

STATE BOARD OF ASSESSORS
NOTICE OF DETERMINATION

COPY

KERRY INC, PETITIONER
APPEAL NO. 81-055-REO-19
STATE IDENTIFICATION NO. 81-36-251-R-000000864

VS

WISCONSIN DEPARTMENT OF REVENUE, RESPONDENT

TO:
KERRY INC
PO BOX 1537
MANITOWOC WI 54221-1537

AND:
DEBORAH NEUSER
C MANITOWOC
900 QUAY ST
MANITOWOC WI 54420-4543

RECEIVED
FEB 26 2020
CITY CLERKS OFFICE

PLEASE TAKE NOTICE that the objection to the 2019 assessment for the above-listed parcel has been reviewed by the State Board of Assessors pursuant to sec. 70.995(8)(a), Wis. Stats., and that this Board has determined that the property in question be assessed as follows:

AGGREGATE RATIO: 0.990527193

| | <u>ORIGINAL 2019 FULL VALUE ASSESSMENT</u> | <u>REVISED 2019 FULL VALUE ASSESSMENT</u> | <u>ORIGINAL 2019 EQUATED VALUE ASSESSMENT</u> | <u>REVISED 2019 EQUATED VALUE ASSESSMENT</u> |
|-------------|--|---|---|--|
| LAND | \$151,800 | NO CHANGE | \$150,400 | N/A |
| IMPROVEMENT | \$3,606,800 | NO CHANGE | \$3,572,600 | N/A |
| TOTAL | \$3,758,600 | NO CHANGE | \$3,723,000 | N/A |

Interest per sec. 70.511(2)(b), Wis. Stats., is not applicable. The 2019 assessment was sustained.

You shall be deemed to have accepted this determination unless you notify the Wisconsin Tax Appeals Commission of your desire to present testimony before that Commission challenging the assessed value here determined. The proper forms may be obtained by writing or calling:

Wisconsin Tax Appeals Commission
5005 University Ave Ste 110
Madison WI 53705-5400
(608) 266-1391

APPEALS MUST BE FILED WITH THE TAX APPEALS COMMISSION WITHIN 60 DAYS OF THE DATE ON THIS ORDER as set forth in sec. 73.01(5), Wis. Stats.

Dated at Madison, Wisconsin, this 21st day of February 2020

cc: Daniel P Deveny, Agent
Bonnie Jorstad, WI Tax Appeals Commission
Green Bay Manufacturing & Utility Office

STATE OF WISCONSIN
STATE BOARD OF ASSESSORS

By: 
Timothy J Drascic, Chairman

2-26-20
Assessor
State C.

In accordance with sec. 70.995(8)(a), Wis. Stats., determinations made by the Wisconsin State Board of Assessors (BOA) may be appealed by both the taxpayer and the municipality. Appeals must be made to the Wisconsin Tax Appeals Commission within 60 days of the issuance date of the Board of Assessor Determination. The Tax Appeals Commission will contact you after receiving the appeal. If you need to confirm that there is no further appeal, the Tax Appeals Commission contact number is (608) 266-1391.

If an appeal is filed to the BOA, state statutes require you to do the following:

Assessed Value

Municipality

- If the assessed value is **sustained** - no further action is required.
- If the assessed value is **reduced**, after the delivery of the equated assessment roll, change the equated assessment roll value for the appropriate year using the procedure found in sec. 70.48, Wis. Stats.
- If the assessed value is **increased**, after delivery of the equated assessment roll, the Wisconsin Department of Revenue (DOR) will add the value as omitted property on the next year's roll.

Note: When the appeal is ultimately resolved, remove the appeal pending notice from the original equated assessment roll.

