

SENATE TAXATION COMMITTEE  
MEETING OF MARCH 31, 1977

The meeting was called to order by Chairman Bryan at 2 p.m. The following members were present:

Senators Gary Sheerin, Norman Ty Hilbrecht, Carl Dodge, Norman Glaser and Richard Bryan.

Senator Floyd Lamb was absent.

The following items were considered and action taken:

SB 336 Provides alternative system of property tax relief for senior citizens.

Ray Knisley testified against SB 336. He stated that while he was in sympathy with the idea, he felt the bill will create an administrative nightmare. It is unworkable. Line 12 on page 1 refers to seven per cent leeway. It would appear that the first seven per cent of the income of the applicant is going to have to be paid as a tax. Local government is not the only participant in the advalorem tax. There's nothing that refers to what is going to happen to the state tax. How is the state tax handled? The bill is silent on this. It purports to waive a lien yet it creates a lien. The mortgaged property almost always has a clause which requires that the taxes be paid or the mortgage becomes delinquent. In cases of deferral, what is the status of that?

Senator Bryan asked if Mr. Knisley was talking about standard acceleration clauses which accelerate the due date.

Mr. Knisley answered in the affirmative. He asked if all mortgages which have this clause are being modified. With the provision for deferral with two or more owners, there is no provision that sale can be made before the death of the last survivor. Only two years ago the last survivor of the Mexican War died. There is the possibility some of these liens could go 40 to 60 years. There is no cut-off date. Chances are the six per cent interest would exceed the value of the property. There's a provision that while a lien may attach on one property under this deferral, it can be transferred to another property if the property is sold. Sub-paragraph b in section four (page two, line 23) is vague. It would be possible under this bill for a party with a \$9,000-10,000 yearly income and a \$67,500 home to qualify. There's no particular point in legislating for the benefit of people in that condition. The objective of this bill is property. The State does have an obligation in this field but it should be cautiously and wisely applied. This bill won't work. You can't upset the lien laws

of the state by legislation. There must be better ways of doing this. The advalorem tax is the lifeblood of counties and cities. Every time the state steps in here and takes away part of that tax, it is aggravating an already serious condition. Taxation should be for the purpose of revenue. It shouldn't be for the purpose of curing social faults.

Senator Dodge stated he presumed that it would become a lien in the same priority that current taxes are liens. Assuming that it does, what about the ability of the person under those conditions. Is it still up to him to decide what to do? Wouldn't it be impossible for him to ever get a loan against that property?

Mr. Knisley said he didn't see how he could. Also, suppose the property has a loan on it at the time it goes on. Is that loan being made secondary to deferred taxes?

Senator Hilbrecht stated that what Mr. Knisley is suggesting is someone takes over on property that is already liened by Prestige Trust, having sold their former home in which there had existed a deferral on this act. There would be no power to change that priority. More frightening would be that the state would have the secondary lien under those circumstances.

Mr. Lien, Deputy Director of the Taxation Department, stated that in the department's working with senior citizens and discussing with them approaches for assistance, it has been found there's a reaction against deferment. Senior citizens don't like the idea of having a tax lien established against their property.

SB 113 Extensively revises Senior Citizens' Property Tax Assistance Act.

SB 367 Revises Senior Citizens' Property Tax Assistance Act.

Mr. Lien, Mr. Gary Milliken, Clark County Assessor, and Mr. Homer Rodriguez, Carson City Assessor, presented a composite bill of SB 367 and SB 113. See attached bill.

Mr. Lien explained the basic difference between SB 367 and SB 113 was one was to be a department administered bill and one was to be a county assessor administered bill. It has now been made so it is an optional situation. A county may administer it or the department may, depending on what the county wishes to do.

Mr. Lien went through the composite bill and explained the changes made. He explained that both he and Mr. Milliken agreed with the figure of 17 per cent of the rent (page one, line 15). Fifteen per cent of the rent is a situation where, with the increasing of rent, it now includes more things than property tax. It has been found that property tax in most states runs between 20-22 per cent. Nevada is considered to be a little less heavy. It has been computed that 15 per cent is low and has been compromised at 17 per cent. The county assessors agreed this was proper.

Senator Bryan asked Mr. Lien to comment on the changes in section three. Mr. Lien said it changes a reference point because the references on .807 are no longer there. Section .810 is also amended. Members of a household are now considered instead of two individuals. This cleans up the language. Only one claim per household is being re-emphasized. That is clean-up language, as well. No difference in philosophy is involved. Line 24 in section five changes from one acre to two acres. SB 367 deleted it and allowed it to apply to any acreage. It was felt that it primarily concerns itself with assisting those people who have homes in a homestead period. The increase from one to two acres was made because some residential lots are 1.5 acres. Two acres seems to be quite encompassing. The definition was out of SB 113.

Senator Bryan asked what happens if someone has five acres.

Mr. Lien replied two acres of it and the improvement are the part of the tax bill used for computing the allowance. The three remaining acres are not used in the allowance.

