

SENATE TAXATION COMMITTEE
MEETING OF APRIL 21, 1977

The meeting was called to order by Chairman Bryan. The following members were present:

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

Senator Lamb was excused.

The following items were considered and action taken:

AB 482 Permits taxation of certain interests in tax-exempt property.

Those appearing in support of the bill were:

Mr. Bruce McWhirter, from Ross, Hardy, O'Keefe, Babcock and Parsons lawfirm in Chicago and representing Clark County, stated the principal change made in the statute in this bill is to remove an anomaly which was never intended by the legislature. The Supreme Court, in a case involving Clark County's attempt to tax the Metropolitan Water District of Southern California and the Department of Water and Power of the City of Los Angeles, held that because the words "in connection with a business conducted for profit" were in the statute, the City of Los Angeles and the Metropolitan Water District of Southern California were not taxable. This is an anomaly because the Department of Water and Power and the Metropolitan Water District are California municipalities which pay real and personal property taxes in California. It is a general rule of law that once foreign municipalities leave the jurisdiction in which they are incorporated, they are treated the same as any foreign corporation and are subject to tax in the other state. Under section 273.040 in the Nevada statute, it states that any foreign municipal corporation entering into Nevada is to be treated the same as any foreign corporation; namely it will not be tax exempt and will be treated like a non-municipal utility. There is also clarifying language in the bill. The statute is very similar to the statute in effect in Utah.

Senator Dodge stated this maybe the best way this law can be explained, but he wondered why this statute could not be addressed as not exempting any governmental entity which is in proprietary capacity.

Mr. McWhirter said the reason further changes were not made is because it is the intent to make the bill consistent with the other Nevada statutes which don't make distinctions between a foreign municipality and a proprietor in any capacity. The exemptions listed are the only exemptions which have been in the bill since it was enacted 10 years ago.

Senator Bryan asked what the fiscal impact to Clark County would be.

Mr. Gary Milliken, from the Clark County Assessor's Office, stated the only information goes back to the 1970 appraisal. The assessed value at that time was \$22 million. That is \$1.1 million in tax dollars.

Senator Hilbrecht asked Mr. Jim Lien, Deputy Director of the Department of Taxation, to explain the \$300,000 deficit to the state.

Mr. Lien explained the \$300,000 is depleted or nearly depleted. The department addressed only the \$300,000 because there is no court decision as to whether or not they are taxable even under the amended statute.

Senator Hilbrecht asked how any fiscal impact was established.

Mr. Lien stated it was established on the impact to the state at the time of the original case.

Mr. McWhirter stated that the \$300,000 will end in 1987 under the 50-year contract.

Senator Dodge asked Mr. McWhirter if he was satisfied that someone wouldn't have an escape hatch by the use of the words "natural person, association, partnership or corporation." Would someone be able to say they did not apply to any of those four definitions because they were a foreign municipality.

Mr. McWhirter said he felt the term corporation would cover a foreign municipality in this instance. He said he would see nothing wrong with adding the term "or other entity."

Senator Bryan asked Mr. McWhirter to explain the rest of the bill. Mr. McWhirter stated the words "which enjoy substantial benefits from its rights which are not available to the general public" makes clear it is a benefit which someone derives other than something which is open to the public in general. The other principal change is on page two, lines 5-10. The Attorney General in 1966 determined that language was intended to cover only grazing use. This section was amended in 1967. That section pointed out it was intended only to exempt grazing uses. Because the section included the Bureau of Reclamation, there was a debate in the Clark County court suit about whether those two municipal corporations could come within this.

Senator Hilbrecht stated some grazing rights occur on national forests and are administered by the Department of Agriculture. Thus, it is correct to change the language.

Senator Dodge explained the background of the Bureau of Reclamation language. Near Fallon the reclamation district gave the Truckee-Carson Irrigation District the use of what was called custodial lands. Those lands are used for recreation and grazing.

The reason this language was included was to try to make the section not applicable to the custodial lands in the Carson-Truckee Irrigation District. He doubted that the language pertaining to grazing would cover all the uses of custodial lands in the Carson-Truckee Irrigation District.

Senator Dodge questioned the use of the words "substantial benefits."

Mr. McWhirter said he was sure it would go to court. California's statute uses that term.

Senator Dodge said the guideline of it not being available to the general public is fuzzy.

Mr. McWhirter said that was put into the language because it was not the intention to tax a campsite if it was benefiting the public in general.