Property Tax

Taxpayer

- If the assessed value is **sustained**, no further action; no change in taxes.
- If the assessed value is **reduced**, and your tax bill was based on the reduced assessment, no further action is required.
- If the assessed value is **reduced**, and your tax bill was based on the original assessment, sec. 70.511, Wis. Stats., applies. Send a claim for a refund of excess taxes paid plus interest, by November 1, to the municipal clerk. (If a further appeal produces an additional change, DOR will notify you of that change).
- If the assessed value is **increased**, and your tax bill was based on the original assessment, DOR will send you a Notice of Omitted Property Assessment (during the next assessment year) for the increase, and the municipality will bill you for the additional taxes on the next tax roll.

Municipality

- If the assessed value is **sustained**, no change in taxes.
- If the assessed value is **reduced**, and the tax bill was based on the original assessment, refund the taxes and interest in response to the taxpayer's claim. If the taxpayer files the claim on or before November 1, you must pay the refund by the following January 31. If taxes are refunded, the municipality may proceed under sec. 74.41, Wis. Stats., and file an "Inquiry Related to Rescinded or Refunded Taxes" (Form PC-201) with the DOR. Before you electronically submit Form PC-201 (<http://www.revenue.wi.gov/forms/govtvc/pc-201.pdf>), the amount of the rescinded/ refunded tax must have been \$500 or more or your tax district must have accumulated a total of at least \$5,000 of rescinded/refunded taxes which were levied for the same year. Questions regarding Form PC-201 can be emailed to lgs@revenue.wi.gov.
- If the assessed value is **increased**, and the tax bill was based on the original assessment, there is no change in original taxes. DOR will provide you with an Omitted Property Assessment Notice and Roll (with the next equated assessment roll).

Interest

Municipality

- If the assessed value is **reduced**, and the tax bill was based on the original assessment, interest must be paid to the taxpayer per sec. 70.511(2)(b) Wis. Stats., "...Interest on the claim shall be paid to the taxpayer when the claim is paid at the average annual discount rate determined by the last auction of 6-month U.S. treasury bills before the objection per day for the period of time between the time when the tax was due and the date that the claim was paid. If the taxpayer requests a postponement of proceedings before the reviewing authority, interest on the claim shall permanently stop accruing at the date of the request. If the hearing is postponed at the request of the taxpayer, the reviewing authority shall hold a hearing on the appeal within 30 days after the postponement is requested unless the taxpayer agrees to a longer delay. If the reviewing authority postpones the hearing without a request by the taxpayer, interest on the claim shall continue to accrue. No interest may be paid if the reviewing authority determines under s. 70.995(8)(a) that the value of the property was reduced because the taxpayer supplied false or incomplete information...". If the exception applies, it will be noted on the face of this determination.
- Interest rates can be found at the Federal Reserve Board: H.15 Release - Selected Releases and Historical Data (<http://www.federalreserve.gov/releases/h15/data.htm>)



Wisconsin State Board of Assessors
Real Property Addendum
Manufacturing & Utility Bureau

| | | |
|-----------------|--|-------------|
| Appeal # | 81-055-REO-19 | COPY |
| Assessment Date | January 1, 2019 | |
| DOR State ID # | 81-36-251-R-000000864 | |
| Local Parcel # | 052-835-101-011.00 | |
| Appellant | Kerry Inc. | |
| Agent | Daniel P. Deveny, Fredrikson & Byron, P.A. | |
| Situs Address | 4343 Expo Dr. | |
| Municipality | City of Manitowoc | |

This report is prepared in response to an appeal filed with the Wisconsin State Board of Assessors (BOA). The BOA is to investigate the assessment in response to this appeal. The 2019 assessment is reviewed with deference to Wisconsin statutes and the Wisconsin Property Assessment Manual (WPAM).

Appellant's Issue

The appellant states the reason for objecting to the assessment:

"The assessed value exceeds the fair market value of the property."

The appellant also states the basis for the appellant's estimate of full value:

"Sales and leases of similar properties in similar locations indicate a lower assessed value."

