing suit for a further refund.

PROCEDURAL HISTORY

The Castrignos did not timely appeal their original 2001 property assessment to the Ada County Board of Equalization. After the assessor ordered a reassessment and issued a partial refund, they also did not appeal the reassessed value. They then filed suit seeking an additional refund. The district court granted Ada County summary judgment, concluding that the Castrignos had failed to exhaust administrative remedies and that the court lacked subject-matter jurisdiction. The Idaho Supreme Court affirmed and awarded Ada County attorney fees and costs on appeal.

DISPOSITION

affirmed

CASES CITED

- Farmers Ins. Co. v. Talbot, 133 Idaho 428, 987 P.2d 1043 (1999)
- Smith v. Meridian Joint Sch. Dist. No. 2, 128 Idaho 714, 918 P.2d 583 (1996)
- Idaho State Ins. Fund v. Van Tine, 132 Idaho 902, 980 P.2d 566 (1999)
- Greenfield Vill. Apartments, L.P. v. Ada County, 130 Idaho 207, 938 P.2d 1245 (1997)
- Matter of Jenkins, 120 Idaho 379, 816 P.2d 335 (1991)
- Molyneux v. Twin Falls Canal Co., 54 Idaho 619, 35 P.2d 651 (1934)
- Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979)
- Washburn-Wilson Seed Co. v. Jerome County, 65 Idaho 1, 138 P.2d 978 (1943)
- Fairway Dev. Co. v. Bannock County, 119 Idaho 121, 804 P.2d 294 (1990)
- Ware v. Idaho State Tax Comm'n, 98 Idaho 477, 567 P.2d 423 (1977)
- Grever v. Idaho Tel. Co., 94 Idaho 900, 499 P.2d 1256 (1972)