

Bond Case Briefs

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SJN Properties, LLC v. Fulton County Bd. of Assessors

Supreme Court of Georgia - March 27, 2015 - S.E.2d - 2015 WL 1393398

Taxpayer brought action for declaratory judgment, injunction, and mandamus against county board of assessors, its chief appraiser, and its members, challenging board's method of valuing leasehold estates arising from sale-leaseback bond transaction involving local development authority. Specifically, taxpayer argued that so-called "50% ramp-up" methodology resulted in the valuation of the developers' bond transaction leasehold estates at less than fair market value, in violation of county's statutory and constitutional duties to ensure that ad valorem taxes are assessed uniformly and at fair market value.

The Superior Court entered judgment in favor of defendants. Taxpayer appealed. The Supreme Court of Georgia reversed. On remand, the trial court granted summary judgment in favor of county. Taxpayer appealed.

The Supreme Court of Georgia held that:

- Affidavits filed on the day before summary judgment hearing were timely;
- Taxpayer's attorney's affidavit was insufficient to support create an issue of material fact regarding the tax-exempt status of certain properties;
- Claims for injunctive relief were barred by sovereign immunity;
- Taxpayer had standing to bring mandamus action;
- Taxpayer failed to establish that board's valuation method resulted in the underestimating of the value of the leasehold estates at issue; and
- Taxpayer faced no uncertainty or insecurity as to its own future conduct, and thus was not entitled to declaratory relief.