

Bond Case Briefs

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Martinez v. Town of Hartford

Supreme Court of Vermont - August 7, 2020 - A.3d - 2020 WL 4557061 - 2020 VT 70

Taxpayer, proceeding pro se, appealed from decision of Property Valuation and Review Division (PVR) hearing officer setting the fair market value of his single-family dwelling at \$509,900, equalized to a value of \$492,300, for purposes of town's property tax grand list.

The Supreme Court held that:

- Although the sale price of a property in a contemporaneous arms-length transaction is strong presumptive evidence of fair market value, for purposes of Vermont's property tax statute, it is not solely determinative and may be overcome, in rare cases, by other evidence of value, and
- In the present case, the hearing officer did not err by relying on comparable sale evidence in concluding that the sale price did not accurately reflect fair market value.

Although the sale price of real property in a contemporaneous arms-length transaction is strong presumptive evidence of fair market value, for purposes of Vermont's property tax statute, it is not solely determinative and may be overcome, in rare cases, by other evidence of value; statute expressly and without qualification allows factfinder to consider other factors beyond the recent, arms-length sale price, and, while case law emphasizes that such sale establishes a strong presumption as to the fair market value of the property, Supreme Court has never held that existence of a bona fide sale price conclusively establishes fair market value or precludes hearing officer from considering competing evidence of fair market value.

Hearing officer's appraisal of taxpayer's single-family dwelling at \$509,900, equalized to a value of \$492,300, for purposes of town's property tax grand list, was rationally derived from the findings and evidence, even though taxpayer had recently purchased the home for \$350,000; while it was undisputed that sale was bona fide, other evidence showed that sale price did not represent property's fair market value, including town's unchallenged comprehensive market analysis report which valued taxpayer's property at \$510,000 based on nine recent sales of comparable properties in the same planned unit development whose adjusted prices ranged from \$501,400 to \$515,000, and under these circumstances, hearing officer did not abuse his discretion by affording greater weight to independent market data than to sale price in determining fair market value.