

**COPY**

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1 **MOONEY, WRIGHT, MOORE & WILHOIT, PLLC**

2 Paul J. Mooney (No. 006708)

3 Jim L. Wright (No. 010531)

4 The Mesa Tower, Suite 16000

5 1201 South Alma School Road

6 Mesa, Arizona 85210-1189

7 Telephone: (480) 615-7500

8 Email: [pmooney@mwmwlaw.com](mailto:pmooney@mwmwlaw.com)

9 Attorneys for Plaintiff

10 SUPERIOR COURT OF THE STATE OF ARIZONA

11 ARIZONA TAX COURT

12 SOUTHWEST GAS CORPORATION, a  
13 California corporation,

14 Plaintiff,

15 vs.

16 ARIZONA DEPARTMENT OF REVENUE,  
17 an agency of the State of Arizona; COUNTIES  
18 OF: COCHISE, GILA, GRAHAM,  
19 GREENLEE, LA PAZ, MARICOPA,  
20 MOHAVE, PIMA, PINAL and YUMA, each  
21 of which is a political subdivision of the State  
22 of Arizona,

23 Defendants.

No. TX2020-001122

**COMPLAINT AND NOTICE OF  
PROPERTY TAX APPEAL**

**(Property Tax)**

24 Pursuant to A.R.S. §§ 42-16204 and 42-16207 *et seq.*, plaintiff, Southwest Gas  
25 Corporation (“Southwest Gas”), appeals to the Arizona Tax Court the valuation of its  
26 property for tax year 2021 as determined by the Arizona Department of Revenue  
27 (“ADOR”). In support of this Complaint and Notice of Appeal, Southwest Gas alleges:

I.

28 Southwest Gas is a California corporation, doing business in Arizona. At all times  
29 material hereto, Southwest Gas owned real and tangible personal property located within  
30 Cochise County, Gila County, Graham County, Greenlee County, La Paz County,

1 Maricopa County, Mohave County, Pima County, Pinal County and Yuma County in the  
2 State of Arizona and which the Department identifies by taxpayer identification numbers  
3 54-641, 64-641 and 65-641 (hereinafter, "the Subject Property").

4 II.

5 Defendant, ADOR is an agency of the government of the State of Arizona, created  
6 and organized pursuant to A.R.S. §§42-1001, *et seq.* ADOR is charged with the duty of  
7 determining annually the value of the taxable property owned by Southwest Gas, pursuant  
8 to A.R.S. §§42-14151, *et seq.*

9 III.

10 Defendants, Cochise County, Gila County, Graham County, Greenlee County, La  
11 Paz County, Maricopa County, Mohave County, Pima County, Pinal County and Yuma  
12 County are political subdivisions of the State of Arizona and may be referred to  
13 collectively hereinafter as "the Defendant Counties." ADOR and the Defendant Counties  
14 are made defendants to this action pursuant to A.R.S. §42-16208(A). ADOR apportions  
15 the value of all taxable property of gas utilities for which it has determined the valuation  
16 to each taxing unit or district appearing upon the tax rolls of the Defendant Counties. The  
17 Defendant Counties levy and collect property taxes for themselves and for each taxing  
18 unit or district appearing upon their rolls in accordance with the values determined by  
19 ADOR, as apportioned to each County by ADOR.

20 IV.

21 On or about August 31, 2020, ADOR determined the final tax year 2021 full cash  
22 value of the Subject Property to be \$2,679,921,000, pursuant to its interpretation of the  
23 statutory valuation methodology prescribed by A.R.S. §42-14154. Copies of ADOR's  
24 final Notices of Value for the Subject Property are attached hereto as Exhibit A and  
25 incorporated herein by this reference.

26

1 V.

2 Upon information and belief, for tax year 2021, the statutory full cash value of the  
3 Subject Property, as determined by ADOR using the method prescribed by A.R.S. §42-  
4 14154, is excessive and unreasonable.

5 VI.

6 For tax year 2021, the aggregate full cash value of the Subject Property, as set by  
7 ADOR, is excessive and inequitable because, among other reasons: (1) ADOR valued the  
8 Subject Property solely pursuant to the statutory methodology prescribed by A.R.S. §42-  
9 14154, which valuation is excessive because (a) it exceeds the “market value” of the  
10 Subject Property, as determined using standard appraisal methods and techniques, in  
11 direct contravention of A.R.S. §42-11001(6), and (b) it exceeds the statutory value if that  
12 value is properly computed at no more than market value, under A.R.S. §42-14154.

13 VII.

14 Based on a fair market value appraisal of the Subject Property as of January 1,  
15 2020, Southwest Gas believes the market value of the Subject Property is no greater than  
16 \$1,255,000,000.

17 VIII.

18 Pursuant to A.R.S. § 42-13301, a reduction in the full cash value of the Subject  
19 Property for tax year 2021 will require a reduction in the limited property value as well.

20 IX.

21 Upon information and belief, the property taxes assessed against the Subject  
22 Property for tax year 2021 will be based upon excessive full cash and limited property  
23 values. As a result of these overvaluations, Southwest Gas will have to pay more taxes  
24 than would legally have been collected if the Subject Property had been valued properly.  
25 Therefore, pursuant to A.R.S. §§ 42-16213 and 42-16214, Southwest Gas is entitled to  
26 have the 2021 tax rolls in each County corrected to reflect the correct full cash values and

1 limited property values, and to receive a refund of any taxes levied, assessed and paid  
2 based on the Department's excessive tax year 2021 full cash value.