Mr. Lien stated, by administrative procedure, housing projects have been included. It is spelled out more clearly. Paragraph d was added from SB 113.

Senator Hilbrecht asked what was the difference of opinion.

Mr. Lien answered that SB 367 deleted everything from mobile home on and allowed the property period to be included and excluded group care facilities, which was not the intent of that bill. There is agreement now.

Mr. Lien said .823 in section six was in both bills. It is clarifying language. Supplementary security income is included and hospital and medical insurance benefits are excluded in the definition of income.

Senator Bryan asked if SSI was included previously.

Mr. Lien stated the department included it administratively.

Senator Bryan asked if there is no change in terms of practice then, just in the statutory clarification.

Mr. Lien said that was correct. Section seven cleans the language as to what property taxes are being talked about. Those which are succeeding the date of filing is the focus. If he files from January up to July, it is the July taxes that begin on July 1. This point is now clarified. When assessment year was used, it was a problem because the assessment year is different than the year of collection of taxes. In essence, if the law was followed to the letter, someone would have had to be 63 years old before getting benefit. That was not the intent.

Mr. Lien said section eight is from SB 367 and clarifies that renting is being talked about. Two different kinds of things are being rented--a home or a mobile home lot. The term occupy wasn't meant to mean that a person has to be physically there but that he is renting and has rented it for at least six months or rented at least a portion of the prior calendar year. Mr. Lien raised a question on line 27. There is a bill before the legislature about utilities. If the term utilities was excluded, it does not include any amount paid for utilities. That is the problem. The rent cannot be broken down to determine what is paid for utilities. What has been done is that, in essence, 17 per cent on the rental bill is being paid because there is a difference in what utilities are included. Some are considered furnished by the renter. Therefore, Mr. Lien requested excluding the amount paid for utilities.

Senator Hilbrecht disagreed. He said since mobile home lots were included, even mobile home parks are purveyors of utilities. They actually sell electrical and gas energy. They own the distribution system at the park and they bill people in accordance with their consumption. He disagreed that reimbursement should be made to senior citizens of 15 per cent of the amounts that are billed with the rent as a part of their rent statement but are developed by the amount of energy they consume.

Mr. Lien said that mobile home lots weren't added. They have always been included. It was just spelled out more clearly. Utilities can be left in the law as long as there is awareness of it and in those situations where it is not easily discernible, senior citizens will receive a certain percentage of the rent period. Section nine changes the percent from 15 to 17. Section 10 defines when the individual is to be 62 years of age. Section 11 is the first place where the question comes up of the income level to use. The executive budget is predicated on the \$10,000 level. SB 367 proposes \$12,000. That will be the committee's decision. The fiscal note with the income level at \$10,000 and with paying the counties \$10 per claim to administer it, is \$1,224,042. With the \$12,000 level, it would cost \$1,229,562.

Senator Bryan asked if the amount appropriated over the last two bienniums has been exceeded.

Mr. Lien said only about two-thirds of the appropriation is used currently each year. There has been a savings of \$400,000 per year the last two years.

Senator Dodge asked what was the problem with the \$24,000.

Mr. Lien said there is a problem because the executive budget only reflects \$1.2 million. The \$24,000 would have to be requested from the interim finance committee.

Senator Dodge asked what that was based on.

Mr. Lien said it was predicated on the \$10,000 income and

the department administering the entire act. That's not the case now because of the optional situation where the counties may administer as well. Clark County has indicated it wishes to administer.

Senator Dodge asked if the counties are being paid to administer the program.

Mr. Lien answered that was being done. Now counties are being paid \$2 to take the claims. The average cost of processing claims by the counties was approximately \$10.

Mr. Lien asked for an additional deletion in section 11 on line 41 of the words "and occupied." There was concern whether occupy means living there physically for six months. That's not the intention. The philosophy was that there is nothing wrong with property owners spending, say six weeks in Arizona. It should not prevent him from receiving some benefit on his property here.

Senator Hilbrecht stated that the intent certainly wouldn't be to apply to rental property. Where else in the bill is this tied up? He said he agreed there shouldn't be a requirement for continuous occupancy.

Senator Bryan suggested saying "own the home with the intention to occupy the same."

Senator Hilbrecht stated that the intent is that he maintains it as his residence.

Mr. Lien suggested changing the language to "and maintained as his primary residence." That was agreed upon. He said in section 11, there is the income range for \$10,000 income. Sub-section two with the \$12,000 range should be deleted.

Senator Bryan asked what is the net fiscal impact of the proposed changes in the \$10,000 ceiling. How much more will it cost in the next biennium.

Mr. Lien said it would cost approximately \$400,000.

Senator Dodge asked if this was based on 100 per cent participation.

Mr. Lien said this was based on previous experience.

Mr. Lien said section 12 is from SB 367 and is a continuation and clarification of what has already been discussed. Again, "occupied" should be changed to "maintained as part of his primary residence."

Senator Hilbrecht asked for an explanation between the

differences of mobile home owners and renters.

