

---

---

SENATE BILL NO. 400—SENATOR SEGERBLOM

MARCH 18, 2013

---

Referred to Committee on Revenue and  
Economic Development

**SUMMARY**—Revises provisions governing the taxation of mines and mining claims and provides for the taxation of certain items relating to mines, mining claims, mineral deposits and extracted minerals. (BDR 32-620)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

---

---

AN ACT relating to taxes; contingently revising provisions governing the taxation of mines and mining claims; revising the definition of “personal property” for purposes of taxation to exclude certain ores, quartzes and minerals; providing that the taxable value of property must include the value of any mineral deposit in its natural state attached to the property; providing that a mineral deposit attached to real property is not intangible property; revising provisions relating to the taxation under certain circumstances of certain property otherwise exempted from taxation; removing the existing exemption of unpatented mines and mining claims from property taxes; deleting certain provisions governing the assessment of patented mines and mining claims; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 Section 5 of Article 10 of the Nevada Constitution provides for a tax upon the
- 2 net proceeds of mines which is separate from the tax imposed on all other property.
- 3 Senate Joint Resolution No. 15, proposed by the 76th Session of the Legislature in
- 4 2011 and agreed to and passed by the 77th Session of the Legislature in 2013,
- 5 proposes to repeal the constitutional provision establishing a separate tax on the net
- 6 proceeds of mines. This bill revises certain provisions governing the taxes imposed



\* S B 4 0 0 \*

7 on mines and mining claims contingent upon approval and ratification of the  
8 provisions of Senate Joint Resolution No. 15 by the voters at the general election on  
9 November 4, 2014.

10 Existing law governing property taxes excepts from the definition of “personal  
11 property” any gold-bearing and silver-bearing ores, quartz or minerals from which  
12 gold or silver is extracted. (NRS 361.030) **Section 3** of this bill removes this  
13 exception. **Section 4** of this bill provides that in determining the taxable value of  
14 property, the value of any mineral deposit in its natural state attached to the  
15 property must be included in the computation of the taxable value of the property.  
16 **Section 5** of this bill provides that for the purpose of computing the taxable value  
17 of certain otherwise exempt property used in a business conducted for profit, the  
18 period of use of such property includes all times during which a person owns a  
19 mining claim and has the exclusive right to the beneficial use of the property to  
20 explore for and produce or remove minerals from the property and the right to  
21 exclude others from the same beneficial use of the property. **Section 6** of this bill  
22 provides that any mineral deposit in its natural state attached to the real property is  
23 not intangible personal property exempted from taxation.

24 **Section 23** of this bill: (1) removes the existing exemption of unpatented mines  
25 and mining claims from property taxes; and (2) deletes certain provisions governing  
26 the assessment of patented mines and mining claims. **Sections 10-22** of this bill  
27 revise provisions relating to assessed valuation consistent with the contingent  
28 repeal of Section 5 of Article 10 of the Nevada Constitution.

---

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 360.690 is hereby amended to read as follows:  
2 360.690 1. Except as otherwise provided in NRS 360.730,  
3 the Executive Director shall estimate monthly the amount each local  
4 government, special district and enterprise district will receive from  
5 the Account pursuant to the provisions of this section.

6 2. The Executive Director shall establish a base monthly  
7 allocation for each local government, special district and enterprise  
8 district by dividing the amount determined pursuant to NRS 360.680  
9 for each local government, special district and enterprise district by  
10 12, and the State Treasurer shall, except as otherwise provided in  
11 subsections 3 to 8, inclusive, remit monthly that amount to each  
12 local government, special district and enterprise district.

13 3. If, after making the allocation to each enterprise district for  
14 the month, the Executive Director determines there is not sufficient  
15 money available in the county’s subaccount in the Account to  
16 allocate to each local government and special district the base  
17 monthly allocation determined pursuant to subsection 2, he or she  
18 shall prorate the money in the county’s subaccount and allocate to  
19 each local government and special district an amount equal to its  
20 proportionate percentage of the total amount of the base monthly  
21 allocations determined pursuant to subsection 2 for all local  
22 governments and special districts within the county. The State



1 Treasurer shall remit that amount to the local government or special  
2 district.

3 4. Except as otherwise provided in subsections 5 to 8,  
4 inclusive, if the Executive Director determines that there is money  
5 remaining in the county's subaccount in the Account after the base  
6 monthly allocation determined pursuant to subsection 2 has been  
7 allocated to each local government, special district and enterprise  
8 district, he or she shall immediately determine and allocate each:

9 (a) Local government's share of the remaining money by:

10 (1) Multiplying one-twelfth of the amount allocated pursuant  
11 to NRS 360.680 by the sum of the:

12 (I) Average percentage of change in the population of the  
13 local government over the 5 fiscal years immediately preceding the  
14 year in which the allocation is made, as certified by the Governor  
15 pursuant to NRS 360.285, except as otherwise provided in  
16 subsection 9; and

17 (II) Average percentage of change in the assessed  
18 valuation of the taxable property in the local government, including  
19 assessed valuation attributable to a redevelopment agency, ~~but~~  
20 ~~excluding the portion attributable to the net proceeds of minerals,~~  
21 over the year in which the allocation is made, as projected by the  
22 Department, and the 4 fiscal years immediately preceding the year  
23 in which the allocation is made; and

24 (2) Using the figure calculated pursuant to subparagraph (1)  
25 to calculate and allocate to each local government an amount equal  
26 to the proportion that the figure calculated pursuant to subparagraph  
27 (1) bears to the total amount of the figures calculated pursuant to  
28 subparagraph (1) of this paragraph and subparagraph (1) of  
29 paragraph (b), respectively, for the local governments and special  
30 districts located in the same county multiplied by the total amount  
31 available in the subaccount; and

32 (b) Special district's share of the remaining money by:

33 (1) Multiplying one-twelfth of the amount allocated pursuant  
34 to NRS 360.680 by the average change in the assessed valuation of  
35 the taxable property in the special district, including assessed  
36 valuation attributable to a redevelopment agency, ~~but excluding~~  
37 ~~the portion attributable to the net proceeds of minerals,~~ over the  
38 year in which the allocation is made, as projected by the  
39 Department, and the 4 fiscal years immediately preceding the year  
40 in which the allocation is made; and

41 (2) Using the figure calculated pursuant to subparagraph (1)  
42 to calculate and allocate to each special district an amount equal to  
43 the proportion that the figure calculated pursuant to subparagraph  
44 (1) bears to the total amount of the figures calculated pursuant to  
45 subparagraph (1) of this paragraph and subparagraph (1) of



1 paragraph (a), respectively, for the local governments and special  
2 districts located in the same county multiplied by the total amount  
3 available in the subaccount.

4 ➔ The State Treasurer shall remit the amount allocated to each local  
5 government or special district pursuant to this subsection.

