

Property:

Oregon Tax Court Magistrate Rejects “Dark Store Theory” Valuation of Big-Box Retail Store

Case No. TC-MD 210115R, Or. Tax Ct. (6/21/24). In an unpublished order of the Magistrate Division of the Oregon Tax Court, the presiding magistrate held that the taxpayer failed to meet its burden of proof that the real market value of its subject property – an in-state big-box retail store – for the tax year at issue was lower than the value determined by the county board of property tax appeals. In doing so, the presiding magistrate rejected the taxpayer’s valuation which assumed the property was occupied without a lease, “implying it is vacant and values the property as if it were to be demised,” as such perspective “does not match the current owner-occupied economically stable condition of the property.” The judge explained that, under the facts, both parties agreed that the subject property was in good condition, that the taxpayer had no intention of vacating the site, and that the property was in a “stabilized” condition. Please contact us with any questions.

URL:
<https://cdm17027.contentdm.oclc.org/digital/search/collection/p17027coll3%21p17027coll5%21p17027coll6/searchterm/TC-MD%20210115R/field/all/mode/all/conn/all/order/date/ad/desc>

— Ted Kuch (New York)
Principal
Deloitte Tax LLP
tekuch@deloitte.com

Scott Schiefelbein (Portland)
Managing Director
Deloitte Tax LLP
sschiefelbein@deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 415,000 people worldwide make an impact that matters at www.deloitte.com.