

**INDIANA BOARD OF TAX REVIEW**  
**Small Claims**  
**Final Determination**  
**Findings and Conclusions**

**Petitions:** 45-003-17-1-5-00788-18  
45-003-18-1-5-00750-20  
**Petitioner:** James Nowacki  
**Respondent:** Lake County Assessor  
**Parcel:** 45-07-13-481-013.000-003  
**Assessment Years:** 2017 and 2018

The Indiana Board of Tax Review (“Board”) issues this determination, finding and concluding as follows:

**PROCEDURAL HISTORY**

1. Nowacki contested the 2017 and 2018 assessments of his property located at 4711 W. 28<sup>th</sup> Avenue in Gary. The Lake County Property Tax Assessment Board of Appeals (“PTABOA”) issued determinations valuing the vacant platted lot at \$1,200 for both years.
2. Nowacki filed Form 131 petitions with the Board and elected to proceed under our small claims procedures. On July 12, 2021, Ellen Yuhan, our designated Administrative Law Judge (“ALJ”) held a hearing on Nowacki’s petitions. Neither she nor the Board inspected the property.
3. Nowacki appeared pro se. The Assessor appeared by Hearing Officer Robert Metz. Both testified under oath.

**RECORD**

4. The official record for this matter contains the following:
  - a. Petitioner Exhibit A: Property Record Card (2017-2020)  
Petitioner Exhibit B: Property Record Card (2014-2017)  
Petitioner Exhibit C: Property Record Card (2011-2015)  
Petitioner Exhibit D: GIS map
  - b. The record for the matter also includes the following: (1) all pleadings, briefs, motions, and documents filed in these appeals; (2) all notices and orders issued by the Board or our ALJ; and (3) an audio recording of the hearing.

## BURDEN OF PROOF

5. Generally, a taxpayer seeking review of an assessing official's determination has the burden of proof. Indiana Code § 6-1.1-15-17.2 creates an exception to that general rule and assigns the burden of proof to the assessor in two circumstances—where the assessment under appeal represents an increase of more than 5% over the prior year's assessment, or where it is above the level determined in a taxpayer's successful appeal of the prior year's assessment. I.C. § 6-1.1-15-17.2(b) and (d).
6. Here, the property's assessment remained unchanged from 2016 to 2017. Nowacki therefore bears the burden of proof for 2017. The burden of proof for 2018 depends on the outcome for 2017.

## SUMMARY OF CONTENTIONS

7. Nowacki's case:
  - a. The property record cards ("PRCs") show the topography correctly. The other characteristics such as public utilities, paved roads, and neighborhood life cycle are incorrect. From 2011 to 2018, the assessed value has dropped from \$3,600 to \$1,200, or a third of its original value. Nowacki's proposed price of \$500 is closer to the eventual value of the property than when he started the appeals process. *Nowacki testimony; Pet'r Exs. A-C.*
  - b. This parcel is in direct proximity to two other parcels under appeal. The main error in determining the value of these lots is that they are treated as individual, developable lots. There is no evidence that the lots are developable and that is underscored by the fact that they churned through the tax sale system for 40 years. The property might have some value if it were assembled with other lots, but the property has no value as an individual lot. Because the property has very little value as an individual lot, it should be assessed at an acreage value. When Nowacki references creating an assemblage, he is not talking about combining two small, undersized lots to create a slightly larger lot. He means combining 30 or 40 lots. *Nowacki testimony.*
8. The Assessor's case:
  - a. Nowacki talks about assemblage but has done nothing to accomplish it. He has not provided any substantial evidence to warrant a change in value. The Assessor recommends no change in the assessment. *Metz testimony.*

## ANALYSIS

9. Nowacki failed to make a prima facie case for reducing the property's 2017 or 2018 assessments. The Board reached this decision for the following reasons:

