



**FINAL ADMINISTRATIVE DECISION
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Mark Hemann
DOCKET NO.: 21-06868.001-R-1
PARCEL NO.: 12-1-04-33-00-000-018

The parties of record before the Property Tax Appeal Board are Mark Hemann, the appellant; and the Madison County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **A Reduction** in the assessment of the property as established by the **Madison** County Board of Review is warranted. The correct assessed valuation of the property is:

F/Land:	\$6,120
Homesite:	\$8,880
Residence:	\$233,840
Outbuildings:	\$0
TOTAL:	\$248,840

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the Madison County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2021 tax year after notice of application of a township equalization factor. The Property Tax Appeal Board finds that it has limited jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The parties appeared before the Property Tax Appeal Board on November 7, 2023 for a hearing at the Madison County Courthouse in Edwardsville pursuant to prior written notice dated September 13, 2023. Appearing were appellant, Mark S. Hemann and spouse, Suzanne Hemann, and on behalf of the Madison County Board of Review, Chairman Phillip Taylor and member Janis Hagnauer.

The subject property consists of a custom 1-story dwelling of frame exterior construction with 4,706 square feet of living area. The dwelling was constructed in 2020. Features of the home include an unfinished basement, central air conditioning, one fireplace and a 1,473 square foot

garage. The property has a 54.99-acre site, which includes a homesite and farmland and is located in Worden, Omphgent Township, Madison County.

The appellant contends assessment inequity with respect to the assessment of the residence only, as the basis of the appeal; no dispute was raised as to the homesite or farmland assessments. In support of this argument, the appellant argued the combined above grade and below grade finished area of a dwelling or its gross living area to be a more equitable method of determining an improvement assessment.

In support of this argument the appellant submitted information on three equity comparables located from 0.50 of a mile to 3.0 miles from the subject property, two of which are also located in the same assessment neighborhood code as the subject.¹ The comparables are improved with 1-story or 2-story dwellings of brick, frame or masonry exterior construction ranging in size from 2,544 to 3,189 square feet of above grade living area. The homes were built from 2014 to 2018. Each comparable has a basement with finished area, central air conditioning and a garage ranging in size from 900 to 1,512 square feet of building area. Two homes each have one fireplace. Property record cards submitted by the appellant disclosed comparable #1 has a 1,752 square foot pole building and two lean-tos assessed as farm buildings while comparable #2 has a 1,944 square foot pole building included in its improvement assessment.² The comparables have improvement assessments, not including farm buildings, ranging from \$118,760 to \$142,120 or from \$44.45 to \$52.58 per square foot of living area.

Mr. Hemann argued if the per square foot improvement assessments are divided by the combined above and below grade living areas, the subject's per square foot improvement assessment is unchanged at \$51.79 while the comparables range from \$24.74 to \$31.99.³ Ms. Hemann contended, without documentation, that basement finished area in contemporary homes has finish quality equal to above grade living areas and therefore should be treated the same as above grade living area for assessment purposes. Mr. Hemann reiterated the subject property does not have a finished basement. Based on this evidence, the appellant requested the subject's improvement assessment be reduced to \$135,533 or \$28.80 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total equalized assessment for the subject of \$259,080. The subject has an improvement assessment of \$243,710 or \$51.79 per square foot of living area.

In response to the appellant's testimony with respect to the assessment of below grade area, Ms. Hagnauer clarified that basement finish is taken into consideration in a property's assessment, however, it is valued at a lower rate than above grade living area.

In support of its contention of the correct assessment, the board of review submitted a grid analysis and property record cards with information on four equity comparables located in either

¹ The board of review submitted a copy of the appellant's grid analysis with corrected dwelling sizes to reflect above grade living area and corrected assessments for each of the properties.

² The property record card for appellant comparable #3 reported an active permit for an inground swimming pool.

³ At hearing the appellant submitted a three page brief with per square foot calculations using the 2021 improvement assessments for each of his comparables which reflected corrected information and which the board of review did not object to including in the record.

Worden or Edwardsville. Board of review comparables #2 and #3 are the same properties as the appellant's comparables #2 and #1, respectively. The comparables are improved with 1-story dwellings of frame or brick exterior construction that range in size from 2,328 to 3,398 square feet of living area. The homes were built from 2014 to 2021. Each comparable has a basement, with three having finished area. Each home has central air conditioning and a garage ranging in size from 900 to 1,440 square feet of building area. Three comparables have either one or two fireplaces. Comparable #1 has an inground swimming pool, comparable #2 has a 1,944 square foot outbuilding and comparable #3 has a 1,752 square foot outbuilding and two lean-tos assessed as farm buildings. The comparables have improvement assessments, not including farm buildings, that range from \$111,000 to \$210,960 or from \$44.57 to \$62.08 per square foot of living area.

