

Five pending cases could lead to even more Incline refunds

Susan Voyles

svoyles@rgj.com

David Creekman really knows how to silence a room.

Washoe County Commissioner David Humke asked the chief deputy district attorney the other night about outstanding lawsuits involving Incline Village.

Creekman said that five cases are outstanding.

In one case, the Nevada Supreme Court has not ruled on the lawsuit that would force county property tax values to be equalized, or made similar, to those of lake properties at Glenbrook in Douglas County. That could mean more refunds for the same 9,000 Incline Village homeowners.

"There is a potential for enormous financial liability in those five cases," Creekman said. But he later said he had no estimate of what it could be.

Todd Lowe, a leader in the Village League to Save Incline Assets, said property values at Incline Village and Crystal Bay would be too high even if they were rolled back to 2002-03 levels. He said they were too high then.

The property tax bill for his lakefront home totals \$64,343 this year. The home is listed as having a taxable value of \$5.6 million, most of it in the land.

"I live in the county. I hate to see it unnecessarily harpooned again. But that's their fault. It's their actions," he said.

As evidence, the residents compare the home of Maryanne Ingemanson, village league president, with two properties in Glenbrook that have bigger new homes, more acreage and more beach frontage.

Despite those attributes, Lowe said Ingemanson paid \$369,284 in property taxes

during six years ending in 2007, while one Douglas County homeowner paid \$113,276 in taxes and another paid \$151,196 during the same period.

A third Douglas homeowner with the same amount of beach frontage but with a much smaller house paid \$54,168 in taxes over same six years, according to the league's comparisons.

But former County Treasurer Bill Berrum and former Assessor Robert McGowan, who were in office during these years, said that's like comparing oranges and apples.

McGowan said Incline Village has the highest premium of any Tahoe community, meaning it's the most-sought-area area. And land values reflect market values -- that is, what a willing buyer will pay.

Washoe District Judge Patrick Flanagan initially dismissed the case. Then, it was appealed to the Supreme Court and the high court sent it back to Flanagan for a decision. He ruled in the county's favor and then the Village League appealed to the Supreme Court. The case has been fully briefed and a decision is pending.

League members say the case has the potential to roll back property values for all 9,000 property owners at Incline Village and Crystal Bay to 2002-03 for three tax years ending in 2005-06.

Those are the years before 2006-07. For that tax year, the Nevada Supreme Court ordered tax refunds estimated at \$40 million for 8,700 residents. (287 other homeowners won roll backs in appealing their cases.)

Other than it's "enormous," Creekman said he has no idea how much money is at stake. He said that's because Douglas County was not a party to the lawsuit.

The Village League also has a lawsuit pending that claims the district attorney's office should not be representing the county board of equalization as well as the county assessor in cases where people are appealing their property values.

That case is in Washoe District Judge Janet Berry's court.

The Village League has filed for judicial review of taxes in Carson District Court for tax years 2008-09 and 2008-09.

Depending on how the dust settles over the court-ordered tax refunds for the 8,700 residents, league lawyer Suellen Fulstone said those two cases may be dropped. Since 2008-09, the Village League has not filed appeals. Land values at Incline Village were reduced by 10 percent and then 15 percent because of the drop in the real estate market.

#