

Incline Village tax revolt: Nevada Supreme Court sides with 8,700 taxpayers

Matthew Renda
mrenda@tahoebonanza.com

INCLINE VILLAGE, Nev. — The most critical portion of the nine-year Incline Village tax revolt is over — and the taxpayers have emerged as victors.

A Nevada Supreme Court decision issued Thursday essentially affirms a Oct. 23, 2009, ruling by District Court Judge Brent Adams that orders the Washoe County treasurer (it was Bill Berrum at the time; he has since been replaced by Tammi Davis) to refund about 8,700 Incline Village and Crystal Bay property owners a total of \$13 million in overpaid taxes and interest.

“I am absolutely ecstatic,” said Maryanne Ingemanson, president of the Village League to Save Incline Assets — an organization formed to fight the county's tax assessment practices — in a Thursday phone interview. “It's been a nine-year battle. I made this my personal mandate to win this case for everybody, regardless of whether they understood a very complicated tax system.

“We did that and that's the beauty of the whole thing.”

The Supreme Court's 13-page decision, authored by Justice James Hardesty, with unanimous concurrence from the other six justices, states: “We conclude that the district court properly issued the (order to refund the taxpayers) because the taxpayers paid more than was due and typical administrative remedies to recover overpaid taxes do not apply...”

Phone calls to Washoe County officials were not immediately returned.

Thursday's ruling dismisses the two principal contentions of the county's appeal to the Supreme Court:

- the county did not have to refund taxpayers for the 2006-07 fiscal year because not all real property owners paid those taxes under protest, and

- the county was not explicitly ordered to refund taxpayers by the State Board of Equalization.

The decision further states: “(The Treasurer) contends that the district court could not grant a refund because the Taxpayers did not pay under protest for the 2006-07 tax year. The taxpayers argue that they prevailed before the County Board (of Equalization) because the board decided to roll back their assessed values and the Treasurer would have collected taxes at the lower rate but for (the Supreme Court's) stay. Therefore, they had no reason to pay under protest. We agree.”

Relating to the second contention, the decision states: “Without the State Board's specific order to refund taxes, the Treasurer claims that he had no duty to refund (the taxpayers). We disagree.”

The decision also reaffirms the Village League's initial contention that then-Washoe County Assessor Bob McGowan used unconstitutional methodologies in assessing Incline Village/Crystal Bay properties that

were inconsistent with his assessment approach elsewhere in the county.

“The assessor definitely targeted us because of expensive properties up here,” Ingemanson said Thursday. “That's the whole problem with this whole issue. You have to

tax everybody the same. Obviously, the assessments will be different based on properties, but the methodology has to be equal.”

Look for updates to this story as they become available at www.tahoebonanza.com.

#