

State Board of Equalization

August 14, 2018

File No.: 2018- TRAILL-ANDERSON

County or City: Traill County

Issue: Michael Anderson protests the classification and assessment on his grain storage facility

County Tax Director: Kayla Knudson

City Assessor:

Summary: Mr. Anderson protests the classification and assessment on a grain storage facility, used for his private agricultural use, located in the city of Hillsboro.

Notes:



**Anderson Farms
Grain Storage
Hillsboro, ND**

2018-Trail - Anderson



2017 Tornado Damage to Grain Storage

July 13, ~~2010~~
2017

Anderson Farms Grain Storage

Located in Hillsboro, ND

Total Grain Capacity of 310,000 bushel

A once in, once out single farm grain storage facility

Has not been used commercially for 21 years

History:

Purchased from Cenex Harvest States in 2002 for \$120,000.00

Commercial Use Ceased in 1997

On market for 4 years before being purchased by my father and I.

Train Loading Capacity at time was 26 rail cars split loaded.

Not a viable train loading facility now with large terminals loading 120 car unit trains.

Since purchase, have worked to keep facility and property functional and clean. No dust or debris problems or complaints have occurred from farm operations.

This will become more and more important in small towns as facilities become obsolete for commercial operation and are operated by farms for storage purposes.

Recent Tax History:

2015 Property Tax Assessment	\$1,854.33
2017 Property Tax Assessment	\$7,624.46

Resulting Tax Increase 411%

Proposed 2018 Assessment to increase again due to replacing storm damaged bin with one of same dimensions and capacity.

Value of grain storage tied to capacity.

Request for Tax Reduction Consideration:

Option 1:

I would like to request this property be categorized as Agricultural. This would reflect the true function and purpose of this structure.

This storage facility has not conducted commercial business for 21 years.

My storage is assessed at same rate as commercial elevators in area purchasing and shipping over 30 million bushels per year.

Option 2:

I would request instead of an aggressive increase of over 400% since 2015 that the assessment would be increased by 50%.

The resulting tax assessment would be \$2,781.49

This would be a large annual tax liability but more manageable and reflective of the facilities function and value.

Thank you for your consideration,

Michael Anderson