



STATE OF NEVADA
STATE BOARD OF EQUALIZATION

BRIAN SANDOVAL
Governor

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DEONNE CONTINE
Secretary

In the Matter of)	
)	
Gaughan South LLC)	
APN: 177-29-501-001, 177-29-501-002,)	
177-29-501-004,177-20-803-002)	
177-29-510-001)	
Clark County, Nevada)	
PETITIONER)	
)	Case No. 15-155
Michele Shafe)	
Clark County Assessor)	
RESPONDENT)	
)	
Appeal of the Decision of the)	
CLARK COUNTY)	
BOARD OF EQUALIZATION)	

NOTICE OF DECISION

Appearances

Barry Lieberman appeared on behalf of Gaughan South, LLC (Taxpayer).

Brian Lemons and Mary Ann Weidner appeared on behalf of the Clark County Assessor's Office (Assessor).

Summary

The matter of the Taxpayer's petition for review of property valuations for the 2015-16 Secured Roll within Clark County, Nevada, came before the State Board of Equalization (State Board) for hearing in Henderson, Nevada, on June 1, 2015 after due notice to the Taxpayer and the Assessor.

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. The Department provided evidence to show the Taxpayer received notice of the hearing. *See Record, SBE page 108-110.*
- 4) The subject property is known as the Southpoint Hotel & Casino located between Las Vegas Boulevard South and I-15 at the Silverado Ranch interchange in Las Vegas, Clark County, Nevada. The subject property opened in December, 2005. The resort includes an equestrian center, restaurants, health spa, bowling alley, and movie theaters. The subject property also has considerable convention space. An additional hotel tower with 830 rooms opened in July 2008. The resort is located on five parcels totaling 60.31 acres. *See Record, SBE pages 36; 65-70 (maps); Tr., 6-1-15, p. 120, ll. 2-14.*
- 5) The Clark County Board of Equalization (County Board) ordered the total taxable value for the subject properties of \$283,132,890 be upheld for the 2015-2016 secured roll. *See Record, SBE pages 10 and 76; Tr. 6-1-15, p. 120, ll. 13-14.*
- 6) The Taxpayer presented sufficient evidence to support a value different from that established by the County Board. Based on national data on SBE page 53 of the record, as well as other market data for comparable casino property such as Green Valley, the State Board found the capitalization rate used in the income approach should be adjusted downward from 17-1/2% to 17% to reflect improving market conditions. *See Tr., 6-1-15, p. 162, l. 1 through p. 163, l. 8.*
- 7) The State Board found the taxable value of the subject property land and improvements only should be reduced to \$273,919,807. The reduction was based on capitalizing the income stream with a 17% capitalization rate resulting in an overall taxable value of \$304,031,759 and subtracting out personal property of \$30,111,952. The reduction was applied as obsolescence to the improvements with the taxable value of the land remaining the same. *Tr., 6-1-15, p. 163, l. 14 through p. 164, l. 25.*
- 8) 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.

CONCLUSIONS OF LAW

- 1) The Taxpayer timely filed a notice of appeal, and the State Board accepted jurisdiction to determine this matter.
- 2) The Taxpayer and the Assessor are subject to the jurisdiction of the State Board.
- 3) The State Board has the authority to determine the taxable values in the State.
- 4) The subject property is appraised, as adjusted, at the proper taxable value in accordance with NRS 361.227. The assessed value is 35% of taxable value.
- 5) Any conclusion of law above construed to constitute a finding of fact is adopted as such to the same extent as if originally so denominated.

DECISION

The Petition of the Taxpayer is granted based on the above Findings of Fact and Conclusions of Law. The Clark County Comptroller is instructed to correct the assessment roll by adjusting the assessed valuation of the subject property as follows:

2015-2016 Secured Roll

Parcel Number	Taxable Value		Assessed Value	
	Established by County Board of Equalization	Revised By State Board	Established by County Board of Equalization	Revised by State Board
177-29-501-001, 177-29-501-002, 177-29-501-004, 177-20-803-002 177-29-510-001				
Land	\$28,648,983	\$28,648,983	\$10,027,144	\$10,027,144
Improvements	\$254,483,906	\$245,270,824	\$89,069,367	\$85,844,788
TOTAL	\$283,132,889	\$273,919,807	\$99,096,511	\$95,871,932

The Clark County Comptroller is instructed to certify the assessment roll of the county consistent with this decision.

BY THE STATE BOARD OF EQUALIZATION THIS 31ST DAY OF AUGUST, 2015.

Deonne G. Contine

Deonne Contine, Secretary
DC/ter

CERTIFICATE OF SERVICE

Gaughan South LLC dba South Point Hotel and Casino Case No. 15-155

I hereby certify on the 31ST day of August, 2015, I served the foregoing Findings of Fact, Conclusions of Law, and Decision by placing a true and correct copy thereof in the United States Mail, postage prepaid, and properly addressed to the following:

CERTIFIED MAIL: 7013 1090 0000 7483 9387

PETITIONER'S REPRESENTATIVE

15-155

GAUGHAN SOUTH LLC DBA SOUTH POINT HOTEL AND CASINO

C/O BARRY LIEBERMAN

3100 OCEAN PORT DRIVE

LAS VEGAS NV 89117

PETITIONER

15-155

GAUGHAN SOUTH LLC

SOUTH POINT HOTEL AND CASINO

9777 LAS VEGAS BLVD SOUTH

LAS VEGAS NV 89117

CERTIFIED MAIL: 7013 1090 0000 7483 9356

RESPONDENT

15-155

MS. MICHELE SHAFE

CLARK COUNTY ASSESSOR

500 SOUTH GRAND CENTRAL PARKWAY 2ND FLOOR

LAS VEGAS NV 89155-1401

Copy: Clark County Clerk

Clark County Comptroller

Clark County Treasurer


Ken Gransbery, Program Officer
Department of Taxation
State Board of Equalization