Note: No evidence substantiating the claims reiterated above were received by the clerk of the BOA

DOR Full Value Assessment & Appellant's Opinion of Value

The 2019 full value assessment and the appellant's opinion of value as stated on the objection form are as follows:

| | Value | Percent Difference |
|--------------------------------|--------------|--------------------|
| DOR 2019 Full Value Assessment | \$3,758,600 | |
| Appellant's Opinion of Value | \$1,500,000 | |
| Difference | \$-2,258,600 | -60% |

Property Description and Background

- Subject is located in the City of Manitowoc, 45 minutes south of the City of Green Bay, east of Hwy 43.
 - Subject is located on Manitowoc's west side, east of Hwy 43. Area is a mix of mainly commercial properties.
 - No economic obsolescence factors are apparent
- Subject is located on 7.158 acres on Expo Drive, a highly visible and traveled area of Manitowoc's Industrial Park.
 - There are no situs obsolescence factors to consider.
- Owner and occupant of the subject property is Kerry Inc.
 - Kerry Inc. is a manufacturer of smoke flavoring products.
- Building design is a mix of pre-engineered steel and reinforced concrete
 - There are no building utility or functional obsolescence factors to consider
- Subject property is in good physical condition.
 - There is no building physical obsolescence to consider.

DOR Assessment History

- Date most recent site investigation resulting in a value estimate was on June 6, 2017.
 - Recent site visit noted above was completed for the review of the March 31, 2017, sale of subject at \$1,350,000.
- 2017 full value assessment of \$1,350,000.
 - Property was purchased on March 31, 2017, for \$1,350,000
 - 2017 sale of subject set the 2017 assessment.
 - 2017 Assessment was not appealed to the BOA.
- 2018 full value assessment of \$2,550,000.
 - A new addition of 62,590 square feet was started after the June 2017 visit, and a partial assessment for work completed was included in the 2018 full value assessment.
 - 2018 M-R form was submitted.
 - No changes were reported.
 - A building permit was issued by the City of Manitowoc on 08/30/17 for \$6,000,000.
 - \$1,200,000 added to the assessment
 - 2018 Assessment was appealed to the BOA and TAC.
- 2019 full value assessment of \$3,758,600.
 - 2019 M-R form was submitted.
 - Remodel of a previously existing building at a cost of \$11,049,533 was reported on Schedule R-2, for which DOR added \$1,200,000 in value for 2019.
 - DOR also added \$8,600 as an economic increase to land value for 2019.
 - 2019 Assessment was appealed to the BOA.

Appellant's Evidence

Markarian v City of Cudahy, 45 Wis. 2d 683, 173 N.W. 2d 627 (1970) states,

"...Only in the absence of a sale of the property in question or sales of reasonably comparable property, can the tax assessor, in determining fair market value, consider all factors collectively which have bearing on the value of property..." (WPAM, Volume I, page 21.3-16, revised 12/10; Emphasis added)

- Following the Markarian hierarchy:
 - Tier One: In 2018, the appellant submitted an objection form and information referencing the sale of the subject property:
 - March 31, 2017
 - \$1,350,000
- No information was provided on the partially complete, 62,590 square foot addition started in late 2017.
- The appellant provided no new information that was not previously considered in setting the current year assessment.

DOR Appraiser Comments on Appellant's Evidence

- Following the Markarian hierarchy:
 - Tier One: The appellant's sale of the subject submission is representative of market value:
 - The subject property sold on 03/31/2017.
 - After investigating the sale, and talking with the parties involved in the transaction, a DOR Property Assessment Specialist has determined the sale was an arm's length transaction.
 - The sale price was used as the basis for the 2017 assessment.
 - The sale was included in the DOR database, as sale number 17-81-004.
- The 2018 assessment includes a partial assessment for the 62,590 square foot addition.
- The appellant provided no new information that was not previously considered in setting the current year assessment.