Mr. Lien said there are mobile home owners who rent the lot it is on. There's also mobile home owners who own the land it is on. If they own the lot it is on, they are considered totally home owners and it is all processed as one thing. When the lot is rented, they receive their personal property tax bill for the mobile home. They receive a percentage of that bill plus, then, 17 per cent of the rent they paid on their lot.

Senator Hilbrecht said that when they rent both the home and the lot, the 17 per cent is given on the rental.

Mr. Lien explained that the law is not being applied to anyone who has not had the law applied to them before. There are no new additions to eligibility. It is a change in the benefit structure for those who are eligible.

Mr. Lien stated that section 13 is the filing portions. SB 367 handles it differently as far as which sections are amended. What is in the composite is a single-filing period for all eligible persons. They will file between January 15 and April 30. SB 367 proposes different filing times. Homeowners would file between January 1 and May 15. An owner of a mobile home and an individual who rents a mobile home lot would file between May 1 and July 31. The rationale behind the single-filing period is to prevent people from filing when they shouldn't. There have been homeowners who filed during the rental filing period. He said the philosophy behind SB 367's different filing periods was for work flow. He maintained the single-filing period is all that is necessary. The applications can be processed during any time frame wanted.

Mr. Milliken said his office didn't have any opposition to the single-filing period. The only reason the dates had been changed in SB 367 is that there was a problem with the dates as they currently are set up. A single-filing period will be much easier because it won't be confusing.

Mr. Lien explained that line 46 in section 13 has been changed to indicate the county assessor or the department may furnish the forms. If the county is administering it, the assessor would supply the forms; if the department is administering it, the department will supply the forms.

He said under section 14 two processes are set up. If the department is to process the claim, it would do what is listed on lines 4-17. He suggested, and it was agreed upon, to change the working days on line four from 10 to 15 days. He explained the process for processing applications. On line 14, it explains what the county assessor does if he processes the claim. The term allowance was explained. Allowances are being computed. At some point it may be a credit against taxes and in other cases it may be a refund. How that occurs is spelled out beginning on line 19.

Senator Dodge asked Mr. Rodriguez what is the general opinion of the counties about whether they would handle the optional procedure at the local level or let it go to the department and get the refund back.

Mr. Rodriguez stated that the small counties want the department to handle it.

Mr. Don Peckham, Washoe County Assessor, said he would prefer that the department handle it.

Senator Bryan asked what mechanism is in the bill for the election as to whether it is a county option or the department option.

Mr. Lien replied it becomes a county option at the time they take the application. If they forward the application to the department, it becomes a tax department process.

Mr. Lien stated "by May 30" was added on line 19, section three. A section in SB 367 was deleted but the date was used. The deleted section referred to adjustments to the tax roll and to giving material to the auditor. That process is not used. Tax rolls are not adjusted at all. SB 113 said June 30 and he wondered whether the counties would prefer that June 30 date, as well.

Mr. Milliken said that would be preferred and it was inserted in the place of May 30.

Mr. Lien stated section 15 called an assistance an allowance and indicated that if credit is applied toward property taxes, it has to be applied to delinquent taxes first. Section 16 clarifies further that if individuals receive other kinds of exemptions on their property taxes, it reduces the assessed value against which the taxes are computed. That is how the law is now applied.

Senator Bryan asked if the department gets involved with the vehicle privilege tax.

Mr. Lien said no. That's one of the reasons it is spelled out. It has to be applied and the assessed valuation is reduced.

He stated section 17 states how the county will forward the information to the department for reimbursement of taxes. Either the county will be reimbursed for credits it has allowed against the tax roll, whether the county assessor or the department processes it, or the assessor sends memorandums which tell the department it should refund directly to the claimant. The section,

which continues on page six, is the same amendment in both bills. Lines 1 through 20 are being deleted. That was the previous mechanics of how reimbursement based on reduction to the roll was conducted. That language was cleaned on the prior page.

Senator Hilbrecht asked where is the alternative whether the department processes directly by virtue of being forwarded.

Mr. Lien stated it doesn't occur. It doesn't make any difference whether the county processes or the state processes. The billing for reimbursement would be the same.

Senator Hilbrecht asked where in the bill does it spell out this is an alternative.

Mr. Lien replied it is the mechanics of whether the assessor retains the claims or he forwards them.

Senator Hilbrecht suggested this be made clear in the bill.

Mr. Lien stated he had no objection. It would require adding a new section.

It was decided to develop and place the language in section 13 on page four.

Mr. Lien stated that section 18 deletes the term "assessment year" and adds "in any tax year." Section 19 comes from SB 113 which says a director shall deny a claim in which the claimant is not entitled to the amount.

Senator Hilbrecht pointed out that assistance should be changed to allowance on line 36.

