

Nevada Supreme Court offers ruling in tax revolt case

Kevin MacMillan
BONANZA EDITOR
kmacmillan@tahoebonanza.com
March 25, 2009

The Nevada Supreme Court has spoken again — now it remains to be seen if the high court’s ruling will mean a massive tax rollback for about 8,700 parcel holders in Incline Village and Crystal Bay.

The high court decided Friday against the State of Nevada Department of Taxation, the State Board of Equalization, Washoe County and the Washoe County Assessor and Treasurer in reference to a Village League to Save Incline Assets case originally filed in 2003 with the U.S. District Court in Nevada.

According to the ruling, which can be viewed in its entirety within this story at tahoebonanza.com, the high court dismissed four of five areas of action called upon by the Village League, and ruled that the final call to action, which asks for legal relief from the court regarding unequal taxation, be taken back to state district court, where a ruling must be rendered.

That final call to action involves the alleged failure of the Nevada State Board of Equalization to fairly equalize all 8,700 Incline Village and Crystal Bay properties to like values of Douglas County properties situated along Lake Tahoe.

Specifically, the Supreme Court’s conclusion reads: “The district court properly dismissed the action below, except for the equalization claim, because Village League

failed to exhaust its administrative remedies prior to seeking judicial review.

Regarding the equalization claim, the district should have proceeded to determine whether Village League’s claim for injunctive relief was viable. Therefore, we order the judgment of the district court affirmed in part and reversed in part.”

Nevada District Court Judge Patrick Flanagan is expected to preside over the case. Maryanne Ingemanson, president of the Village League, and David Creekman, chief deputy district attorney for Washoe County, both said Tuesday they expect a status hearing between both sides to be scheduled soon, before the court proceeds with direction.

“When the Supreme Court orders us to do something, we take it very seriously,” Creekman said. “I can’t speak for Judge Flanagan, but we as attorneys and judges do the utmost to our abilities to reply to the county as soon as possible.”

While it’s unsure how the court will act, Ingemanson and Creekman offered a few options. The court could:

- Demand the State Board of Equalization hear the case and determine a final ruling.
- Demand an immediate tax rollback for the IV/CB parcels to the 2002-2003 tax year.
- Demand an immediate equalization for the IV/CB parcels to the valuations currently instilled on Douglas County.

Ingemanson called the Friday high court ruling a “sledgehammer” of a victory for Incline and Crystal Bay.

“It effectively boils down to the (Supreme) court demanding equalization for all of Incline and Crystal Bay,” Ingemanson said. “This decision is a phenomenal success for us.”

However, the DA’s office doesn’t see the case as a slam-dunk for the Village League.

“I wouldn’t say you could see complete finality on this; it could be taken to the state board, and that opens the case up, like all, to a round of possible appeals,” Creekman said.

Creekman also said he doubts the court will issue an order to resolve the case.

“Doing so would require the judge to ignore a fairly detailed statutory scheme that clearly puts the responsibility for deciding an equalization issue with the State Board of Equalization,” he said, adding that the Nevada SBOE has yet to hear this particular case, considering the case originally was filed with district court.

#