

## Property:

### Tennessee: Use of Dark Stores as Sales Comparables Skews Big-Box Retail Store Valuation

*Case No. 53.02-232875J*, Tenn. State Bd. of Eq. (6/5/24). In a case involving the property tax valuation of an operating “big-box” retail store, the Tennessee State Board of Equalization (Board) held that while the store successfully showed a valuation reduction was warranted under the income approach, “little weight” was given to its sales comparison approach because its reliance on dark store sales “skewed the range of sales comparables for each tax year lower and artificially deflated the subject’s value.” In doing so, the Board referenced earlier rulings which “previously held that the Dark Store Theory is not given weight in Tennessee,” and stated that this “remains the case.” Please contact us with any questions.

**URL:** <https://comptroller.tn.gov/content/dam/cot/sboe/judges-decisions/level-1/2024/2024.06.05-LowesHomeCentersInc.pdf>

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