Mr. Lien said section 20 re-words the penalties for false statement or use of any other fraudulent device. Section 21 should include both the county assessor and the department which will allow the applicant to appeal a county assessor's decision as well as the department staff position to the executive director. Section 22 cleans up the language about eligibility. Section 23 is counsel changing. The crux of it begins on line 11 where it states the money allowed to the assessor. Two dollars is allowed to the assessor for each claim filed and forwarded to the department for processing and \$10 is allowed to the assessor who processes the claim for allowance. The areas indicated in section 24 would still be repealed because it has primarily to do with the old process on the auditor adjusting rolls. The only section that would not be repealed is 361.860 which has been amended as section 18.

The language was left in section 25 on line 19 (page eight), which was not in SB 367. What would be done is applications now taken under the present law would be processed under the new



statute. There are also some different filing dates and, because of this, the filing date for this one year only has been extended to encompass the former existing ones. Starting in January 1978, only the January through April filing period will be used.

Senator Bryan asked if the assessors are in accord with the changes made in this bill.

Mr. Lien answered in the affirmative. The only basic difference is the income level which is the committee's decision anyway.

Senator Dodge asked for an explanation of the refunds listed on page four.

Mr. Lien stated that the wide-range of percentages was eliminated. Only four basic refund categories are being used.

Senator Bryan said that would ease the administrative problems.

Senator Dodge requested a summary on this bill that shows the extension of the benefits.

Mr. Lien stated that language would be prepared to specify the option and to make sure the language is conformed to compatibility.

Senator Bryan asked that Mr. Lien return it back as soon as possible.

Mr. Lien stated there is a section in SB 336 that he would like to have put into SB 367. It is on page four, beginning with line 40 on section 16, which would be amending 361.861. It clarifies what would happen in case of death. There are problems now with that. This language solves an administrative problem.

Senator Hilbrecht suggested adding this to the bill.

Mr. Orvis Reil, vice chairman of NRTPA/AAPP, spoke against the deferment in SB 336. SB 367 would affect World War I veterans who have a quirk in their pension act. A rebate effects the amount of pension received. Under the present law, the rebate is taken out of the pension. He asked if there was some mechanism in which it could be credited on their tax bill.

Senator Bryan stated that is contained in the bill. It would be an allowance.

It was moved by Senator Glaser to amend SB 367 and re-refer it to the Finance Committee with the income level at \$10,000. Senator Dodge seconded the motion and it passed unanimously with Senators Sheerin and Lamb absent.

Senator Dodge moved to postpone SB 336. Senator Hilbrecht

Senate Taxation Committee  
March 31, 1977  
Page Ten

seconded the motion and it passed unanimously with Senators Lamb and Sheerin absent.

There being no further business, the meeting was adjourned.

Respectfully submitted,

*Colleen Crum*

Colleen Crum, Secretary

APPROVED:

*Richard H. Bryan*

Senator Richard Bryan, Chairman

SENATE BILL NO. 367—SENATOR BRYAN

MARCH 21, 1977

Referred to Committee on Taxation

SUMMARY—Revises Senior Citizens' Property Tax Assistance Act.  
(BDR 32-1079)

FISCAL NOTE: Local Government Impact: Yes.  
State or Industrial Insurance Impact: Yes.

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to property taxes; revising the Senior Citizens' Property Tax Assistance Act; prescribing durational residence requirements; limiting definition of a "home"; establishing different periods for filing claims; changing the schedule of allowances; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. Chapter 361 of NRS is hereby amended by adding thereto a new section which shall read as follows:

*"Mobile home lot" means a portion of land which is rented to accommodate a mobile home owned or rented by the claimant.*

2  
1 SECTION 1. NRS 361.803 is hereby amended to read as follows:  
2 361.803 1. The legislature finds that:

3 (a) Senior citizens of this state live, as a rule, on limited retirement  
4 incomes which remain fixed while property taxes and other costs con-  
5 stantly rise.

6 (b) The erosion of senior citizens' income in terms of true value  
7 threatens to destroy the ability of many to retain ownership of the homes  
8 in which they had planned to spend their later years.

9 (c) Senior citizens are often forced to divert an excessive portion of  
10 their incomes into the property taxes on their homes, thus leaving insuffi-  
11 cient funds for other things essential to their well-being.

12 (d) Many senior citizens who rent their homes also pay an excessive  
13 portion of their income into property taxes through the media of rent  
14 payments.

15 (e) [Fifteen] *Seventeen* percent of the rent senior citizens pay for the  
16 occupancy of their homes approximates their contribution toward residen-  
17 tial property taxes.

18 2. The legislature therefore declares that:

19 (a) It is the public policy of this state to provide assistance to its senior  
20 citizens who are carrying an excessive residential property tax burden in  
21 relation to income.

1 (b) The purpose of the Senior Citizens' Property Tax Assistance Act  
2 is to provide relief to eligible senior citizens, through a system of property  
3 tax *credit memorandums*, refunds and transfers from the senior citizens'  
4 property tax assistance account.

