

Incline Village: Blazing the Trail for Property Tax Revolts

By Joe Palazzolo

Look alive, tax appeal specialists. The WSJ's Jim Carlton has some red meat for you in this story about U.S. homeowners increasingly challenging tax assessments.

In some cases, they are contesting run-ups in property assessments when the housing market was flush. In others, homeowners argue their assessments haven't fallen as much as their home values have since 2008, Carlton reports.

Lawyers appear to be drawing inspiration from one case out of Incline Village, Nev., a wealthy Lake Tahoe community whose residents won a record \$43 million in refunds and are seeking more. Among those entitled to refunds under the July ruling: Oracle Corp. billionaire Larry Ellison, former junk-bond king Michael Milken and Peoplesoft founder Dave Duffield.

The residents say Washoe County's assessments should be "equalized" with those of a nearby county, which has comparable land but assessments up to 50% lower. Lawyers for the residents will press the Nevada Supreme Court on Tuesday to reinstate a case that argues such equalization should take place.

Washoe County officials point to a 1981 change in state tax law that let county

assessors use their own techniques to value homes rather than relying strictly on market values. "It kind of put all county assessors in the state in a bit of a no-man's land," said David Creekman, Washoe County's chief deputy district attorney, who is helping defend the county in the case.

The Nevada case could encourage more communities to launch challenges, said Sheila Anderson, a broker at Commercial Property Services Inc. in Ocala, Fla., who helped organize residential property-tax protests in her state.

"I think it's very significant and we're all watching it," she told the Journal.



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