Findings

- After review of the 2019 assessment, I found that Wisconsin statutes and the Wisconsin Property Assessment Manual were both followed.
- No errors were found in the assessment valuation process.
- The appellant has a prior year's assessment for the subject property pending before the Wisconsin Tax Appeals Commission. The appellant has not provided any new information to show that the current assessment is incorrect.
- The following court cases support the assessor's valuation:
 - "The party challenging the assessment has the burden of producing evidence showing the error in the assessor's valuation." *Steenberg*, 167 Wis 2d at 571-72, 482 N.W. 2d at 328, quoting *Rosen V. City of Milwaukee*, 72, Wis 653, 662-62, 242 NW. 2d 681, 684 (1976).
 - "There is a presumption that the assessor's valuation is correct. Such valuation will not be set aside in the absence of evidence showing it to be incorrect." *State ex. rel. Collins v. Brown*, 225 Wis 593, 275, N.W. 455.
 - "The burden of producing evidence to overcome this presumption is upon the person who seeks to attack the assessment and the presumption survives until it is met by credible evidence." *State ex. rel. Collins v Brown*, Subra.

2019 BOA Assessment Recommendation

In response to the objection(s) filed I have investigated the 2019 assessment(s) and make the following recommendation(s) to the BOA:

- I recommend the 2019 assessment be sustained.

| | DOR Full Value Assessment | Assessment Recommendation | Value Change |
|--------------|---------------------------|---------------------------|--------------|
| Land | \$151,800 | \$151,800 | \$ 0 |
| Improvements | \$3,606,800 | \$3,606,800 | \$ 0 |
| Total | \$3,758,600 | \$3,758,600 | \$ 0 |

Interest and Special District Information

Interest per sec 70.511(2)(b), Wis. Stats., is not applicable. The assessment is sustained and no overpayment of taxes has occurred.

| | |
|-----------------------|------|
| School District Code | 3290 |
| Tech College | 1100 |
| TID Code | n/a |
| Special District Code | n/a |

Signature



Peggy Armstrong, WI Certified Assessor 2

10/18/2019
Date

Attachments
BOA # 81-055-REO-19

Notice of Real Property Assessment.....A-1
Form of ObjectionA-2

Wisconsin Department of Revenue
Manufacturing & Utility Bureau
200 N Jefferson St Ste 126
Green Bay, WI 54301-5100

**Wisconsin Department of Revenue / Manufacturing & Utility Bureau
2019 Notice of Real Property Assessment**

Notice date Jun 10, 2019
State ID no. 81-36-251-R00000864
County of 81-36 Manitowoc
Taxation district 251 C of Manitowoc
DOR parcel no. 00000864
Local parcel no. 052-835-101-011.00
Site description
Site address 4343 Expo Dr
School code 363290
Special districts

KERRY INC
PO BOX 1537
MANITOWOC WI 54221-1537

| | | |
|--------------|-----------|------------------|
| Land | \$ | 151,800 |
| Improvements | | 3,606,800 |
| Total | \$ | 3,758,600 |

Contact Information

If you have any questions, contact the Manufacturing & Utility Bureau District Office in your area at mfgtel81@wisconsin.gov or (920) 448-5191.

MFGAA103WI (R. 03-18)

See other side for appeal procedures

The assessment on the front of this notice is made at 100% full market value as of January 1, 2019. The Wisconsin Department of Revenue (DOR) will equate the assessment to the general level of assessment of all other property in the taxation district. Local tax rates are used to calculate the property tax levy.

If you have any questions about your assessment, email or call the district office under "Contact Information" on the front of this notice. If you disagree with this notice after discussing with the district office, you may send an appeal to the State Board of Assessors (BOA).

How to appeal

1. File your appeal using the appropriate DOR objection form located on our website: revenue.wi.gov/Pages/Form/manuf-home.aspx
2. You must file your appeal no later than 60 days after the date on this Notice, under state law (sec. 70.995(8)(b)1 and sec. 70.995(8)(d), Wis. Stats.)

