

August 4, 2014

## CAUSE FOR PROPERTY TAX ABATEMENT

In January of 2008, we purchased our very first home in preparation to make Rapid City our home upon the completion of a 24 year military career. Our home, located at 6324 Cog Hill Lane, was among the first handful of those built in Phase II of the Red Rock Meadows Subdivision.

Over the next 6 years our property taxes increased steadily, but because we were in a new neighborhood we were unable get a true depiction of the resale value of our home. It wasn't until this past year, when comparable houses in our vicinity were being put up for sale by original owners, that we came to the realization that we could not sell our house for the amount for which it was being assessed. In other words, until now, we were unable to meet the requirements/rules set forth by the County Board of Equalization under 'Property Owner's Rights and Duties' which instructs a homeowner to "ask yourself: if you sold your property, is this the amount you could expect to receive."

Upon realizing the vast difference in property assessment and sale value in our home, we contacted the Pennington County Department of Equalization and ultimately completed an 'Objection to Real Property Assessment.' An inspector came to our home and found that our property had been erroneously assessed in the following ways:

- Assessed as having a finished basement (1800 square ft.); unfinished basement.
- Assessed with gas fireplace; no fireplace in home.
- Assessed as having 4 bedrooms; only 3 bedrooms in home.
- Assessed as having an additional ½ bath; no additional bathroom.

The assessed value of our home went from \$311,300 to \$276,400; a difference of \$35,000.

When questioned about the assessment process, Shannon Rittberger, director of the Department of Equalization, explained that measurements of our home had been done and that "assumptions had been made based on our neighborhood." He explained that it was our responsibility to verify our assessment upon receipt of our annual postcard. We never dreamed that our home would be evaluated based on "assumptions." We trusted that a fair and true valuation of our property had been conducted upon completion of the construction of our home.

SDCL 10-18-1 Invalid or erroneous assessment or tax, states: the board of county commissioners may abate or refund, in whole or in part, the invalid assessment or tax if an error has been made in any identifying entry or description of real property, in entering the valuation of the real property or in the extension of the tax, to the injury of the complainant; or if improvements on any real property were considered or included in the valuation of the real property, which did not exist on the property at the time fixed by law for the making of the assessment.

In 6 years, we have paid more than \$25,000 in property taxes. We believe in paying our equitable share, however, we are disheartened by the stance of caveat emptor (buyer beware). We are currently paying taxes based on an erroneous assessment. We urge you to rectify this gross miscalculation by granting us a refund, in whole or in part, of the overpayment of our property taxes.

Rapid City residents,  
David & Tammy Egermier