

Mr. Howe,

Thank you for allowing me to respond to the letter of Kris Poulson, Utah County Assessor. While I am grateful that the committee is investigating the current "Truth in Taxation" laws, and giving other taxation systems an opportunity to be reviewed, I hold out little hope that the inequities and arbitrary nature of the current law will experience any changes. Even if the committee drafts a law that will correct any of the problems with the current taxation legislations, there is little chance that it will be passed in "near original" condition or intent. While I listen to the audio recordings of the committee, I find the comments made and the committee members' questions both informative and hopeful. I thank the commit for such an investigation.

This is a response to the additional information request made by Sen. Stephenson about my public comments (you keep referring to them as testimony) made to the legislative Review and Taxation Interim Committee and to Kris Poulson's response to your questions. I apologize for a delay in answering your e-mail request, but I try very hard to gather information and to filter that information somewhat before I comment. I have had to do some additional information gathering in order to respond.

Please let me preface my remarks by saying that the information that is provided publicly to me is somewhat different than the information provided to Mr. Poulson to which he has access. My information is taken mostly from the [www.utahcountyonline.gov](http://www.utahcountyonline.gov) web site "Utah County Online, the Official Web Site of Utah County Government," from the Recorder's records done through real property address searches. I print out this information then try to analyze it though a series of discussions with consortium members and neighbors. I have spoken with our Mapleton City officials in an effort to understand property taxes and community budgets. I have even placed calls to the Utah County Assessor's office and discussed information with the tax analysts there. The only non-responses I have received are from state representatives. It is both a challenge and an education to sort out how the taxes are levied and how they are spent.

In addition I have printed tax records for the following locations that I will refer to in my responses to the questions you asked, and to which Mr. Poulson responded.

I started from my home then moved to real property locations north, NW, and NE, then moved south, SW then south again. The information was gathered on line from the above mentioned web location. In many instances from 2002 until current 2008 adjustments are not listed, so that information is not available to me. In a few instances, some adjustments (although not kinds) are monetarily published in the site information.

My home

1055 N 1000 E          Mapleton

Moving North, North East

1085 N 1000 E          Mapleton

1115 N 1000 E          Mapleton

1149 N 1000 E          Mapleton          information for 2008 could not be accessed on 07/07/08

966 E 1200 N          Mapleton

1022 E 1200 N          Mapleton          this is part of a three parcel piece referred to as "across the street"

1780 E 1200 N          Mapleton          this one takes quite a bit of searching for separation of parcel

Moving South, South East, then South again

1136 E 1200 N	Mapleton
935 E 100 N	Mapleton
986 E 900 N	Mapleton
718 N 1000 E	Mapleton
674 N 1000 E	Mapleton
671 N 1000 E	Mapleton
633 N 1000 E	Mapleton
598 N 1000 E	Mapleton
591 N 1000 E	Mapleton

#### Question #1

Referring to a “quadrupled” tax: From the time my husband and I began looking for a piece of property in 2004 in anticipation of moving from Salt Lake and building a home, until current 2008—and this is the first problem—the use of estimated taxes reported on Multiple Listing Real Estate Services (MLS), the estimated taxes of \$600.00 to the approximate current assessed \$2400.00 is indeed a quadrupling. The problem with my “tax certainty” estimating ability according to Mr. Poulson would have been a reevaluation and reappraisal of the Mapleton area property as of 2005. This brings up a pronounced problem with the Truth in Taxation system that average reappraisals every five years causes a “spike” in reappraisals. In addition, as others said in the July Committee meeting, disproportionate increases or spikes in certain areas also contribute to this same problem. Now whether you use a “fair market value” or an “average yearly tax adjustment”—whatever the vocabulary, because the reappraisal was not uniform, it caused a serious calculation error in our estimation of what we would have to pay when choosing an area in which to live. Multiply this problem with the tax rate that Nebo School District extracts, by rates reported on the same website, approximately 72% of the property tax revenue, the Mayor in her June Newsletter stated that “Some of you have expressed the fear that you can no longer afford to live here, in the city you and your ancestors actually built, and where you’ve spent your entire lives. Please know we fear for you . . . ,” and my review of the above listed properties, and there is a dangerous and volatile mix of misinformation and unstable practices that do not allow citizens like me to plan to live on our incomes because of any “tax certainty.” If we had appealed the value of our property to the Board of Equalization, then we would have no record of the inequities of the current system, but we definitely will appeal this year. And if our property was valued at full value on the 2007 records, why have we experienced a 9.7% increase for the current year while others have experienced no increase or a decrease?

