

Staff Report for 2024 State Board of Equalization

File No.: 2024-REPORT-MCINTOSH-COMMERCIAL TOLERANCE **Prepared By:** Property Tax Division

County or City: MCINTOSH COUNTY

Appellant:

Type of Appeal: TOLERANCE LEVEL

Appeal Issue: The sales ratio study indicates a commercial sales ratio of 88%.

Analysis: McIntosh County's commercial value indicates a sales ratio of 88%. This sales ratio is below the State Board of Equalization's 2024 acceptable tolerance range of 90% - 100%.

Property Tax Division Staff investigated McIntosh County's commercial sales information from 2019 – 2023. During the investigation, it was determined that the historical average sales ratio has been 96%.

The investigation showed that there were low sales ratios for sales on property surrounding lakes and vacant lots. The true and full value for those parcels could not be determined, therefore a reasonable adjustment to those specific parcels could not be calculated.

Commercial valuations must be increased to bring the sales ratio within tolerance. An adjustment of 9% to commercial property in McIntosh County will achieve the historical average sales ratio of 96%.

Summary of Findings: McIntosh County's sales ratio study indicates a commercial sales ratio of 88%. Commercial valuations must be increased to bring the sales ratio within tolerance. An increase of 9% to commercial property in McIntosh County will achieve the historical average of 96%.

Proposal for Board Review: Direct McIntosh County to increase commercial property by 9% to an approximate value of \$28,511,325.

Review property assessment notice requirements to in North Dakota Century Code § 57-02-53(1)(b) and administer as applicable.
