

MINUTES**Assembly**

TAXATION COMMITTEE  
 JANUARY 30, 1975  
 9:30

Members Present: Chairman May  
 Mr. Mann  
 Mr. Bennett  
 Mr. Christensen  
 Mr. Demers  
 Mr. Harmon  
 Mr. Murphy  
 Mrs. Ford  
 Mr. Young

Guests Present: Michael Blomdal, Nevada Tax Commission  
 James Rathbun, Nevada Tax Commission  
 Bob Warren, Nevada League of Cities  
 Bob Alkire, Kennecott Copper  
 Bill Adams, City of Las Vegas  
 Robbins Cahill, Nevada Tax Commission  
 Jack Mitchell, City of North Las Vegas  
 Leslie B. Gray, self  
 Assemblyman Joe Dini

The meeting was called to order at 9:30 by Chairman May. Chairman May explained that this meeting was to discuss Assembly Bills 58, 60, 61, 62, 63, and 64.

Assembly Bill 58

Proponents spoke first.

Mr. James Rathbun of the Nevada Tax Commission explained that this bill would allow the Nevada Tax Commission to grant relief to certain persons who have failed to post-mark their payment before the deadline. He stated that the Commission already has the power to do this and that it has done so already for Washoe and Lincoln counties when it felt the situation called for the relief of the penalty.

Mr. Mann asked why Nevada needed the bill if the Commission already has the power to grant the relief.

Mr. Rathbun replied that he could not answer that and that possibly Jack Sheehan could answer that since this bill is essentially his idea.

Mr. Bob Warren of the Nevada League of Cities spoke next. He said that his only concern about this bill was a question as to the fiscal impact it might have.

Mr. Bennett agreed that the question of money should be answered before further action be taken.

Mr. Young said that a penalty was needed to encourage taxpayers to pay on time and that if we do give the Commission authority to grant relief it might cause a problem in the tax collecting process.

Mr. Rathbun said that the problem usually occurs when the post office fails to mark the correct postmark on the letter and that it is not usually the person attempting to shirk his taxpaying duty.

Mr. Christensen asked if this would encourage large taxpayers to take advantage of this extra time.

Mr. Rathbun replied that the problem occurred almost entirely with the small taxpayer and not the large taxpayer.

Assemblyman Joe Dini was the last speaker in favor of A.B. 58. He cited the case of the small town postoffice that closed at 5:00p.m. and noted that the official deadline for the postmark was midnight. There is a seven hour period when the letter could be dropped in the mailbox and not get the appropriate date on the letter. The relief of the penalty is for cases such as this.

Mr. Bill Adams spoke in opposition of A.B. 58. He said that 3-5% of the people are late with their payments. He is worried mainly about those people who delay their payments for a long period of time and the effect it has on the fiscal situation.

#### Assembly Bill 62

Mr. James Rathbun testified that Mr. Joe Dini was in the process of introducing another bill on this same subject and that it might be advantageous for the committee to wait and compare the two pieces of legislation before action is taken.

Assemblyman Dini was the next speaker. He said that this bill is unfair to the small miner as it does not make a distinction between mining proceeds and when nothing is taken out of the ground. He too suggested that this committee wait until his bill is introduced.

Mr. Carl Soderblom of Southern Pacific Railroad agreed also that this legislation would be detrimental to the small business person.

Mr. Leslie Gray then testified that this bill is detrimental to the development of mines and that at this time of the lack of available strategic minerals we should reconsider any action that would possibly stop the exploration and recovery of those minerals. He also said that there is a case pending in Mineral county as to the constitutionality of this question.

Mr. Mann then asked if this amendment would conflict with the Nevada Constitution.

Mr. Gray answered that it very well might be.

Chairman May asked Mr. Gray to attend the next meeting at which this bill will be discussed and to please be prepared with more information about this court case.

ASSEMBLY BILL 60

Mr. James Rathbun explained that this bill attempts to let the counties stop having to balance their books with a debit balance as happens most of the time when the aviation fuel tax is distributed monthly. He said that some times the counties have to write checks for less than five dollars and the cost of writing the check is close to six dollars.

Mr. Mann suggested that this bill might save manhours and book-keeping work.

Mr. Demers asked what was the county that received the biggest check. He was told that Clark County received the biggest which was approximately \$2,500.

ASSEMBLY BILL 61

Mr. James Rathbun spoke in favor of this bill. He said that when an assessor assessed a piece of property in Boulder City that he should use information that is applicable to Boulder City and not just information that is available which is what the present situation suggests.