Your appeal is considered timely filed if one of the following occurs:

- The BOA receives it with the filing fee, by the 60th day
- You send it by certified mail with the filing fee, and it is postmarked before midnight of the 60th day

Send the following to the address below

1. Your objection form
2. A \$45 filing fee (payable to "Wisconsin Department of Revenue") for each objection form you submit
3. Supporting documents for the appeal (ex: appraisals, listing contracts, EPA clean-up orders)

Appeals address

State Board of Assessors, Wisconsin Department of Revenue, PO Box 8971, MS 6-97, Madison WI 53708-8971

A-1

**Objection to
Manufacturing Real Estate Assessment**

Complete all sections See Filing Requirements on page 2

Section 1: Who is filing this objection? (check one)

Property owner/agent * Municipality/agent * *If agent, submit current Agent Authorization Form (PA-105) with this form

Section 2: Property Owner and Property Information

| | | | | | |
|---|--------------------|--------------------------|--|--------------------|----------------------------|
| Property owner name (on assessment notice) Kerry Inc. | | | Taxation district (Check one) <input type="checkbox"/> Town <input type="checkbox"/> Village <input checked="" type="checkbox"/> City | | County Manitowoc |
| Mailing address P.O. Box 1537 | | | Street address of property 4343 Expo Dr. | | |
| City Manitowoc | State WI | Zip 54221-1537 | City Manitowoc | State WI | Zip 54220 |

Section 3: Contact Information

| | | | | | |
|--|--------------------|---------------------|---|--------------------------------|--|
| Name / title (owner, agent, officer) Daniel P. Deveny, Agent | | | Company name Fredrikson & Byron, P.A. | | |
| Mailing address 200 South Sixth Street, Suite 4000 | | | Phone (612) 492 - 7486 | Fax (612) 492 - 7077 | |
| City Minneapolis | State MN | Zip 55402 | Email ddeveny@fredlaw.com | | |

Section 4: Assessment Information and Opinion of Value

| | | |
|---|---|---|
| Date of Real Estate Assessment Notice (mm-dd-yyyy) 06 - 10 - 2019 | State ID no. (on notice) 8, 1, 3, 6, 2, 5, 1, R, 0, 0, 0, 0, 0, 8, 6, 4 | Local parcel no. 052-835-101-011.00 |
| Assessment as shown on notice - Total \$ 3,758,600 | Your opinion of value - Total \$ 1,500,000 | |

Section 5: Reason for Objection and Basis of Estimate

| | |
|---|--|
| Reason(s) for objection: (Attach additional sheets if needed) The assessed value exceeds the fair market value of the property. | Basis for your opinion of value: (Attach additional sheets if needed) Sales and leases of similar properties in similar locations indicate a lower assessed value. |
|---|--|

In the last five years, the property was: (check all that apply and attach two copies of documents)

Appraised (for any reason) Sold Offered for sale Listed for sale Reviewed for marketing opinions Property purchased in March 2017. Purchase price included personal property on site.

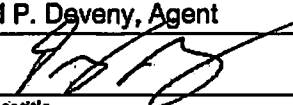
| | | | |
|----------------|-----------------------------|----------------|-----------------|
| Appraisal date | Real estate appraised value | Appraiser name | Appraiser phone |
| | | | () |

Section 6: Submitting Additional Information

Under state law (sec. 70.995(8)(c)2., Wis. Stats.), you may submit additional information to the State Board of Assessors (BOA) within 60 days of your appeal.

I hereby waive my right to provide additional information to the BOA under sec. 70.995(8)(c)2., Wis. Stats.

I, the undersigned, declare under penalties of law that I have personally examined this form and supplemental documents. To the best of my knowledge and belief it is true, correct and complete.

| | |
|------------------------------------|--|
| Owner / Authorized Agent Sign Here | Name (please print) Daniel P. Deveny, Agent |
| | Signature  |
| | Company or title Fredrikson & Byron, P.A. |
| | Date 7 - 23 - 2019 |

For Department Use Only

BOA# **81-055-REO-19**

