

Bond Case Briefs

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Schwartz v. Cuyahoga Cty. Bd. of Revision

Supreme Court of Ohio - August 27, 2015 - N.E.3d - 2015 WL 50383212015 -Ohio- 3431

Property owner sought review of decision of the county board of revision (BOR), which retained fiscal officer's valuation of property. The Board of Tax Appeals (BTA) affirmed. Property owner appealed.

The Supreme Court of Ohio held that:

- Constitution did not repeal by implication statutory restriction on using prices from auctions and forced sales as evidence of property value, and
- Forced sale of real property by United States Department of Housing and Urban Development (HUD) was voluntary and at arm's-length.

State constitutional provision requiring legislature to pass law taxing real property "according to its true value in money" did not repeal by implication statutory restriction on using prices from auctions and forced sales as evidence of property value. Auction-and-forced-sale statutory provision codified a general presumption that a sale price from an auction or forced sale was not good evidence of a property's value because the underlying transaction was not voluntary and at arm's-length, merely instructing assessors how to determine a property's value.

Forced sale of real property by United States Department of Housing and Urban Development (HUD) was voluntary and at arm's-length, and therefore purchaser rebutted statutory presumption that sale price was not evidence of property's value for tax purposes, where property was on the market for three years (including one year after the property was transferred to HUD), a for-sale sign was posted at the property and purchaser made several offers to buy it, owner rejected purchaser's offers and was planning to sell to a different prospective buyer, when that sale fell through, owner contacted purchaser and advised him that property would be razed unless he wanted to buy, and other sales on street evidenced that the market could not bear a higher sale price at that time.