

Appeal No. VA92/4/008

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

John Barrett

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Funeral Parlour House and Land at Lot No. 2 Cahereen West, E.D. Castleisland, Co. Kerry
Quantum

B E F O R E

Padraig Connellan

Solicitor (Acting Chairman)

Paul Butler

S.C.

Joe Carey

P.C. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 23RD DAY OF SEPTEMBER, 1992

By notice of appeal dated the 30th day of June, 1992 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation on the above described hereditament of £48.

The grounds of appeal as set out in the Notice of Appeal are that

"the valuation is excessive for that type of business, namely funerals. As the annual turnover would not pay that valuation. Taking into account the opposition in the area including population age and looking at other funeral home valuations this would not be a fair valuation."

The Property

The subject property is situated on the edge of Castleisland on the Killarney Road. It comprises a detached three bedroomed bungalow with garage built around 1967 and a funeral home erected around 1987. The funeral home is situated to the rear of a large tarmacadamed car park capable of accommodating about 100 cars. The car park also provides access to the residence and the remainder of the hereditament comprising agricultural land.

- (1) The accommodation consists of domestic, two reception rooms, 3 bedrooms, a motorhouse and out offices - gross external floor area around 1,626 square feet.
- (2) A funeral parlour, mortuary, reception, embalming room, coffin and wreath store, toilet and yard -gross external floor area circ. 2,039 square feet.

All main services. O.F.C.H. in both the funeral home and the residence. The property is held freehold.

Written Submissions

A written submission was received from Mr. John Barrett, appellant, on the 1st September, 1992 in his submission Mr. Barrett set out the background to the valuation, a description of the property and a summary of the grounds on which he feels the rateable valuation is excessive. In his written submission Mr. Barrett separately identified the house, the funeral home, the motorhouse, the yard and the land. He stated that the house is a private house for himself and his family and should be separately valued. The funeral home he described as consisting of 65 foot 2 inches by 32 foot 4 inches. The actual repose area as 30 foot by 26 foot and the hall way off it as 12 foot 6 inches by 16 foot 6 inches. Mr. Barrett stated that this was the actual funeral home and the rest of the building is used as a garage for the hearse

and a store for coffin and toilets. He therefore, concluded that the correct area used for funeral purposes was 30 foot by 40 foot built of cavity wall concrete, slated roof and teak windows. Mr. Barrett described the motorhouse as a separate open shed built with single concrete block and corrugated iron roof. Mr. Barrett stated that this should be 'non-rated' and attached to the house valuation. In relation to the yard, Mr. Barrett stated that it was used as an entrance to the private dwelling house, to the funeral home and to the field attached to the house. It was also used as a car park for funeral purposes. Mr. Barrett stated that the car park area should have a separate valuation. He described the area as consisting of 200 feet by 100 feet. Mr. Barrett offered a number of comparisons in his written submission. These are attached as Appendix A. In summary, Mr. Barrett stated that Castleisland now has four funeral homes in the parish with a population of around 3,000 and about 50 funerals a year. He stated that the funeral home should not be subject to rates as in fact they are not commercial and no charge is made for their use, they are used for family purposes only. However, if a valuation was to be put on the premises he suggested around £6 for the funeral home and £2 for the yard of the car park.

Mr. Barrett accompanied his written submission with a copy of an up to date tax assessment of his overall financial accounts.

A written submission was also received on the 15th September, 1992 from Mr. Declan Lavelle, B.Agr.Sc, a Valuer with 11 years experience in the Valuation Office on behalf of the Respondent. In his written submission, Mr. Lavelle described the property and set out the valuation history as follows:

"The property was first valued under the 1968 revision at R.V. £16 - description: house, motorhouse and land.

In 1990 the County Council listed the property for revision to value funeral parlour R.V. £68 (£18 domestic) - description: house, motorhouse, funeral parlour, yard and land".

This R.V. was appealed to the Commissioner of Valuation who reduced the R.V. to £48 (£18 domestic).

Mr. Lavelle commented on the grounds of appeal put forward by the appellant at first appeal as follows:

"The majority of grounds raised by the appellant relate directly to the central issue of whether or not the revised valuation was excessive and inequitable.

The interpretation of buildings rated was clarified at inspection to the appellants apparent satisfaction.