6 5. Except as otherwise provided in subsection 6 or 7, if the  
7 Executive Director determines that there is money remaining in the  
8 county's subaccount in the Account after the base monthly  
9 allocation determined pursuant to subsection 2 has been allocated to  
10 each local government, special district and enterprise district and  
11 that ~~the average amount over the 5 fiscal years immediately~~  
12 ~~preceding the year in which the allocation is made of the assessed~~  
13 ~~valuation of taxable property which is attributable to the net~~  
14 ~~proceeds of minerals in the county is equal to at least \$50,000,000~~  
15 ~~or that the average percentage of change in population of the county~~  
16 ~~over the 5 fiscal years immediately preceding the year in which the~~  
17 ~~allocation is made, as certified by the Governor pursuant to NRS~~  
18 ~~360.285, except as otherwise provided in subsection 9, is a negative~~  
19 ~~figure or that the average amount over the 5 fiscal years~~  
20 ~~immediately preceding the year in which the allocation is made of~~  
21 ~~the assessed valuation of taxable property which is attributable to~~  
22 ~~the net proceeds of minerals in the county is equal to at least~~  
23 ~~\$50,000,000 and~~ the average percentage of change in population of  
24 the county over the 5 fiscal years immediately preceding the year in  
25 which the allocation is made, as certified by the Governor pursuant  
26 to NRS 360.285, except as otherwise provided in subsection 9, is a  
27 negative figure, the Executive Director shall immediately determine  
28 and allocate each:

29 (a) Local government's share of the remaining money by:

30 (1) Multiplying one-twelfth of the amount allocated pursuant  
31 to NRS 360.680 by 1 plus the sum of the:

32 (I) Average percentage of change in the population of the  
33 local government over the 5 fiscal years immediately preceding the  
34 year in which the allocation is made, as certified by the Governor  
35 pursuant to NRS 360.285, except as otherwise provided in  
36 subsection 9; and

37 (II) Average percentage of change in the assessed  
38 valuation of the taxable property in the local government, including  
39 assessed valuation attributable to a redevelopment agency, ~~but~~  
40 ~~excluding the portion attributable to the net proceeds of minerals,~~  
41 over the year in which the allocation is made, as projected by the  
42 Department, and the 4 fiscal years immediately preceding the year  
43 in which the allocation is made; and

44 (2) Using the figure calculated pursuant to subparagraph (1)  
45 to calculate and allocate to each local government an amount equal



1 to the proportion that the figure calculated pursuant to subparagraph  
2 (1) bears to the total amount of the figures calculated pursuant to  
3 subparagraph (1) of this paragraph and subparagraph (1) of  
4 paragraph (b), respectively, for the local governments and special  
5 districts located in the same county multiplied by the total amount  
6 available in the subaccount; and

7 (b) Special district's share of the remaining money by:

8 (1) Multiplying one-twelfth of the amount allocated pursuant  
9 to NRS 360.680 by 1 plus the average change in the assessed  
10 valuation of the taxable property in the special district, including  
11 assessed valuation attributable to a redevelopment agency, ~~but~~  
12 ~~excluding the portion attributable to the net proceeds of minerals,~~  
13 over the year in which the allocation is made, as projected by the  
14 Department, and the 4 fiscal years immediately preceding the year  
15 in which the allocation is made; and

16 (2) Using the figure calculated pursuant to subparagraph (1)  
17 to calculate and allocate to each special district an amount equal to  
18 the proportion that the figure calculated pursuant to subparagraph  
19 (1) bears to the total amount of the figures calculated pursuant to  
20 subparagraph (1) of this paragraph and subparagraph (1) of  
21 paragraph (a), respectively, for the local governments and special  
22 districts located in the same county multiplied by the total amount  
23 available in the subaccount.

24 ➤ The State Treasurer shall remit the amount allocated to each local  
25 government or special district pursuant to this subsection.

26 6. Except as otherwise provided in subsection 8, if the  
27 Executive Director determines that there is money remaining in the  
28 county's subaccount in the Account after the base monthly  
29 allocation determined pursuant to subsection 2 has been allocated to  
30 each local government, special district and enterprise district, that  
31 the sum of the average percentage of change in population and the  
32 average percentage of change in the assessed valuation of taxable  
33 property, as calculated pursuant to subparagraph (1) of paragraph (a)  
34 of subsection 4 for each of those local governments, is a negative  
35 figure, and that the average change in the assessed valuation of the  
36 taxable property in each of those special districts, as calculated  
37 pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a  
38 negative figure, he or she shall immediately determine and allocate  
39 each:

40 (a) Local government's share of the remaining money by:

41 (1) Multiplying one-twelfth of the amount allocated pursuant  
42 to NRS 360.680 by 1 plus the sum of the:

43 (I) Average percentage of change in the population of the  
44 local government over the 5 fiscal years immediately preceding the  
45 year in which the allocation is made, as certified by the Governor



1 pursuant to NRS 360.285, except as otherwise provided in  
2 subsection 9; and

3 (II) Average percentage of change in the assessed  
4 valuation of the taxable property in the local government, including  
5 assessed valuation attributable to a redevelopment agency , ~~but~~  
6 ~~excluding the portion attributable to the net proceeds of minerals,~~  
7 over the year in which the allocation is made, as projected by the  
8 Department, and the 4 fiscal years immediately preceding the year  
9 in which the allocation is made; and

10 (2) Using the figure calculated pursuant to subparagraph (1)  
11 to calculate and allocate to each local government an amount equal  
12 to the proportion that the figure calculated pursuant to subparagraph  
13 (1) bears to the total amount of the figures calculated pursuant to  
14 subparagraph (1) of this paragraph and subparagraph (1) of  
15 paragraph (b), respectively, for the local governments and special  
16 districts located in the same county multiplied by the total amount  
17 available in the subaccount; and

18 (b) Special district's share of the remaining money by:

19 (1) Multiplying one-twelfth of the amount allocated pursuant  
20 to NRS 360.680 by 1 plus the average change in the assessed  
21 valuation of the taxable property in the special district, including  
22 assessed valuation attributable to a redevelopment agency , ~~but~~  
23 ~~excluding the portion attributable to the net proceeds of minerals,~~  
24 over the year in which the allocation is made, as projected by the  
25 Department, and the 4 fiscal years immediately preceding the year  
26 in which the allocation is made; and

27 (2) Using the figure calculated pursuant to subparagraph (1)  
28 to calculate and allocate to each special district an amount equal to  
29 the proportion that the figure calculated pursuant to subparagraph  
30 (1) bears to the total amount of the figures calculated pursuant to  
31 subparagraph (1) of this paragraph and subparagraph (1) of  
32 paragraph (a), respectively, for the local governments and special  
33 districts located in the same county multiplied by the total amount  
34 available in the subaccount.

35 ➤ The State Treasurer shall remit the amount allocated to each local  
36 government or special district pursuant to this subsection.

37 7. Except as otherwise provided in subsection 8, if the  
38 Executive Director determines that there is money remaining in the  
39 county's subaccount in the Account after the base monthly  
40 allocation determined pursuant to subsection 2 has been allocated to  
41 each local government, special district and enterprise district, that  
42 the sum of the average percentage of change in population and the  
43 average percentage of change in the assessed valuation of taxable  
44 property, as calculated pursuant to subparagraph (1) of paragraph (a)  
45 of subsection 4 for each of those local governments, is a negative



1 figure, and that the average change in the assessed valuation of the  
2 taxable property in any of those special districts, as calculated  
3 pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a  
4 positive figure, he or she shall immediately determine and allocate  
5 each:

6 (a) Local government's share of the remaining money by:

7 (1) Multiplying one-twelfth of the amount allocated pursuant  
8 to NRS 360.680 by 1 plus the sum of the:

9 (I) Average percentage of change in the population of the  
10 local government over the 5 fiscal years immediately preceding the  
11 year in which the allocation is made, as certified by the Governor  
12 pursuant to NRS 360.285, except as otherwise provided in  
13 subsection 9; and

14 (II) Average percentage of change in the assessed  
15 valuation of the taxable property in the local government, including  
16 assessed valuation attributable to a redevelopment agency, ~~but~~  
17 ~~excluding the portion attributable to the net proceeds of minerals,~~  
18 over the year in which the allocation is made, as projected by the  
19 Department, and the 4 fiscal years immediately preceding the year  
20 in which the allocation is made; and

