

**SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY
NRS 233B.0608 and NRS 233B.0609**

LCB File No. R037-24

1. Background

LCB File No. R037-24, updates information concerning a publication adopted by reference; updates references to registered agents to whom certain notices must be sent; revises requirements for attorneys who represent parties before the State Board of Equalization; authorizes certain notices and documents to be filed with the State Board by electronic mail; repeals provisions concerning the format and service of certain documents; and provides other matters properly relating thereto.

Existing law authorizes the State Board of Equalization to adopt regulations governing the conduct of its business. (NRS 361.375) Under existing law, the State Board is required, during each of its annual sessions, to review the tax rolls of the various counties to equalize property valuations in the State and hear and determine appeals of actions taken by county boards of equalization. (NRS 361.395)

Under existing regulations, a ratio study is one factor that the State Board considers in determining whether property in this State has been assessed uniformly in accordance with the methods of appraisal and at the level of assessment required by law. (NAC 361.660) Such a ratio study is a comparison of the assessed valuation established by a county assessor for a sampling of property to: (1) an estimate of the taxable value of the property by the Department of Taxation or an independent appraiser; or (2) the sales price of the property. (NAC 361.654) Under existing regulations, a ratio study requested by the State Board must be conducted in accordance with the *Standard on Ratio Studies*, July 2007 edition, published by the International Association of Assessing Officers. (NAC 361.658, 361.662) Existing regulations provide that if this publication is revised and, after reviewing the revision, the State Board does not give notice that the revision is not suitable for this State within a certain period, the revision to the publication is adopted for use in this State. (NAC 361.658) **Section 1** of this regulation updates references to the current edition of the *Standard on Ratio Studies* and the manner in which a copy of that publication may be obtained.

Existing law requires business entities doing business in this State to designate in certain filings with the Secretary of State a registered agent located in this State, upon whom legal process and notices may be served. (NRS 14.020, 77.310) Senate Bill No. 242 of the 2007 Legislative Session changed the title of such agents from “resident agent” to “registered agent.” (Chapter 480, Statutes of Nevada 2007, at pages 2629-2728) **Section 2** of this regulation updates references to such agents in an existing regulation. (NAC 361.666)

Existing law provides that all sessions of the State Board are public and any person is entitled to appear in person or by his or her agent or attorney. (NRS 361.385) Existing

regulations require an attorney who represents a party before the State Board to be admitted to practice and in good standing before the highest court of any state of the United States. (NAC 361.698) **Section 3** of this regulation eliminates this requirement and requires instead that such an attorney be an attorney: (1) in good standing who is licensed and admitted to practice law in this State; or (2) who is otherwise authorized to practice law in this State pursuant to the rules of the Nevada Supreme Court.

Existing regulations require that certain notices and documents be filed with the State Board. (NAC 361.7018, 361.723) **Sections 4 and 5** of this regulation provide that such notices and documents may be filed by electronic mail.

Existing regulations: (1) set forth the format for documents that are filed with the State Board; and (2) require a person who files an action for redress from a finding of the State Board to serve certain documents on the Department. (NAC 361.721, 361.748) **Section 6** of this regulation repeals these provisions.

2. A description of the manner in which comment was solicited from affected small businesses, a summary of their responses, and an explanation of the manner in which other interested persons may obtain a copy of the summary.

The Department of Taxation prepared and disseminated a questionnaire seeking information from small businesses regarding the possible impact of LCB File No R037-24. The proposed language and questionnaire were dispersed to the following:

- Emailed by the Department to 217 members of its interested parties list.
- Mailed to 10 Rural Businesses
- Emailed by the Nevada Taxpayers Association to its list of interested taxpayers.

The content responses are summarized below:

- No response was received for LCB Draft of Proposed Regulation – File No. R037-24.

Anyone interested in obtaining a copy of the completed small business impact questionnaire used for this summary, can contact:

Sarah Glazner
Nevada Department of Taxation
3850 Arrowhead Drive, 2nd Floor
Carson City, NV 89706
sglazner@tax.state.nv.us
Phone: (775) 684-2059
Fax: (775) 684-2020

3. The manner in which the analysis was conducted, including the methods used to determine the impacts of the proposed regulation on small businesses.

In response to the Governor's Executive Order No. 2023-003 the Department developed a comprehensive spreadsheet listing the regulations within each chapter under the Board's jurisdiction. This spreadsheet was shared with Department staff and public stakeholders to solicit recommendations for amendments or repeals under the Executive Order in 2023. The Department and Board held workshops and hearings in response to the Executive Order and no small businesses provided public feedback.

Given the lack of response from any small businesses to the workshops and hearings, the Department analyzed the proposed language and used informed, reasonable judgment in determining that there will not be an impact on small businesses due to the nature of the regulatory changes.

4. The estimated economic effect of the proposed regulation on small businesses which it is to regulate:

Adverse and Beneficial Effects

The Department finds that there is no reasonable, foreseeable or anticipated direct or indirect adverse or beneficial economic effect on small businesses.

Direct and Indirect Effects

The Department finds that there is no reasonable, foreseeable or anticipated direct or indirect economic effect on small businesses.

5. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

The Department held a workshop and the Board held a hearing in 2023 in response to the Governor's Executive Order ascertain whether any small businesses would be impacted by the proposed amendments in this Regulation. Based upon the lack of any response from small businesses, the Department determined there was no impact on small businesses.

6. The estimated cost to the agency for enforcement of the proposed regulation.

The proposed regulation presents no significant foreseeable or anticipated cost or decrease in costs for enforcement.

7. **If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

The proposed permanent regulation does not include new fees or increase an existing fee.

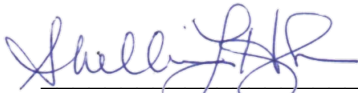
8. **If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.**

The proposed regulation does not overlap or duplicate any regulation of other federal, state or local government entities.

9. **The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.**

The Department has determined that there will be no adverse impacts to small businesses based on its analysis of the proposed regulations and lack of feedback from small businesses.

I hereby certify, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was properly prepared, and the information contained herein is accurate.



Shellie Hughes, Executive Director

November 27, 2024