The issue of the yard being an entrance to both the appellants residence and agricultural land owned by him at the rear of the said residence and as a car park for the funeral parlour was accepted as the 'de facto' situation."

In relation to the comparisons offered by Mr. Barrett, Mr. Lavelle stated that in his opinion "they did not satisfy the criteria for a valid comparison as outlined by Justice Barron in the I.M.I. case i.e that comparisons should be comparable, of a similar function and recently revised". Mr. Lavelle in his submission offered 6 comparisons and in particular referred to 3 comparisons:-

Stacks, Abbeydorney	R.V. £17
Finnegans, Kenmare	R.V. £20
Tangneys, Castleisland	R.V. £23

All of the above are recently revised premises. In particular he referred to Tangneys (comparison No. 3) which is a modern concrete and slated structure on the Scartaglen Road on the fringe of Castleisland. Having regard to location, type of construction and size this funeral home is more comparable with the subject premises. Mr. Lavelle stated that the subject property as well as being the larger premises also benefited from a large tarmacadamed car park capable of accommodating around 100 cars in contrast to Tangneys which occupies a smaller site with hardcore surfacing. In the written submission Mr. Lavelle set out the method of estimating N.A.V. which he had used.

Estimate of N.A.V.

Basis - see attached comparisons.

Funeral Home 2039 sq ft @ £2.50/ft ²	=	5,097
Yard (half acre net utilizable) say		<u>1,000</u>
		6,097
Say N.A.V.		6,000
R.V./N.A.V. Ratio		<u>0.5%</u>
	R.V.	30.00

Oral Hearing

At the oral hearing which took place at Tralee on the 22nd September, 1992, the appellant Mr. John Barrett appeared on his own behalf with his wife and Mr. Declan Lavelle appeared on behalf of the Commissioner of Valuation.

Mr. Barrett on reading through his written submission emphasised that the funeral undertaking business was traditional; personal; local; part-time; occasional in nature and that the age of population influences the volume of business. He said that there were 3 funeral homes in Castleisland which is a small town and that he is restricted in developing his business because he cannot advertise or sell his business. He also said that to be in the

business of undertaking one needs a hearse, coffins and a funeral home and that the funeral home is a free facility made available. He said that his turnover of funerals is on average about 10 per annum, which is evidenced by his E.S.B. bills and notice of assessment for Income Tax. In dealing with Tangneys the main competitor in Castleisland he stated that it is in a better location than his funeral parlour and adjoins a large hardware store situate about 20 or 30 feet from the footpath, whilst his funeral parlour is located about 400 feet from the footpath. He also said that Tangneys can be seen in passing whilst his would have to be sought out. He stressed that about one third of the total building is used for storage of coffins, for embalming and to house his hearse. He compared O'Sheas Funeral Parlour in Killarney with his own emphasising that they enjoy about 150 to 160 funerals per annum and only pay about £350 per annum more than he in rates. His opinion of Tangneys letting value is £6,000 per annum whilst the letting value of his premises is £3,000.

Mr. Lavelle expressed his opinion on the yield on capital value in Dublin as apposed to the similar yield on capital value in Castleisland and in particular on the premises owned by Mr. Tangney. He said that both Tangneys and the subject premises are equal distance from the Town Centre but that Tangneys would have a parking problem if parking restrictions were imposed because of it's close proximity to the Fire Station. He also said that the housing of the hearse in the appellants property occupied about 20% of the total lettable area but that that area could also be used as part of the funeral parlour because the standard of finish is the same throughout. Mr. Lavelle emphasised that the car parking facility enjoyed by Mr. Barrett is considerably better than that enjoyed by Tangneys because of its size and finish.

Taking into consideration the oral and written evidence and the submissions of both parties the Tribunal is satisfied that the best comparison available is that of Tangneys premises at Castleisland which has a rateable valuation of £23. It is apparent that the subject premises is comparable in structure and design to that of Tangneys, but that the subject premises enjoys a

slightly larger floor area and car park. The Tribunal is conscious of the fact that part of the floor area is used to accommodate the hearse but also duplicates as a funeral parlour. The Tribunal is also conscious of the fact that the appellants business is considerably smaller than that of its main competitor, Messrs Tangneys. Taking everything into consideration the Tribunal finds that the correct rateable valuation for the funeral parlour, store and car park is £25 and that adding the agreed domestic rateable valuation of £18 the rateable valuation of the total hereditament is £43 and so determines.