Senator Dodge asked if the utilities in California could offer lower utility rates and, therefore, benefit the public.

Mr. McWhirter said the words for the public of Nevada could be added.

Senator Hilbrecht said he shared Senator Dodge's concern about the language "which enjoys substantial benefits." He suggested using the phrase "including but not limited to the following." Then define the precise types of interests.

Mr. McWhirter said there could be a danger of special legislation.

Senator Hilbrecht questioned whether "substantial benefits" has a fixed or definite meaning in law sufficient to support the incident of taxation.

Senator Bryan asked if the substantial benefit language was in the California tax case.

Mr. McWhirter said it was not in a tax case.

Senator Bryan said there must be other facilities throughout the country in which there are some general provisions of law with a similar operative effect. He asked Mr. McWhirter if he examined other state's statutes to see how they addressed the problem.

Mr. McWhirter said he had consulted the Utah and Michigan statutes.

Senator Hilbrecht asked how the incident of taxation was stated in Clark County's complaint.

Mr. McWhirter said the Los Angeles municipalities right to the use and the benefit of the facilities at Hoover was being taxed. The case brought out that someone from Los Angeles can call to Hoover Dam and request a certain generator be started. The attempt to tax was on the right to direct that use for the benefit of the City of Los Angeles.

Senator Dodge asked if there was any way to circumvent the exposure of the Truckee-Carson Irrigation District.

Mr. McWhirter suggested naming specifically the irrigation district.

Senator Hilbrecht suggested amending the language following the "substantial benefit" to say "including, without limitation, (1) the right to exercise control over instrumentalities owned by a third party for the benefit of the entity exercising control; (2) the right to receive through, over or upon instrumentalities owned by a third party."

Mr. McWhirter felt the suggestion would make it clear to the Supreme Court.

Speaking in opposition to the bill was:

Mr. Clark Guild, representing the City of Los Angeles Department of Water and Power and the Metropolitan Water District, stated the attempt to tax should have parenthetically imposed on it the fact that the City of Los Angeles Department of Water and Power and the Metropolitan Water District are substantial taxpayers in Clark County for the facilities which they own. In the original suit and the pleadings, it was brought out a tax was trying to be imposed on everything except the dam itself. There is a provision in the Nevada statute for a foreign municipal corporation. That is the statute under which the City of Los Angeles Department of Water and Power and the Metropolitan Water District qualify to do business in the State of Nevada. This bill permits taxation on the dam on the fiction that the dam belongs to the power users rather than the United States. Mr. Burns maintained the tax ought to be imposed by the use of the dam facilities.

Senator Sheerin asked what the State of Arizona does.

Mr. Guild said the State of Arizona has never taxed although it has the same opportunity to tax.

Senator Sheerin asked if Clark County was claiming the value of the entire dam or just half of it.

Mr. Guild said they were not claiming the dam per se. They claimed the use of the facilities adjacent to the dam. If this bill is passed and the tax is successfully imposed, the State of Nevada will lose the \$300,000 computation payment it presently receives from the federal government.

Senator Hilbrecht said the state will recoup some money from this.

Mr. Lien explained there would be approximately \$900,000 in taxes. The state would gain about \$53,000 of it. Thus, the state would lose \$243,000.

Mr. Guild stated that in 1939, the state was given a choice of receiving either 18-3/4 per cent of the excess revenues from the dam or an annual payment of \$300,000. The legislators opted for the \$300,000. The \$300,000 annual computation to Nevada will be made until May 31, 1987. Between now and 1987, the State of Nevada should be negotiating with the Department of Interior for a greater chunk of the revenue from the dam. If this bill is passed and the state allows the majority of the money to go to Clark County, the Department of Interior will not look at the State of Nevada's point of view as readily as it would if that \$300,000 wasn't going to a political sub-division. The federal statute is clear that the Department of Interior will not pay to more than one political entity within the state. The bill is a local government's attempt to deprive the state of potential significant revenue. The language on top of page two which says real estate which is leased or otherwise made available by an agency of the United States solely for grazing purposes does not apply. If that is what is proposed to be done, those people who shoot ducks on the Greenhead Club will be subject to taxation.

Senator Hilbrecht suggested enlarging the language to include recreation.

Senator Sheerin asked if Clark County is trying to tax the Nevada Power Company as well as the Los Angeles power companies.

