

MINUTES

ASSEMBLY TAXATION

April 8, 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: See attached list

The meeting was called to order by Chairman May at 9:39. He explained that this meeting was to consider the three "Senior Citizens Tax relief" bills, A. B. 327, A. B. 71, and S. B. 311.

ASSEMBLY BILL 327

Dr. Robert E. Robinson, Assemblyman and introducer of the bill, spoke first. He said that this bill uses the concept of tax deferment or abatement instead of tax refunds. He explained the concept to the committee as this: This bill will give the persons eligible the right to choose whether they want a tax deferment that will be paid back upon the death of claimants by the lien that is put upon the property by the state. In other words, the state is waiting to collect a portion of the property taxes until the death of the persons getting the deferment and then the state steps in and collects the amount due out of the estate of the deceased. He said that many senior citizens don't like this idea of a lien against the property that will be collected after their death because of the burden it puts on the heirs. They say it is money that the heirs should be getting and not have to worry about paying bills that are not their own. He then added that this tax relief is for the senior citizens and not for the heirs. He said that this bill is for those who have more money than is allowed for in the Tax Assistance program. Mr. May asked Dr. Robinson if he would consider having this bill passed in conjunction with S. B. 311. He was answered that it would be fine.

Ernest Newton of the Nevada Taxpayers Association was the next speaker. He told the committee that makes substantial changes in the present senior citizens tax relief program. He said that it changes the eligible age to 60 from the present 65. It includes provisions so that the couple would

be eligible for deferment of taxes if either of the spouses are over 60 and not both. It makes no provisions for renters. He said that it doesn't erode the tax base for cities or school districts because the state would buy the liens on the property of the senior citizens and hold them until the taxes are paid. The money would then go back into the revolving fund. He says that this bill also allows the person over 60 years of age to own other property worth up to \$85,000 and still get the benefits of the tax relief to the needy senior citizen.

Mr. Howard DeMille of the Democratic National Committee then spoke to amend the bill to raise the amount of \$10,000 because of inflation to \$17,000 to \$19,000.

ASSEMBLY BILL 71

Assemblyman Zel Lowman explained that he introduced this bill because the method of relief to the senior citizen as adopted by the previous session of the legislature was not working to the extent that it was suppose to. He added that this program would not need any new employees. The only eligibility requirement would be age. The stated that the only problem with his bill was the fiscal effect upon the local governments.

Mrs. Lois Allen then asked the committee what relief would the senior citizen who was renting a place to live receive. She was told that the only bill with provisions for renters was S. B. 311, and that according to that bill the renter would receive a tax break on 15% of the amount they paid in rent for that year.

SENATE BILL 311

Mr. Jack Sheehan, of the Nevada Tax Commission, explained to the committee that under this bill a person would not have to pay a portion of his tax bill and that he would not have to come up with the extra cash that he would then be refunded. The amount of credit on a tax bill would be determined by the sliding schedule that appears in the bill. The age limit is reduced from 65 to 62. He said that he did not draft the formula but supports it if it will work.

Mr. Howard DeMille spoke next. He brought up the point that many senior citizens do not own the home in which they live, the mortgage may be in the name of the son or daughter etc. because the senior citizen could not get the loan because of his age but is still paying all the

Mr. Jack Sheehan then told Mr. Deille that the course for that particular senior citizen would be to sign a rental agreement with the person who owned the home or to enter into a life estate.

Mr. DeMille then questioned the legality of the mobility of mobile homes as far as taxation goes. He said that there was a duality of taxes.

Mr. Sheehan then told Mr. DeMille that this bill was to relieve the senior citizen's taxes not just on real property but on personal property as well.

Father Larry Dunphy of the Franciscan Center spoke briefly. He suggested to the committee that they remember the problems of the elderly and that it might be hard for them to reapply every year and that they might forget that they qualify when they become of age and that reminder slips might be mailed out with the tax bills. He then addressed himself to A. B. 327 and said that this bill dealt with an entirely different class of people. The intent of S. B. 311 was to help those people who were almost struggling to survive and that A. B. 327 was not aimed at those people.

Mr. Don Perry of the AARP-NRTA said that his groups support S. B. 311.

Mr. John Kimball asked that the committee find some way to give the elderly people tax relief.

Mr. Don Peckham, Washoe County Assessor, said that he did not feel the \$10,000 figure was liberal enough. He also added that there would be administrative problems in that the deadline for the assessors to turn in their tax roles is in May and that people can still file for their tax assistance until June.

Mr. Sheehan said that he did not feel that it would be a problem for the Tax Commission to handle the refunds for the people who filed after the tax roles had been turned in.

There being no further business, the meeting adjourned at 10:52.

Respectfully submitted,

Kim Morgan
Kim Morgan, Secretary

POSTED 3/4 11:00am

ASSEMBLY
HEARING

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COMMITTEE ON TAXATION.....

Date April 8, 1975 Time 9:30 Room 316.....

Bill or Resolution
to be considered

Subject

- | Bill or Resolution
to be considered | Subject |
|--|---|
| S. B. 311 | Expands class of recipients under Senior Citizens' Property Tax Assistance Act. |
| A. B. 71 | Extends property tax exemption to all aged residents of Nevada. |
| A. B. 327 | Amends Senior Citizens' Property Tax Assistance Act. |

