



# STATE TAX COMMISSION OF MISSOURI

NICHOLAS OTT,	)	Appeal No. 23-10231
	)	Parcel No. 24N320534
Complainant(s),	)	
	)	
v.	)	
	)	
JAKE ZIMMERMAN, ASSESSOR,	)	
ST. LOUIS COUNTY, MISSOURI,	)	
	)	
Respondent.	)	

## DECISION AND ORDER

Nicholas Ott (Mr. Ott) appeals the St. Louis County Board of Equalization's (BOE) decision finding the true value in money (TVM) of the subject property on January 1, 2023, was \$239,200. Mr. Ott alleges overvaluation and claims that the TVM as of that date was \$180,000.<sup>1</sup> Mr. Ott did not produce substantial and persuasive evidence of overvaluation. The BOE decision is affirmed. The TVM of the subject property on January 1, 2023, was \$239,200.

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<sup>1</sup> Complainant timely filed a complaint for review of assessment. The State Tax Commission (STC) has authority to hear and decide Complainant's appeal. Mo. Const. art. X, sec. 14; Section 138.430.1, RSMo 2000. All statutory citations are to RSMo 2000, as amended.

The evidentiary hearing was held on March 18, 2025, via Webex. Mr. Ott appeared *pro se* via Webex. Respondent Jake Zimmerman, Assessor, St. Louis County, Missouri, was represented by counsel, Kevin Wyatt who appeared via Webex. The appeal was heard and decided by Hearing Officer Samuel Knapper.

## **FINDINGS OF FACT**

**1. The Subject Property.** The subject residential real property is located at 336 Midway Ave., St. Louis County, Missouri with a Parcel ID of 24N320534. The subject property consists of a 8,098 square foot lot and a 1953 brick single-family home. The house has 904 square feet of living space and includes two bedrooms and one bathroom.

**2. Assessment and Valuation.** Respondent classified the subject property as residential and determined the TVM on January 1, 2023, was \$239,200. The BOE independently determined the TVM of the subject property as of January 1, 2023, was \$239,200.

**3. Complainant's Evidence.** Complainant introduced one Exhibit which was admitted without objection. It is described as follows:

<b>Label</b>	<b>Description</b>
A	PDF prepared by Mr. Ott containing four items: (1) complaint filed with the STC, (2) the BOE decision letter, (3) 12 photos (exterior windows, cracks in basement walls, kitchen, bathroom, electric panel, front elevation and street), and (4) two survey maps

Mr. Ott testified that his opinion of value as of January 1, 2023, for the subject property is \$180,000. Mr. Ott testified that he considers this property to be affordable housing with no improvements having been made to it. He testified that the rent is \$1,600 per month and that it is hard to justify a TVM of \$239,200 based upon the rental income. Mr. Ott then testified regarding the two survey property maps and photo of the street of the subject property. Mr. Ott testified that an unimproved lot that is located on the same street as the subject property was assessed at \$100,000 and that the street is a dead-end street. He also testified that the subject property sits very close to a railroad line. Mr. Ott testified that the subject property was built in the 1950's and that the house has been maintained but never received improvements aside from the kitchen being remodeled in the 1990's. He testified as to the conditions of the subject property, including the following: (1) the foundation is cracked but sustainable structurally, (2) no garage, (3) unfinished basement, (3) original bathroom, (4) original electric panel and (5) original windows. Mr. Ott testified that the subject property has been well maintained but can only command \$1,600 per month in the current market. Mr. Ott concluded his testimony by suggesting a TVM of \$180,000 based upon the value of the nearby lot, the condition of the street, the condition of the house on the subject property, and the rent that the home on the subject property is worth in the current market.

Upon cross examination Mr. Ott testified that many of the homes in the vicinity of the subject property are affordable housing with 900 square foot homes on 50-foot lots. He also testified that there have been sales of \$248,000 - \$262,000 when the properties are completely remodeled with finished basements and decks added to the property.

**4. Respondent's Evidence.** Respondent introduced Exhibit 1, the BOE's October 17, 2023, Decision Letter. Complainant did not object. Respondent's Exhibit 1 was admitted into evidence.