Mr. Guild said it is not. The City of Los Angeles Department of Water and Power and the Metropolitan Water District paid their taxes under protest and, in turn, sued Clark County and the Nevada Tax Commission. They were the only ones involved. He said he did not know what other users did about their taxes.

Mr. Lien stated Nevada Power was not involved. Nevada Power doesn't operate or have possession of any of the facilities at Hoover Dam.

Senator Sheerin asked if Nevada or its political sub-divisions will receive more than \$300,000 if this bill is passed.

Mr. Lien stated, using a tax rate of \$4, there would be an \$884,000 tax bill. The State of Nevada would get \$53,000. The rest of the money would go to the sub-divisions of Clark County.

Mr. Guild was asked to provide the figures of what the revenues may have been from the dam. He later provided them and they are attached.

Mr. Lien stated the Department of Taxation has opposed the original bill and worked on the amendments. The department disagreed with the removal of the phrase "conducted for profit." The Deputy Attorney General had problems with the phrase "substantial benefit," also. He came to the conclusion that there was sufficient case law to argue the term. There would be no objection to having it clarified. The department would not be in agreement with the bill if the language on page two has an impact in areas which were not anticipated. He indicated the department was not sure this bill solves the problem in Clark County. It will have to go to court. The court merely stated that the associations or corporations involved are not profit-making. Other issues must be resolved, mainly the question of if they are an agent in the United States or not.

Senator Sheerin said some basic taxation laws are being amended to get at a specific problem. He asked Mr. Lien if this could complicate the situation in other places.

Mr. Lien replied that the department was not satisfied with that in the first bill. After amending the bill, the department feels it will not complicate other areas.

AB 374 Makes various changes in law relating to property taxes and to special taxes on livestock.

Mr. Lien stated section one, lines 20-21, is the major language amending the statute. Presently, when a property owner asks the county assessor how the value of his property was computed, the county assessor has to set forth in narrative form what he did in regard to each of those factors. What the property owner really wants to know is the valuation of his property and how it was determined. That is contained in the appraisal record. It also is more easily given out by merely making a copy of the appraisal record and mailing it to the property owner. This would be beneficial to the property owner and will alleviate administrative problem for the county assessor. Section two, page two amends the meeting of the Nevada Tax Commission in October when it establishes the valuations of utilities. The main language is in lines 25-27. When an individual wishes to appear to discuss the valuations being established by the Tax Commission, he has to submit some kind of evidence of valuation by use of appropriate appraisal standards. It is felt this would bring about more responsible testimony. Section three, line four refers to 361.403 which is amended next. The first amendment in section four states a representative of a local government entity may appeal in addition to any person, firm, company or association. Currently, a county assessor may appeal an action by the County Board of Equalization to the State Board of Equalization, but he cannot appeal an action of the Nevada Tax Commission on its valuation of utilities to the State Board of Equalization. Lines 35-38 points out that if a hearing is held, evidence of why the valuation is wrong and what the alternative valuation should be, using appropriate valuation standards, must be submitted. The Southern Pacific Railroad and the Railroad Association are in favor of the

amendments in sections 1-4. Sections 5-7 do the same thing. These are special levies which are determined by the Department of Agriculture on taxes on livestock, aviary, etc. which are used for inspection purposes. It is requested that the Department of Taxation receive records of the rates as set by the Department of Agriculture because they are included in the department's annual instructions to the county assessors.

Senator Sheerin pointed out that the bee tax has been amended.

Mr. Lien said there have been changes which will require conforming language.

Senator Dodge moved to Do Pass. Senator Glaser seconded the motion and it passed unanimously with Senators Bryan and Lamb absent.

AJR 7 Proposes constitutional amendment to permit property tax exemption for conservation of energy.

AJR 9 Proposes constitutional amendment to permit property tax exemption for conservation of energy or production of energy from renewable natural resources.

Mr. Lien asked to talk about both bills at the same time because one expands on the other. The Assembly Taxation Committee considered two bills, one of which this committee has already passed, AB 277 and AB 292. AB 277 allows certain allowances for individuals who use solar energy, water power and conservation in their homes. AB 292 does the same thing for commercial and the production of energy. AJR 7 is a companion to AB 277 which is concerned only with the conservation of energy using non-fossil resources. AJR 9 is companion to AB 292 because it talks about not only the conservation of energy but also the production of energy which would allow exemption of power-producing plants. These would not be exempted under AJR 7. There was a great deal of discussion about conservation in the Assembly. The original acts were only concerned with the encouragement of conservation of energy. It was amended to conservation of non-fossil resources because it was felt it did not want to perpetuate or give any type of tax exemption to users of fossil resources.

