

## County 'immediately' beginning \$13 million refund process

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INCLINE VILLAGE, Nev. — Washoe County will comply with a district court order Tuesday that demands treasurer Bill Berrum issue a \$13 million refund to all Incline Village and Crystal Bay property owners.

It may be deep into winter, though, before residents start seeing refund checks coming up the hill.

“In compliance with the judge's decision, this office is immediately gearing up to begin processing the refunds,” Berrum said in the statement the county issued Tuesday afternoon. “Due to the volume and the complexity, though, this task can possibly take months to complete.”

Washoe County District Court Judge Brent Adams' ruling Tuesday affirmed a previous decision handed down by the Washoe County Board of Equalization that demanded Washoe County roll back taxes for 8,700 residents.

“We're just as happy as we can be right now; we've been through seven years of this,” said Incline resident Maryanne Ingemanson, president of the Village League to Save Incline Assets, the nonprofit group of Incline tax revolters, in a Tuesday phone interview shortly after Adams' ruling.

“I've got tears in my eyes.”

Ingemanson said the courthouse in Reno was packed with Incline residents to hear Adams' ruling, which issued a “writ of

mandamus” against Berrum. A “writ of mandamus” can be legally be described as a higher body demanding a lower body to act on something.

A July 20 decision by the Nevada Board of Equalization ordered Washoe County to roll back assessed property values for 8,700 Incline Village/Crystal Bay properties to the 2002-2003 tax year, based on a case involving the 2006-2007 tax year, in which the Washoe County Assessor's office challenged a Washoe County Board of Equalization decision to refund the Incline/Crystal Bay residents. The case eventually went to the state Supreme Court.

While the county will comply with Tuesday's ruling, its position on the tax revolt as a whole hasn't swayed, according to Tuesday's statement.

“... (The July 20 state board ruling, and Tuesday's ruling) stopped short of applying the same equalization principle to property values outside of the Incline Village/Crystal Bay area. Washoe County Assistant Deputy District Attorney David Creekman stated at the time that through the many years of addressing the numerous lawsuits filed by the League, the county has, ‘ ... always stressed the need to use the adopted administrative process that ensures fairness and equality for all taxpayers,’” the statement reads.

The Village League filed the petition for a writ of mandamus on Aug. 21, not long after Village League attorney Suellen Fulstone

hand-delivered a letter to Berrum, demanding prompt refunds for Incline and Crystal Bay.

At that time, Carter issued a statement in response to Fulstone's letter, saying the county would wait until the Nevada Board of Equalization issued a written decision deciding on the proper action to take, if any.

The state taxation board never issued a written decision, which was one of the county's main arguments on Tuesday.

“As of this afternoon, Washoe County's District Attorney's office is reviewing options, including possible action before the Nevada Supreme Court given the conflicting decisions that have been handed down over the past 12 months involving the 9,000 Lake Tahoe property owners, as well as the fact that the State Board of Equalization's written decision has yet to be filed,” the statement reads.

If the county does issue refunds, the money is available as the county planned for a potential \$13 million roll back regarding this case during budget planning for the current 2009/2010 fiscal year, Carter said in August.

According to estimations from county Finance Director John Sherman, Washoe County's burden would total \$5.5 million, with the Washoe County School District footing \$4.5 million and the North Lake Tahoe Fire Protection District, \$2 million. The State of Nevada would lose \$700,000, with Incline Village General Improvement District losing \$300,000.

## **Read more**

For a detailed story about the July 20 State Board of Equalization decision, go to [www.tahoebonanza.com/SBOEddecision](http://www.tahoebonanza.com/SBOEddecision).

## **Washoe County Statement — Issued Tuesday by spokeswoman Kathy Carter**

In a decision handed down today by District Court Judge Brent Adams, Washoe County Treasurer Bill Berrum was ordered to refund 8,700 north shore property owners located in the Washoe County portion of the

Lake Tahoe basin in support of the State Board of Equalization's decision on July 20, 2009 to roll back 2006-07 property values for those residential parcels to 2002-03 levels. The refunds were estimated to be approximately \$13 million plus interest by Finance Director John Sherman earlier this year. Approximately \$5 million would be paid from Washoe County government itself; the remainder to be paid from other entities that received property tax revenues from these Incline Village/Crystal Bay (IV/CB) property owners.

“In compliance with the judge's decision, this office is immediately gearing up to begin processing the refunds,” Treasurer Bill Berrum stated. “Due to the volume and the complexity, though, this task can possibly take months to complete.”

Today's decision follows a July 20, 2009 decision by the State Board of Equalization stating that the nearly 9,000 IV/CB property owners are entitled to have their 2006-07 property values rolled back to 2002-03 property value levels, but both decisions stopped short of applying the same equalization principle to property values outside of the Incline Village/Crystal Bay area. Washoe County Assistant Deputy District Attorney David Creekman stated at the time that through the many years of addressing the numerous lawsuits filed by the League, the county has, “...always stressed the need to use the adopted administrative process that ensures fairness and equality for all taxpayers.”

A written decision was to follow the State Board of Equalization's July 20, 2009 verbal decision within 60 days, but that document has yet to be released. Washoe County must file an appeal within 30 days of that written decision being recorded if it decides to appeal the Board's decision.

At the heart of all the legal measures that have been heard since 2002 over this issue is the fact that the courts have ruled the Washoe County Assessor did not have the authority to

impose the valuation methods used during years in question as it was not expressly given by the State Tax Commission. The Court decisions have stated that the State Tax Commission was “derelict” in this area. However, the State Board of Equalization in May 2009 upheld the Washoe County Assessor's 2008-09 property valuations in the Incline Village/Crystal Bay areas making it the third ruling since March 19, 2009 in favor of Washoe County's assessment practices.

As of this afternoon, Washoe County's District Attorney's office is reviewing options, including possible action before the Nevada Supreme Court given the conflicting decisions

that have been handed down over the past 12 months involving the 9,000 Lake Tahoe property owners, as well as the fact that the State Board of Equalization's written decision has yet to be filed.

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**Writ of Mandamus, filed August 21, 2009, by Village League.**

Go back to 2009 News Articles and look for August 21 entry for this writ.

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