

July 14, 2015

I am hereby submitting my Application for Abatement and/or Refund of Property Taxes form (attached). A detailed description of this request is listed below.

We chose to sell our home in 2014. After much prep work, as is normal, we listed our home for sale in January 2015. As one does, we trusted the professionals we worked with and the sources that realtors use.

Our home went under contract in March 2015 - inspections were done, repairs made and we waited patiently for our appraisal (3 weeks, as the housing market was reaching a peak). We had our closing date set (awaiting the 'formality' of said appraisal). When the appraisal was received, it came in at value of the sale price but a couple days later - the potential buyers noted a discrepancy between the listed square footage (obtained from the County/Equalization office) and the square footage their appraiser listed - was some 500 square feet less. They subsequently rescinded their offer and the sale fell through. Some buyers have a personal connection to a home they purchase and some may be strongly influenced by the price per square footage; either way, one would trust the information received would be accurate for this process. The two realtors involved (with over 25 years' experience between them) had never seen this happen before.

I then had the Pennington County Property Report Card printed on April 15, 2015, to see for myself what was listed. That, along with the appraiser's measurements, as well as my realtor's measurements, helped determine that the difference of approximately 500 square feet, was the crawl space in our house had been included in the property's square footage.

I placed a call to the Department of Equalization and spoke with a gentleman (Trevor) and asked how the assessment process works. I was told that typically someone comes out once a year or so, but that right now there were 'x' amount of homes to be assessed and they were probably done every 2-3 years now. I inquired how the assessment takes place and was told they sometimes just inspect and measure the outside of the home if no one is home - because they can't look in the window(s). He then stated that a card is left on the property owner's door to contact their office to set up a time to get in the house. I then asked when was the last measurement/assessment taken and he said June 2003 (as it states on the 'Report Card' attached). I told him if I had ever received a notification to verify the size and value of my home for the purpose of property taxes, I most certainly would have called his office to make an appointment to have someone do just that. No response...I then asked what can we do about this inaccuracy and overpayment of property taxes I had paid (since we bought the home in 2008)? 'There is nothing we can do now - those taxes have already been spent' and 'we can send someone out now to correct it'. I replied that at this point, it doesn't matter to me because the appeal date has passed and I am selling the house - but I said you might want to let the new owners know (whoever that will be) and get it corrected for them as property taxes are high enough.

Side Note: I moved here after 21 years in Phoenix, Arizona and the taxes are much higher here. I grew up in SD and everyone kept telling me the 'cost of living is low in SD'. The only thing that is lower is tax on income, as we currently do not have a state income tax. Fortunately before we moved here, I had done my research!

The gentleman I was speaking with then said I could file for an abatement. I asked how do I do that and he told me there was a form I could come and pick up in the Equalization office to fill out and it would be submitted before the Board of Commissioners – but that probably 'won't do any good'.

After a period of time (June '15), we did sell our home on West Blvd N with the corrected square footage listed.

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I obtained the abatement form in June, after we moved and Christine in the Equalization office and an older gentleman were inquiring of the issue I had (he is one of your appraisers for quite a while as I understood). He said he knew of the property in question and said 'oh, that's the Swanson house – we haven't been there in quite a few years'. He also mentioned that the abatement 'probably wouldn't get me anywhere'.

The Department of Equalization website states "The function of the office of the Equalization Department is to annually assess all taxable real property in Pennington County for property tax purposes. This office is responsible for the accurate assessment and inventory of approximately 53,000 parcels of property with a value of near \$9 billion." "All property in South Dakota is assessed annually at its fair market value....." In another paragraph it states that "The staff of the Pennington County Director of Equalization is very experienced and knowledgeable in property appraisal and assessment. Appraisal staff members are required to be certified as appraiser/assessors through the South Dakota Department of **Revenue** and Regulation." (Note: The current regulatory agency would be the South Dakota Department of **Labor** and Regulation.)

I am sure most of the staff are experienced and knowledgeable. However, if in home assessments are not done more frequently than "every few/several years" – I am sure I am not alone in having an error in the validity of square footage and hence higher property taxes assessed annually. The website goes on to say "The Equalization Department reviews assessed values for accuracy every year. The primary measure of accuracy is a median sales ratio. The office analyzes all arms length sales of real property every year and compares the sale price of each property to its assessed value." This discrepancy in square footage would certainly have put us in a lower tax category of homes and a lower assessed value. (It equaled out to approximately \$20/per square foot on our sale.)

I point out these items above not to be nitpicking but to show that all assessments should be fair, just, accurate and updated in a timely manner. Despite all of the naysayers, I respectfully submit this form and information for your review and approval.

I have calculated my valuation of property (not including the value of the land) yearly and figuring the 500 sq. ft. percentage difference for the last four years (as I do not have records prior to that back to 2008) to reflect the amounts due me in overpaid property taxes to be abated as follows:

2014 (1/2 year)	\$ 309.60
2013	571.24
2012	550.40
2011	<u>584.62</u>
	\$2,015.86
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Sincerely,



Lorraine K. Windenburg  
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Former address: 1601 West Blvd N  
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(Owned 11/08 - 6/15)