Senator Hilbrecht asked if there was any wide-spread use of these facilities.

Mr. Lien stated that with AB 277, it was felt counties would have to be reimbursed by about \$32,000. At the moment, there is not wide-spread use. If AJR 9 were enacted, it would allow the legislature to exempt a nuclear power plant, if it wished to do so.

Senator Sheerin asked Mr. Lien to review the tax rebates issued in the other bills which was passed.

Mr. Lien said that under AB 277, two valuations are established. A valuation is established on the property with the qualified system and a valuation is established on the property if it had a conventional heating and cooling system. The difference between the two valuations is value lost to the county. That valuation has a tax rate applied to it and the state reimburses the county.

Senator Sheerin asked if Mr. Lien preferred one bill over the other.

Mr. Lien stated he was hesitant about exempting what AJR 9 permits. It is permissive.

Senator Dodge asked why the exemption was being limited to non-fossil resources.

Mr. Lien said the decision made by the Assembly Taxation Committee was to discourage use of fossil fuels. It was the intent to enhance transferring use to non-fossil fuels. In that way, fossil fuels would be saved as well as encouraging the use of non-fossil fuels.

Senator Hilbrecht questioned whether AJR 9 could be processed in good faith without knowing the potential impact.

Senator Hilbrecht moved to Do Pass AJR 7. Senator Dodge seconded the motion and it passed unanimously with Senators Lamb and Glaser absent.

AB 500 Requires hearing by State Board of Equalization on value changes for certain utility property.

Senator Sheerin moved to Do Pass. Senator Dodge seconded the motion and it passed unanimously with Senator Lamb absent.

AB 262 Provides an election to pay property tax levied against certain mobile homes in quarterly installments.

Mr. Homer Rodriguez, Carson City Assessor, said there would be no problem in Carson City's office with the bill because the computer has been programmed for it. There is an impact. Some of the other counties have problems with the management and financial effects of the bill. It will cost Carson City approximately \$2,186. That's for postage and billing, postage and receipts, time in mailing bills and receipts, time in collecting, computer time to print bills, computer time to print receipts, billing forms, receipt forms and keypunch time.

Senator Sheerin asked if Mr. Rodriguez felt it was worthwhile to try to process something to help mobile home owners with bills over \$100.

Mr. Rodriguez said there is no doubt it would benefit a few. But it will not matter for the majority. He added there will be extra cost for the decals, because the assessor's office would have to furnish four decals per year.

Senator Glaser said, under this bill, it would be possible for a mobile home owner to pay his one quarter, wait until he got the billing for the next quarter and leave town.

Mr. Rodriguez said that is correct and he did not think, according to the bill, that the assessor's office would have a chance to win a court case to get the full payment.

Mr. Paul Schulz, Churchill County Assessor, stated his concern is with the movement of these mobile homes. Presently, a permit must be issued to enable moving of a mobile home. That permit won't be issued unless the taxes are paid. If an owner went on the quarter system, he may pay one or two quarters and then decide to move. It will create a problem with the assessor having to tell the owner he must pay for the other two quarters even if he isn't going to live there. This would create adverse criticism and make the assessor's job much more difficult. He asked that the mechanics of the bill be spelled out.

Mr. Gary Milliken, Clark County Assessor, and Mr. Lien presented a mockup of the bill with proposed amendments. The mockup is attached. Two main changes were made. The 100,000 population limitation was eliminated and Senator Bryan's suggested amendment (during April 19, 1977 meeting) was implemented.

Senator Dodge suggested that, if in fact there is going to be movement towards assessing mobile homes at true market value such as with stick houses, a package of proposals be presented next session to treat mobile homes as advalorem property.

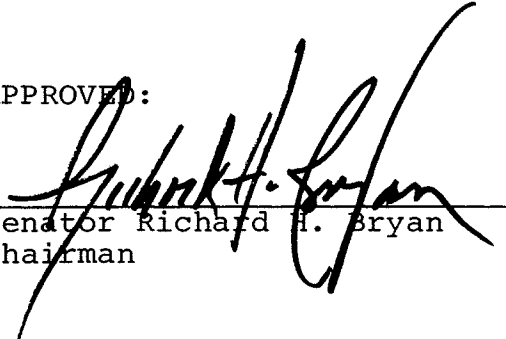
There being no further business, the meeting was adjourned.