21 (2) Using the figure calculated pursuant to subparagraph (1)  
22 to calculate and allocate to each local government an amount equal  
23 to the proportion that the figure calculated pursuant to subparagraph  
24 (1) bears to the total amount of the figures calculated pursuant to  
25 subparagraph (1) of this paragraph and subparagraph (1) of  
26 paragraph (b), respectively, for the local governments and special  
27 districts located in the same county multiplied by the total amount  
28 available in the subaccount; and

29 (b) Special district's share of the remaining money by:

30 (1) Multiplying one-twelfth of the amount allocated pursuant  
31 to NRS 360.680 by 1 plus the sum of the:

32 (I) Average percentage of change in the population of the  
33 county over the 5 fiscal years immediately preceding the year in  
34 which the allocation is made, as certified by the Governor pursuant  
35 to NRS 360.285, except as otherwise provided in subsection 9; and

36 (II) Average change in the assessed valuation of the  
37 taxable property in the special district, including assessed valuation  
38 attributable to a redevelopment agency, ~~but excluding the portion~~  
39 ~~attributable to the net proceeds of minerals,~~ over the year in which  
40 the allocation is made, as projected by the Department, and the 4  
41 fiscal years immediately preceding the year in which the allocation  
42 is made; and

43 (2) Using the figure calculated pursuant to subparagraph (1)  
44 to calculate and allocate to each special district an amount equal to  
45 the proportion that the figure calculated pursuant to subparagraph



1 (1) bears to the total amount of the figures calculated pursuant to  
2 subparagraph (1) of this paragraph and subparagraph (1) of  
3 paragraph (a), respectively, for the local governments and special  
4 districts located in the same county multiplied by the total amount  
5 available in the subaccount.

6 ➤ The State Treasurer shall remit the amount allocated to each local  
7 government or special district pursuant to this subsection.

8 8. The Executive Director shall not allocate any amount to a  
9 local government or special district pursuant to subsection 4, 5, 6 or  
10 7 unless the amount distributed and allocated to each of the local  
11 governments and special districts in the county in each preceding  
12 month of the fiscal year in which the allocation is to be made was at  
13 least equal to the base monthly allocation determined pursuant to  
14 subsection 2. If the amounts distributed to the local governments  
15 and special districts in the county for the preceding months of the  
16 fiscal year in which the allocation is to be made were less than the  
17 base monthly allocation determined pursuant to subsection 2 and  
18 the Executive Director determines there is money remaining in the  
19 county's subaccount in the Account after the distribution for the  
20 month has been made, he or she shall:

21 (a) Determine the amount by which the base monthly allocations  
22 determined pursuant to subsection 2 for each local government and  
23 special district in the county for the preceding months of the fiscal  
24 year in which the allocation is to be made exceeds the amounts  
25 actually received by the local governments and special districts in  
26 the county for the same period; and

27 (b) Compare the amount determined pursuant to paragraph (a) to  
28 the amount of money remaining in the county's subaccount in the  
29 Account to determine which amount is greater.

30 ➤ If the Executive Director determines that the amount determined  
31 pursuant to paragraph (a) is greater, he or she shall allocate the  
32 money remaining in the county's subaccount in the Account  
33 pursuant to the provisions of subsection 3. If the Executive Director  
34 determines that the amount of money remaining in the county's  
35 subaccount in the Account is greater, he or she shall first allocate the  
36 money necessary for each local government and special district to  
37 receive the base monthly allocation determined pursuant to  
38 subsection 2 and the State Treasurer shall remit that money so  
39 allocated. The Executive Director shall allocate any additional  
40 money in the county's subaccount in the Account pursuant to the  
41 provisions of subsection 4, 5, 6 or 7, as appropriate.

42 9. The percentage changes in population calculated pursuant to  
43 subsections 4 to 7, inclusive, must:

44 (a) Except as otherwise provided in paragraph (c), if the Bureau  
45 of the Census of the United States Department of Commerce issues





1 population totals that conflict with the totals certified by the  
2 Governor pursuant to NRS 360.285, be an estimate of the change in  
3 population for the calendar year, based upon the population totals  
4 issued by the Bureau of the Census.

5 (b) If a new method of determining population is established  
6 pursuant to NRS 360.283, be adjusted in a manner that will result in  
7 the percentage change being based on population determined  
8 pursuant to the new method for both the fiscal year in which the  
9 allocation is made and the fiscal year immediately preceding the  
10 year in which the allocation is made.

11 (c) If a local government files a formal appeal with the Bureau  
12 of the Census concerning the population total of the local  
13 government issued by the Bureau of the Census, be calculated using  
14 the population total certified by the Governor pursuant to NRS  
15 360.285 until the appeal is resolved. If additional money is allocated  
16 to the local government because the population total certified by the  
17 Governor is greater than the population total issued by the Bureau of  
18 the Census, the State Treasurer shall deposit that additional money  
19 in a separate interest-bearing account. Upon resolution of the appeal,  
20 if the population total finally determined pursuant to the appeal is:

21 (1) Equal to or less than the population total initially issued  
22 by the Bureau of the Census, the State Treasurer shall transfer the  
23 total amount in the separate interest-bearing account, including  
24 interest but excluding any administrative fees, to the Local  
25 Government Tax Distribution Account for allocation among the  
26 local governments in the county pursuant to subsection 4, 5, 6 or 7,  
27 as appropriate.

28 (2) Greater than the population total initially issued by the  
29 Bureau of the Census, the Executive Director shall calculate the  
30 amount that would have been allocated to the local government  
31 pursuant to subsection 4, 5, 6 or 7, as appropriate, if the population  
32 total finally determined pursuant to the appeal had been used and the  
33 State Treasurer shall remit to the local government an amount equal  
34 to the difference between the amount actually distributed and the  
35 amount calculated pursuant to this subparagraph or the total amount  
36 in the separate interest-bearing account, including interest but  
37 excluding any administrative fees, whichever is less.

38 10. On or before February 15 of each year, the Executive  
39 Director shall provide to each local government, special district and  
40 enterprise district a preliminary estimate of the revenue it will  
41 receive from the Account for that fiscal year.

42 11. On or before March 15 of each year, the Executive Director  
43 shall:

44 (a) Make an estimate of the receipts from each tax included in  
45 the Account on an accrual basis for the next fiscal year in



1 accordance with generally accepted accounting principles, including  
2 an estimate for each county of the receipts from each tax included in  
3 the Account; and

4 (b) Provide to each local government, special district and  
5 enterprise district an estimate of the amount that local government,  
6 special district or enterprise district would receive based upon the  
7 estimate made pursuant to paragraph (a) and calculated pursuant to  
8 the provisions of this section.

9 12. A local government, special district or enterprise district  
10 may use the estimate provided by the Executive Director pursuant to  
11 subsection 11 in the preparation of its budget.

12 **Sec. 2.** NRS 360.695 is hereby amended to read as follows:

13 360.695 1. If the population and assessed valuation of the  
14 taxable property ~~[, except any assessed valuation attributable to the~~  
15 ~~net proceeds of minerals,]~~ within a local government or special  
16 district has decreased in each of the 3 fiscal years immediately  
17 preceding the current fiscal year, the Executive Director shall  
18 review the amount allocated to the local government or special  
19 district from the Account pursuant to NRS 360.680, to determine  
20 whether to adjust the allocation. The local government or special  
21 district may submit information to assist the Executive Director in  
22 making a determination. If the Executive Director determines that  
23 an adjustment to the allocation of the local government or special  
24 district is necessary, the Executive Director shall submit his or her  
25 findings on the matter to the Committee on Local Government  
26 Finance.

