

State Supreme Court takes action in Incline Village tax cases

By Susan Voyles
svoyles@rgj.com

The Nevada Supreme Court ruled that a Washoe County tax appeal board should continue to weigh a court decision nullifying lake view ratings and other factors in valuing Incline Village property, but it also has put any tax refunds on hold.

The court ordered Tuesday against making any refunds until it can rule on the county's appeal of Carson District Court Judge William Maddox's decision.

Depending on the state Supreme Court ruling, Incline and Crystal Bay homeowners could get millions of dollars in tax refunds. It also could set a precedent for the rest of the county's residents to get their property values rolled back, meaning even more refunds.

Maddox upheld a suit filed by 17 Incline Village homeowners and invalidated the use of Lake Tahoe views and beach ratings in assessing their properties. The judge said the rules should have been certified by the state and ordered tax refunds for the last two tax years.

If Maddox's ruling is upheld, values would roll back to 2002-03 tax year, said Steven Sparks, chairman of the original county board of equalization, called Panel A.

Both panels -- A and B -- of the county's board of equalization will discuss the issue on Feb. 24.

Until this week, a second county board of equalization, which is called Panel B and was created this year, granted reductions in taxable property values to Incline homeowners, finding the Maddox decision persuasive. But the panel reversed itself on Monday, upholding the assessor's values in past appraisals.

Representing 301 property owners at the lake, Reno lawyer Tom Hall has filed a motion for the original board of equalization to hear their cases because Panel B's action has been conflicting.

"I'm not going to say dysfunctional but it is in conflict, to be polite," Hall said. "We want a clean decision to present our case."

Hall and county officials expect the Incline cases to be appealed to the state board of equalization or beyond.

In all, Incline residents have filed 558 tax appeals this year. So far this year about 190 cases have been decided. Property values were rolled back based on the Maddox decision in 40 cases and property values set by

the assessor were upheld in 150 cases, said County Clerk Amy Harvey.

Rex Williams, a Reno insurance broker, resigned from Panel B during hearings Monday.

"This is an absolute nightmare what's happening," he said. "I can't in good conscience be sitting on a board making quasi-judicial findings ... when it starts making contradictory decisions. This panel doesn't have a clue as to what it's doing. It's disheartening."

William Brush, Panel B chairman said he is resigning, too. Brush, 80, a retired industrial engineer, served on the original board last year and said he is stepping down because he can't hear well enough to conduct the hearings.

"At my age, my hearing is beginning to fail me a bit. I was having problems keeping up with what was happening. People were saying things affecting the cases, and I was missing it completely. I was very confused."

Long-time critics of the county say the performance of Panel B confirms their views that the second panel was created simply to avoid granting Incline residents any further tax relief after the original board ruled in their favor in cases last year.

"It's despicable and disgusting behavior. No government should try to 'fix' the outcome," said Incline resident Les Barta, one of the 17 property owners in the Maddox case.

"Larkin screwed the whole thing up," said Gary Schmidt, who sits on Panel A.

Bob Larkin, County Commission chairman, declined to comment on those accusations. He said he pushed for the second panel because so many people volunteered to serve.

"So, I felt compelled to assist them," he said. "They deserve accolades."

INFORMATION

William Brush and Rex Williams have resigned from a second board of equalization created this year. The Washoe County Commission is scheduled Tuesday to consider replacements from a pool of alternative members. Under state law, Bob Larkin, as commission chairman, would appoint the new chairman.