

# Appeals panel OKs lower taxable values for some

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Washoe County tax appeals board voted unanimously Wednesday to reduce taxable values for the more than 8,000 residential properties in Incline Village and Crystal Bay to 2002-03 levels. In a second vote, the Board of Equalization declined to make the same adjustment for the rest of the county.

Juanita Cox, a Sparks property owner, has filed an appeal to the state board, asking for the same reduction for the remaining 145,000 properties in the county.

"We have been looking for justice for years," said Incline resident Les Barta. "We are grossly over-assessed."

"It's a huge victory," said Maryanne Ingemanson, president of the Village League to Save Incline Assets.

She estimated the tax bill for her lakefront Incline Village home would be cut in half. She said she pays \$68,196 a year in property taxes on her 1942 home, valued at \$6.48 million in 2005 versus \$4 million in 2002.

In the unanimous vote, the county board acknowledged its decision -- and any possible tax reductions -- are contingent on how the Nevada Supreme Court rules on an pending appeal. The decision to equalize the property values could mean the loss of more than \$1 million for Washoe County and the school district for the fiscal year starting July 1. The rollbacks do not apply to new construction since 2002.

Terry Shea, deputy district attorney representing the assessor's office, said he will appeal the Wednesday decision to the state Board of Equalization. From there, he said the losing party likely is to appeal to district court.

"Our position is our values are correct," Assessor Bob McGowan said. "Nobody should be popping champagne corks yet," McGowan said.

But if the state lets the decision stand for Incline, he said the rest of the county should be lowered.

The appeal that will determine what happens comes from a January case decided by Carson City District Judge William Maddox. He invalidated past methods used by the county assessor to include Lake Tahoe lake views, beaches, old land sales and houses that could be torn down in determining property valuations. In the case involving 17 property owners, Maddox ordered their properties to be rolled back to 2002-03 values after voiding the methods used in the 2002 reappraisal of the village.

Based on his decision, the county tax board in February rolled back tax values to 2002-03 in 287 appeals by Incline/Crystal Bay homeowners. The Nevada Supreme Court on Feb. 14 allowed the county tax board to decide tax appeals based on the Maddox case but ordered no changes to the assessment roll.

Board members Gary Schmidt, Benjamin Green and Diana Pichotta were in the minority for the 6-3 vote not to roll back values for the entire county. Those in the majority said the Maddox decision addressed problems appraising only Tahoe properties.

In rolling back only Incline Village and Crystal Bay, "that places the rest of Washoe County out of equalization clearly," Schmidt said. "The board is negligent to leave this in place."

To equalize values, the county assessor compares taxable values versus market values or sales prices.

Based on studies by the assessor's office, the taxable value of residential properties at Incline Village and Crystal Bay is 57.22 percent of market value. Residential taxable values for all of Washoe County represent 51.55 percent of market value. That's pretty close to being equal, county appraiser Josh Wilson said.

But if the decision to roll back Incline Village properties to 2002 is upheld, Wilson said Incline's taxable value would drop to 39.86 percent of current market value, versus 51.55 percent for the county.