27 2. The Committee on Local Government Finance shall review  
28 the findings submitted by the Executive Director pursuant to  
29 subsection 1. If the Committee determines that an adjustment to the  
30 amount allocated to the local government or special district pursuant  
31 to NRS 360.680 is appropriate, the Committee shall submit a  
32 recommendation to the Nevada Tax Commission that sets forth the  
33 amount of the recommended adjustment. If the Committee  
34 determines that the adjustment is not appropriate, that decision is not  
35 subject to review by the Nevada Tax Commission.

36 3. The Nevada Tax Commission shall schedule a public  
37 hearing within 30 days after the Committee on Local Government  
38 Finance submits its recommendation. The Nevada Tax Commission  
39 shall provide public notice of the hearing at least 10 days before the  
40 date on which the hearing will be held. The Executive Director shall  
41 provide copies of all documents relevant to the adjustment  
42 recommended by the Committee on Local Government Finance to  
43 the governing body of each local government and special district  
44 that is located in the same county as the local government or special  
45 district that is subject to the recommended adjustment.



1 4. If, after the public hearing, the Nevada Tax Commission  
2 determines that the recommended adjustment is appropriate, it shall  
3 order the Executive Director to adjust the amount allocated to the  
4 local government or special district pursuant to NRS 360.680.

5 **Sec. 3.** NRS 361.030 is hereby amended to read as follows:

6 361.030 ~~[(a)]~~ “Personal property” means:

7 ~~[(a)]~~ 1. All household and kitchen furniture.

8 ~~[(b)]~~ 2. All law, medical and miscellaneous libraries.

9 ~~[(c)]~~ 3. All goods, wares and merchandise.

10 ~~[(d)]~~ 4. All chattels of every kind and description, except  
11 vehicles as defined in NRS 371.020.

12 ~~[(e)]~~ 5. Stocks of goods on hand.

13 ~~[(f)]~~ 6. Any vehicle not included in the definition of vehicle in  
14 NRS 371.020.

15 ~~[(g)]~~ 7. All locomotives, cars, rolling stock and other personal  
16 property used in operating any railroad within the State.

17 ~~[(h)]~~ 8. All machines and machinery, all works and  
18 improvements, all steamers, vessels and watercraft of every kind  
19 and name navigating or used upon the waters of any river or lake  
20 within this State or having a general depot or terminus within this  
21 State.

22 ~~[(i)]~~ 9. The money, property and effects of every kind, except  
23 real estate, of all banks, banking institutions or firms, bankers,  
24 moneylenders and brokers.

25 ~~[(j)]~~ 10. All property of whatever kind or nature, except vehicles  
26 as defined in NRS 371.020, not included in the term “real estate” as  
27 that term is defined in NRS 361.035.

28 ~~[(k)]~~ ~~2. Gold bearing and silver bearing ores, quartz or minerals~~  
29 ~~from which gold or silver is extracted, when in the hands of the~~  
30 ~~producers thereof, shall not mean, not be taken to mean, nor be~~  
31 ~~listed and assessed under the term “personal property” as used in~~  
32 ~~this section, but are specially excepted therefrom, and shall be listed,~~  
33 ~~assessed and taxed as provided by law.}~~

34 **Sec. 4.** NRS 361.227 is hereby amended to read as follows:

35 361.227 1. Any person determining the taxable value of real  
36 property shall appraise:

37 (a) The full cash value of:

38 (1) Vacant land by considering the uses to which it may  
39 lawfully be put, any legal or physical restrictions upon those uses,  
40 the character of the terrain, and the uses of other land in the vicinity.

41 (2) Improved land consistently with the use to which the  
42 improvements are being put.

43 (b) Any improvements made on the land by subtracting from the  
44 cost of replacement of the improvements all applicable depreciation  
45 and obsolescence. Depreciation of an improvement made on real



1 property must be calculated at 1.5 percent of the cost of replacement  
2 for each year of adjusted actual age of the improvement, up to a  
3 maximum of 50 years.

4 2. The unit of appraisal must be a single parcel unless:

5 (a) The location of the improvements causes two or more  
6 parcels to function as a single parcel;

7 (b) The parcel is one of a group of contiguous parcels which  
8 qualifies for valuation as a subdivision pursuant to the regulations of  
9 the Nevada Tax Commission; or

10 (c) In the professional judgment of the person determining the  
11 taxable value, the parcel is one of a group of parcels which should  
12 be valued as a collective unit.

13 3. The taxable value of a leasehold interest, possessory interest,  
14 beneficial interest or beneficial use for the purpose of NRS 361.157  
15 or 361.159 must be determined in the same manner as the taxable  
16 value of the property would otherwise be determined if the lessee or  
17 user of the property was the owner of the property and it was not  
18 exempt from taxation, except that the taxable value so determined  
19 must be reduced by a percentage of the taxable value that is equal to  
20 the:

21 (a) Percentage of the property that is not actually leased by the  
22 lessee or used by the user during the fiscal year; and

23 (b) Percentage of time that the property is not actually leased by  
24 the lessee or used by the user during the fiscal year, which must be  
25 determined in accordance with NRS 361.2275.

26 4. The taxable value of other taxable personal property, except  
27 a mobile or manufactured home, must be determined by subtracting  
28 from the cost of replacement of the property all applicable  
29 depreciation and obsolescence. Depreciation of a billboard must be  
30 calculated at 1.5 percent of the cost of replacement for each year  
31 after the year of acquisition of the billboard, up to a maximum of 50  
32 years.

33 5. *In determining the taxable value of property, the value of*  
34 *any mineral deposit in its natural state attached to the property*  
35 *must be included in the computation of the taxable value of the*  
36 *property.*

37 6. The computed taxable value of any property must not exceed  
38 its full cash value. Each person determining the taxable value of  
39 property shall reduce it if necessary to comply with this  
40 requirement. A person determining whether taxable value exceeds  
41 that full cash value or whether obsolescence is a factor in valuation  
42 may consider:

43 (a) Comparative sales, based on prices actually paid in market  
44 transactions.



1 (b) A summation of the estimated full cash value of the land and  
2 contributory value of the improvements.

3 (c) Capitalization of the fair economic income expectancy or fair  
4 economic rent, or an analysis of the discounted cash flow.

5 ➤ A county assessor is required to make the reduction prescribed in  
6 this subsection if the owner calls to his or her attention the facts  
7 warranting it, if the county assessor discovers those facts during  
8 physical reappraisal of the property or if the county assessor is  
9 otherwise aware of those facts.

10 ~~16-1~~ 7. The Nevada Tax Commission shall, by regulation,  
11 establish:

12 (a) Standards for determining the cost of replacement of  
13 improvements of various kinds.

14 (b) Standards for determining the cost of replacement of  
15 personal property of various kinds. The standards must include a  
16 separate index of factors for application to the acquisition cost of a  
17 billboard to determine its replacement cost.

18 (c) Schedules of depreciation for personal property based on its  
19 estimated life.

20 (d) Criteria for the valuation of two or more parcels as a  
21 subdivision.

22 ~~17-1~~ 8. In determining, for the purpose of computing taxable  
23 value, the cost of replacement of:

24 (a) Any personal property, the cost of all improvements of the  
25 personal property, including any additions to or renovations of the  
26 personal property, but excluding routine maintenance and repairs,  
27 must be added to the cost of acquisition of the personal property.

28 (b) An improvement made on land, a county assessor may use  
29 any final representations of the improvement prepared by the  
30 architect or builder of the improvement, including, without  
31 limitation, any final building plans, drawings, sketches and surveys,  
32 and any specifications included in such representations, as a basis  
33 for establishing any relevant measurements of size or quantity.

