



Pennington County Equalization Office

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December 4, 2014

This letter is an attachment to the abatement application requested by Peder Torgerson for the residential property identified as tax ID 56902.

This property was purchased by the Torgersons from Robert and Sharon Farquhar. The deed transferring ownership was recorded in March of 2012.

The property was classed as owner occupied for the 2012 assessment, taxes paid in 2013, due to the seller qualifying on the assessment date. The first year in which the Torgersons could qualify for an owner occupied classification was the 2013 assessment, taxes paid in 2014.

The owner occupied classification for the property was removed for the 2013 assessment due to the sale of the property, but the office of the county director of equalization mailed the Torgersons a letter at the first of February in 2013 requesting an application for an owner occupied classification. Mr. Torgerson completed an owner occupied application online on February 11, 2013. This application indicates that the Torgersons own additional residential properties in South Dakota and Florida, but that this property is their principal place of residence. This is the only application received by the county office, but is complete and timely for the 2013 assessment. A computer note in the county office appears to contradict the owner occupied application by stating that this property is a "second home, per the owner."

The property was not classed as owner occupied for the 2013 assessment, probably due to the information indicated by the computer note. It is my recommendation to approve the abatement request due to the timely application and no evidence that the property was not the principal place of residence for the Torgersons. An abatement action is an action on taxable value. To abate for a tax difference due to the owner occupied levy, I suggest abating taxable value for an amount equal to the difference between the owner occupied and non-owner occupied levies. **In this situation, my recommendation is to abate \$82,991 of the total \$375,758 taxable value for 2013.** This will result in an appropriate tax difference of \$1,913.36, pending rounding.

The deed for this property indicated an address for the Torgersons in Florida. The 2012 tax bill, paid in 2013, was mailed to their Florida address. All subsequent assessment notices for 2013 and 2014 and the 2013 tax bill were also mailed to the Florida address. In addition, the letter requesting an owner occupied application was also mailed to Florida. The 2013 and 2014 assessment notices have indicated the non-owner occupied classification and provided instructions for an appeal if the classification was incorrect. The county has only recently received change of address information from the Torgersons, and that change will affect all future assessment notices and tax bills.

Sincerely,

Shannon Rittberger
Pennington County Director of Equalization