#### Question #2

Referring to tax increases or . . . on each property that is within a close physical proximity in all directions to Ms. Herbert’s home.

In reviewing the above properties, simple math calculations show some homes experienced a 62% increases in market value, some experienced a 63% increase, some properties experienced NO increase while the Evans properties experienced a mixture of increases from NO to 100% , some experience no increases for five years (Evans) then experience an increase then no subsequent increase, while other experience a 49.6 – 54.9- 62.5- 68-69% increase then experience a 6.4-9.3- 9.7% increase consistently from year to year after the 2005 assessment. These are existing structures, not new construction. Then there’s the Taylor property that increases to the point

where, as the one gentleman on the committee commented, if you want to pay less taxes, own less property, so they subdivided and his property went up, down, up while some of the Evans property went down and some of it stayed the same. Far be it from me to see a uniformed increase or consistency in any of what is shown on those records. If Mr. Poulson's claim is that a reappraisal of market value was done in 2005 then why didn't all properties in this community increase uniformly? Why do some properties go up, down, stay the same, go up then stay the same over a five year period, while others go up then consistently go up each year after. Do we have that many amendments and exceptions to the "uniform Truth in Taxation" law?

#### Question #3

Chris Cannon's decreased in tax assessment. . . .

Perhaps Mr. Cannon also ascribed to the, if you want to pay less taxes then own less property, statement, or perhaps he just didn't like living in the sticks while property market value rose, or perhaps he didn't like the market value revaluation raises of 2005. . . I do not know the cause of his decisions, but there are no "adjustments" listed on the web site. And why would he "remove in 2008 a 1991 built improvement from a property and add it to another property "resulting in a decrease in value?" Did the property he added it to increase in value while that property from which he removed it decrease in value? I can't tell from Mr. Poulson's statement. It's obvious that he has access to information that is not provided as a matter of public record on the web site. But that in and of itself points to the glaring problem of the constant shuffle that assessors arbitrarily assign in order to change the rate so the total revenue does not increase beyond new growth from the previous year. Just how does that happen? By assigning some home owners an increase in their assessments and what they pay while others have a decrease assigned to what they pay? And the cost of Board of Equalization appeals. . . why not assign tax assessment increases to everyone uniformly, do away with the Board of Equalization and return the money to the real property tax payers as a refund?

#### Question #4

Fair market value . . property taxes owed has not increased. . . Little Giant Ladder Co.

I do not recall that this is what I said here, nor is it what I intended. I apologize if it was taken wrongly. Certainly, if I listen to the recording and find that this is what I actually said, I misspoke. The intent here was to point out the shift in the tax burden between and from business/ industrial property to private real property owners. While on average in our area, residential property valuations have increased 30-40%, commercial/industrial properties only went up about 12%. I wanted to use the Little Giant Ladder Co. as an example of the problem that parity has not existed in tax valuation. The purchase price on the property was \$10 million with \$250,000 in improvements. The property was valued at \$6 million for at least six years. In 2007 the valuation only increased by about 12% in comparison to the above listed residential property increases. My information here was obtained by an outside source in addition to reviewing the on-line records that were available to me.

Now can you help me understand the "certainty" yet arbitrary nature of market value based taxation? Can you help me understand why I cannot, as a citizen, negotiate a way to live on my income in the face of every changing local and taxing agencies that can't figure out a way to live on their revenues without just holding a "public hearing," declaring how they intend to spend the money, listening to public comment that satisfies the law because that's all they have to do, then

raising taxes anyway? Public comment is just that—comment—I just happen to prefer making it more than just my opinion. During the June meeting Mr. A. Tilton was upset that I said that he was unresponsive to our concerns—he told me that I was an “anomaly” because I paid my bills, lived on my income, and was concerned with fiscal responsibility, both my own and my communities. I may be an anomaly, but I don’t think I’ve reached the point of unreasonableness yet.

Respectfully

Mrs. Deborah Herbert :)