34 ~~18-1~~ 9. The county assessor shall, upon the request of the  
35 owner, furnish within 15 days to the owner a copy of the most  
36 recent appraisal of the property, including, without limitation, copies  
37 of any sales data, materials presented on appeal to the county board  
38 of equalization or State Board of Equalization and other materials  
39 used to determine or defend the taxable value of the property.

40 ~~19-1~~ 10. The provisions of this section do not apply to property  
41 which is assessed pursuant to NRS 361.320.

42 **Sec. 5.** NRS 361.2275 is hereby amended to read as follows:

43 361.2275 1. For purposes of NRS 361.157, 361.159 and  
44 361.227, except as otherwise provided in subsection 2, property is  
45 leased or used by a natural person or entity at all times the natural



1 person or entity has possession of, claim to or right to the possession  
2 of the property that is independent, durable and exclusive of rights  
3 held by others in the property, other than the rights held by the  
4 owner **H**, *including at all times during which the natural person*  
5 *or entity owns a mining claim and has exclusive right to the*  
6 *beneficial use of the property to explore for and produce or*  
7 *remove minerals from the property and the right to exclude others*  
8 *from the same beneficial use of the property.*

9 2. Property is not leased or used by a natural person or entity  
10 who possesses or occupies the property solely for the purpose of  
11 holding the property for another natural person or entity.

12 3. As used in this section:

13 (a) "Durable" means for a determinable period with a reasonable  
14 certainty that the use, possession or claim with respect to the  
15 property will continue for that period.

16 (b) "Exclusive" means the enjoyment of a beneficial use of  
17 property, together with the ability to exclude from occupancy  
18 persons or entities other than the owner who may interfere with that  
19 enjoyment.

20 (c) "Independent" means the ability to exercise authority and  
21 exert control over the management or operation of the property  
22 pursuant to the terms and provisions of the contract with the owner.  
23 A possession or use is independent if the possession or use of the  
24 property is sufficiently autonomous under the terms and provisions  
25 of the contract with the owner to constitute more than a mere  
26 agency.

27 **Sec. 6.** NRS 361.228 is hereby amended to read as follows:

28 361.228 1. All intangible personal property is exempt from  
29 taxation, including, without limitation:

30 (a) Shares of stock, bonds, mortgages, notes, bank deposits,  
31 book accounts such as an acquisition adjustment and credits, and  
32 securities and choses in action of like character; and

33 (b) Goodwill, customer lists, contracts and contract rights,  
34 patents, trademarks, trade names, custom computer programs,  
35 copyrights, trade secrets, franchises and licenses.

36 2. The value of intangible personal property must not enhance  
37 or be reflected in the value of real property or tangible personal  
38 property.

39 3. The attributes of real property, such as zoning, location,  
40 water rights, *any mineral deposit in its natural state attached to the*  
41 *real property*, view and geographic features, are not intangible  
42 personal property and must be considered in valuing the real  
43 property, if appropriate.



1       **Sec. 7.** NRS 361.2285 is hereby amended to read as follows:

2       361.2285 The Nevada Tax Commission shall adopt regulations  
3 which:

4       1. Provide for the creation of a simple, easily understood form  
5 which may be completed by the owner of any real property used to  
6 conduct a business and used to:

7       (a) Compute and determine the value of the property using the  
8 income approach and to compare that value to the existing taxable  
9 value of the property to determine the existence of any  
10 obsolescence; and

11       (b) Apply to the appropriate county assessor or board of  
12 equalization for computation of the taxable value of the property in  
13 accordance with subsection ~~5~~ 6 of NRS 361.227.

14       2. Clearly set forth the methodology for applying the income  
15 approach to valuation for tax purposes of real property used to  
16 conduct a business to determine whether obsolescence is a factor.  
17 The methodology must be described in a manner that may be easily  
18 understood by the owners of such property.

19       3. Will make available to the owner of any real property used  
20 to conduct a business information that will allow the owner to apply  
21 the income approach to establish the full cash value of the property  
22 for the purpose of comparing that value to the taxable value  
23 established by the county assessor.

24       **Sec. 8.** NRS 361.390 is hereby amended to read as follows:

25       361.390 Each county assessor shall:

26       1. File with or cause to be filed with the Secretary of the State  
27 Board of Equalization, on or before March 10 of each year, the tax  
28 roll, or a true copy thereof, of his or her county for the current year  
29 as corrected by the county board of equalization.

30       2. Prepare and file with the Department on or before  
31 January 31, March 5 and October 31 of each year, a segregation  
32 report showing the assessed values for each taxing entity within the  
33 county on a form prescribed by the Department. The assessor shall  
34 make projections of assessed value for the current fiscal year and the  
35 upcoming fiscal year regarding real and personal property for which  
36 the taxable value is determined by the assessor. The Department  
37 shall make any projections required for the upcoming fiscal year  
38 regarding ~~the net proceeds of minerals and~~ any property for which  
39 the taxable value is determined by the Nevada Tax Commission.

40       3. Prepare and file with the Department on or before May 5 for  
41 the unsecured roll, on or before August 10 for the secured roll, and  
42 on or before October 31 for the unsecured roll and the secured roll, a  
43 statistical report showing values for all categories of property on a  
44 form prescribed by the Department.



1       **Sec. 9.** NRS 361.405 is hereby amended to read as follows:

2       361.405 1. The Secretary of the State Board of Equalization  
3 forthwith shall certify any change made by the Board in the assessed  
4 valuation of any property in whole or in part to the county auditor of  
5 the county where the property is assessed, and whenever the  
6 valuation of any property is raised, the Secretary of the State Board  
7 of Equalization shall forward by certified mail to the property owner  
8 or owners affected, notice of the increased valuation.

9       2. As soon as changes resulting from cases having a substantial  
10 effect on tax revenues have been certified to the county auditor by  
11 the Secretary of the State Board of Equalization, the county auditor  
12 shall:

13       (a) Enter all such changes and the value of any construction  
14 work in progress ~~and net proceeds of minerals~~ which were  
15 certified to him or her by the Department, on the assessment roll  
16 before the delivery thereof to the tax receiver.

17       (b) Add up the valuations and enter the total valuation of each  
18 kind of property and the total valuation of all property on the  
19 assessment roll.

20       (c) Certify the results to the board of county commissioners and  
21 the Department.

22       3. ~~The board of county commissioners shall not levy a tax on  
23 the net proceeds of minerals added to the assessed valuation  
24 pursuant to paragraph (a) of subsection 2, but, except as otherwise  
25 provided by specific statute, the net proceeds of minerals must be  
26 included in the assessed valuation of the taxable property of the  
27 county and all local governments in the county for the determination  
28 of the rate of tax and all other purposes for which assessed valuation  
29 is used.~~

30 ~~4.~~ As soon as changes resulting from cases having less than a  
31 substantial effect on tax revenue have been certified to the county  
32 tax receiver by the Secretary of the State Board of Equalization, the  
33 county tax receiver shall adjust the assessment roll or the tax  
34 statement or make a tax refund, as directed by the State Board of  
35 Equalization.

36       **Sec. 10.** NRS 377B.170 is hereby amended to read as follows:

37       377B.170 1. In a county whose population is 700,000 or  
38 more and in which a water authority exists, the water authority shall  
39 enter into an interlocal agreement with a city or town located in the  
40 county whose territory is not within the boundaries of the area  
41 served by the water authority or with a public entity in the county  
42 which provides water or wastewater services and which is not a  
43 member of the water authority to provide a distribution from the  
44 infrastructure fund of the water authority to the city, town or public  
45 entity after the city, town or public entity has filed with the water





1 authority a detailed plan for acquiring, establishing, constructing,  
2 improving or equipping, or any combination thereof, a water or  
3 wastewater facility.

