SUPREME COURT OF IDAHO

Kimbrough v. Idaho Board of Tax Appeals, 150 Idaho 417

247 P.3d 644 (2011) · No. No. 36726 · Decided February 4, 2011

SUMMARY

The Idaho Supreme Court affirmed the assessment of the Kimbroughs' homesite at market value and held that a homesite contiguous with agriculturally exempt land is not itself exempt under Idaho Code section 63-604 unless it is actively devoted to agriculture. The court also concluded that the County's valuation was not arbitrary, oppressive, or discriminatory and denied the request for attorney fees.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	W. Jones, Justice; Eismann, Chief Justice; Burdick, Justice; J. Jones, Justice; Horton, Justice
JURISDICTION	Idaho
DECIDED	February 4, 2011
DOCKET	No. 36726
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the district court's decision affirming the Idaho Board of Tax Appeals and the Canyon County Board of Equalization's 2007 property-tax assessment.
STANDARD OF REVIEW	When the district court conducts a trial de novo from a Board of Tax Appeals decision, the Idaho Supreme Court defers to factual findings supported by substantial evidence and freely reviews legal conclusions. Statutory interpretation is reviewed de novo.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential.
PARTIES	Walter Kimbrough, Judith Kimbrough v. Idaho Board of Tax Appeals, Canyon County Board of Equalization

TOPICS

property tax · statutory interpretation · administrative law · appellate procedure · standard of review

PRACTICE AREAS

property taxation · administrative law · appellate procedure · statutory interpretation

QUESTIONS PRESENTED

1. Whether Idaho Code section 63-604 requires the agricultural-land exemption to apply to a homesite contiguous with land actively devoted to agriculture.
2. Whether the County's valuation of the Kimbroughs' homesite was arbitrary, oppressive, fraudulent, discriminatory, or manifestly excessive.
3. Whether the Kimbroughs were entitled to attorney fees under Idaho Code section 12-117(1).

HOLDINGS

1. A contiguous homesite is not exempt under Idaho Code section 63-604 unless the homesite itself is actively devoted to agriculture. The statute's reference to the total area of land, including the homesite, concerns eligibility for the acreage threshold and does not exempt the homesite itself.
2. The County's valuation was not arbitrary, oppressive, fraudulent, discriminatory, or manifestly excessive, and substantial evidence supported the district court's decision upholding it.
3. The Kimbroughs were not entitled to attorney fees under Idaho Code section 12-117(1) because that provision does not authorize an award of fees in an appeal from an administrative decision.

KEY QUOTATIONS

> *"The statute unambiguously does not exempt contiguous homesites."* (648)

> *"The district court correctly held that homesites contiguous with farmland are not subject to the tax exemption for land actively devoted to agriculture under I.C. § 63-604."* (650)

FACTUAL BACKGROUND

The Kimbroughs owned a 15.42-acre farm in Canyon County, Idaho, of which 14.76 acres were subject to assessment. Most of the property was used to grow alfalfa and received the agricultural exemption, while approximately one acre containing the home and residential improvements was assessed at market value. The property's total assessment increased substantially in 2007 after the County updated the assessment and accounted for a garage and additional bedrooms constructed in 2004. The Kimbroughs challenged both the denial of the agricultural exemption for the homesite and the valuation based on comparable sales.

PROCEDURAL HISTORY

The Kimbroughs appealed their 2007 assessment to the Canyon County Board of Equalization and then to the Idaho Board of Tax Appeals; both affirmed. The Kimbroughs appealed to the district court, which conducted a trial de novo under Idaho Code section 63-3812(c), upheld the separate market-value assessment of the homesite and residential improvements, and rejected their challenge to the valuation. The Idaho Supreme Court affirmed and denied attorney fees.

DISPOSITION

affirmed

CASES CITED

- Canyon County Board of Equalization v. Amalgamated Sugar Co., 143 Idaho 58, 137 P.3d 445 (2006)
- Callies v. O'Neal, 147 Idaho 841, 216 P.3d 130 (2009)
- Housing Southwest, Inc. v. Washington County, 128 Idaho 335, 913 P.2d 68 (1996)
- Owyhee Motorcycle Club, Inc. v. Ada County, 123 Idaho 962, 855 P.2d 47 (1993)
- Canty v. Idaho State Tax Commission, 138 Idaho 178, 59 P.3d 983 (2002)
- Hayden Lake Fire Protection District v. Alcorn, 141 Idaho 307, 109 P.3d 161 (2005)
- Brandon Bay, Ltd. Partnership v. Payette County, 142 Idaho 681, 132 P.3d 438 (2006)
- Farber v. Idaho State Insurance Fund, 147 Idaho 307, 208 P.3d 289 (2009)
- Porter v. Board of Trustees, 141 Idaho 11, 105 P.3d 671 (2004)
- Ada County Board of Equalization v. Highlands, Inc., 141 Idaho 202, 108 P.3d 349 (2005)
- Roeder Holdings, L.L.C. v. Board of Equalization, 136 Idaho 809, 41 P.3d 237 (2001)
- Abbot v. State Tax Commission, 88 Idaho 200, 398 P.2d 221 (1965)
- Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979)
- Idaho Power Co. v. Idaho State Tax Commission, 141 Idaho 316, 109 P.3d 170 (2005)
- In re Approval of Conditional Use Permit #CUP-2008-3, 150 Idaho 231, 245 P.3d 983 (2010)
- Smith v. Washington County, 247 P.3d 615 (2010)