

STATE OF MICHIGAN
COURT OF APPEALS

RON ROSE PRODUCTIONS,

Plaintiff-Appellant,

UNPUBLISHED
June 4, 1996

v

No. 176972
LC No. 00163082

CITY OF SOUTHFIELD,

Defendant-Appellee.

Before: Neff, P.J., and Jansen and G.C. Steeh III,* JJ.

MEMORANDUM.

Plaintiff appeals as of right from an April 29, 1994, revision of assessment by the Michigan Tax Tribunal. We affirm.

Plaintiff Ron Rose Productions is a commercial recording studio. This action arises from a dispute regarding the proper valuation of plaintiff's personal property for 1991, 1992, and 1993. The tribunal found that plaintiff's appraisal was inaccurate and unreliable, and that defendant's appraisal, based on plaintiff's inventory, properly considered all three approaches to valuation. The tribunal found the true cash value of the property to be \$759,929 for 1991, \$1,003,735 for 1992, and \$1,481,435 for 1993.

This Court reviews the decision of the Tax Tribunal to determine whether the tribunal made an error of law or adopted a wrong legal principle. *Schubert v Dep't of Treasury*, 212 Mich App 555, 558; 538 NW2d 447 (1995). The factual findings of the tribunal will be upheld if they are supported by competent, material, and substantial evidence on the whole record. Const 1963, art 6, § 28.

The taxpayer has the burden of proof to establish the true cash value of the property. MCL 205.737(3); MSA 7.650(37)(3). Property is to be appraised at its true cash value. MCL 211.24(1); MSA 7.24(1). True cash value is defined as "the usual selling price at the place where the property to which the term is applied is at the time of assessment." MCL 211.27(1); MSA 7.27(1). True cash

* Circuit judge, sitting on the Court of Appeals by assignment.

value is synonymous with fair market value and is commonly determined by three different approaches: (1) cost less depreciation, (2) sales comparison, and (3) capitalization of income. *Meadowlanes Ltd Dividend Housing Ass'n v City of Holland*, 437 Mich 473, 484-485; 473 NW2d 636 (1991).

The tribunal did not make an error of law nor adopt a wrong legal principle in determining the assessments. The tribunal relied upon an appropriate approach (the cost less depreciation approach) to determine valuation, and the tribunal's factual findings are supported by competent, material, and substantial evidence on the whole record. Further, the price reduction in the value of the AudioFiles did not take place before December 31, 1992, thus, the reduction would not affect the appraised values for the tax years at issue. MCL 211.13; MSA 7.13. The price reduction will affect the future assessed value of the property, therefore, plaintiff's taxes for 1994 should reflect this market adjustment. We are unable to find any error in the tribunal's decision.

Affirmed.

/s/ Janet T. Neff

/s/ Kathleen Jansen

/s/ George C. Steeh III