3  
4  
5

5 ~~SEC 2.~~ NRS 361.805 is hereby amended to read as follows:  
6 361.805 For purposes of NRS 361.800 to 361.877, inclusive, the  
7 terms listed in ~~[NRS 361.807]~~ *NRS 361.810* to 361.832, inclusive, have  
8 the meanings ascribed to them in ~~[such]~~ *those* sections.

9 ~~SEC 3.~~ NRS 361.810 is hereby amended to read as follows:  
10 361.810 "Claim" means an application for senior citizens' property  
11 tax assistance made pursuant to the Senior Citizens' Property Tax Assist-  
12 ance Act, and a "claimant" is a person who files such an application.  
13 When two ~~[individuals]~~ *members* of a household are able to meet the  
14 qualifications for a claimant, they may determine between ~~[them as to]~~  
15 who the claimant shall be. *themselves who is to be the claimant.* If they  
16 are unable to agree, the matter shall be referred to the executive director  
17 and his decision ~~[shall be]~~ *is final.* ~~[In no event should there be more~~  
18 ~~than one claim]~~ *Only one claim may be filed for any [home.] household.*

5  
6

19 ~~SEC 4.~~ NRS 361.815 is hereby amended to read as follows:  
20 361.815 1. "Home" means residential living quarters located in  
21 Nevada. The quarters may consist of a single dwelling unit, or a unit  
22 which is an integral part of a larger complex such as a multidwelling or  
23 a multipurpose building, together with the land upon which the unit is  
24 built and any surrounding land, not to exceed ~~[1 acre,]~~ *2 acres*, as well  
25 as outbuildings and facilities reasonably necessary for use of the unit as  
26 residential living quarters.

- 27 2. The term "home" includes:  
28 (a) A mobile home.  
29 (b) ~~[That]~~ *A home; mobile home or dwelling [of]* which the claim-  
30 ant ~~[is in possession]~~ *possesses* under a contract of sale, deed of trust,  
31 life estate, joint tenancy or tenancy in common.  
32 (c) Group care facilities required to be licensed by the health division  
33 of the department of human resources, pursuant to NRS 449.001 to  
34 449.240, inclusive.  
35 (d) *A dwelling within any housing project which has been established*  
36 *pursuant to chapter 315 of NRS and for which the housing authority*  
37 *makes payments in lieu of taxes.*

6

38 ~~SEC 5.~~ NRS 361.823 is hereby amended to read as follows:  
39 361.823 "Income" means adjusted gross income, as defined in the  
40 U.S. Internal Revenue Code, plus the following items: tax-free interest;  
41 the untaxed portion of pensions or annuities; railroad retirement bene-  
42 fits; veterans' pensions and compensation; ~~[all]~~ *payments received under*  
43 *the Federal Social Security Act, [except Medicare; state and federal*  
44 *old-age assistance;]* *including supplemental security income but exclud-*  
45 *ing hospital and medical insurance benefits for the aged and disabled;*  
46 *public welfare payments, including shelter allowances; unemployment*  
47 *insurance benefits; all "loss of time" and disability insurance payments;*  
48 *disability payments under workmen's compensation laws; [untaxed]*  
49 *alimony; support payments; allowances received by dependents of serv-*  
50 *icemen; the amount of recognized capital gains and losses excluded from*

1 adjusted gross income; life insurance proceeds; bequests and inheritances;  
2 cash gifts over \$300 not between household members and such other  
3 kinds of cash flow into a household as the [commission] department  
4 specifies by regulation.

5 SEC. 6. NRS 361.825 is hereby amended to read as follows:  
6 361.825 "Property taxes accrued" means property taxes (exclusive  
7 of special assessments, delinquent taxes [and] interest) levied on a  
8 claimant's home in this state which [were] are due and payable [on the  
9 1st Monday of] during July, immediately [preceding] succeeding the  
10 date of filing of a claim. If a home is owned by two or more persons or  
11 entities as joint tenants or tenants in common and one or more persons  
12 or entities are not [a member] members of claimant's household, prop-  
13 erty taxes accrued is that part of the property taxes levied on the home  
14 which reflects the ownership percentage of the claimant and his house-  
15 hold. [For purposes of this paragraph property taxes are levied when  
16 the tax roll is delivered to the county treasurer for collection.]

7  
[Handwritten mark]

20 SEC. 7. NRS 361.827 is hereby amended to read as follows:  
21 361.827 "Rent" means the payment a claimant has made under a  
22 bona fide tenancy or leasing agreement solely for the right to [occupy  
23 his home during any assessment year.] occupy:

8  
[Handwritten mark]

- 24 1. A home; or
- 25 2. A mobile home lot,
- 26 during the calendar year immediate preceding the filing of his claim. The
- 27 term does not include any amount paid for utilities, fuel or furnishings,
- 28 nor does the term include payment for food, nursing services or institu-
- 29 tional care.

and maintained  
as his primary  
residence

24 SEC. 8. NRS 361.830 is hereby amended to read as follows:  
25 361.830 "Rent deemed to constitute accrued property tax" is [15]  
26 17 percent of the total rent which a claimant has paid in cash. [or its  
27 equivalent.]

