

Staff Report for 2020 State Board of Equalization

September 23, 2020

File No.: 2020-MOUNTRAIL-COMMERCIAL

Prepared by: Property Tax Division

City or County: Mountrail County

Appellant:

Issue: Commercial not within tolerance – reports indicated 86%.

Summary: The ratio adjustment worksheet for 2020 calculated indicates a commercial true & full value ratio of 86%.

Analysis: Mountrail's commercial property indicates a ratio of 86% and is not within tolerance. Three classes of property are used in the sales ratio study, residential, commercial, and agricultural land; valuation of industrial property is considered commercial.

In Mountrail County, the cost and income approach to value are typically used in the valuation of industrial property due to lack of arm-length transactions/sales.

Review of information provided by the Mountrail County Tax Director indicate industrial property assessments are 49% of the overall commercial assessment. By analyzing the sales approach on the remaining 51% of commercial valuation indicates a ratio of 90% and is within tolerance.

Property Tax Division recommend no change to Mountrail County commercial assessments.

Recommendation: No action required.