



STATE OF NEVADA  
STATE BOARD OF EQUALIZATION

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DEONNE E. CONTINE  
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**In the Matter of**

Tahoe III, LLC  
APN 009-552-03  
PETITIONER

**Case No. 17-117**

Dave Dawley,  
Carson City Assessor,  
RESPONDENT

Appeal of the Decision of the  
CARSON CITY  
BOARD OF EQUALIZATION

**NOTICE OF DECISION**

***Appearances***

John Serpa appeared on behalf of Tahoe III, LLC (Taxpayer)

Donald Massow appeared on behalf of the Carson City Assessor's Office (Assessor).

***Summary***

The matter of the Taxpayer's petition for review of property valuations for the 2017-18 Secured Roll within Carson City, Nevada, came before the State Board of Equalization (State Board) for hearing in Carson City, Nevada, on August 28, 2017, after due notice to the Taxpayer and the Assessor.

On or about January 17, 2017, the Taxpayer petitioned the Carson City Board of Equalization (City Board) for a review of taxable valuation of the commercial parcel. On or about February 28, 2017, the City Board heard the petition and decided to uphold the Assessor's taxable value for the land at \$515,403, and reduce the improvement value to \$728,051, for a total taxable value of \$1,243,454. On or about March 8, 2017, the Taxpayer appealed to the State Board.

The State Board, having considered all evidence, documents and testimony pertaining to the valuation of the property in accordance with NRS 361.227, hereby makes the following Findings of Fact, Conclusions of Law and Decision.

### **FINDINGS OF FACT**

- 1) The State Board is an administrative body created pursuant to NRS 361.375.
- 2) The State Board is mandated to hear all appeals of property tax assessments pursuant to NRS 361.360 and NRS 361.400.
- 3) The Taxpayer and the Assessor were given adequate, proper and legal notice of the time and place of the hearing before the State Board, and the matter was properly noticed pursuant to the Open Meeting Law at NRS 241.020.
- 4) Taxpayer introduced new evidence, not objected to by the Assessor.
- 5) The property consists of approximately 4.93 acres with approximately 1.24 acres as undeveloped surplus land based on the new evidence.
- 6) Petitioner stated that part of the property is unusable, but did not provide any evidence as to how much of the property is unusable.
- 7) For 2015, net income for the property with depreciation added back would be about \$69,777, which is likely unchanged for 2016.
- 8) Assessor's taxable value was determined using sales and market analysis, and improvement costs were determined by Marshall & Swift Valuation Service.

### **CONCLUSIONS OF LAW**

- 1) The State Board is an administrative body created pursuant to NRS 361.375.
- 2) The State Board is mandated to hear all appeals of property tax assessments pursuant to NRS 361.360 and NRS 361.400.
- 3) The Taxpayer and the Assessor were given adequate, proper and legal notice of the time and place of the hearing before the State Board, and the matter was properly noticed pursuant to the Open Meeting Law at NRS 241.020.
- 4) In accordance with NRS 361.227, the taxable value of the property should be determined using the income approach with a 9% capitalization rate for the developed area and approximately \$4 per square foot for the surplus land.
- 5) Any finding of fact above construed to constitute a conclusion of law is adopted as such to the same extent as if originally so denominated.

### **DECISION**

Based on the above Findings of Fact and Conclusions of Law, the State Board decided, by a vote of 3-1-1 (Member Johnson recused), to reduce the taxable value to a total of

\$992,800 using an income approach with a 9% capitalization rate rounded down for the improved portion totaling \$775,000 and the value of the undeveloped land totaling \$217,800.

The Carson City Comptroller is instructed to certify the assessment roll of Carson City consistent with this decision.

BY THE STATE BOARD OF EQUALIZATION THIS 17<sup>th</sup> DAY OF NOVEMBER, 2017.

Deonne Contine

Deonne Contine, Secretary

DC/jm