

is the county sets the value and then affected taxpayers ask to have their property values lowered. And the situation that you could have is you could have a county in which you had one very valuable piece of commercial property that was 100 percent of value, everything else in the county being, let's say agricultural land at 85 percent, but then let's say you have 2 percent of your property in unimproved residential land, a tiny little amount of your total land, but that happens to be at 50 percent of its value. That commercial piece of property, when it goes in and challenges, what is it going to look for its data base, that little 2 percent that's down at 50 percent, and what are they going to ask for? They are going to ask to drop their 100 percent number down to 50 percent and bypass all of the huge amount of land that happens to be at but 90 percent of value. So better to have the target be the midpoint, the average treatment for how land is getting treated in that county rather than picking the exception and pegging everything down, taking an exception and making an exception on the other side. It's called the prevailing assessment, prevailing assessment theory and I wish I had the right name for it, but that's... This, by the way, has been quite commonly followed in other states. It was suggested to me by the Department of Revenue from their analysis of other states and how they act in this situation.

SENATOR SCHMIT: Then it is a responsibility of the County Board of Equalization and the State Board of Equalization to be certain that the land is valued high enough. Is that right? If they undervalue the property...

SENATOR LANDIS: Oh, certainly they have a constitutional obligation to see to it that they are at correlation, that classes of land are correlated at actual value, no doubt.

SENATOR SCHMIT: Is there any responsibility with the taxpayer?

SENATOR LANDIS: Is there any responsibility on the taxpayer's part?

SENATOR SCHMIT: Yes.

SENATOR LANDIS: No. The...what...it will affect the taxpayer in this way. If the taxpayer makes a complaint and requests to have their values dropped, the target that the court would use to drop their values to if, for some reason, they could make