

✓ County, Lone Star are at odds over assessment, back taxes

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By PAUL BEATTY

Sentinel Staff Writer

SANTA CRUZ — Lone Star Industries cement plant in Davenport has been over-assessed by more than \$4 million since 1985, the county Assessment Appeals Board ruled, but it was under-assessed by \$46.5 million from 1981 to 1984.

The ruling, handed down Friday and announced by county Assessor Bob Peterson Tuesday, came four months after testimony was given in Lone Star's appeal.

The company had asked that its \$119,434,000 assessment be cut by about \$85 million.

Peterson and county attorneys said the plant had been reassessed after \$100 million in modifications were made in 1980-81 and they felt \$119 million was a fair assessment.

The Appeals Board cut that

amount to \$115 million.

Peterson said it will mean the county will have to refund \$44,000 in property tax revenues to Lone Star Industries Inc.

However, the Appeals Board also ruled Peterson had under-assessed the plant from 1981-1984 by \$15.5 million a year. The county's assessment during those years was \$112,546,000. The board increased it

to \$128 million.

Peterson said the company is contesting having to pay back taxes on the increased assessment and the issue is going to the state Board of Equalization, which rules on tax matters.

Should the county win the battle of the back taxes, Lone Star will owe the county about \$465,000, Peterson said.