**5. Value.** The TVM of the subject property as of January 1, 2023, was \$239,200.

## **CONCLUSIONS OF LAW**

**1. Assessment and Valuation.** Pursuant to Article X, Sections 4(a) and 4(b), Mo. Const. of 1945 real property and tangible personal property is assessed at its value or such percentage of its value as may be fixed by law for each class and for each subclass. Article X, Sections 4(a) and 4(b), Mo. Const. of 1945. Residential real property is assessed at 19% of its TVM as of January 1 of each odd-numbered year. Section 137.115.5(1)(a). The TVM is "the fair market value of the property on the valuation date[.]" *Snider v. Casino Aztar/Aztar Mo. Gaming Corp.*, 156 S.W.3d 341, 346 (Mo. banc 2005) (internal quotation omitted). The fair market value is "the price which the property would bring from a willing buyer when offered for sale by a willing seller." *Mo. Baptist Children's Home v. State Tax Comm'n*, 867 S.W.2d 510, 512 (Mo. banc 1993). "True value in money is defined in terms of value in exchange not value in use." *Tibbs v. Poplar Bluff Assocs. I, L.P.*, 599 S.W.3d 1, 7 (Mo. App. S.D. 2020) (internal quotation omitted). "Determining the true value in money is an issue of fact for the STC." *Cohen v. Bushmeyer*, 251 S.W.3d 345, 348 (Mo. App. E.D. 2008).

"For purposes of levying property taxes, the value of real property is typically determined using one or more of three generally accepted approaches." *Snider*, 156 S.W.3d at 346. The three generally accepted approaches are the cost approach, the income

approach, and the comparable sales approach. *Id.* at 346-48. The STC has wide discretion in selecting the appropriate valuation method but "cannot base its decision on opinion evidence that fails to consider information that should have been considered under a particular valuation approach." *Id.*, at 348. The State Tax Commission has some discretion when deciding which approach to valuing real property for taxation (cost, income, or comparable sales) best estimates the value of a particular property, but its choice of a valuation approach must comply with the law that real property be taxed according to its true value in money. Mo. Const. art. 10, § 4(b); Mo. Ann. Stat. § 137.115.

The comparable sales approach "is most appropriate when there is an active market for the type of property at issue such that sufficient data are available to make a comparative analysis." *Snider*, 156 S.W.3d at 348. For this reason, the comparable sales approach is typically used to value residential property. "The comparable sales approach uses prices paid for similar properties in arms-length transactions and adjusts those prices to account for differences between the properties." *Id.* at 347-48 (internal quotation omitted). "Comparable sales consist of evidence of sales reasonably related in time and distance and involve land comparable in character." *Id.* at 348. The income approach to valuation "determines value by estimating the present worth of what an owner will likely receive in the future as income from the property." *Id.* at 347. This approach considers what a buyer would be willing to pay to realize the income stream obtainable "from the property when devoted to its highest and best use." *Id.* (quoting *Equitable Life*, 852 S.W.2d at 380).

**2. Evidence.** "Although technical rules of evidence are not controlling in administrative hearings, fundamental rules of evidence are applicable." *Mo. Church of Scientology v. State Tax Comm'n*, 560 S.W.2d 837, 839 (Mo. banc 1977). The hearing officer is the finder of fact and determines the credibility and weight of the evidence. *Kelly v. Mo. Dep't of Soc. Servs., Family Support Div.*, 456 S.W.3d 107, 111 (Mo. App. W.D. 2015). "It is within the purview of the hearing officer to determine the method of valuation to be adopted in a given case." *Tibbs v. Poplar Bluff Assocs. I, L.P.*, 599 S.W.3d 1, 9 (Mo. App. S.D. 2020). The hearing officer "may inquire of the owner of the property or of any other party to the appeal regarding any matter or issue relevant to the valuation, subclassification or assessment of the property." Section 138.430.2. The Hearing Officer's decision regarding the assessment or valuation of the property may be based solely upon his inquiry and any evidence presented by the parties, or based solely upon evidence presented by the parties. *Id.*

**3. Complainant's Burden of Proof.** The taxpayer bears the burden of proof and must show by a preponderance of the evidence that the property was overvalued. *Westwood P'ship v. Gogarty*, 103 S.W.3d 152, 161 (Mo. App. E.D. 2003). The BOE's valuation is presumptively correct. *Tibbs*, 599 S.W.3d at 7. The "taxpayer may rebut this presumption by presenting substantial and persuasive evidence that the valuation is erroneous." *Id.* (internal quotation omitted). The taxpayer also must prove "the value that should have been placed on the property." *Id.*

"Substantial evidence is that evidence which, if true, has probative force upon the issues, and from which the trier of fact can reasonably decide the case on the fact issues."