10

28 SEC. 9. NRS 361.832 is hereby amended to read as follows:  
29 361.832 "Senior citizen" means any person who is [a resident of]  
30 domiciled in this state and will attain the age of 62 years on or [prior to]  
31 before the first day of [the assessment year for which he submits a  
32 claim.] July immediately succeeding the filing period.

11  
[Handwritten mark]

38 SEC. 12. NRS 361.833 is hereby amended to read as follows:  
39 361.833 1. A senior citizen whose home is placed upon the secured  
40 or unsecured tax roll, who [owns and occupies the home the day he files]  
41 has owned and occupied the home for at least 6 months immediately pre-  
42 ceding the filing of his claim and whose household income is not over  
43 \$10,000, ~~is~~ is entitled to an allowance against the property tax  
44 accrued [during that assessment year] against his home to the extent  
45 determined by [discounting such tax by] the percentage shown opposite  
46 his household income range on the schedule below:

delete  
brackets

FN	\$1,224,042	\$10,000 + Adm. fee
+	75,000	\$12,000 + adm. fee

INCOME RANGE	But Not Over	PERCENT TAX Percent of Claimant's Property Tax Accrued Allowable as Assistance Is
\$0	\$999	90
1,000	1,999	80
2,000	2,999	65
3,000	3,999	55
4,000	4,999	45
5,000	5,999	40
6,000	6,999	30
7,000	10,000	10
\$0	\$1,999	90
2,000	3,999	75
4,000	6,999	50
7,000	10,000	25

delete

maintained as part of  
primary residence.

14 2. A senior citizen whose home is placed upon the unsecured tax  
15 roll; who owns and occupies the home on the date he files his claim and  
16 whose household income is not over \$10,000 is entitled to an allowance  
17 against the personal property tax which accrues against his home in the  
18 next following assessment year to the extent determined by discounting  
19 such tax in accordance with the schedule in subsection 1.  
20 3. In no event shall the discount or refund

\$0	\$1,999	90
2,000	3,999	75
4,000	6,999	50
7,000	12,000	25

12

delete bracket

25 2. The amount of the allowance shall not exceed the amount of the  
26 accrued property tax paid by the claimant or \$300, whichever is less.  
27 SEC. 13. NRS 361.835 is hereby amended to read as follows:  
28 361.835 A senior citizen who rents and occupies his home for an  
29 entire assessment year, who remains in the same home] has rented and  
30 occupied a home or a mobile home lot for at least 6 months of [that]  
31 the preceding calendar year and whose household income is not over  
32 \$10,000] is entitled to [the same percentage discount,] a  
33 refund as determined in accordance with the schedule in NRS 361.833,  
34 but only with respect to that portion of his rent which is rent deemed  
35 to constitute accrued property tax. [, as is provided for a homeowner  
36 under NRS 361.833.]

13

County assessor  
or Department  
as applicable

38 SEC. 12. NRS 361.838 is hereby amended to read as follows:  
39 361.838 1. A claim may be filed only with the assessor of the county  
40 in which the claimant's home is located [.] and between January 15 and  
41 April 30, inclusive.  
42 2. The claim shall be made under oath or affirmation and filed in  
43 such form and content, and accompanied by such proof, as the depart-  
44 ment may prescribe. [pursuant to the Senior Citizens' Property Tax  
45 Assistance Act.]  
46 3. The [County assessor] department shall furnish the appropriate  
47 form [or forms] to each claimant.  
48 SEC. 13: NRS 361.841 is hereby amended to read as follows:

14

*the department processes the claim working allowance*

1 361.841 [The county assessor shall examine each homeowner's  
2 claim, granting or denying it, and if granted, shall determine the percent-  
3 age discount to which the claimant is entitled.]  
4 1. The county assessor shall, within 10 days after receiving a claim,  
5 determine the assessed valuation of the property to which the claim  
6 applies and submit the claim to the department.  
7 2. The department shall examine each claim, granting or denying it,  
8 and if granted, shall determine the credit or refund to which the claimant  
9 is entitled.  
10 3. When a claim is denied, the department shall so notify the claimant  
11 by registered or certified mail.  
12 4. When a claim is granted, the department shall:  
13 (a) If the claimant's home is on the secured or unsecured tax roll, notify  
14 him not later than June 30 of the amount of credit which may be applied  
15 to his property taxes accrued.  
16 (b) Pay to a home renter not later than August 15 the refund to which  
17 he is entitled.

*If the county assessor processes the claim allowance as allowance*

13 Sec. 16. NRS 361.841 is hereby amended to read as follows:  
14 361.841 1. The county assessor shall examine each [homeowner's]  
15 claim, granting or denying it, and if granted, shall determine the [per-  
16 centage discount] credit or refund to which the claimant is entitled.  
17 2. If a claim is denied, the county assessor shall notify the claimant  
18 by registered or certified mail. JUNE 30th by  
19 3. If a claim is granted, the county assessor shall notify the claimant  
20 of the amount of credit which may be applied to his property taxes  
21 accrued or the amount of refund he is entitled to receive for rent deemed  
22 to constitute accrued property tax.