3 VII.

4 Because this action involves the assessment and/or collection of taxes, in the event  
5 that Southwest Gas prevails by an adjudication on the merits of this case, it is entitled to  
6 recover its reasonable attorneys' fees and any expert witness expenses, pursuant to A.R.S.  
7 §12-348(B) and (I), together with its taxable costs under A.R.S. §§12-332 and 12-341.

8 WHEREFORE, Southwest Gas requests that this Court:

- 9 1. Determine and fix the full cash value and limited property value of the  
10 Subject Property for tax year 2021;
- 11 2. Render judgment that Southwest Gas have and recover from the Defendant  
12 Counties a refund in the amount of any excess taxes paid on account of the 2021 full cash  
13 value and limited property value as determined by this Court, together with interest  
14 thereon at the legal rate from the date of payment by Southwest Gas until refunded in full;
- 15 3. Award Southwest Gas its attorneys' fees and expert witness fees incurred  
16 pursuant to A.R.S. §12-348, as well as its taxable costs; and
- 17 4. Grant such further relief as the Court may deem proper.

18 DATED this 14th day of December, 2020.

19 MOONEY, WRIGHT, MOORE & WILHOIT, PLLC

20 By: /s/ Paul J. Mooney  
21 Paul J. Mooney  
22 Jim L. Wright  
23 Attorneys for Plaintiff  
24  
25  
26

**STATE OF ARIZONA**

*Department of Revenue  
Local Jurisdictions District  
Fax (602) 542-4425*



*Douglas A. Ducey  
Governor*

*Carlton Woodruff  
Director*

Monday, August 31, 2020

54-641  
SOUTHWEST GAS CORPORATION (T&DO)  
Matt Nelson  
PO BOX 98510 LVC-400  
LAS VEGAS, NV 89193 8510

**NOTICE OF DECISION**

TAX YEAR 2021

The FINAL FULL CASH VALUE of your operating property located in Arizona is:

**\$2,645,186,000**

If the property owner is not satisfied with the FULL CASH VALUE stated above, an appeal may be filed with the State Board of Equalization (602) 364-1600 by filing a petition that is postmarked on or before October 1, 2020.

The valuation date for the above value is January 1, 2020.

The value will not be used for property tax purposes until 2021.

Taxes will be due as follows:

First half due: October 1, 2021

Second half due: March 1, 2022

If you have questions regarding this notice, please contact Shawn Casey at (602) 716-6290.

**STATE OF ARIZONA**

*Department of Revenue  
Local Jurisdictions District  
Fax (602) 542-4425*



*Douglas A. Ducey  
Governor*

*Carlton Woodruff  
Director*

Monday, August 31, 2020

65-641  
SOUTHWEST GAS CORPORATION (CWIP)  
BYRON C. WILLIAMS  
PO BOX 98510 LVC-400  
LAS VEGAS, NV 89193 8510

**NOTICE OF DECISION**

TAX YEAR 2021

The FINAL FULL CASH VALUE of your operating property located in Arizona is:

**\$34,623,000**

If the property owner is not satisfied with the FULL CASH VALUE stated above, an appeal may be filed with the State Board of Equalization (602) 364-1600 by filing a petition that is postmarked on or before October 1, 2020.

The valuation date for the above value is January 1, 2020.

The value will not be used for property tax purposes until 2021.

Taxes will be due as follows:

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Second half due: March 1, 2022

If you have questions regarding this notice, please contact Shawn Casey at (602) 716-6290.

**STATE OF ARIZONA**

**Department of Revenue  
Local Jurisdictions District  
Fax (602) 542-4425**



*Douglas A. Ducey*  
**Governor**

*Carlton Woodruff*  
**Director**

Monday, August 31, 2020

64-641  
SOUTHWEST GAS CORPORATION (EPF)  
BYRON C. WILLIAMS  
PO BOX 98510 LVC-400  
LAS VEGAS, NV 89193 8510

**NOTICE OF DECISION**

TAX YEAR 2021

The FINAL FULL CASH VALUE of your operating property located in Arizona is:

**\$112,000**

If the property owner is not satisfied with the FULL CASH VALUE stated above, an appeal may be filed with the State Board of Equalization (602) 364-1600 by filing a petition that is postmarked on or before October 1, 2020.

The valuation date for the above value is January 1, 2020.

The value will not be used for property tax purposes until 2021.

Taxes will be due as follows:

First half due: October 1, 2021

Second half due: March 1, 2022

If you have questions regarding this notice, please contact Shawn Casey at (602) 716-6290.

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BOARD OF SUPERVISORS

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**Mooney, Wright, Moore & Wilhoit, PLLC**

1201 South Alma School Road

Suite 16000

Mesa, AZ 85210

Kim Lemons, Clerk

Cochise County Board of Supervisors

1415 Melody Lane, Bldg. G

Bisbee, AZ 85603

*Handwritten initials and a heart symbol in red ink.*

