

Sales Price Hit As Assessment Guide

By JACKIE KLEIN

PONTIAC Assessors using sales prices as the strongest evidence for establishing values for tax rolls should be ordered removed from their positions as "unqualified," contends a former director of the Oakland County Equalization Dept.

Speaking before the House Taxation Committee's Subcommittee on Assessment Practices in Pontiac last Friday, William Grabendike said, "Counties also using this improper assessment procedure for equalizing county valuation within cities, townships and villages should be stopped immediately and those responsible discharged."

GRABENDIKE SAID assessing officers using the sales prices on recorded deeds without deleting personal property items and mortgage points are "operating

unlawfully and in contradiction to the state constitution and State Tax Commission manual taxation laws."

Grabendike, a former member of the state board of equalization and a professional appraiser, said he wrote to Sen. Donald Bishop (R-Birmingham) to get a ruling from the attorney general's office on whether it was proper for assessors to increase last year's assessed value when there were no added property improvements and no detailed investigation and reappraisal.

Grabendike claimed some homeowners had been required to go to the polls to vote on a requested millage increase, turned it down and "by some subterfuge the assessor increased their values on the basis of a new area sales without deducting personal property values or finance costs."

The attorney general's office said all assessing of-

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officials must use the official State Tax Commission manual as a guide, and assessors should be ordered removed from their positions as "unqualified," contends a former member of the state board of equalization and a professional appraiser, said he wrote to Sen. Donald Bishop (R-Birmingham) to get a ruling from the attorney general's office on whether it was proper for assessors to increase last year's assessed value when there were no added property improvements and no detailed investigation and reappraisal.

Grabendike maintains the most feasible method of assessing residences and other buildings is the "reproduction cost" method, allowing depreciation and allowing for obsolescence and economic conditions in the area. He says the assessors manual states the use of sales prices should not be the only basis for value.

HE REQUESTED the committee to investigate and inspect the operation of the Oakland County Equalization Dept. to justify a \$2.5 billion increase in the county's true cash value in two years. "The homeowner must have immediate tax reductions," he added. "The power to stop the present confiscation of property lies in the hands of the State Legislature."

RESPONDING to a claim by the League of Women Voters in Michigan that "the remedy to assessment inequities must begin with a double-barreled approach of county-wide assessing by certified assessors," Clark Hagstrom, Birmingham assessor, maintained assessing should remain at the local level.

"County government is removed from the people," he said. "There's nothing perfect about equalization, and applying a factor to local units compounds errors. Local assessors have expertise if they are required by state

statute to be certified. But they've got to keep politics out of it.

"The first hue and cry of the public is a sudden jump in assessments," Hagstrom said. "A five year, instead of the current three year, sales average is the most stable base, would require smaller yearly increases and would stay with inflation or deflation."

"We'll never approach 100 per cent equity," he maintained. "Is the market place equitable? It's a human operation so we can hope for 90 per cent equity at best."

Hagstrom urged passage of a pending House bill which would provide for a five-man tribunal of three attorneys, a certified public accountant, and a certified appraiser to act as a board of appeals instead of the local review board and State Tax Commission.

HE ALSO suggested abolishing the County Tax Allocation Board which splits the 15 mill property tax between the county, schools and townships and freezing millage at 16.5. "The yardstick to measure the 50 per cent of true cash value, required by enabling legislation for arriving at assessments, is not in the county clerk's office," agreed Homer Case, supervisor of Bloomfield Township. "The county doesn't have the money or the manpower to do the assessing. And if the Tax Allocation Board were abolished and allocations frozen, all units could work on a fixed budget. We could use the township's share to hire certified assessors."

JOANNE DAILY,

member of the Oakland County Citizens Committee for Property Tax Reform, said school children in times of rising assessments do not get equal benefits because of differences in state equalized valuations.

"Most of the people who testified before our committee, recommend a graduated or flat income tax," she said. "Assessment procedures discourage people from keeping up their property, and review boards are not sympathetic. People

don't understand factors until they get their tax bills."

The committee plans to seek a referendum if the Legislature fails to move toward property tax reform. "We're tired of partisan politics," Mrs. Daily said. "We'd like to sequester Republicans and Democrats 'till we can get fair tax relief for everyone, especially people who live on a fixed income or are unemployed."

Rep. Loren Anderson (R-Pontiac) a member of the subcommittee agreed, "There's no direct relation-

ship between equality of education and property. If school operation is based on the ever lovin' property tax, our only hope is to get that tax off our backs."

"Retirees have had more done to them than for them. I hope we get a constitutional amendment this November on financing schools. Unless we can change property tax laws, we can store senior citizens in state subsidized condominiums."

The hearing held at the Oakland County Board of

Commissioners' Auditorium was one of nine scheduled by the subcommittee. The purpose, according to chairman Rep. Philip Mastin (D-Hazel Park) is to study assessment practices, pinpoint inequities and seek improvements.

Mastin said preliminary studies revealed "serious flaws" in property assessment. The subcommittee will make recommendations to the House Taxation Committee and the Legislature.



LOADING SOME of the 28 cartons of toys for delivery to Ottawa Indians in Oceana County are Hank Chruscial (left) and Jim Nicholas, both

of Livonia. (Photo for the Observer by Tom Voyles)

Area Groups Help Ottawas

A grateful community of serverland organizations for and household goods they distributed by Indian Enterprises, Inc., of Rothbury, to Indians scattered throughout Oceana County, between Manistee and Grand Rapids.

The drive was led by the Indian affairs committee of the Western Wayne County Conservation Assn. "It was the first load they ever got where everything was sorted and labeled," said committee chairman Hank Chruscial of Livonia.

GIFTS WERE so plentiful that the Chruscial had to drive there twice, on both Saturday and Sunday. Mrs. Chruscial listed the presents as:

- 28 large cartons of new but damaged toys that had been repaired.
- 20 cartons of new clothes.
- 350 new model cars.
- 350 loose-leaf notebooks.
- four cartons of new shoes.
- 1,014 cans of food.
- 292 cartons of used clothing.
- 11 boxes of used toys.
- 54 cartons of blankets and other household goods.

AMONG THE donors were: Ladies guild of St. Priscilla Catholic parish of Livonia; John Montith Church of Detroit; Salem United Church of Christ, Farmington; Lambda Chi Omega national sorority; Gerald Wilton of Ford Motor Co.; Bryant Junior High School of Livonia; and many area stores and residents who asked to remain anonymous.

The loading was done by members of the WWCA and Jim Nichols, 70-year-old Livonian with a strong interest in the project.

Said Mrs. Chruscial: "We were shown how beautiful throw rugs were made from the unusable cotton clothing and beautiful warm quilts from the wool and other heavy materials. They also use broken jewelry intermingled with beads to make new jewelry."

She added: "Plans are being made there for a bang-up Christmas party for the children after they saw the 28 cartons of new toys plus several large, new toys. We were invited to their Christmas party but may have to decline because we plan to deliver to other needy areas."

Dean Finishes

FARMINGTON Navy Seaman Apprentice Leo C. Dean Jr., son of Mrs. Tommy L. Dean of 21313 Ontago, Farmington, has graduated from recruit training at the Recruit Training Command, Naval Training Center, Great Lakes, Ill.

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