Respectfully submitted,



Colleen Crum

APPROVED:



Senator Richard H. Bryan
Chairman

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. J. R. 7

ASSEMBLY JOINT RESOLUTION NO. 7—ASSEMBLYMEN HAR-
MON, MELLO, DEMERS, WEISE, DINI AND SCHOFIELD

JANUARY 18, 1977

Referred to Committee on Taxation

SUMMARY—Proposes constitutional amendment to permit property tax
exemption for conservation of energy. (BDR C-78)

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

ASSEMBLY JOINT RESOLUTION—Proposing an amendment to section 1 of
article 10 of the constitution of the State of Nevada, relating to taxation, by
permitting a property tax exemption for the conservation of energy by using
nonfossil resources.

- 1 *Resolved by the Assembly and Senate of the State of Nevada, jointly,*
2 That section 1 of article 10 of the constitution of the State of Nevada be
3 amended to read as follows:
4 Section 1. The legislature shall provide by law for a uniform and
5 equal rate of assessment and taxation, and shall prescribe such regula-
6 tions as shall secure a just valuation for taxation of all property, real,
7 personal and possessory, except mines and mining claims, when not
8 patented, the proceeds alone of which shall be assessed and taxed, and
9 when patented, each patented mine shall be assessed at not less than five
10 hundred dollars (\$500), except when one hundred dollars (\$100) in
11 labor has been actually performed on such patented mine during the
12 year, in addition to the tax upon the net proceeds; shares of stock
13 (except shares of stock in banking corporations), bonds, mortgages,
14 notes, bank deposits, book accounts and credits, and securities and
15 choses in action of like character are deemed to represent interest in
16 property already assessed and taxed, either in Nevada or elsewhere, and
17 shall be exempt. [Notwithstanding the provisions of this section, the]
18 *The legislature may constitute agricultural and open-space real property*
19 *having a greater value for another use than that for which it is being*
20 *used, as a separate class for taxation purposes and may provide a sepa-*
21 *rate uniform plan for appraisal and valuation of such property for*
22 *assessment purposes. If such plan is provided, the legislature shall also*
23 *provide for retroactive assessment for a period of not less than 7 years*
24 *when agricultural and open-space real property is converted to a higher*
25 *use conforming to the use for which other nearby property is used. Per-*
26 *sonal property which is moving in interstate commerce through or over*

Original bill is 2 pages long.
Contact the Research Library for
a copy of the complete bill.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 500

ASSEMBLY BILL NO. 500—ASSEMBLYMAN JACOBSEN

MARCH 22, 1977

Referred to Committee on Taxation

SUMMARY—Requires hearing by state board of equalization on value changes for certain utility property. (BDR 32-1221)

FISCAL NOTE: Local Government Impact: No.
State or Industrial Insurance Impact: No.

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

AN ACT relating to property tax; requiring notice if the state board of equalization proposes to increase the valuation of property on the assessment roll; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 361.395 is hereby amended to read as follows:
2 361.395 1. During the annual session of the state board of equaliza-
3 tion beginning on the 1st Monday in February of each year, the state
4 board of equalization shall:
5 [1.] (a) Equalize property valuations in the state, including the
6 valuation of livestock theretofore established by the Nevada tax commis-
7 sion.
8 [2.] (b) Review the tax rolls of the various counties as corrected by
9 the county boards of equalization thereof and raise or lower, equalizing
10 and establishing the full cash value of the property, for the purpose of the
11 valuations therein established by all the county assessors and county
12 boards of equalization and the Nevada tax commission, of any class or
13 piece of property in whole or in part in any county, including also live-
14 stock and those classes of property enumerated in NRS 361.320.
15 2. *If the state board of equalization proposes to increase the valua-*
16 *tion of any property on the assessment roll, it shall give 10 days' notice*
17 *to interested persons by registered or certified mail or by personal service.*
18 *The notice shall state the time when and place where the person may*
19 *appear and submit proof concerning the valuation of the property. A*
20 *person waives the notice requirement if he personally appears before the*
21 *board and is notified of the proposed increase in valuation.*

30

Original bill is on file at
the Research Library.

