

**BEFORE THE BOARD OF TAX APPEALS
STATE OF KANSAS**

IN THE MATTERS OF THE EQUALIZATION
APPEALS OF FARMERS COOPERATIVE CO.
FOR THE YEAR 2017 IN CLARK COUNTY,
KANSAS

Docket Nos. 2017-5499-EQ
and 2017-5500-EQ

Parcel ID Number: 013-181-12-0-40-20-002.06-0

Parcel ID Number: 013-196-13-0-00-00-002.00-0

SUMMARY DECISION

Now the above-captioned matters come on for consideration and decision by the Board of Tax Appeals of the State of Kansas. The Board conducted a hearing in this matter on April 11, 2018. The Taxpayer, Farmers Cooperative Co., appeared by Stan Stark. Clark County appeared by Michael Montoya, Attorney, and Jeremy McCully, Clark County Appraiser. The tax year in issue is 2017.

Ashland Grain Elevator

The County valued the subject property at \$257,700 for tax year 2017 using the cost approach. The County utilized the 2017 Grain Elevator Guide for the State of Kansas to value the grain storage assets. In its cost approach, the County utilized \$.51 per bushel, \$1,440 for the land value, and \$11,460 for the cost of the other buildings on the site. The County noted that one of the bins had been relined at a cost of approximately \$80,000.

The Taxpayer asserted that the Ashland Grain Elevator has been overvalued for tax year 2017. The Taxpayer noted that this facility was purchased in 2005 for \$110,400, or \$.23 per bushel. The 2016 value of this facility was \$88,930 and it underwent a 290% increase in value for 2017. Despite its licensed capacity, the Taxpayer noted that the average number of bushels received annually over the last ten years is 165,000. The Taxpayer explained that, due to the dominance of cattle grazing in the County, most of the wheat grown is fed to cattle. With the limited bushels coming to this facility, it is open only seasonally.

Sitka Grain Elevator

The County valued the subject property at \$275,040 for tax year 2017 using the cost approach. The County utilized the 2017 Grain Elevator Guide for the State of Kansas to value the grain storage assets. In its cost approach, the County

utilized \$.52 per bushel, \$1,600 for the land value, and \$4,600 for the cost of the other buildings on the site.

The Taxpayer asserted that the Sitka Grain Elevator has been overvalued for tax year 2017. The Taxpayer noted that this facility was purchased in 1995 for \$38,900, or \$.075 per bushel. The 2016 value of this facility was \$48,160 and it underwent a 571% increase in value for 2017. Despite its licensed capacity, the Taxpayer noted that the average number of bushels received annually over the last ten years is 140,000. The Taxpayer explained that, due to the dominance of cattle grazing in the County, most of the wheat grown is fed to cattle. With the limited bushels coming to this facility, it is open only seasonally.

Findings and Conclusions

The Board rules that the evidentiary burden is on the County. Based on the evidence presented at the hearing, duly weighing such evidence, the Board determines that the appraised value of the subject properties for tax year 2017 are \$257,700 and \$275,040, respectively. The Board finds that the County has sustained its burden to support its valuation of the subject properties. It has accurately identified the characteristics of the subject properties and appropriately estimated their values using the cost approach. The County's valuations are supported by both the methodology identified in the 2017 Grain Elevator Guide and by evidence from the market. The Board further finds the Taxpayer's limitations on the type of grain accepted and the seasonal use of the facility are management decisions and do not support a reduction in valuation.

IT IS THEREFORE ORDERED that the appraised value of the subject properties for 2017 are as follows:

Docket No. 2017-5499-EQ: \$257,700

Docket No. 2017-5500-EQ: \$275,040

Any party who is aggrieved by this order may file a written petition for reconsideration with this Board as provided in K.S.A. 77-529 and K.S.A. 74-2426(b), and amendments thereto. The written petition for reconsideration shall set forth specifically and in adequate detail the particular and specific respects in which it is alleged that the Board's order is unlawful, unreasonable, capricious, improper or unfair. Any petition for reconsideration shall be mailed to the Secretary of the Board of Tax Appeals. The written petition must be received by the Board within 15 days of the certification date of this order (allowing an additional three (3) days for mailing pursuant to statute). The Parties should note that, pursuant to K.S.A. 2016 Supp. 74-2426(c)(4)(A), in regard to any petition for review of the Board's order

filed in the Kansas Court of Appeals, for purposes of such an appeal, the Board's order shall become final only after the issuance of a full and complete opinion.

Rather than filing a petition for reconsideration, any aggrieved party may request, within 14 days of receiving this order, a full and complete opinion be issued by the Board pursuant to K.S.A. 74-2426(a), and amendments thereto (allowing an additional three (3) days for mailing pursuant to statute).

Rather than filing a petition for reconsideration or a request for a full and complete opinion, any Taxpayer has the right to appeal this order of the Board by filing a petition with the district court pursuant to K.S.A. 74-2426(c)(4)(B), and amendments thereto. Said petition for judicial review must be filed within 30 days from the date of certification of this order. *See* K.S.A. 77-613(b) and (c), and amendments thereto and K.S.A. 74-2426(c), and amendments thereto. Pursuant to K.S.A. 77-529(d), and amendments thereto, any party choosing to petition for judicial review of this order is hereby notified that the Secretary of the Board of Tax Appeals is to receive service of a copy of the petition for judicial review. Please note, however, that the Board would not be a party to any judicial review because the Board does not have the capacity or power to sue or be sued. *See* K.S.A. 74-2433(f), and amendments thereto.

The address for the Secretary of the Board of Tax Appeals is Board of Tax Appeals, Eisenhower State Office Building, 700 SW Harrison St., Suite 1022, Topeka, KS 66603. A party filing any written request or petition shall also serve a complete copy of any written request or petition on all other parties. Please be advised that the administrative appeal process is governed by statutes enacted by the legislature and no further appeal will be available beyond the statutory time frames.

IT IS SO ORDERED

THE KANSAS BOARD OF TAX APPEALS



ATTEST:

Ronald C. Mason
RONALD C. MASON, CHAIR

[Signature]
JAMES D. COOPER, BOARD MEMBER

[Signature]
DEVIN SPRECKER, BOARD MEMBER

Joélene R. Allen
JOÉLENE R. ALLEN, SECRETARY

CERTIFICATION

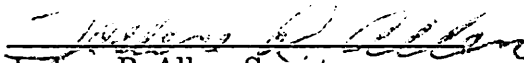
I, Joelene R. Allen, Secretary of the Board of Tax Appeals of the State of Kansas, do hereby certify that a true and correct copy of this order in Docket Nos. 2017-5499-EQ and 2017-5500-EQ and any attachments thereto, was placed in the United States Mail, on this 16th day of April, 2018, addressed to:

Stan Stark
Farmers Cooperative Co
PO Box 268
Haviland, KS 67059-0268

Jeremy McCully, County Appraiser
Clark County Courthouse
PO Box 727
Ashland, KS 67831-0727

Michael Montoya, Attorney
Clark County
PO Box 1220
Salina, KS 67402-1220

IN TESTIMONY WHEREOF, I have hereunto subscribed my name at Topeka,
Kansas.


Joelene R. Allen, Secretary