- a. The goal of Indiana’s real property assessment system is to arrive at an assessment reflecting the property’s true tax value. 50 IAC 2.4-1-1(c); 2021 REAL PROPERTY ASSESSMENT MANUAL at 2, 3. “True tax value” does not mean “fair market value” or “the value of the property to the user.” I.C. § 6-1.1-31-6(c), (e). It is instead determined under the rules of the Department of Local Government Finance (“DLGF”). I.C. § 6-1.1-31-5(a); I.C. § 6-1.1-31-6(f). The DLGF defines “true tax value” as “market value in use,” which it in turn defines as “[t]he market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property.” MANUAL at 2.
- b. Evidence in an assessment appeal should be consistent with that standard. For example, market value-in-use appraisals that comply with the Uniform Standards of Professional Appraisal Practice often will be probative. *Id. See also Kooshtard Property VI, LLC v. White River Twp. Ass’r*, 836 N.E.2d 501, 506 n.6 (Ind. Tax Ct. 2005). Cost or sales information for the property under appeal may also be used, as well as sales or assessment information for comparable properties, and any other information compiled according to generally accepted appraisal principles. *Id. See also* I.C. § 6-1.1-15-18 (allowing parties to offer evidence of comparable properties’ assessments in property tax appeals but explaining that the determination of comparability must be made in accordance with generally accepted appraisal and assessment practices). Regardless of the type of valuation evidence used, a party must also relate its evidence to the relevant valuation date. *Long v. Wayne Twp. Ass’r*, 821 N.E.2d 466, 471 (Ind. Tax Ct. 2005). Otherwise, the evidence lacks probative value. *Id.* The valuation dates for these appeals are January 1, 2017 and January 1, 2018. Ind. Code § 6-1.1-2-1.5(a).

### 2017 Assessment

- c. Nowacki contends the 2017 assessment should be \$500, but he failed to present any probative market-based evidence to support that value. Statements that are unsupported by probative evidence are conclusory and of no value to the Board in making its determination. *Whitley Products, Inc. v. State Bd. of Tax Comm’rs*, 704 N.E.2d 1113, 1118 (Ind. Tax Ct. 1998). To successfully make a case for a lower assessment, a taxpayer must use market-based evidence to “demonstrate that their suggested value accurately reflects the property’s true market value-in-use.” *Eckerling v. Wayne Co. Ass’r*, 841 N.E.2d at 674, 678 (Ind. Tax Ct. 2006).
- d. While Nowacki complained that some of the characteristics listed on the PRCs are incorrect and offered his opinion that the lot has little value because it is not developable without an assemblage, he did not offer any market-based evidence quantifying the effect these issues have on his property’s value. And without market-based evidence indicating his property’s value was \$500 on January 1, 2017, his opinion of its value is merely a conclusory statement.

- e. We also give no weight to his claim about the property’s declining assessments. As the Tax Court has explained, each tax year and each appeal process stand alone. *Fisher v. Carroll Cty Assessor*, 74 N.E.3d 582, 588 (Ind. Tax Ct. 2017). Evidence of a property’s assessment in one year, therefore, has little bearing on its true tax value in another. *Fleet Supply, Inc. v. State Bd. of Tax Comm’rs*, 747 N.E.2d 645, 650 (Ind. Tax Ct. 2001).
- f. Because Nowacki offered no probative market-based evidence to demonstrate the property’s correct market value-in-use for 2017, he failed to make a prima facie case for a lower assessment.

2018 Assessment

- g. We now turn to the 2018 assessment. Because Nowacki did not prevail on his 2017 appeal, the assessment remained unchanged from 2017 to 2018. Nowacki therefore retained the burden of proof for 2018. He offered the same evidence and arguments he presented for the 2017 appeal, and we therefore reach the same conclusion—he failed to make a prima facie case for a lower assessment.

**FINAL DETERMINATION**

In accordance with the above findings of fact and conclusions of law, we find for the Assessor and order no change to the 2017 and 2018 assessments.

ISSUED: OCTOBER 12, 2021

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Chairman, Indiana Board of Tax Review

*Betsy J. Brand*  
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Commissioner, Indiana Board of Tax Review

*Jonathan R. Hill*  
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Commissioner, Indiana Board of Tax Review

**- APPEAL RIGHTS -**

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <<http://www.in.gov/legislative/ic/code>>. The Indiana Tax Court's rules are available at <<http://www.in.gov/judiciary/rules/tax/index.html>>.