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## Supreme Court hears hospital taxation case

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By CHRIS DICKERSON

CHARLESTON — The state Supreme Court will decide on United Hospital Center's appeal of a property tax ruling for its Bridgeport site.

The property was assessed during 2010 for the 2011 tax year, and it was done before UHC moved from Clarksburg to the newly constructed site in Bridgeport in October 2010.

If the Court agrees with the ruling by Harrison Circuit Judge John Lewis Marks Jr., UHC would owe more than \$1 million in property taxes and close to \$2 million with interest. Marks denied UHC's appeal of the Harrison County assessor's finding in January 2013.

Marks' ruling stated that property owned by a charity that isn't used "primarily and immediately" for its charity purpose isn't exempt from taxes.

Attorney Mike Garrison of Spilman Thomas & Battle represents UHC.

"The taxability issue is one of extreme importance to UHC and any health-care organization looking to build a new facility," he said after the arguments.

"We were pleased with the opportunity to present the arguments to the court, and I was gratified that the justices were engaged in the discussion.

"It was clear they had reviewed both submissions. There were provoking questions asked on a difficult issue."

He said the ruling could determine whether health care providers can update their facilities.

"We're hopeful and we feel good, but we await the decision of the court," Garrison said.

During Tuesday's arguments, Justice Brent Benjamin said several times that while patient care was being done at the old Clarksburg facility, all computer technology staff already were working at the Bridgeport site. He argued that this could mean the Bridgeport site already was an active, charitable hospital.

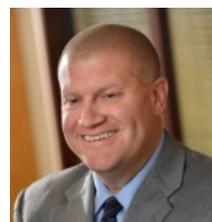
Justice Menis Ketchum, meanwhile, said a state regulation is clear that the Bridgeport site was taxable in 2010 before it went into operation as a charitable hospital. But he also noted that another statute likely would take precedence over the regulation.

Harrison County Prosecutor Jamie Armstrong argued that medical care wasn't actually being provided at the new hospital, it wasn't fulfilling its charitable purpose and should not be subject to tax-exempt status. Armstrong said the assessor's office had received tax dollars for the property up until the 2011 tax year.

This entry was posted in Harrison County, News, State Supreme Court and tagged Brent Benjamin, Jamie Armstrong, John Lewis Marks Jr., Menis Ketchum, Mike Garrison, Spilman Thomas & Battle, UHC, United Hospital Center, West Virginia Supreme Court of Appeals. Bookmark the permalink.

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Garrison