

A voice not heard is a voice not spoken

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Incline Village and Crystal Bay residents have finally seen some justice in property taxation.

Last week two separate courts decided in favor of the claims which Incline residents have been asserting for several years.

The two court decisions are emphatic and far-reaching. In the first case a group of local taxpayers had appealed their assessments for the '03 / '04 year. The judge found that the assessments failed to comply with regulations, voided the additional assessment, and awarded the taxpayers refunds for the excess taxes and interest.

The second case involved a similar group of taxpayers appealing the '04 / '05 assessment. There the court agreed that the assessments were out of equalization and that the State Board of Equalization was required to restore equalization in compliance with proper assessment rules.

Even though the immediate relief applies only to those taxpayers who brought the lawsuits, the decisions may have far broader implications. In the '03 / '04 year's case, Judge Maddox found that the assessment problem applies not just to those specific properties, but to all of Incline Village and Crystal Bay.

This is evident in the wording of Judge Maddox's decision: "Therefore, the reappraisal of Incline Village and Crystal Bay is void as to the excess in valuation." Based upon this finding, it is very possible that at some point the relief granted by the court may extend to all taxpayers impacted by the assessment errors.

Such an outcome may have serious consequences. Refunds for thousands of taxpayers would have a significant financial impact upon the county.

It is possible that the County Commission would have to tax the entire county to pay for the refunds, as required under. NRS 361.425(3).

In light of this, the last thing the County should be doing is to further provoke taxpayers by aggravating the injustices that have occurred for so many years.

Apparently, this has not yet gotten through to Washoe County Assessor, Bob McGowan. In recent years McGowan repeatedly urged taxpayers to appeal their assessments to the County Board of Equalization.

Yet last year, when the County Board found that the assessments did not comply with regulations, McGowan appealed the ruling and refused to do anything different unless ordered to do so by a court.

Now that he has heard emphatically from not one, but two separate courts, his response to taxpayers is this: "Let them wallow in it." And this from McGowan's chief appraiser, John Faulkner: "we'll continue to do things the way we've done it." This type of language should dispel McGowan's fairy tale that he is "simply following the law". Unless McGowan's continued arrogance toward taxpayers and defiance of the courts transforms itself into proper and responsible public service, it may indeed prove to be very costly to McGowan, his staff, and the whole county.

(The proper way for public officials to conduct themselves would be to say, "apparently we were wrong."

We regret the problems this has caused you. We would now like to do everything in our power to fix the problem and cure the injustice which you have suffered." At this point it is easier to believe in little green men from Mars than any prospect for such a gesture from McGowan.)

The State and the County will undoubtedly appeal the decisions to the Supreme Court.

But there is substantial wisdom in the words of the courts, and the decisions are thoroughly researched. The basis of the rulings is that the assessors failed to apply proper assessment methods.

If assessors are free to invent their own methods beyond those prescribed by state regulations, the result is chaos in assessment and the failure of equalization such as that experienced by Lake Tahoe taxpayers.

In the words of Judge Maddox, under such conditions, if an assessor's office has seventeen appraisers, then "any one property has seventeen potential assessed values".

The methods used by assessors must be consistent to assure that assessments are "uniform and equal" as required by Nevada's constitution.

To ensure consistency these methods must comply with the regulations of the Nevada Tax Commission, which are adopted and approved through the public hearing process. That process enables the taxpayers' voice to be heard as a major influence in deciding how their property will be assessed.

"A voice that is not heard is a voice that has not spoken," writes Judge Maddox in his decision.

The democratic process must prevail over the arbitrary actions of public officials. That is the fundamental principle at the heart of this controversy, and that is why the citizens will prevail.

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