

## Property:

### Missouri Ruling Rejects Use of Vacant Stores as Comparables in Big-Box Retail Store Valuation

*Appeal No. 21-79015, Mo. Tax Comm. (7/26/24).* In a case involving the property tax valuation of a “big-box” retail store, the Missouri State Tax Commission (Commission) held that the store did not produce substantial and persuasive evidence establishing overvaluation and, in doing so, rejected the store’s use of vacant stores as comparable properties. The Commission explained that “to assume that a vacant property is the best or most accurate measure for a value of the subject properties doesn’t equate to the evidence,” and the present record contains no evidence to support the store’s theory alleging otherwise. Regarding the store’s exclusion of comparable built-to-suit or leaseback properties, the Commission also explained that “the theory that a leased property is encumbered, and therefore not a preferable comparable, is unpersuasive, is speculative, and not a methodology utilized by Missouri Courts to value property.” In this respect, the Commission concluded that the record indicated a lack of sufficient comparable sales for the subject property. Please contact us with any questions.

**URL:** <https://stc.mo.gov/wp-content/uploads/sites/5/2024/07/21-79015-Menards-D-and-O.pdf>

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