The board of review also submitted written comments agreeing with the appellant that it is difficult to find properties comparable to the subject due to its larger dwelling size and rural location. The board of review critiqued the appellant's comparable #3 which is 2-story in style and has brick exterior construction when compared to the subject's 1-story design and frame exterior. The board of review opined the improvement assessment for its comparable #1 should be lowered by \$10,480 to account for its inground swimming pool. With respect to the subject property, the board of review argued the property is superior to all comparables in dwelling size, number of plumbing fixtures and garage size. Based on this evidence, the board of review requested the subject's assessment be confirmed.

At hearing, Mr. Hemann testified the subject property had been designed for long term occupancy and to accommodate his family. He stated the State of Illinois' 100% property tax exemption for disabled Veteran's was among the reasons for choosing to locate in Madison County. The ALJ questioned board member Hagnauer regarding the \$250,000 assessment ceiling. Ms. Hagnauer confirmed that an assessment even \$1.00 over the \$250,000 ceiling eliminates the entire exemption for a disabled veteran.⁴

Conclusion of Law

The appellant contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments, for the assessment year in question, of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

As an initial matter, the Board gives no weight to the appellant's argument that below grade finished area should be included in the analysis of a property's per square foot improvement assessment. While the Board acknowledges why the appellant makes this argument, in practice, property valuation professionals uniformly treat above grade living area and below grade living

⁴ Ms. Hagnauer noted that legislation proposing to change this exemption had been introduced, although it was determined after the hearing that the legislation did not pass and the existing law remains unchanged.

area separately when valuing real property. Thus, for purposes of uniform analysis is performed based only upon above grade living area comparisons.

The record contains five equity comparables for the Board's consideration, as two comparables are common to both parties. The Board finds that none of the properties are truly similar to the subject particularly with respect to dwelling size. Nevertheless, the Board gives less weight to appellant comparable #3 which differs from the subject in design.

The Board finds the best evidence of assessment equity to be appellant comparables #1 and #2 along with each of the board of review's comparables, including the two common properties. These best comparables are similar to the subject in age and design but present varying degrees of similarity to the subject in location, dwelling size, basement finish, garage size and other features. The dwelling sizes of these best comparables are from 28% to 51% smaller than the subject dwelling and two are located in Edwardsville, a less rural location in Madison County than the subject's Worden location. These best comparables have improvement assessments ranging from \$111,000 to \$210,960 or from \$44.57 to \$62.08 per square foot of living area. The subject's improvement assessment of \$243,710 or \$51.79 per square foot of living area falls above the range established by the best comparables in this record on an overall improvement assessment basis and within the range on a per square foot basis.

Given the subject's substantially larger dwelling size relative to the best comparables in the record, a higher overall improvement assessment is logical. However, its per square foot improvement assessment, within the range of the best comparables, appears counterintuitive to accepted real estate theory which provides that, all things being equal, as the size of a property increases, the per unit value decreases. In contrast, as the size of a property decreases, the per unit value increases. This suggests that all things being equal, the subject's per square foot improvement assessment should be lower than the range established by the best comparables in the record, due to its larger size.

After considering appropriate adjustments to the best comparables for differences from the subject, including size and age, the Board finds the appellant demonstrated with clear and convincing evidence that the subject's improvement was inequitably assessed and a reduction in the subject's assessment is justified. However, the record indicates that the appellant did not file a complaint with the board of review but appealed the subject's assessment directly to the Property Tax Appeal Board after notice of the application of an equalization factor. Since the appeal was filed after notification of an equalization factor, the amount of relief that the Property Tax Appeal Board may grant is limited. Section 1910.60(a) of the rules of the Property Tax Appeal Board states in part:

If the taxpayer or owner of property files a petition within 30 days after the postmark date of the written notice of the application of final, adopted township equalization factors, the relief the Property Tax Appeal Board may grant is limited to the amount of the increase caused by the application of the township equalization factor. 86 Ill.Admin.Code §1910.60(a).

Additionally, section 16-180 of the Property Tax Code (35 ILCS 200/16-180) provides in pertinent part:

Where no complaint has been made to the board of review of the county where the property is located and the appeal is based solely on the effect of an equalization factor assigned to all property or to a class of property by the board of review, the Property Tax Appeal Board may not grant a reduction in the assessment greater than the amount that was added as the result of the equalization factor. (35 ILCS 200/16-180).

These provisions mean that when a taxpayer files an appeal directly to the Property Tax Appeal Board after notice of application of an equalization factor, the Board cannot grant an assessment reduction greater than the amount of increase caused by the equalization factor. Villa Retirement Apartments, Inc. v. Property Tax Appeal Board, 302 Ill.App.3d 745, 753 (4th Dist. 1999). Based on a review of the evidence contained in the record, the Property Tax Appeal Board finds a reduction in the assessment of the subject property is supported. However, the reduction is limited to the increase in the assessment caused by the application of the equalization factor.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Member



Member



Member



Member

DISSENTING: _____

CERTIFICATION

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date:

December 19, 2023



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year or years of the same general assessment period, as provided in Sections 9-125 through 9-225, are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for such subsequent year or years directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.

PARTIES OF RECORD

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