

Douglas County Republican, Lawrence

Before the Commissioners reach a decision on this matter, they wish to discuss same with the Deputy Assessor making the assessment.

With a complaint on the assessment of merchant's stock of the Montgomery Ward and Company in Lawrence, appeared C. H. Boyer of the Tax Department, Chicago, and I. S. Brown, Manager of the local store.

Mr. Boyer stated that the company made a return on stock in the amount of \$30,146.00 which they increased over the assessment of same in 1942; but that the deputy assessor, dissatisfied with this figure, arbitrarily increased the valuation to \$50,000.00. This latter figure, they declare, is entirely out of line, and their purpose before the Board today is to get a reduction on same.

Commissioner Penny asked if Mr. Boyer would produce the income tax report on this store in order that the information contained in same would aid in arriving at a fair valuation for the merchandise stock. Mr. Boyer said that he was unable to present such a report as this income tax report covers all the 25 stores in Kansas and the company has no report on one store alone. The appellant said that Montgomery Ward was assessed for more than Weaver's, Veatch's and Reedy Lbr. Company combined.

On the first of March, the actual inventory, according to the representatives, was \$60,464.00, and this figure is the one they used in making up the income tax report for this particular store. In support of his case, Mr. B. cited figures which he had secured from authoritative sources and which he declares are authentic. Jeffries, actually has \$8,590.00 in stock, assessed at \$4000.00; Green Bros. actually has \$39,000.00, assessed at \$15,600.00; Weaver's actually \$84,500.00, assessed at \$43,000.00; Veatch's Furn. Co. actually \$15,000.00 (?), assessed at \$5,200.00, and Reedy Lbr. Co. actually \$16,019.00 and assessed at \$2,140.00. Mr. B. said that these figures are on file in the Secretary of State's office in Topeka.

Commissioner Penny informed the representatives that he would like to see more evidence to back the inventory figure as given by Mr. Boyer. He was interested in the income tax report figures for this one particular store.

Mr. Boyer said that it would be impossible for him to show an income tax report on this local store, because, as he state previously, such report is a combined report of all the 25 stores in the state. The inventory figure as he gave is one used in making up this report. He asked that Montgomery Ward be assessed on the same basis as the other merchants in the city: i. e., if a certain percentage of actual inventory is used for assessment purposes for one store, then it should be used for Montgomery Ward and all other merchants.

The Board wished to confer with the Deputy Assessor, and assured the appellants that it would inform the local manager of its decision in regard to this appeal.

The Standard Oil Company's complaints were presented by V. H. Sanders, Jr. The Company is objecting to the valuation now on Lot 34 at \$450.00, improvements \$3580.00; and on Lot 35 at \$630.00 with improvements at \$4120.00, all on Pennsylvania Street. Mr. Sanders said the building was built in 1917, and the storage tanks were installed at that time or sooner. Considering their age, he believes the tanks are out of line. It was explained to Mr. Sanders that the storage tanks are placed on the personal property assessment roll and are not included in the real estate. In any event, he still requested a reduction. He, also, asked for a reduction on the real estate at 9th Indiana. This property is described as Lots 11 and 12, Block 8, Lane's First Addition. Lot 11 is assessed at \$765.00 plus \$925.00 for improvements; Lot 12 is assessed at \$900.00 plus \$920.00, the total for both being \$3510.00. Mr. Sanders said they had an offer to purchase for \$1000.00 for both the lots and improvements. For vacant lots at 7th Indiana, Lot 3 valued at \$1035.00 and Lot 4 at \$450.00, he asked that these be reduced. The Commissioners informed Mr. Sanders that if these lots were in line with other lots in that neighborhood, they could not be reduced.

The Standard Oil Company, also, contends the valuation on their property at 9th Vermont Streets is too high. The building and drive is on personal property tax roll in the amount of \$1600.00. The Company does not own the real estate. Objection was made on the assessment at the bulk plant in Eudora, and the Board was asked to give consideration to the reduction of this.

The Commissioners took all these requests under advisement and assured Mr. Sanders that he would be notified of its decision.

Adjournment was taken, the Board to meet May 19 for further equalization matters.

ATTEST:

T. R. Gerhart
T. R. Gerhart,
County Clerk.

L. H. Coffey
L. H. Coffey, Chairman of the Board of
County Commissioners.

May 19, 1943.

All members of the Board of County Commissioners met as a Board of Equalization in the regular meeting rooms of said Board. T. R. Gerhart, County Clerk, was present.

Ellis D. Bever, representing the International Business Machines Corporation appealed for adjustment on the valuation placed on business machines of this corporation that are rented to customers in Douglas County. Mr. Bever explained that this corporation valued their machines as per a formula adopted by the Commission of Revenue and Taxation. This formula was approved by the Commission after the International Business Machines Corp. appealed to the State Board from the assessment placed on their machines in Shawnee County. The valuation as placed on the machines is determined by multiplying the factory cost by 2.0833 to get the retail selling price. This retail cost is reduced 20 per cent each year, but in no case below 40% of the factory cost or 20 per cent of the retail selling price equivalent. Mr. Bever, also, asked that the assessment of moneys and credits be cancelled, as he contended that since this corporation has no office in Douglas County and has no bank account or actually any intangible property in this county, it is not proper to assess moneys and credits. He said all accounts receivable are handled through the Kansas City office. The Commissioners told Mr. Bever that they would like to see some evidence from the State Tax Commission in support of this appeal. Mr. Bever said that he would gladly get all the information desired.

George Rutter, local representative of the Sun Mfg. Co., protested the personal property assessment the deputy assessor had placed against equipment owned by said company and used in this