

NEWS OF THE INDUSTRY

Course Tax Relief Disallowed in Court

A gathering storm over a little-known Florida state statute that entitled golf courses a tax reduction if they sign a 10-year covenant agreeing to keep their property as a recreational center for that period of time, was predicted as Lee County officials reneged on a tax break granted earlier to the Palmetto-Pine Country Club in Cape Coral.

County commissioners had voted four-to-one to allow a reduction from \$95,000 to \$18,360 on the assessed valuation of the Palmetto-Pine 136 acres, a part of an 176-acre tract on which the course is located, in December. After a complaint from property appraiser Harry Schooley, commission chairman L. H. Whan led a move that resulted in reversal of the action. Doug Smiley reported on the case for GOLFDOM.

"I talked to Schooley and he told me we would be opening up a can of worms," Whan said after the meeting. He said Schooley convinced him if they let the tax action stand for Palmetto-Pine it would open a floodgate of requests from the 16 other clubs in the county.

Joseph C. Adderly, attorney for the club, plans to take court action against county authorities. "I am preparing a writ that I will file in circuit court demanding that the county commissioners record the 15-year covenant they originally accepted from the Palmetto-Pine Country Club and declare their rescinding action null and void," he said. He pointed out the statute (193.501) calls for a 10-year covenant but said Palmetto-Pine officials decided to show their good faith by adding an additional five years. Under the law any club that accepts tax relief under its provisions and then decides to dispose of the property or improve it with

anything other than recreational facilities must return to the government all benefits derived plus a six percent penalty.

"As far as I have been able to learn our case is the first filed under this law," Adderly said, "but I have had numerous calls from other clubs who plan to investigate the situation." Al Johns, chairman of the board of Punta Gorda Isles Corp. that owns Burnt Store Country Club in Punta Gorda and the Sugar Mills Wood Country Club near Homosassa Springs and chairman of the board of a wholly owned subsidiary that operates the Sun City Center Golf Club and the Kings Inn Golf and Racquet Club near Tampa, said he had instructed his tax lawyers to look into the question.

James Petrides of the Cavanaugh Corp., Miami, developers of Rotonda West and operators of the Sunday Country Club, also have their tax lawyers checking the possibilities. William Fritts of the Florida State Golf Association said executive director Bill Carey plans to advise member clubs of the Lee County action. The Palmetto-Pine club is located within the city limits of Cape Coral and Mayor Don Graf and his city council were up in arms immediately after the first commissioner action. They accused the county body of ignoring them in granting the tax relief. But after considering the matter at a special council meeting, the council voted to go along with the idea of granting the club a tax adjustment.

Councilman Lyman Moore, after learning of the commissioner's turnabout, said the tax relief should have been allowed because the club is an asset to the city. Adderly said the club owns 176 acres which they purchased in 1970 for \$135,000. This

was considered the true market value at the time. Three years later the county tax assessor raised the valuation from \$135,000 to \$352,000 on the land alone.

"In filing the 15-year covenant club officials decided to ask for relief only on that part of the land that has no improvements since they are not included in the law," Adderly said, "because every effort on the part of club officials to get some tax relief had failed."



Marlatt

Marlatt Joins NGF Staff; Former Managers President

Gerald V. "Jerry" Marlatt, past president of the Club Managers Association of America and founder of the International Association of Club Executives, has joined the staff of the National Golf Foundation.

Don Rossi, NGF executive director told GOLFDOM that Marlatt becoming a part of the NGF staff enabled the Foundation to "add a new dimension to its member services by now including the area of club management." Marlatt will be headquartered at the Foundation's Merchandise Mart offices in Chicago and will travel extensively as this service is requested by the Foundation's membership. Service in this area will be available to new clubs in the formative stages, clubs in the act of conversion in management problems, established clubs experiencing specialized problem areas related to all phases of