

## Incline tax fight moves forward

**Looking for limits:** Property owners might push for new legislation.

**By Susan Voyles**

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After claiming a partial victory in Washoe County property tax appeals, leaders of the Incline Village tax revolt say they now will press forward with state appeals, four lawsuits and lobby for a state cap on property tax hikes.

Ted Harris, tax revolt committee chairman, said pursuing a law at the Nevada Legislature to cap increases in property values each year might be the ultimate solution.

He said there's no limit on how much Nevada county assessors can raise property values for homeowners each year, resulting in property tax increases.

"Does a government have a right to tax a person out of his home?" he asked. "It isn't right. That's why California got Proposition 13."

Starting with 1976 property values, California voters amended its constitution to limit property value increases to 1 percent a year and annual tax increases to 2 percent. When homes are sold, they are reassessed at market values.

In a Nevada-styled Proposition 13, Harris said the assessor should be limited to increasing property values on individual homes by 6 percent a year.

Reopening the property tax question "would be a very big fight," said Assemblyman Bernie Anderson, D-Sparks, who is the majority whip.

With all the growth, he said, cities and local government are having

trouble finding money to provide for police, fire and other services.

In Incline Village, the median sales price for housing goes up every year because of the large demand for Lake Tahoe property. The median sales price for a home was about \$772,500 in 2003, up from \$520,000 in 1999 and \$254,000 in 1990. This year, 1,361 property owners from Incline Village – a near record – appealed their property values. As it did last year, the county board upheld the assessor's methods in valuing the properties. These include a system to rate Lake Tahoe views, putting no value on homes expected to be torn down and using existing homes' sales data to justify higher land values.

The tax revolt organizers are contesting these methods in two separate lawsuits, including a class-action suit.

Starting Monday, the state board of equalization will begin to consider 300 appeals from Incline Village residents of the county board's rulings. For the county Board of Equalization, member Marti Allison said that 800 people turned in tax appeal forms prepared by the same computer. In these forms, people checked off that they didn't know the value of their property or how much they paid for it.

They all signed that they were protesting the assessor's "improper" appraisal methods, such as the view rating system.

"They didn't tell us enough of what they wanted done," she said.

According to advice from attorneys, Harris said, it irrelevant what people think, their homes are worth or what they paid for them. "It's none of (the county's) business."

Allison, a real estate broker, asked the county Board of Commissioners to consider ways of streamlining the process for next year. She expects more appeals each year as property values are rising all over the county. In all, the tax hearings cost the county about \$93,000 in extra labor costs this year.

Only 186 of the 1,361 Incline Village residents attended the hearings. Harris said many people did not attend because they were not given adequate notice, and many live out of state, he said.

### FAST FACT

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### DETAILS

In the hearings this year, the Washoe County Board of Equalization reduced the values of 126 homes by \$4 million in assessed values, resulting in tax savings of about \$131,480 for these residents. Of the 126 cases, the board reduced the values of 49 properties by \$1 million over the objections of the assessor's office. And in 77 cases, the board reduced values by \$3 million as recommended by the assessor's office.