*16*

18 Sec. 17. NRS 361.843 is hereby amended to read as follows:  
19 361.843 If any claimant is entitled to [a discount or a refund]  
20 assistance pursuant to the Senior Citizens' Property Tax Assistance Act  
21 and at the time is delinquent in any property taxes on the property  
22 claimed as [a] his home, the amount of [the discount or refund shall  
23 apply as a credit against such delinquent taxes.] credit which may be  
24 applied to his property taxes accrued shall first be used to reduce his  
25 delinquent taxes.  
26 Sec. 15. NRS 361.850 is hereby amended to read as follows:  
27 361.850 [A claimant] 1. A person may receive assistance under  
28 the Senior Citizens' Property Tax Assistance Act [though such claimant  
29 also receives] while receiving a property tax exemption as a widow, blind  
30 person or veteran [.] if the person has filed a claim for the exemption  
31 with the county assessor.  
32 2. The assessed valuation of any property used to determine an allow-  
33 ance under the Senior Citizens' Property Tax Assistance Act shall be  
34 reduced by the amount of such exemption.

*17*

35 Sec. 18. NRS 361.859 is hereby amended to read as follows:  
36 361.859 1. The county ex officio tax receiver shall send the depart-  
37 ment a statement of all credits applied to property taxes accrued and shall  
38 demand reimbursement of the county in the aggregate amount of the  
39 allowance.  
40 2. The county ex officio tax receiver shall send the department a  
41 statement of all credits which were not applied to property taxes accrued.  
42 Upon receipt of such statement, the department of taxation shall mail  
43 refunds to the claimants entitled to them.  
44 3. Upon verification and audit of each statement from a county  
45 concerning homeowners' claims granted for an assessment year, the  
46 department shall authorize reimbursement to the county by the state.  
47 [2.] 4. The reimbursement shall be paid out of the funds appro-  
48 priated to the senior citizens' property tax assistance account, in the  
49 same manner as other moneys in the state treasury are disbursed.

1 [3. The reimbursement due on a statement submitted under subsec-  
2 tion 2 of NRS 361.852 shall be authorized by the department not later  
3 than July 31 next following the assessment year for which the allowances  
4 were granted. Warrants for such reimbursement shall be issued to the  
5 ex officio tax receiver of the county not later than August 15 of each  
6 such year.

7 4. The reimbursement due on a statement submitted under subsec-  
8 tion 2 of NRS 361.856 shall be authorized promptly by the department.  
9 Warrants for such reimbursement shall be issued to the county ex officio  
10 tax receiver.

11 5. If, prior to issuing a county's reimbursement, the department dis-  
12 allows through audit any claim a county assessor has allowed, the depart-  
13 ment shall adjust the county's reimbursement accordingly. In the event the  
14 department has already reimbursed the county for its statement of claims,  
15 the department shall make a demand on the county for the return of that  
16 amount of overpayment. If the county fails to return the overpayment  
17 within a reasonable time after demand, the department may bring a civil  
18 action to recover such overpayment or, in the alternative, may withhold  
19 the amount of the overpayment from subsequent reimbursements.

20 6.] 5. If the department determines that [audits of claims are] an  
21 audit of claims is needed for the purpose of determining [if] whether a  
22 county assessor accurately processed claims, [and calculated discounts,]  
23 and if department personnel are not capable of auditing a sufficient num-  
24 ber of the claims, then the department may expend not more than \$20,-  
25 000 of the moneys in the senior citizens' property tax assistance account  
26 for the purpose of contracting with qualified [individuals] persons to  
27 assist in conducting such audit.

18

18 ~~SEC. 25.~~ NRS 361.860 is hereby amended to read as follows:  
19 361.860 Only one member of each household may file a claim [for  
20 an assessment year.] in any tax year. If more than one member is eligible  
21 to claim, any one of the eligible members may file the claim with the  
22 written consent of the others. If such consent is not obtainable, the claim  
23 may be filed only if criteria regulating such a circumstance have been  
24 prescribed by the department.

19

35 ~~SEC. 18.~~ NRS 361.867 is hereby amended to read as follows: *allowance*  
36 361.867 The executive director shall deny any claim for assistance  
37 to which the claimant is not entitled or any amount in excess of that to  
38 which the claimant is entitled. The executive director may deny in total  
39 any claim which he finds to [be excessive or which was] have been filed  
40 with fraudulent intent. If any such [a] claim has been paid and [if] is  
41 afterward denied, the amount of the claim together with a 10 percent  
42 penalty shall be repaid by the claimant to the department. If the amount  
43 of such refund and penalty is not repaid, the [same] amount shall be  
44 assessed against the property claimed by the claimant as a home. [The  
45 claimant in such case and any person who assisted in the preparation or  
46 filing of such claim, or who, with fraudulent intent, supplied information  
47 upon which such excessive claim was prepared, are guilty of a misde-  
48 meanor.]

