

Property values must be uniform

High Court tells Nevada to standardize assessment

AT A GLANCE

The Nevada Supreme Court agreed Friday with a group of Incline Village property owners pushing to get a hearing before the State Board of Equalization over property tax discrepancies between Washoe County and Douglas County property taxpayers in Lake Tahoe. Douglas County property taxpayers with similar homes to Washoe County taxpayers paid less in property taxes.

WHAT'S NEXT

The decision requires the State Board of Equalization to stage hearings on creating a standardized way of assessing properties throughout the state, which is required by state law.

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The Nevada Supreme Court is requiring the State Board of Equalization to stage public hearings over creating a uniform way for all Nevada counties to assess property values.

The action is the result of a unanimous court decision on Friday in favor of Incline Village property taxpayers, collectively known as the Village League to Save Incline Assets.

In July, the property owners won a separate legal case against Washoe County, resulting in \$40 million in property tax refunds to about 8,700 property owners in the North Lake Tahoe community.

The justices agreed the county had used unconstitutional property assessment methods about a decade ago.

This latest decision stems from Incline Village residents who live in Washoe County paying more in property taxes than other Lake Tahoe residents who have similar homes near Lake Tahoe, but live in adjacent Douglas

County. Washoe County officials, in turn, say it's possible the Douglas County residents don't pay enough.

David Creekman, Washoe County's chief deputy district attorney, said the Supreme Court decision placed no blame on the county or the assessor.

Instead, the justices said it is the state that is not performing its duties under Nevada law, namely ensuring Nevada's 17 county assessors are valuing properties using similar standards.

"Once again, the Supreme Court has recognized the state of Nevada and the world of property valuations have not performed their duties," Creekman said Monday.

In their decision, the justices wrote that the Board of Equalization, "has not held a public hearing during which taxpayers could air their grievances with the equalization process, nor has it affirmatively acted to equalize property values."

Without those hearings, the justices said the Incline Village residents were denied an ability to protest the assessment methods of Washoe County and Douglas County.

Now, District Court Judge Patrick Flanagan, whose decision was overturned by the Nevada Supreme Court, will be expected to direct the State Board of Equalization to stage the hearings to discuss equalizing property valuations statewide.

When and how those will be organized is not known.

Regardless, the long-simmering issue of equalizing property assessment methods statewide could get a public hearing sooner rather than later.

The issue will be a challenge, considering the state's demographic differences between its urban populations in the Las Vegas and Reno areas, where the vast majority of

Nevadans call home, and the remaining 15 rural counties.

“That has potential for enormous impact statewide,” Creekman said. “Just the logistics of performing such a hearing carries with it an enormous impact.”

Meanwhile, the Nevada Attorney General’s office and the Nevada Department of Taxation had no comment Monday.

Maryanne Ingemanson, president of the Village League, said she considered the decision last week a victory, though much more is left to do.

“I think going forward, obviously, there has to be an agreement, rules have to be followed, and the rules have to be maintained and determined by whatever body is going to take

on that responsibility,” Ingemanson said. “Right now, it’s the State Board of Equalization that has been given this mandate by the Supreme Court.”

The so-called property tax revolt in Incline Village started about a decade ago over the property tax discrepancies between Washoe County and Douglas County residents who live near Lake Tahoe.

For example, Ingemanson said she compared her home with similar homes in Douglas County.

One of those properties, which was larger, newer and next to the lake like her house, was paying about \$18,000 in property taxes. Her bill was about \$75,000.

“Same lake, same sky,” Ingemanson said. “And it was just absolutely bizarre.”

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