Mr. Robbins Cahill of the Nevada Tax Commission also spoke in favor of the measure. He said that from his experience on the Nevada Tax Commission he feels that information applicable should be used in assessing property and not all the factors which are listed in the present statute just because they are available. He strongly urged the passage of this bill because he felt it was impossible to assess property with factors that do not even apply.

ASSEMBLY BILL 63

Mr. James Rathbun explained that this piece of legislation would simply require the notification of the increase of taxes to the property owner. This would speed up the process that now lets the taxpayer be suprised that he didn't pay enough taxes.

Mr. Cahill added that it would provide a personal notification instead of the present system of notification that is used, except in Washoe county. The system used is the publication in the local newspapers of the assessed value of property. The taxpayer is expected to see this notification and if he doesn't, that is his problem.

Mr. Mann asked why the change from December 31 to 15. He was told that this would give the taxpayer a longer time to request a hearing.

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ASSEMBLY BILL 64

Mr. Rathbun stated that this would help the Tax Commission in its preparation of cases where applications have been made four years after the taxing incident. Sometimes the files have been closed and the Commission can't get to them. He felt that if the limit of 90 days could be set that the Tax Commission could have a fairer chance to defend its decision.

The Chairman asked if there was any further testimony and since there was none he excused the witnesses.

COMMITTEE ACTION

After discussion, the following action was taken:

Assembly Bill 58: Mr. Demers motioned that this bill be held in committee for further discussion. Motion seconded by Mr. Christensen. Motion passed unanimously.

Assembly Bill 60: Mr. Bennett motioned for a "Do Pass" recommendation to be affixed to this bill, motion seconded by Mr. Demers. Motion passed unanimously. Chairman May asked Mr. Murphy to report the committee decision on the floor of the Assembly.

Assembly Bill 61: Mr. Demers motioned for a "Do Pass" recommendation to be affixed to this bill, motion seconded by Mrs. Ford. Motion passed unanimously. Chairman May asked that Mr. Harmon report to the Assembly as to the recommendation of the committee.

Assembly Bill 62: Mr. Demers motioned that this bill be held in committee for further discussion. The motion was seconded by Mr. Bennett and passed unanimously.

Assembly Bill 63: The committee decided to hold for further discussion.

Assembly Bill 64: The committee decided to hold for further discussion.

There being no further business, Chairman May adjourned the meeting at 10:46a.m.

Respectfully submitted,



Kim Morgan  
Assembly Attache

ASSEMBLY

AGENDA FOR COMMITTEE ON TAXATION

8

Date Thurs., Jan. 30 Time 9:30 Room 316

Bills or Resolutions to be considered	Subject	Counsel requested*
A.B. 58	Authorizes Nevada Tax Commission to grant relief from certain locally-imposed tax penalties.	
A.B. 60	Changes distribution of aviation fuel tax from monthly to quarterly.	
A.B. 61	Clarifies statutory language relating to use of property assessment factors.	
A.B. 62	Adds definitions and revises procedures and penalties relating to taxation of mines.	
A.B. 63	Requires county assessor to notify taxpayer of assessed valuation of his property following appraisal or re-appraisal.	
A.B. 64	Provides for dismissal of actions against Nevada Tax Commission under certain circumstances.	

\*Please do not ask for counsel unless necessary.



# Nevada Legislature

## ASSEMBLY

Permission to introduce the following BDR numbers by the Committee on Taxation was obtained on January 27, 1975 from each member of the Taxation Committee.

Originals of said permission is on file in the Committee minutes of the committee secretary.

BDR # 32-356  
32-357  
32-358  
31-354  
31-355  
43-360  
40-359  
32-557  
32-556  
32-555  
32-555  
32-418

See attached sheet.



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman May

FROM: Paul May, Chairman, Taxation Committee

I have been contacted by Mr. Jack Sheehan, Executive Secretary of the Nevada Tax Commission, asking if the Assembly Taxation Committee would introduce the bills on the attached sheet.

Mr. Sheehan indicates these measures are all drafted and ready for introduction.

At this point it simply requires permission of a majority of the members of Assembly Taxation for introduction and all measures will be referred back to the committee.

I have discussed these briefly with Mr. Sheehan and he indicated little possibility of controversy. If you are agreeable to committee introduction, please sign below and return to Kim Morgan.

Thank you.

A handwritten signature in cursive script, appearing to read "Paul May", written over a horizontal line.

Assemblyman May



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Mann, Member, Assembly Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

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Thank you.

A handwritten signature in cursive script that reads "Lloyd W. Mann".