581

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 374

ASSEMBLY BILL NO. 374—ASSEMBLYMEN MAY,
GLOVER, WEISE AND JACOBSEN

MARCH 1, 1977

Referred to Committee on Taxation

SUMMARY—Makes various changes in law relating to property taxes
and to special taxes on livestock. (BDR 32-887)

FISCAL NOTE: Local Government Impact: No.
State or Industrial Insurance Impact: No.



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

AN ACT relating to taxation; changing requirement to furnish certain information to property owners; authorizing certain direct appeals to the state board of equalization; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 361.227 is hereby amended to read as follows:
2 361.227 1. Any person determining the full cash value of real prop-
3 erty shall compute [such full cash] *that* value by using each of the fol-
4 lowing factors for which information is available and shall give such
5 weight to each applicable factor as, in [their] *his* judgment, is proper:
6 (a) The estimate of the value of the vacant land, plus any improve-
7 ments made and minus any depreciation computed according to the esti-
8 mated life of [such] *the* improvements.
9 (b) The market value of the property, as evidenced by:
10 (1) Comparable sales in the vicinity;
11 (2) The price at which the property was sold to the present owner;
12 and
13 (3) The value of the property for the use to which it was actually
14 put during the fiscal year of assessment.
15 (c) The value of the property estimated by capitalization of the fair
16 economic income expectancy.
17 2. The county assessor shall, upon request of the owner, furnish
18 within [30] *15* days to [any owner of property or statement of the value
19 computed from each of the factors used and the items used in each such
20 computation.] *the owner a copy of the most recent appraisal of the*
21 *property.*

Original bill is 5 pages long.
Contact the Research Library for
a copy of the complete bill.

Classified

FROM THE DESK OF

4/20/77 Dept of Int.

B J R.

1973 Actual 8,483,028.84

1974 Projection:		8,500,000
1975	✓	8,473,000
76	✓	8,450,000
77	✓	8,428,000
78	✓	8,408,000
79	✓	8,389,000
80	✓	8,370,000
81	✓	8,352,000
82	✓	8,371,000
83	✓	8,367,000
84	✓	8,378,000
85	✓	8,372,000
86	✓	8,344,000
87	✓	8,302,000

20% = 1,500,000 average

ASSUME APPROX. AVERAGE OF \$ 8,400,000

x .1875

\$ 1,575,000



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STATE OF NEVADA

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April 19, 1977

KINKEAD BUILDING
505 EAST KING STREET
CARSON CITY, NEVADA 89710

The Honorable Richard Bryan
Chairman, Senate Taxation Committee
Nevada State Legislature
Carson City, Nevada

Dear Senator Bryan:

Transmitted herewith are copies of resolutions that were adopted by the Nevada State Energy Resources Advisory Board on February 22, 1977, regarding Assembly Bill 277 and Assembly Joint Resolution 9.

The Taxation Committee's consideration of the views set forth in the attached resolutions will be most appreciated.

Sincerely,

Thalia Dondero
Chairman, Nevada State Energy Resources
Advisory Board


by Noel A. Clark
Vice Chairman

NAC:KLJ:am

NEVADA STATE ENERGY RESOURCES
ADVISORY BOARD

RESOLUTION REGARDING
ASSEMBLY BILL 277

WHEREAS, the Nevada State Energy Resources Advisory Board (hereinafter referred to as Board) was established by the 58th session of the Nevada Legislature to recommend appropriate legislation and regulations to promote the conservation, economic utilization, production and distribution of energy resources and supplies;

WHEREAS, the Board has reviewed Assembly Bill 277, which would, among other things, provide an allowance against taxes on residential buildings equipped with certain heating or cooling systems;

WHEREAS, the Board is of the opinion that it is essential for the state of Nevada to promote the use of renewable energy sources in order to reduce the state's reliance on imported fossil fuels;

WHEREAS, the State of Nevada has significant solar, wind and geothermal energy resources; and

WHEREAS, Assembly Bill 277 would promote the use of solar, wind, and geothermal energy resources for heating and cooling;

N O W T H E R E F O R E B E I T

RESOLVED that the Board supports Assembly Bill 277 as amended in the first reprint thereof; and be it

FURTHER RESOLVED that the Board urges the Nevada Legislature to pass Assembly Bill 277 as amended; and be it

FURTHER RESOLVED that copies of this resolution should be transmitted to the legislative committees that consider Assembly Bill 277.