4 2. Such a city, town or public entity may request annually from  
5 the infrastructure fund of the water authority an amount of the  
6 proceeds of the tax for infrastructure received annually by the water  
7 authority that is equal to the proportion that the assessed valuation  
8 of taxable property within the boundaries of the city or town or the  
9 area served by the public entity ~~[- except any assessed valuation~~  
10 ~~attributable to the net proceeds of minerals.]~~ bears to the total  
11 assessed valuation of taxable property within the county. ~~[- except~~  
12 ~~any assessed valuation attributable to the net proceeds of minerals.]~~  
13 If the boundaries of such a city or town overlap with the boundaries  
14 of a public entity in such a county which provides water or  
15 wastewater services and which is not a member of the water  
16 authority, the water authority shall apportion equally between the  
17 city or town and the public entity the distribution from the  
18 infrastructure fund attributable to the assessed valuation in the area  
19 where the boundaries overlap.

20 3. The water authority shall not unreasonably refuse a request  
21 from such a city, town or public entity for a distribution from the  
22 infrastructure fund pursuant to the provisions of this section.

23 **Sec. 11.** NRS 349.238 is hereby amended to read as follows:

24 349.238 1. There must be levied annually a special tax on all  
25 property, both real and personal, subject to taxation within the  
26 boundaries of the State of Nevada, fully sufficient ~~[- together with the~~  
27 ~~revenue which will result from application of the rate to the net~~  
28 ~~proceeds of minerals.]~~ without regard to any statutory limitations  
29 now or hereafter existing, to pay the interest on the general  
30 obligation state securities and to pay and retire the securities as  
31 provided in the State Securities Law and in any act supplemental  
32 hereto. The amount of money to be raised by the tax must be  
33 included in the annual estimate or budget for each county in the  
34 state for each year for which the tax is hereby required to be levied.  
35 The tax must be levied and collected in the same manner and at the  
36 same time as other taxes are levied and collected.

37 2. The proceeds thereof levied to pay interest on the securities  
38 must be kept by the State Treasurer in a special fund, separate and  
39 apart from all other funds, and the proceeds of the tax levied to pay  
40 the principal of the securities must be kept by the Treasurer in a  
41 special fund, separate and apart from all other funds. The two  
42 special funds must be used for no other purpose than the payment of  
43 the interest on the securities and the principal thereof, respectively,  
44 when due.



1       **Sec. 12.** NRS 350.592 is hereby amended to read as follows:

2       350.592 1. There must be levied annually in due season a  
3 special tax on all property, both real and personal, subject to  
4 taxation within the boundaries of the municipality, fully sufficient  
5 ~~together with the revenue which will result from application of the~~  
6 ~~rate to the net proceeds of minerals,]~~ without regard to any statutory  
7 or charter tax limitations other than the limitation set forth in NRS  
8 361.453, to pay the interest on the general obligation municipal  
9 securities and to pay and retire the securities as provided in the  
10 Local Government Securities Law and in any act supplemental  
11 hereto. The amount of money to be raised by the tax must be  
12 included in the annual estimate or budget for each county within the  
13 state for each year for which the tax is hereby required to be levied.  
14 The tax must be levied and collected in the same manner and at the  
15 same time as other taxes are levied and collected.

16       2. The proceeds thereof levied to pay interest on the securities  
17 must be kept by the treasurer in a special fund, separate and apart  
18 from all other funds, and the proceeds of the tax levied to pay the  
19 principal of the securities must be kept by the treasurer in a special  
20 fund, separate and apart from all other funds. The two special funds  
21 must be used for no other purpose than the payment of the interest  
22 on the securities and the principal thereof, respectively, when due;  
23 but, except as prevented by any contractual limitations imposed  
24 upon the municipality by proceedings appertaining to its outstanding  
25 securities, the municipality may provide for a consolidated debt  
26 service fund to pay principal of and interest on outstanding  
27 securities, when due.

28       **Sec. 13.** NRS 354.59811 is hereby amended to read as  
29 follows:

30       354.59811 1. Except as otherwise provided in NRS 244.377,  
31 278C.260, 354.59813, 354.59815, 354.59818, 354.5982, 354.5987,  
32 354.705, 354.723, 450.425, 450.760, 540A.265 and 543.600, for  
33 each fiscal year beginning on or after July 1, 1989, the maximum  
34 amount of money that a local government, except a school district, a  
35 district to provide a telephone number for emergencies or a  
36 redevelopment agency, may receive from taxes ad valorem, other  
37 than those ~~attributable to the net proceeds of minerals or those~~  
38 levied for the payment of bonded indebtedness and interest thereon  
39 incurred as general long-term debt of the issuer, or for the payment  
40 of obligations issued to pay the cost of a water project pursuant to  
41 NRS 349.950, or for the payment of obligations under a capital lease  
42 executed before April 30, 1981, must be calculated as follows:

43       (a) The rate must be set so that when applied to the current fiscal  
44 year's assessed valuation of all property which was on the preceding  
45 fiscal year's assessment roll, together with the assessed valuation of



1 property on the central assessment roll which was allocated to the  
2 local government, but excluding any ~~assessed valuation attributable~~  
3 ~~to the net proceeds of minerals,~~ assessed valuation attributable to a  
4 redevelopment area and assessed valuation of a fire protection  
5 district attributable to real property which is transferred from private  
6 ownership to public ownership for the purpose of conservation, it  
7 will produce 106 percent of the maximum revenue allowable from  
8 taxes ad valorem for the preceding fiscal year, except that the rate so  
9 determined must not be less than the rate allowed for the previous  
10 fiscal year, except for any decrease attributable to the imposition of  
11 a tax pursuant to NRS 354.59813 in the previous year.

12 (b) This rate must then be applied to the total assessed valuation,  
13 excluding ~~the assessed valuation attributable to the net proceeds of~~  
14 ~~minerals and~~ the assessed valuation of a fire protection district  
15 attributable to real property which is transferred from private  
16 ownership to public ownership for the purpose of conservation, but  
17 including new real property, possessory interests and mobile homes,  
18 for the current fiscal year to determine the allowed revenue from  
19 taxes ad valorem for the local government.

20 2. As used in this section, "general long-term debt" does not  
21 include debt created for medium-term obligations pursuant to NRS  
22 350.087 to 350.095, inclusive.

23 **Sec. 14.** NRS 354.59813 is hereby amended to read as  
24 follows:

25 354.59813 1. In addition to the allowed revenue from taxes  
26 ad valorem determined pursuant to NRS 354.59811, if the estimate  
27 of the revenue available from the supplemental city-county relief tax  
28 to the county as determined by the Executive Director of the  
29 Department of Taxation pursuant to the provisions of subsection 11  
30 of NRS 360.690 is less than the amount of money that would be  
31 generated by applying a tax rate of \$1.15 per \$100 of assessed  
32 valuation to the assessed valuation of the county, ~~except any~~  
33 ~~assessed valuation attributable to the net proceeds of minerals,~~ the  
34 governing body of each local government may levy an additional  
35 tax ad valorem for operating purposes. The total tax levied by the  
36 governing body of a local government pursuant to this section must  
37 not exceed a rate calculated to produce revenue equal to the  
38 difference between the:

39 (a) Amount of revenue from supplemental city-county relief tax  
40 estimated to be received by the county pursuant to subsection 11 of  
41 NRS 360.690; and

42 (b) The tax that the county would have been estimated to receive  
43 if the estimate for the total revenue available from the tax was equal  
44 to the amount of money that would be generated by applying a tax



1 rate of \$1.15 per \$100 of assessed valuation to the assessed  
2 valuation of the county,  
3 ↪ multiplied by the proportion determined for the local government  
4 pursuant to subparagraph (2) of paragraph (a) of subsection 4 of  
5 NRS 360.690, subparagraph (2) of paragraph (a) of subsection 6 of  
6 NRS 360.690 or subparagraph (2) of paragraph (a) of subsection 7  
7 of NRS 360.690, as appropriate.

