Meeting the Unique Challenges of the Golf Course Industry

With an experienced staff based out of 39 of our 54 offices across the United States and Canada, Ryan has the largest property tax services organization in North America. We provide North American coverage, the benefit of our local market knowledge, and a comprehensive range of services to help effectively manage property tax requirements, with the goal of avoiding overpayment.

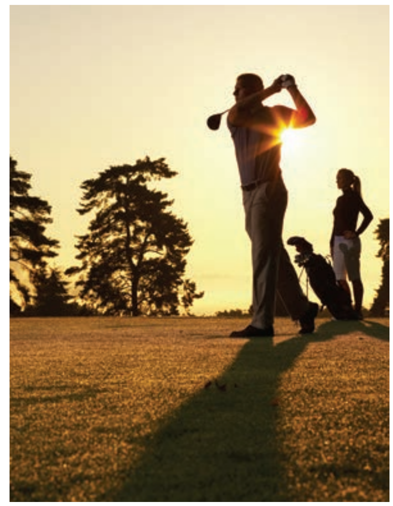
The Ryan Golf practice is led by a long-standing Professional Golfers' Association (PGA) professional, with extensive golf course property tax experience, and is comprised of licensed attorneys, appraisers, CCIMs, and CMIs. You will work with a single point of contact on our team who will maintain regular communication with you as we work to reduce the property tax liability for your golf facility.

Trends Impacting the Golf Course Industry

- Golf courses are a complex combination of real estate and business interests. The real and tangible personal property are the only portions of the entity subject to Ad Valorem Taxation.
- The golf industry is struggling to cope with oversupply issues created through aggressive real estate development, as well as the loss of players and reduction in revenue. Market values are at a fraction of historical norms.
- Most golf courses related to real estate developments are encumbered by deed or use restrictions, limiting their highest and best use and, therefore, their value.

Key Components Affecting Tax Valuations

Property taxes represent one of the largest areas of cost—and risk—for golf courses. The problem for many tax departments is the complexity of challenging an assessor's valuation. Unless you know where to mount your defense, your appeal could be denied. These problems compound when you consider your company's growth plans. Are you buying into a company that has overt or hidden tax liabilities? Will your tax department become overwhelmed by the additional compliance and valuation processes? Ryan's golf industry-specific methodologies can help ensure your success when dealing with these and other critical property tax issues.



More golf courses trust Ryan to address their tax needs than any other provider in the country.

Client Success Stories

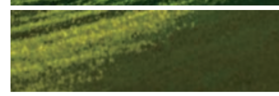
Large Golf Condo Hotel Resort Development in Washington State

Client Issue: Our client had finished construction on two out of three golf courses in the first year of a three-year assessment cycle. The third course had been put on hold due to lack of demand for both development lots and golf.

What We Found: The assessor used a cost estimate to value all three golf courses and gave no weight to the sales or income methods. Additionally, the assessor failed to account for the use restrictions of the land on which the golf courses were built.

Approach and Solution: At a state-level hearing, we explained to the Board of Tax Appeals that valuing golf courses by cost was inappropriate due to the significant transfer of value in lot and condo premiums, as well as significant economic obsolescence. We also demonstrated through market and income analyses that the economic value of the three golf courses was far below the current assessed value.

Results: We were successful in demonstrating the true market value of the golf courses and the lodge—and were able to achieve a reduction of more than $36,000,000 each year for the three-year revaluation cycle. The reduction in the client's tax liability was more than $800,000.



Daily Fee Golf Club in California

Issue: This property was a stabilized project and had several years of operating history.

What We Found: The assessor used cost to value the golf course and paid no attention to sales or income methods. In addition, the assessor failed to account for the use restrictions of the land on which the golf course was built.

Approach and Solution: At an informal hearing, we explained to the assessor that the land was encumbered by use restrictions, and the highest and best use was as a daily fee golf course. Further, we showed that current economics demonstrated a value of 22.5% of the current assessment. This was done through both income-based valuation and a market analysis.

Results: We were successful in achieving our target value, reducing the client's tax liability by more than $100,000 per year.

Award-Winning Tax Services

For additional information

1.855.RYAN.TAX

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