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Board of Managers of French Oaks Condominium v. Town of Amherst

Court of Appeals of New York - May 1, 2014 - N.E.3d - 2014 N.Y. Slip Op. 02971

Condominium's board of managers petitioned for certiorari review of town's real property tax assessments. The Supreme Court, Erie County determined the value of the condominium after a hearing before a referee. Town appealed. The Supreme Court, Appellate Division affirmed. Town appealed as of right, based on existence of two-Justice dissent in Appellate Division's decision.

The Court of Appeals held that appraisal offered by condominium's board did not rebut the presumption of validity for town's assessment.

In a tax certiorari proceeding relating to real property taxes, a rebuttable presumption of validity attaches to the valuation of property made by the taxing authority, and consequently, a taxpayer challenging the accuracy of an assessment bears the initial burden of coming forward with substantial evidence that the property was overvalued by the assessor.

Appraisal offered by condominium's board of managers did not rebut the presumption of validity for town's assessment, where the appraiser, who used an income capitalization method, did not support the appraisal's proposed capitalization rate with objective data necessary to substantiate the component calculations.