NEVADA STATE ENERGY RESOURCES
ADVISORY BOARD

RESOLUTION REGARDING
ASSEMBLY JOINT RESOLUTION NO. 9

WHEREAS, the Nevada State Energy Resources Advisory Board (hereinafter referred to as Board) was established by the 58th session of the Nevada Legislature to recommend appropriate legislation and regulations to promote the conservation, economic utilization, production and distribution of energy resources and supplies;

WHEREAS, the Board has reviewed Assembly Joint Resolution 9 which proposes a constitutional amendment to permit property tax exemptions for conservation of energy or production of energy from renewable natural resources;

WHEREAS, the Board is of the opinion that it is essential for the state of Nevada to promote and encourage energy conservation and the use of renewable energy resources;

WHEREAS, a property tax exemption such as that proposed in Assembly Joint Resolution 9 could promote the use of Nevada's solar, geothermal and other energy resources;

WHEREAS, a property tax exemption such as that proposed in Assembly Joint Resolution 9 could promote the conservation of energy;

NOW THEREFORE BE IT

RESOLVED that the Board supports Assembly Joint Resolution 9 as amended in the first reprint thereof; and be it

FURTHER RESOLVED that the Board urges the Nevada Legislature to pass Assembly Joint Resolution 9 as amended; and be it

FURTHER RESOLVED that copies of this resolution should be transmitted to the legislative committees that consider Assembly Joint Resolution 9.

(REPRINTED WITH ADOPTED AMENDMENTS)

FOURTH REPRINT

A. B. 262

ASSEMBLY BILL NO. 262—ASSEMBLYMEN KOSINSKI, MANN, MAY, DINI, MELLO, MOODY, SCHOFIELD, JEFFREY, COULTER, HORN, RHOADS, SENA, PRICE, GOODMAN, MURPHY, DREYER, HARMON, DEMERS, KISSAM AND ROBINSON

FEBRUARY 2, 1977

Referred to Committee on Taxation

SUMMARY—Provides an election to pay property tax levied against certain mobile homes in quarterly installments. (BDR 32-782)

FISCAL NOTE: Local Government Impact: No. State or Industrial Insurance Impact: No.

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

AN ACT relating to property tax; providing an election to pay the property tax levied against a mobile home not placed upon the secured roll in quarterly installments in certain cases; and providing other matters properly relating thereto.

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

- 1 SECTION 1. NRS 361.483 is hereby amended to read as follows:
- 2 361.483 1. Taxes assessed upon the real property tax roll *and upon*
- 3 *mobile homes as defined in NRS 361.561* are due and payable on the 1st
- 4 Monday of July.
- 5 2. Taxes *assessed upon the real property tax roll* may be paid in four
- 6 equal installments.
- 7 3. ~~In any county having a population of 100,000 or more, taxes~~
- 8 ~~assessed upon a mobile home may be paid in four equal installments if the~~
- 9 ~~taxes assessed exceed \$100.~~
- 10 4. If a person elects to pay in quarterly installments, the first install-
- 11 ment is due and payable on the 1st Monday of July, the second installment
- 12 on the 1st Monday of October, the third installment on the 1st Monday of
- 13 January, and the fourth installment on the 1st Monday of March.
- 14 [3.] 5. If any person charged with taxes which are a lien on real
- 15 property fails to pay:
- 16 (a) Any one quarter of such taxes on or within 10 days following the
- 17 day such taxes become due and payable, there shall be added thereto a
- 18 penalty of 4 percent.

Tax
21

\$150
2

1 (b) Any two quarters of such taxes, together with accumulated penal-
2 ties, on or within 10 days following the day the later of such quarters of
3 taxes becomes due, there shall be added thereto a penalty of 5 percent of
4 the two quarters due.

5 (c) Any three quarters of such taxes, together with accumulated penal-
6 ties, on or within 10 days following the day the latest of such quarters of
7 taxes becomes due, there shall be added thereto a penalty of 6 percent of
8 the three quarters due.

9 (d) The full amount of such taxes, together with accumulated penalties,
10 on or within 10 days following the 1st Monday of March, there shall be
11 added thereto a penalty of 7 percent of the full amount of such taxes.

