

MINUTES OF MEETING

Monday, May 12, 1975

A meeting of the Senate Taxation Committee was called to order at 4:15 p.m. on Monday, May 12, 1975, in Room #231 of the Legislative Building.

Senator B. Mahlon Brown was in the Chair.

PRESENT: Chairman B. Mahlon Brown
Senator Mel Close
Senator Gene Echols
Senator William Raggio

ABSENT: Senator Ty Hilbrecht
Senator Thomas Wilson
Senator Helen Herr

ALSO PRESENT WERE: Assemblyman Sue Wagener
Assemblyman Bob Benkovich
James Lien, Nevada State Tax Commission
Fred Wright, Nevada Fish and Game Department

TESTIMONY AND ACTION WERE THEN TAKEN ON THE FOLLOWING MEASURES:

AB 624 PROVIDES PROPERTY TAX EXEMPTION ON HOME IMPROVEMENTS FOR CERTAIN ELDERLY PERSONS.

Assemblyman Bob Benkovich testified as to the purpose of the measure, stating that AB 624 is addressed directly to the senior citizen home owners. It is hoped that this will give them the needed incentive to improve their homes.

Senator Brown asked what the difference was between AB 624 and SB 311? Mr. Benkovich answered that SB 311 was a more general exemption Bill.

Jim Lien of the Tax Commission testified that AB 624 would give the senior citizen a specific exemption on the tax rolls, while under SB 311, he would get a tax credit. It would affect approximately 2600 senior citizen home owners throughout the State who have lived here for five or more years.

Senator Brown then asked the Committee if they would postpone further testimony and action on AB 624 until later in the meeting as Assemblyman Wagner had limited time and wished to testify on AB 224. (See continuation of AB 624 on Page ~~two~~ *.)

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AB 224

PROVIDES FOR STRATIFIED DEPRECIATION OF MOBILE HOMES
FOR PROPERTY TAX ASSESSMENT PURPOSES.

Assemblyman Sue Wagner testified as to the purpose of the measure. She stated that at this time mobile homes are depreciated on a twenty year service life. This measure would classify all mobile home in the state on the basis of those factors which most closely determine their service lives and fix and establish their valuation for assessment purposes -- depending upon the mobile home, from 10 to 33 years. This would make mobile home taxes much more equitable.

Mr. Lien stated that with the tremendous growth of mobile homes within the State, many stationary, by classifying them the same as homes they will be geared to the market value schedule which certainly would be more equitable.

Assemblyman Wagner said that the Sub-committee which Senator Echols chaired regarding Bulletin 119, supports this concept in the form of a Resolution, however, the Nevada Tax Commission feels that an update is now available to undertake this type of assessment and supports this Bill wholeheartedly; in addition the Assembly Taxation Committee and Assembly Ways and Means supported this measure unanimously.

She added that basically what they were talking about in Bulletin 119 is that all mobile homes are depreciated on one curve. If we establish some kind of strata or basis then there may well be three separate curves -- one expensive, one average, one for less expensive mobile homes. This will give more equity in mobile home taxation. The Ways and Means Committee has funded this particular proposal for \$15,000 the first year and \$35,000 the second year.

Jim Lien stated that as more of the more expensive units are placed in the state and the market trend moves in that direction, then you will see mobile home taxes moving up because because these will be depreciated on 25 to 30 years. You will then see taxes reduced on some of the lower quality mobile homes..

Senator Brown asked if they thought this would produce the same amount of revenue? Mr. Lien answered yes, and it would even increase because of the increase in higher priced homes.

Senator Close moved "DO PASS AND REREFER TO FINANCE."
Senator Echols seconded the motion
Motion carried unanimously.

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AB 685 REQUIRES PROOF OF SATISFACTION OF PERSONAL PROPERTY
TAX OBLIGATION AS CONDITION TO REGISTRATION AND
NUMBERING OF WATERCRAFT.

Fred Wright of the Nevada Fish and Game Department testified as to the purpose of the measure. He explained that the Bill would require all boat registration to be forwarded to the assessor and they would issue a boat number and certificate after proof that the property tax had been paid. We are only looking at those boat owners who are delinquent. The measure had the support of the Washoe and Clark Counties. The assessors have informed the Fish and Game Department that they don't have enough people to check on all boats which are delinquent.

He added that they advise the County Assessors monthly on any boat transaction which has taken place in their county. This is simply that we can not issue any certificate until we have proof of property tax. This is nothing more than an interim in a spirit of cooperation. They intend to work with the County Assessors during the next two years and possibly come back with a privilege tax approach in regard to motor boats.

Senator Raggio moved "DO PASS."
Senator Echols seconded the motion.
Motion carried unanimously.

*Chairman Brown then asked the Committee if they wished to take any action on AB 624 (see testimony on page 1).

There was a short discussion amongst the Committee, wherein they felt that although they would like to do more for the senior citizen, the Committee would like to study this specific measure further.

Senator Raggio then moved "TO HOLD INDEFINITELY."
Senator Close seconded the motion.
Motion carried unanimously.

SB 590 INCREASES LIQUOR TAX TO SUPPORT CERTAIN DETOXIFICATION
AND REHABILITATION CLINICS.

Senator Echols stated that he was working with Walt Martini of the Liquor Industry on a Resolution which would be directed towards some solution to this problem and hopefully money would be included in the Executive Budget in two years to help support (along with the Liquor Industries support) a program of this type in Nevada.

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SB 590 (Continued)

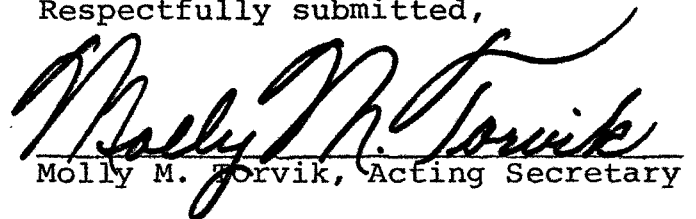
Because of the proposed resolution:

Senator Echols moved "DO KILL."
Senator Raggio seconded the motion.
Motion carried unanimous.

Chairman Brown stated that the intent of the Committee was to be recorded as "direction towards a solution to the problem through a resolution which would hopefully bring about monies for this specific program being included in the Executive Budget in 1977."

There being no further business, the meeting was adjourned.

Respectfully submitted,


Molly M. Torvik, Acting Secretary

APPROVED:



Senator B. Mahlon Brown, Chairman