

MINUTES**Assembly**

TAXATION COMMITTEE

FEBRUARY 6, 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: Jim Rathbun, Nevada Tax Commission
John "Jack" Sheehan, Nevada Tax Commission
Michael Blomdal, Nevada Tax Commission
Sam Friske, Elko County Assessor's Office
John Moschetti, County Assessors Association
Homer Rodriguez, County Assessors Association
Jack Mitchell, City of North Las Vegas
Bill Adams, City of Las Vegas
Barbara Morgan, League of Women Voters
Sherry Bennett, League of Women Voters

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

Assembly Bill 58

Mr. John Sheehan, Secretary of the Nevada Tax Commission, explained that the Tax Commission itself felt the need for this piece of legislation. He gave two examples of the kind of case that necessitated the relief of the tax penalty. First, he said that two years ago a mobile home owner's tax bill got lost in the mail and with proof that it was in the bottom of a mail bag, it was not his fault that he did not pay his taxes on time. The second case was brought to Mr. Sheehan's attention this morning. A woman in a mobile home moved from Carson City into Washoe Valley and was not aware that she had moved into Washoe County. After not receiving her tax bill from the Carson City Assessors Office she called to find out why she had not received it. She was then told that she was no longer in Carson City. She then called the Washoe County Assessor's Office and asked them why she had not received a tax bill. Washoe County, not being aware that she had moved into Washoe County, then sent her the bill along with a penalty for late payment. Mr. Sheehan said that it was not the money involved but the principle of the matter.

Mr. Mann asked why, if the Tax Commission is already giving the relief, do we need the bill.

Mr. Sheehan replied that the Tax Commission did so under great trepidation. They don't really have the power to do so they just did it because they felt it was necessary. He feels that the Tax Commission needs the legislation so that they can continue to give relief without having to worry whether they can or not.

Mrs. Ford asked what the word "payment" meant.

Mr. Sheehan answered that it meant those taxes imposed by the Tax Commission. They both then agreed that the wording in the bill was too broad and that the ad valorem tax should be mentioned in the bill specifically.

Mrs. Ford asked if the Tax Commission would be agreeable to having the county commissioners have the power to grant the relief on the local level. She was answered that they would agree to that.

Mr. Mann wanted to know about the fiscal impact of such legislation.

Mr. Sheehan replied that in the last five years the total relief has totaled to not more than \$1,000.

Mr. Mann also expressed his concern that if the power to grant relief was issued, there may be a rise in the number of people who try to get by paying their taxes late.

Mr. Joe Latimore was the first to speak in opposition of A. B. 58. He felt that it would affect the funds of the local area if the penalty on taxes was relieved. He said that he felt it would be better to have the power to relieve on the local level so that they could be closer to the specific case involved. Also that with the broad language of the bill, it would be possible for large companies and the richer people to find ways around paying their penalties.

Mr. John Moschetti, the Elko County Assessor, spoke and pointed out that property taxes are paid quarterly and if the first payment is missed then a penalty of 2.5% is applied. If the first and second payments are missed, then a 5% penalty is assessed and so on.

Mr. Mann then commented that then the people could use the tax money for a year at only a 10% penalty and that that is better than some lending institutions' interest rate.

Mr. Jack Mitchell representing the City of North Las Vegas stated that he agreed with the points that Mr. Latimore had made and also wanted to add that many large businesses have departments in charge of excuses and alibies that take care of the reasons as to why the tax payments were late.

Mr. Bill Adams, of Las Vegas, also opposed the bill and said that he, too, feels it should be handled on the local level.

Chairman May then read a letter from Mr. Phil Hannifin, Chairman of the Gaming Control Board. (Attachment 1). It stated that the Gaming Control Board is also opposed to the bill.

ASSEMBLY BILL 63

Chairman May informed the committee that he had just received a phone call from Mr. Bill Byrne, Deputy County Assessor of Clark County, and Mr. Byrne had indicated to him that Clark County had been sending out notices upon reappraisal of property and that they felt A.B. 63 was a good piece of legislation.

Mr. John Sheehan explained that this bill is one of the recommendations of the Governor's Tax Equity Study and that he felt that it was only fair to notify people of a change in their property's tax assessment. He also added that many people do not see the notice in the paper and that other methods of notification should be used such as is mentioned by A.B. 63.

Mr. Mann asked if he would agree to an amendment which would leave out the final part of the bill starting with the comma in line 27 of the second page.

Mr. Sheehan said that he too was going to suggest that. Mrs. Ford asked if a piece could be added to say that a short history of the taxing situation could be sent along with the notice of reappraisal.

Mr. Latimore said that he agreed to this bill with the proposed amendment.

Mr. Moschetti, Elko County Assessor, testified that if he had to send out an individual history to every person who had been reappraised the work would be too extensive a job. He suggested a statement printed on the card that said something to the effect that according to the Nevada Revised Statutes we must appraise your property at least every five years.

Mr. May added that he too felt a general explanation would suffice.

ASSEMBLY BILL 64

Mr. Sheehan explained that this bill was requested by the Deputy Attorney General and it was to safeguard the Tax Commission against suits that were filed in a court but then never filed against the Tax Commission for some time. He said that files are closed and it was impossible

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to defend an assessment if the files cannot be found. Mr. May asked what was the statute of limitations. Mr. Sheehan answered that it was in between two to eight years depending on the case. He said that this bill will just make the person notify the Tax Commission within 90 days of filing a lawsuit with the court, it will let the Tax Commission be prepared to justify its decision. Mr. May asked if there is any retroactive effect. Mr. Sheehan said there is none.

COMMITTEE ACTION:

After discussion, the following action was taken:

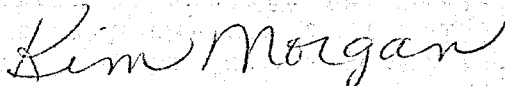
Assembly Bill 58: Mr. Demers moved that this bill be indefinitely postponed, motion seconded by Mr. Mann. The vote was 6 to 3 in favor of postponement with Mr. Bennett, Mr. Murphy and Mrs. Ford casting the negative votes.

Assembly Bill 63: Mr. Mann moved that this bill be amended and then passed. The amendment will be to end the bill in the middle of line 27 of the second page, leaving out everything after the comma. Seconded by Mr. Demers. Passed unanimously. Chairman May asked Mr. Mann to get the amendment drafted and then to speak about this bill on the floor of the Assembly.

Assembly Bill 64: Mr. Demers moved for a "Do Pass" recommendation to be affixed to this bill. Seconded by Mrs. Ford. Passed unanimously. Chairman May asked that Mr. Christensen present this bill on the floor of the Assembly.

There being no further business, Chairman May adjourned the meeting at 10:40a.m.

Respectfully submitted,



Kim Morgan
Assembly Attache

AGENDA FOR COMMITTEE ON.....

Date February 6, 1975 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 local penalties.	
A.B. 63	Requires county assessor to notify taxpayer of assessed valuation of property following appraisal or reappraisal.	
A.B. 64	Provides for dismissal of actions against Nevada tax commission under certain circumstances.	

AGENDA FOR COMMITTEE ON TAXATION

Date February 11, 1975 Time 7-9 pm Room 316

Bills or Resolutions
to be considered

Subject

Counsel
requested*

Informative discussion of AJR 23 of the 56th session (Green Belt Bill) featuring Dr. Hans Radtke of the College of Agriculture, University of Nevada at Reno.

There will be no morning meeting.