

Assembly
TAXATION COMMITTEE
February 8, 1973

Members Present: Messrs. May Huff
Smalley Demers (late)
Broadbent McNeel
Craddock

Members Absent: Messrs. Fry
Bremner

Guests Present: Messrs. Ray Knisley, Gene Milligan,
Chuck White, Richard L. Morgan,
John Meder, Edward Klatt,
Bill Heise

The meeting was called to order by Chairman May promptly at 8:00 a.m. on February 8, 1973, and he stated that there be no prejudice to each of the absent members.

Chairman May indicated to the committee that this meeting was for the purpose of hearing further discussion on A.J.R. 23, a constitutional change.

The Chairman also indicated that Mr. Glaser, one of the prime sponsors of this resolution in the last session had planned to be here today but couldn't. He was hopeful to be here sometime later this month.

Mr. Charles White, Executive Administrator for the Nevada Farm Bureau, had testimony urging passage of this resolution. He read the policy of his organization relative to its support.

Mr. Gene Milligan, Nevada Association of Realtors, gave testimony to support whole-heartedly this resolution. He also stated that subsequent legislation would have to be made to supplement the constitutional amendment. The areas of concern were the concept of the seven year period and the clarification of "open space" as stated in the resolution. His association feels that these points need to be shown specific concern, and aside from these they are in support.

Mr. Smalley stated that he believed the object of the bill is for green belt areas, and wondered if more orderly development could be had by having subdividers donate park land as green belt areas.

Further discussion on the language in the resolution and its clarification was held. It was pointed out that the Legislative Counsel Bureau and the Attorney General's office are available for legal consultation.

Chairman May turned the meeting over to Mr. Ray Knisley who with the use of broad experience in property management and finance to try to clarify points of this resolution to the committee. He had also served on the Ways and Means Committee in the previous Legislature.

Mr. Knisley discussed the effects taxes can have on land and the tax situation as it had been in Nevada and its progression to date. He stated that he feels that the greater tax burden is being carried by the small home owner in the two larger cities in Nevada. He also explained the \$5.00 limitation generated countywise and how general obligation bonds are a direct lean on real estate because they must be paid by taxes on real estate. He touched on the method of assessing the agricultural properties and how the grazing rights are being included in assessments of such property.

He also informed the committee of the differences in taxes on the smaller ranch owners and the outsiders who buy large amounts of land. He discussed the background of land purchase in Nevada, and stated that he believed A.J.R. 23 will be of more benefit to the communities than agricultural because the amendment would permit the establishing of so called "green belt" areas around the communities and allowing them to keep it on the tax role as against trying to establish parks. The existing cities would have to be assessed for the parks and maintenance and preservation of these would assume a heavy cost.

Accordingly to Mr. Knisley, Nevada is long overdue for a State Land Use Plan. This plan is going to have to adopt the premise that purely local planning must be done by local people and enforcement and constraints based on the capability of the land for use. He also believes that a real good look must be taken to tax structure and land plan, and that by police powers the same thing could be accomplished as this resolution proposes. When the land use plan comes into being, all sources of taxes must be seriously looked into.

Chairman May mentioned that perhaps some members of the committee will find a liking for this subject and gain and utilize knowledge obtained now for deliberation on future issues.

Discussion was held on the seven year retroactive tax included in the resolution as to whether it may be taken advantage of by persons trying not to pay higher taxes. Mr. Huff mentioned the unscrupulous tax collector and wondered if this legislation might be a vehicle for this type of person to use for his own benefit.

Chairman May informed the committee that he had been advised by Senator Mahlon Brown that he would like to schedule tax hearings with the committee to hear the two tax relief bills for senior citizens on the 19th of February. It will be an afternoon joint session at a time to be determined by the Senate; A.B. 201 and S.B.31, S.B. 136.

Mr. Demers submitted two bills to the committee from the Nevada Assessors Association concerning mines. Mr. Smalley made a motion to accept these bills for reference to the taxation committee. There was some discussion as to whether B.D.R. 32.893 and 32.894 will be introduced by Taxation and referred to them, Ways and Means, Government Affairs, or Commerce.

Motion was made to withdraw the motion to accept these B.D.R.'s and it was suggested that an individual member of the house should submit it. It was decided that Mr. Demers would check with the leadership on these two bills as to where they should be referred.

There being no further business before the committee, motion was made to adjourn. Seconded. The meeting was adjourned at 9:33 a.m.

Respectfully submitted,



Cindy Benjamin
Assembly Attache