20

49 ~~SEC. 18.~~ NRS 361.868 is hereby amended to read as follows:  
50 361.868 Any person who [in order] willfully makes a materially



1 *false statement or uses any other fraudulent device* to secure for himself  
2 or another the assistance provided in the Senior Citizens' Property Tax  
3 Assistance Act *willfully makes a materially false statement* is guilty of  
4 a gross misdemeanor.

21

*county assessor*

5 SEC. 20. NRS 361.870 is hereby amended to read as follows:  
6 361.870 1. Any claimant aggrieved by a *county assessor's* deci-  
7 ~~sion of the department~~ which denies assistance claimed under the Senior  
8 Citizens' Property Tax Assistance Act may have a review of the denial  
9 before the executive director if within 30 days after the claimant receives  
10 notice of the denial he submits a written petition for review to the depart-  
11 ment.

12 2. Any claimant aggrieved by the denial in whole or in part of relief  
13 claimed under the Senior Citizens' Property Tax Assistance Act, or by  
14 any other final action or review of the executive director, is entitled to  
15 judicial review thereof. Proceedings for such review must be instituted  
16 within 30 days after the claimant has received notice of such final action.

22

17 SEC. 21. NRS 361.873 is hereby amended to read as follows:  
18 361.873 1. The department is responsible for the overall adminis-  
19 tration of the Senior Citizens' Property Tax Assistance Act.

20 2. The department may:  
21 (a) Specify by regulation any other kind of income for the purpose  
22 of NRS 361.823.

23 (b) Prescribe the content and form of claims.

24 (c) Designate the kind of proof to be required for substantiation of  
25 claims.

26 (d) Establish criteria for determining when a claim may be filed by  
27 one *eligible person* without the consent of all others eligible in the same  
28 household for the same assessment year. *of two eligible spouses without*  
29 *the consent of the other.*

30 (e) Prescribe that a claimant's ownership of his home must be shown  
31 of record.

32 (f) Provide by regulation that a vendee in possession of his home  
33 under an installment sale contract and responsible for paying the prop-  
34 erty taxes on the home is eligible to claim assistance as a homeowner.

35 (g) Limit the computation of benefits to the nearest dollar and limit  
36 issuance of warrants to \$5 or over.

37 (h) Verify and audit any claims, statements or other records made  
38 pursuant to this act.

39 (i) Adopt *and promulgate* regulations to safeguard the confiden-  
40 tiality of information supplied by claimants.

41 (j) Provide by regulation for a limited extension of time to file a claim  
42 in cases of hardship.

43 (k) Adopt *and promulgate* such other regulations as may be required  
44 to *effectuate* *carry out* the purposes of the Senior Citizens' Property  
45 Tax Assistance Act.

23

46 SEC. 22. NRS 361.874 is hereby amended to read as follows:

47 361.874 1. *Moneys* *Money* to pay for assistance granted to senior  
48 citizens under the Senior Citizens' Property Tax Assistance Act shall be  
49 provided by legislative appropriation from the *state* general fund. *In*

1 the state treasury.] The [moneys] money so appropriated shall be trans-  
2 ferred to [an account in the general fund to be known as the] a senior  
3 citizens' property tax assistance account [.] in the state general fund.

4 2. The executive director may, from time to time, obtain from the  
5 state controller a statement of the balance in the senior citizens' property  
6 tax assistance account. The executive director shall provide for full  
7 refunds of all just claims [., provided that] if the total amount of such  
8 claims does not exceed the balance in the account. The executive director  
9 shall proportionately reduce each claim [when] if the total amount of  
10 all claims exceeds [the balance in the account. Moneys] that balance.

11 3. Money for the administration of the Senior Citizens' Property Tax  
12 Assistance Act shall be provided by legislative appropriation and transfer  
13 to the senior citizens' property tax assistance account. From this account  
14 the sum of \$2 shall be allowed to each county assessor for each home  
15 owner's claim filed [and \$2 to the department for each home owner's  
16 claim forwarded to it.]

17 ~~SEC. 23.~~ NRS 361.807, 361.839, 361.851, 361.852, 361.854, 361.-  
18 856, 361.858, ~~361.859~~ and 361.875 are hereby repealed.

19 ~~SEC. 24.~~ Notwithstanding the provisions of section 11 of this act:

20 1. A claim for property tax assistance in 1977 may be filed on or  
21 before August 15, 1977.

22 2. If, on or before December 31, 1977, a claimant can satisfy the  
23 executive director of the department of taxation that good cause exists  
24 for a late filing of a claim, the executive director may accept and process  
25 the claim and authorize a refund to the claimant.

Handwritten annotations: "24" with a scribble, "25" with a scribble, and a large handwritten bracket on the right side of the page.

Claim filed and forwarded to the dept for processing and the sum of \$10 shall be allowed to each county assessor who processes a claim for allowance.

