

New tax board upsets residents

Second panel to hear most of appeals by Incline Village property owners

By Susan Voyles

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Property owners at Incline Village are angry that most of their 558 tax appeals this year will be heard by a new tax board created by the Washoe County Commission.

Maryann Ingemanson, a leader in the Incline Village tax revolt, said county officials are playing politics with their taxes.

Last year, the tax board reduced taxable land values by 8 percent for 1,230 Incline home owners even though the increase later was reinstated by the state.

"The assessor and district attorney were not thrilled with the panel last year who ruled against the assessor and the rules not being followed," she said of judging Lake Tahoe views. "If they don't like whatever the panel says, they can appoint a new panel and get it changed."

In their appeals this year, the property owners claim their land values vary wildly, based on a study on lakefront homes by Ingemanson.

County officials deny Ingemanson's assertions, saying there are other reasons why a second panel was appointed and is hearing most of the Incline cases. Gary Schmidt, a tax appeal board member, said the original board should have had a say in assigning the cases and did not.

With the support of two other members, he said he has scheduled a special board meeting at 1 p.m. Friday in the county complex cafeteria to reschedule the cases.

New law

The number of Incline appeals this year is half the number of last year after the Nevada Legislature approved a new law capping property tax increases for homeowners to 3 percent of the previous tax bill. When facing a \$70,000 property tax bill, Ingemanson said a few percentage points can mean a few thousand dollars.

Separate from the appeals, 17 Incline Village residents this month won a tax case in Carson City District Court that could affect their taxes in the coming year. Washoe Assessor Bob McGowan said he is seeking clarification from the court whether the tax break should be given to all 7,000 property owners for tax year 2003-04.

He also is asking whether the reduced land values should be carried forward to subsequent tax years. And that could affect new tax bills and those for the past two years for Incline property owners.

The district attorney is appealing the case on behalf of McGowan to the Nevada Supreme Court.

Ingemanson said the Village League to Save Incline Assets must educate a new tax board about the peculiarities of appraising property at the lake.

"It's unfortunate," she said. "Now the Incline folks, who last year spent hundreds of hours, created exhibits and hired attorneys have a panel that hasn't a clue to all of that background."

For the first time since 1982, the commission created two boards to hear the tax appeals. Chairman Bob Larkin said two five-member panels are a result of the county being swamped with applicants.

"We never had so many applications before and we had one opening on the panel," Larkin said. "We felt compelled to create a second one. A year ago, we couldn't find anyone to serve."

Larkin also said a new tax board could look at issues with a "fresh perspective."

Splitting cases

Steven Sparks, chairman of the original panel, said he decided how the cases should be split. Sparks, a professional real estate appraiser with clients outside the county, said he gave the new panel almost all the Incline cases because he wanted the original panel to hear the more difficult appeals from businesses.

And he said it makes no difference whether the old or new panel hears the Incline cases. As a quasi-judicial board, he said the panel must make its decisions based on the evidence presented at the hearings.

Schmidt alleged Larkin and other officials attempted to manipulate, influence or control the work of the board. As such, he claims any decisions would be tainted.

"It's highly irregular," he said.

Larkin said he hosted a meeting of the two chairmen to split the cases. But he said he played no role in dividing the cases between the two boards.

Most of the 558 Incline cases are represented by Reno lawyer Tom Hall and could be consolidated at Hall's request in a hearing on Tuesday.

Ingemanson said she'll be asking for the land appraisals on the lake front to be thrown out.

"I can point out four identical lots on Lakeshore Boulevard where the taxable values ranges from \$1.4 million to \$4 million," she said.

She said she has studied 40 lakeshore properties since 1997 and that the increases in land values average 29 percent and ranged from 132 to 383 over eight years.

"It's a huge, huge difference," she said.

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