Assemblyman Mann





# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Murphy, Member, Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

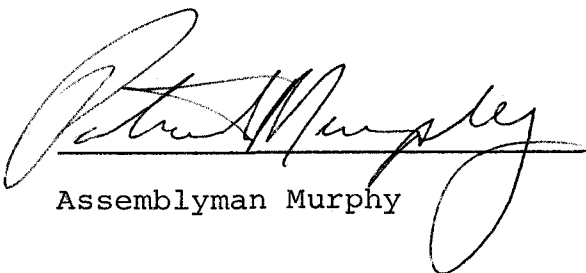
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Thank you.



Assemblyman Murphy



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Young, Member, Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

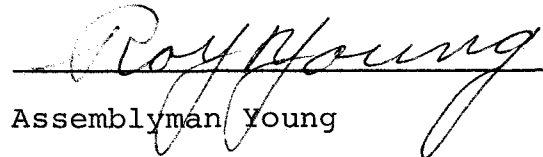
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Thank you.

  
Assemblyman Young



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Demers, Member, Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

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I have discussed these briefly with Mr. Sheehan and he indicated little possibility of controversy. If you are agreeable to committee introduction, please sign below and return to Kim Morgan.

Thank you.

A handwritten signature in black ink, appearing to read "Demers", written over a horizontal line.

Assemblyman Demers



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Harmon, Member, Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

I have been contacted by Mr. Jack Sheehan, Executive Secretary of the Nevada Tax Commission, asking if the Assembly Taxation Committee would introduce the bills on the attached sheet.

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Thank you.

  
\_\_\_\_\_  
Assemblyman Harmon



# Nevada Legislature

## ASSEMBLY

January 27, 1975

TO: Assemblyman Ford, Member, Taxation Committee

FROM: Paul May, Chairman, Taxation Committee

I have been contacted by Mr. Jack Sheehan, Executive Secretary of the Nevada Tax Commission, asking if the Assembly Taxation Committee would introduce the bills on the attached sheet.

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At this point it simply requires permission of a majority of the members of Assembly Taxation for introduction and all measures will be referred back to the committee.

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Thank you.

A handwritten signature in cursive script, appearing to read "Jean Ford", written over a horizontal line.

Assemblyman Ford



# Nevada Legislature

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## ASSEMBLY

January 27, 1975

TO: Assemblyman Christensen, Member, Assembly Taxation

FROM: Paul May, Chairman, Taxation Committee

I have been contacted by Mr. Jack Sheehan, Executive Secretary of the Nevada Tax Commission, asking if the Assembly Taxation Committee would introduce the bills on the attached sheet.

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I have discussed these briefly with Mr. Sheehan and he indicated little possibility of controversy. If you are agreeable to committee introduction, please sign below and return to Kim Morgan.

Thank you.

A handwritten signature in cursive script that reads "Chet Christensen".

Assemblyman Christensen

PROPOSED LEGISLATION LOG

FORWARDED TO ADMINISTRATION	NRS NO.	DESCRIPTION	BDR #	AB or SB #
8/22/74	361.227(1)	-- To clarify applicability by adding <i>Communities</i> "and applicable," to "for which in- formation is available" to clarify the interpretation	32-356	23
8/22/74	Title 32 362 New	(Sections 362.200, 362.230) Adds definitions and revises proce- dures and penalties relating to taxation of mines.	32-357	
8/22/74	Title 32 365.565	To change distribution of aviation fuel tax from monthly to quarterly	32-358	
8/22/74	Title 31 354.603(5)	To delete repetitive language and specific capital projects & eliminate <i>DEBT SERVICE</i>	31-354	
8/22/74	Title 32 360.410(1)	To legally clarify relief granted from locally imposed penalties.	32-355	
8/22/74	Title 43 482.397	To assure payment of (Washoe and Clark Co.) Nevada Use Tax on Mobile Homes brought into the state.	43-360	<i>Hold</i>
8/22/74	Title 40	To remove obsolete provision - Hospitals under Chapter 354; must employ the accrual method of accounting accordingly, paragraph 2 is obsolete.	40-359	<i>ok</i>
9/10/74	360-new	To require the service of a summons and complaint upon the NTC or State Board of Equalization within 90 days after filing of such action in any action brought against those agencies.	32-557	
9/26/74	361.260	That a mandatory notice must be sent to property owners when property has been reappraised.	32-556	
10/1/74	361.035	Exempt from real property taxation con- crete lined irrigation ditches. (Deleting the word "ditches" from definition.)	32-555	<i>ok</i>
10/1/74	<i>361</i> 360 New	Exempt from real property taxation concrete lined irrigation ditches.	32-555	
12/12/74	374.510	To conform the penalty provision for failure to file timely with Chapter 374, NRS as amended	32-418	

SR. CITIZENS