8 2. Any additional taxes ad valorem levied as a result of the  
9 application of this section must not be included in the base from  
10 which the allowed revenue from taxes ad valorem for the next  
11 subsequent year is computed.

12 3. As used in this section, "local government" has the meaning  
13 ascribed to it in NRS 360.640.

14 **Sec. 15.** NRS 354.598747 is hereby amended to read as  
15 follows:

16 354.598747 1. To calculate the amount to be distributed  
17 pursuant to the provisions of NRS 360.680 and 360.690 from a  
18 county's subaccount in the Local Government Tax Distribution  
19 Account to a local government, special district or enterprise district  
20 after it assumes the functions of another local government, special  
21 district or enterprise district:

22 (a) Except as otherwise provided in this section, the Executive  
23 Director of the Department of Taxation shall:

24 (1) Add the amounts calculated pursuant to subsection 1 or 2  
25 of NRS 360.680 for each local government, special district or  
26 enterprise district and allocate the combined amount to the local  
27 government, special district or enterprise district that assumes the  
28 functions; and

29 (2) If applicable, add the average change in population and  
30 average change in the assessed valuation of taxable property that  
31 would otherwise be allowed to the local government or special  
32 district whose functions are assumed, including the assessed  
33 valuation attributable to a redevelopment agency, ~~but excluding~~  
34 ~~the portion attributable to the net proceeds of minerals,~~ pursuant to  
35 subsection 4, 5, 6 or 7 of NRS 360.690, as appropriate, to the  
36 average change in population and average change in assessed  
37 valuation for the local government, special district or enterprise  
38 district that assumes the functions.

39 (b) If two or more local governments, special districts or  
40 enterprise districts assume the functions of another local  
41 government, special district or enterprise district, the additional  
42 revenue must be divided among the local governments, special  
43 districts or enterprise districts that assume the functions on the basis  
44 of the proportionate costs of the functions assumed.



1   ↳ The Nevada Tax Commission shall not allow any increase in the  
2 allowed revenue from the taxes contained in the county's  
3 subaccount in the Local Government Tax Distribution Account if  
4 the increase would result in a decrease in revenue of any local  
5 government, special district or enterprise district in the county that  
6 does not assume those functions. If more than one local government,  
7 special district or enterprise district assumes the functions, the  
8 Nevada Tax Commission shall determine the appropriate amounts  
9 calculated pursuant to subparagraphs (1) and (2) of paragraph (a).

10   2. If a city disincorporates, the board of county commissioners  
11 of the county in which the city is located must determine the amount  
12 the unincorporated town created by the disincorporation will receive  
13 pursuant to the provisions of NRS 360.600 to 360.740, inclusive.

14   3. As used in this section:

15   (a) "Enterprise district" has the meaning ascribed to it in  
16 NRS 360.620.

17   (b) "Local government" has the meaning ascribed to it in  
18 NRS 360.640.

19   (c) "Special district" has the meaning ascribed to it in  
20 NRS 360.650.

21   **Sec. 16.** NRS 380.130 is hereby amended to read as follows:

22   380.130 1. Whenever it appears to the board of county  
23 commissioners of any county having a law library that for any  
24 reason any debt incurred in the purchase and establishment of the  
25 library has not been fully paid or materially reduced with the money  
26 provided by the provisions of NRS 380.110, within the period of 5  
27 years immediately preceding, the board of county commissioners  
28 may, at the next annual tax levy, levy a special tax upon all taxable  
29 property within the county, both real and personal , sufficient ~~to~~  
30 ~~together with the revenue which will result from application of the~~  
31 ~~rate to the net proceeds of minerals,} to raise a sum which will~~  
32 discharge any such indebtedness, but no more. The money must be  
33 placed in the law library fund in the county treasury and must be  
34 used for the payment of the indebtedness and for no other purpose.

35   2. In lieu of the levy of a special tax as provided in subsection  
36 1, the board of county commissioners of any county having a law  
37 library may, in the discretion of the board of county commissioners,  
38 transfer from the general funds of the county to the law library fund  
39 a sufficient sum of money to pay any debts incurred in the purchase  
40 and establishment and maintenance of the library, which has not  
41 been fully paid or materially reduced with the money provided by  
42 the provisions of NRS 380.110, within the period of 5 years  
43 immediately preceding March 1, 1959.



1     **Sec. 17.** NRS 387.1235 is hereby amended to read as follows:

2     387.1235 ~~{1. Except as otherwise provided in subsection 2,~~  
3 ~~local}~~

4     **Local** funds available are the sum of:

5     ~~{(a)}~~ 1. The amount of one-third of the tax collected pursuant to  
6 subsection 1 of NRS 387.195 for the school district for the  
7 concurrent school year; and

8     ~~{(b)}~~ 2. The proceeds of the local school support tax imposed  
9 by chapter 374 of NRS, excluding any amounts required to be  
10 remitted pursuant to NRS 360.850 and 360.855. The Department of  
11 Taxation shall furnish an estimate of these proceeds to the  
12 Superintendent of Public Instruction on or before July 15 for the  
13 fiscal year then begun, and the Superintendent shall adjust the final  
14 apportionment of the current school year to reflect any difference  
15 between the estimate and actual receipts.

16     ~~{2. The amount computed under subsection 1 that is~~  
17 ~~attributable to any assessed valuation attributable to the net proceeds~~  
18 ~~of minerals must be held in reserve and may not be considered as~~  
19 ~~local funds available until the succeeding fiscal year.}~~

20     **Sec. 18.** NRS 387.195 is hereby amended to read as follows:

21     387.195 1. Each board of county commissioners shall levy a  
22 tax of 75 cents on each \$100 of assessed valuation of taxable  
23 property within the county for the support of the public schools  
24 within the county school district.

25     2. ~~{The tax collected pursuant to subsection 1 on any assessed~~  
26 ~~valuation attributable to the net proceeds of minerals must not be~~  
27 ~~considered as available to pay liabilities of the fiscal year in which~~  
28 ~~the tax is collected but must be deferred for use in the subsequent~~  
29 ~~fiscal year. The annual budget for the school district must only~~  
30 ~~consider as an available source the tax on the net proceeds of~~  
31 ~~minerals which was collected in the prior year.~~

32     ~~—3.}~~ In addition to any tax levied in accordance with subsection  
33 1, each board of county commissioners shall levy a tax for the  
34 payment of interest and redemption of outstanding bonds of the  
35 county school district.

36     ~~{4.}~~ 3. The tax collected pursuant to subsection 1 and any  
37 interest earned from the investment of the proceeds of that tax must  
38 be credited to the county's school district fund.

39     ~~{5.}~~ 4. The tax collected pursuant to subsection ~~{3}~~ 2 and any  
40 interest earned from the investment of the proceeds of that tax must  
41 be credited to the county school district's debt service fund.

