Property Tax Assessments: Is Your Club Paying More Than It Should?

By David Hunnicutt, MAI, CRE, JD, SGA

Property taxes are often one of the last items managers review on an operating statement, yet they can represent a significant annual expense. Making sure your club's property is fairly assessed can help avoid paying more than necessary.

This article focuses on real property assessments rather than personal property (furniture, fixtures, and equipment), which is generally reported separately by the taxpayer.

Know the Timeline

Each year, counties issue assessment notices showing the value assigned to your land, buildings, and total property. Review these notices carefully.

Appeal deadlines are short. In Washington, an appeal generally must be filed within 30 days of the notice or by July 1 of the assessment year, whichever is later. Missing the deadline usually means the assessment stands for that year unless a limited exception applies.

Start With the Basics

Before considering an appeal, verify that the assessor's records are accurate.

Check that:

- Building improvements actually exist.
- Building sizes are correct.
- Land acreage is accurate.
- Property descriptions match what the club owns.

Simple factual errors can often be corrected directly with the assessor's office without going through a formal appeal.

Golf Courses Are Different

Golf courses present unique valuation challenges because they typically use large amounts of land at relatively low intensity. While zoning may allow more intensive development, other restrictions often limit what can realistically be done with the property.

Keep current records of any factors that affect land use, including:

- Special use permits
- Open-space designations
- Covenants, conditions, and restrictions (CC&Rs)
- Environmental constraints
- Leases or other non-possessory interests that may encumber all or part of the property

These documents may be important if an assessment is challenged.

If an Appeal Is Necessary

Property tax appeals can be complex, and professional guidance is usually worth the investment. Consider these best practices:

- Avoid handling the appeal on your own.
- Engage legal counsel experienced in property tax matters. They will coordinate the appeal strategy for interaction at the board of equalization level and beyond.
- Bring in other specialists when needed, such as land-use, engineering, or environmental experts. This will aid in establishing the impact on value of any physical, regulatory, or operational characteristics surrounding the ownership and operation of your course.
- Retain a qualified appraiser with experience valuing golf courses and presenting evidence in assessment appeals. A qualified appraisal is necessary in order to provide a well supported opinion of value that can be evaluated against the assessor's conclusions.

The Bottom Line

Property tax assessments deserve the same attention as any other major operating expense. Reviewing assessment notices promptly, maintaining accurate property records, and seeking experienced professional advice when necessary can help ensure your club pays only its fair share.

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