*Savage v. State Tax Comm'n*, 722 S.W.2d 72, 77 (Mo. banc 1986) (internal quotation omitted). Evidence is persuasive when it has "sufficient weight and probative value to convince the trier of fact." *Daly v. P.D. George Co.*, 77 S.W.3d 645, 651 (Mo. App. E.D. 2002); *see also White v. Dir. of Revenue*, 321 S.W.3d 298, 305 (Mo. banc 2010) (noting the burden of persuasion is the "party's duty to convince the fact-finder to view the facts in a way that favors that party").

#### **4. Complainant Did Not Produce Substantial and Persuasive Evidence of Overvaluation.**

Mr. Ott did not produce substantial and persuasive evidence rebutting the presumptively correct BOE value. Mr. Ott did not produce substantial and persuasive evidence to support his opinion of value of \$180,000 for the subject property as of January 1, 2023. Mr. Ott did not produce evidence comprising of a comparable sales approach, income approach, or cost approach to value.

The comparable sales approach is typically used to value residential properties improved with a single-family home. "The comparable sales approach uses prices paid for similar properties in arms-length transactions and adjusts those prices to account for differences between the properties." *Snider*, 156 S.W.3d at 347-48 (internal quotation omitted). Mr. Ott also did not provide substantial and persuasive evidence to support using the income approach to value the subject property because several key areas of necessary proof were lacking. The income approach of valuation requires showing what a buyer would be willing to pay to realize the income stream from a property devoted to its highest and best use. Mr. Ott's proposed income approach would circumvent the law and base the

value on the income stream generated regardless of whether the income stream derived from the property's highest and best use. In other words, Mr. Ott did not present substantial and persuasive proof that his personal classification of affordable housing was the highest and best use of the property; therefore, the income valuation method is not appropriate for the subject property.

Mr. Ott testified about the several condition issues for the subject and pictures of the subject were submitted by Mr. Ott evidencing the alleged problems with the home. However, Mr. Ott offered no professional analysis completed by someone trained to analyze such condition issues and to show the deleterious effect they had on the property on the assessment date, January 1, 2023. Mr. Ott testified that he presented these issues to the BOE. The BOE maintained the TVM of \$239,200 as the Assessor originally proposed.

The lack of evidence relating to a recognized valuation method renders Mr. Ott's proposed value speculative and unpersuasive. *See Cohen*, 251 S.W.3d at 349 (holding an opinion of value loses probative value when based on an improper foundation). Mr. Ott did not produce substantial and persuasive evidence showing the BOE overvalued the subject property and "the value that should have been placed on the property." *Tibbs*, 599 S.W.3d at 7.

### **CONCLUSION AND ORDER**

The BOE decision is affirmed. The TVM of the subject property as of January 1, 2023, was \$239,200.



### **Application for Review**

A party may file an application for review of this decision within 30 days of the mailing date set forth in the certificate of service for this decision. The application "shall contain specific detailed grounds upon which it is claimed the decision is erroneous." Section 138.432. The application must be in writing, and may be mailed to the State Tax Commission of Missouri, P.O. Box 146, Jefferson City, MO 65102-0146, or emailed to Legal@stc.mo.gov. A copy of the application must be sent to each person listed below in the certificate of service. ***Failure to state specific facts or law upon which the application for review is based will result in summary denial.*** Section 138.432.

### **Disputed Taxes**

The Collector of St. Louis County, and the collectors of all affected political subdivisions therein, shall continue to hold the disputed taxes pending the possible filing of an application for review, unless the disputed taxes have been disbursed pursuant to a court order under the provisions of section 139.031.

SO ORDERED August 28, 2025.

STATE TAX COMMISSION OF MISSOURI

Samuel Knapper  
Hearing Officer

Certificate of Service

I hereby certify that a copy of the foregoing has been electronically mailed and/or sent by U.S. Mail on August 29th, 2025, to: Complainant(s) and/or Counsel for Complainant(s), the County Assessor and/or Counsel for Respondent and County Collector.

Stacy M. Ingle  
Legal Assistant