42     **Sec. 19.** NRS 450.660 is hereby amended to read as follows:

43     450.660 1. At the time of making the levy of county taxes for  
44 that year, each board of trustees shall levy a tax sufficient ~~{,~~ together  
45 ~~with the revenue which will result from application of the rate to the~~



1 ~~net proceeds of minerals,}~~ to raise the amount so budgeted upon any  
2 real and personal property that is subject to taxation within the  
3 boundaries of the district. Any tax levied on interstate or intercounty  
4 telephone lines, power lines and other public utility lines pursuant to  
5 this section must be based upon valuations as established by the  
6 Nevada Tax Commission pursuant to the provisions of NRS  
7 361.315 to 361.330, inclusive.

8 2. When levied, the tax must be:

9 (a) Entered upon the assessment rolls of each county that is  
10 included within the district; and

11 (b) Collected in the same manner as state and county taxes.

12 3. When the tax is collected it must be:

13 (a) Placed in the treasury of the county in which the district  
14 hospital is located;

15 (b) Credited to the current expense fund of the district; and

16 (c) Used only for the purpose for which it was raised.

17 **Sec. 20.** NRS 474.190 is hereby amended to read as follows:

18 474.190 1. Subject to the provisions of subsection 3, the  
19 board of directors of each county fire protection district shall  
20 prepare annual budgets in accordance with NRS 354.470 to  
21 354.626, inclusive.

22 2. The budget of a district must be based on estimates of the  
23 amount of money that will be needed to defray the expenses of the  
24 district and to meet unforeseen emergencies and the amount of a fire  
25 protection tax sufficient ~~{, together with the revenue which will  
26 result from application of the rate to the net proceeds of minerals,}~~  
27 to raise such sums.

28 3. The amount of money to be raised for the purpose of  
29 establishing, equipping and maintaining the district with fire-  
30 fighting facilities must not in any 1 year exceed 1 percent of the  
31 assessed value of the property described in NRS 474.200 . ~~{and any  
32 net proceeds of minerals derived from within the boundaries of the  
33 district.}~~

34 **Sec. 21.** NRS 474.510 is hereby amended to read as follows:

35 474.510 1. The board of fire commissioners shall prepare an  
36 annual budget in accordance with the provisions of NRS 354.470 to  
37 354.626, inclusive, for each district organized in accordance with  
38 NRS 474.460.

39 2. Each budget must be based on estimates of the amount of  
40 money which will be needed to defray the expenses of the district  
41 and to meet unforeseen emergencies and the amount of a fire  
42 protection tax sufficient ~~{, together with the revenue which will  
43 result from application of the rate to the net proceeds of minerals,}~~  
44 to raise such sums.





1 3. At the time of making the levy of county taxes for the year,  
2 the board of county commissioners shall levy the tax provided by  
3 subsection 2, upon all property, both real and personal, subject to  
4 taxation within the boundaries of the district. Any tax levied on  
5 interstate or intercounty telephone lines, power lines and other  
6 public utility lines as authorized in this section must be based upon  
7 valuations established by the Nevada Tax Commission pursuant to  
8 the provisions of NRS 361.315 to 361.330, inclusive.

9 4. The amount of tax to be collected for the purposes of this  
10 section must not exceed, in any 1 year, 1 percent of the value of the  
11 property described in subsection 3 . ~~and any net proceeds of~~  
12 ~~minerals derived from within the boundaries of the district.~~

13 5. If levied, the tax must be entered upon the assessment roll  
14 and collected in the same manner as state and county taxes. Taxes  
15 may be paid in four approximately equal installments at the times  
16 specified in NRS 361.483, and the same penalties as specified in  
17 NRS 361.483 must be added for failure to pay the taxes.

18 6. For the purposes of NRS 474.460 to 474.540, inclusive, the  
19 treasurer of the district shall keep two separate funds for each  
20 district, one to be known as the district fire protection operating  
21 fund and one to be known as the district emergency fund. The  
22 money collected to defray the expenses of any district organized  
23 pursuant to NRS 474.460 must be deposited in the district fire  
24 protection operating fund, and the money collected to meet  
25 unforeseen emergencies must be deposited in the district emergency  
26 fund. The district emergency fund must be used solely for  
27 emergencies and must not be used for regular operating expenses.  
28 The money deposited in the district emergency fund must not  
29 exceed the sum of \$1,000,000. Any interest earned on the money in  
30 the district emergency fund that causes the balance in that fund to  
31 exceed \$1,000,000 must be credited to the district fire protection  
32 operating fund.

33 7. For the purposes of subsection 6, an emergency includes,  
34 without limitation, any event that:

35 (a) Causes widespread or severe damage to property or injury to  
36 or the death of persons within the district;

37 (b) As determined by the district fire chief, requires immediate  
38 action to protect the health, safety and welfare of persons who reside  
39 within the district; and

40 (c) Requires the district to provide money to obtain a matching  
41 grant from an agency of the Federal Government to repair damage  
42 caused by a natural disaster that occurred within the district.

43 **Sec. 22.** NRS 514A.060 is hereby amended to read as follows:

44 514A.060 Notwithstanding any other provision of law, the  
45 Commission shall provide oversight of compliance with Nevada law



\* S B 4 0 0 \*



1 relating to the activities of each state agency, board, bureau,  
2 commission, department or division with respect to the taxation,  
3 operation, safety and environmental regulation of mines and mining  
4 in this State, including, without limitation, the activities of:

5 1. The Nevada Tax Commission and the Department of  
6 Taxation in the taxation of the net proceeds of minerals pursuant to  
7 chapter 362 of NRS . ~~and Section 5 of Article 10 of the Nevada~~  
8 ~~Constitution.~~

9 2. The Division of Industrial Relations of the Department of  
10 Business and Industry in administering the provisions of chapter  
11 512 of NRS concerning the safe and healthful working conditions at  
12 mines.

13 3. The Commission on Mineral Resources and the Division of  
14 Minerals of the Commission in the administration of the provisions  
15 of chapters 513 and 522 of NRS concerning the conduct of mining  
16 operations and operations for the production of oil, gas and  
17 geothermal energy in the State.

18 4. The Bureau of Mines and Geology of the State of Nevada in  
19 the Public Service Division of the Nevada System of Higher  
20 Education in its administration of the provisions of chapter 514 of  
21 NRS.

22 5. The Division of Environmental Protection of the State  
23 Department of Conservation and Natural Resources in its  
24 administration of the provisions of chapter 519A of NRS concerning  
25 the reclamation of mined land, areas of exploration and former areas  
26 of mining or exploration.

27 **Sec. 23.** NRS 361.075, 362.030, 362.040, 362.050, 362.060,  
28 362.070, 362.090 and 362.095 are hereby repealed.

29 **Sec. 24.** This act becomes effective on January 1, 2015, if and  
30 only if the provisions of Senate Joint Resolution No. 15, proposed  
31 by the 76th Session of the Legislature and agreed to and passed by  
32 the 77th Session of the Legislature, are approved and ratified by the  
33 voters at the general election on November 4, 2014.

---

---

## LEADLINES OF REPEALED SECTIONS

---

---

- 361.075 Exemption of unpatented mines and mining claims.**  
**362.030 County assessor to assess surface of patented mines**  
**and mining claims; exceptions.**  
**362.040 Exclusion of assessment from roll.**



**362.050 Affidavit of labor: Requirement for exemption of surface of patented mine or mining claim from taxation; form and contents.**

**362.060 Who may make affidavit.**

**362.070 Contiguous patented mines or mining claims: Performance of work on one mine.**

**362.090 One affidavit may be recorded for labor on several patented mines or mining claims.**

**362.095 Method of taxation of patented mine or mining claim used for purpose other than mining or agriculture.**

30



\* S B 4 0 0 \*