12 6. Any person charged with taxes which are a lien on a mobile home
13 as defined in NRS 361.561, who fails to pay the taxes within 10 days
14 after the quarterly installment is due and payable ~~shall be charged a~~

*the full amount of taxes
shall become due ~~and~~ together
with penalty of 10 percent plus \$3.00
for every month or portion thereof
that has elapsed and*

15 ~~penalty of 7 percent and the county assessor may proceed under NRS~~
16 ~~361.535.~~

17 ~~7. Population is determined by the last preceding national census of~~
18 ~~the Bureau of the Census of the United States Department of Commerce.~~

19 SEC. 2. NRS 361.505 is hereby amended to read as follows:

20 361.505 1. Each county assessor, when he assesses the property of
21 any person or persons, company or corporation liable to taxation who
22 does not own real estate within the county of sufficient value, in the county
23 assessor's judgment, to pay the taxes on both his or their real and personal
24 property, shall proceed immediately to collect the taxes on the personal
25 property so assessed [.] , *except as to mobile homes as provided in sub-*
26 *section 3 of NRS 361.483.* The county assessor shall prorate the tax on
27 personal property brought into or entering the state or county for the first
28 time during the fiscal year by reducing the tax one-twelfth for each full
29 month which has elapsed since the beginning of the fiscal year. The person
30 paying such taxes shall not be thereby deprived of his right to have such
31 assessment equalized, and if, upon such equalization, the value is reduced,
32 the taxes paid shall be refunded to such person from the county treasury,
33 upon the order of the board of county commissioners, in proportion to the
34 reduction of the value made.

35 2. If, at the time of such assessment of personal property, the board of
36 county commissioners has not as yet levied the tax based upon the full
37 combined tax rate for the taxable year to which such assessment is appli-
38 cable, the total amount of the tax to be collected by the county assessor
39 shall be determined by use of the then current state ad valorem tax rate
40 and the regular combined tax rate for the county, city and school district
41 as levied and applied for the preceding taxable year. The county treasurer
42 shall apportion the tax as other taxes are apportioned.

43 3. Nothing contained in this section or any other statute shall be
44 construed as prohibiting the county assessor from prorating the count
45 on livestock situated within the state for a portion of a year.

46 SEC. 3. NRS 361.562 is hereby amended to read as follows:

47 361.562 1. Upon receipt of every report of sales of mobile homes
48 from a dealer, the department of motor vehicles shall immediately give

1 written notice to the county assessor of each county in which is con-
2 tained the address of a purchaser of a mobile home as shown in such
3 report.

4 2. If the purchaser of a mobile home or slide-in camper does not pay
5 the personal property tax thereon, upon taking possession, he shall, within
6 30 days from the date of its purchase:

7 (a) Pay to the county assessor all personal property taxes levied
8 against such mobile home or slide-in camper and its contents [; or] ,
9 *except as provided in subsection 3 of NRS 361.483; or*

10 (b) Satisfy the county assessor that he owns real estate within the
11 county of sufficient value, in the county assessor's judgment, to pay the
12 taxes on both his real and personal property.

13 3. The county assessor shall collect the tax required to be paid by
14 subsection 2, in the manner prescribed by law for the collection of other
15 personal property taxes [;] , *except as to mobile homes as provided in*
16 *subsection 3 of NRS 361.483.*

17 SEC. 4. NRS 361.5643 is hereby amended to read as follows:

18 361.5643 1. [Upon] *Except as provided in subsection 2, upon*
19 *compliance by the purchaser of a slide-in camper or the purchaser of a*
20 *mobile home with the provisions of NRS 361.562, 361.563 or 361.5642*
21 *the county assessor shall:*

22 (a) Deliver forthwith to the purchaser of a mobile home, as well as
23 annually thereafter upon payment of the tax, a sticker which shall be of a
24 design and affixed in such manner as shall be prescribed by the depart-
25 ment;

26 (b) Deliver forthwith to the purchaser of a slide-in camper, as well as
27 annually thereafter upon payment of the tax, a tax plate or a sticker which
28 shall be of a design and affixed in such manner as shall be prescribed by
29 the department.

30 2. ~~The county assessor shall establish separate stickers for owners~~
31 ~~of mobile homes who elect to pay taxes in quarterly installments. Upon~~
32 ~~payment of a quarterly installment, the county assessor shall issue the~~
33 ~~appropriate sticker.~~

34 3. The county assessor shall issue each year to the owner of a camper-
35 shell not subject to taxation under the provisions of this chapter a tax
36 plate or sticker similar to that provided in paragraph (b) of subsection 1,
37 which the owner shall affix to the camper-shell in the manner prescribed
38 by the department.

39 SEC. 5. This act shall become effective on July 1, 1978.

local
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