

The meeting was called to order at 3:00 P.M. by Chairman Paul May with the following members present:

PRESENT: Chairman May  
Vice Chairman Coulter  
Mr. Bergevin  
Mr. Brady  
Mrs. Caffaratta  
Mr. Marvel  
Mr. Craddock  
Mr. Price  
Mr. Rusk  
Mr. Stewart  
Mrs. Westall

The first item on the agenda was A.B No. 122:

A.B. 122 - Revises form used in declaration of value of real property at time of transfer of title and increases penalty for false statement value.

Mr. May reminded the committee that we heard mixed testimony on this bill previously and for that reason, it has been rescheduled.

He informed the members that he received a letter from the county Recorder in Clark County in which they suggest some amendments to this bill. (Exhibit I) They have also indicated to him that if this committee is going to consider factoring, we should review this measure very carefully.

Mr. Joe Melcher, County Recorder of Washoe County addressed the committee explaining that the county recorders oppose the bill unless they have an opportunity to meet and work out some of the problems contained therein. Their basic problem is the collection of real property transfer tax which is the responsibility of the county recorders throughout the state. They feel uncomfortable taking on the responsibilities in the Declaration of Value they feel would increase their workload position, interviewing each person bringing in a deed. They have been discussing working out some of the details pertaining to that aspect of the bill. The meeting would be among the assessors, the recorders and the Department of Taxation.

When the provision for the Declaration of Value was discussed with the recorders in the small counties around the state, they were not in favor of the change unless more information was available. They had, initially, promised the small counties that this wouldn't be a forced issue with the actual form itself. That is the way it has functioned for the last year and a half. He suggested this item might be handled through the rules and regulations of the Department of Taxation.

Mrs. Westall pointed out that not all of the transfers are on sales so, in her opinion, it would be a lot of paper work for nothing. Mr. Melchor agreed with Mrs. Westall adding that things are working out satisfactorily under the voluntary program.

In response to a question by Mr. Marvel, Mr. Melcher stated this was not a Department of Taxation bill request but was the request of the Assessors' Association.

In the circumstances, a motion was introduced by Mr. Marvel, second by Mrs. Westall to give no further consideration to this bill. The vote of the bill was 5 in favor of the motion and 5 opposed, and one absent/ not voting.

Mr. May stated that the bill was not dead but would not be rescheduled for further consideration unless he receives a request from the involved agencies.

Mr. Melcher added that if the assessor's came up with a form that they wanted to present to the people at the time so they could fill it out voluntarily and mail it to them, they wouldn't be opposed to being the distributing agent but they do oppose the bill as it stands today.

A.B. 162 - Removes requirement for oath in declaration of Personal property for purposes of assessment of property tax

There was no one present to testify in either opposition or support of this measure, therefore, action was deferred until the introducer could be available.

A.B. 177 - Abolishes requirement for veterans to make annual claims for exemption from property tax.

Mr. Joe Dini, Assembly District No. 38, testified on this bill explaining that during the last campaign, he had a lot of veterans come to him and ask why they had to file for their \$1,000 tax exemption every year. In his opinion, it is a good idea to get rid of that requirement. Once you are a veteran you are always a veteran. He pointed out that a one time registration should be adequate and once the veteran sells his property the exemption comes off.

Mr. Hale Bennett, Department of Motor Vehicles, testified that he fully subscribes to the intent of the bill in keeping with reduction of paperwork, but would like to suggest that the bill cover the veterans exemption as it relates to privilege tax (Chapter 371) Both areas could be covered in this one bill.

Mr. Stewart asked for clarification on this stating that as he understands it, you have to be a resident of the State to qualify for the exemption. He asked if there was any chance a person could register and then move to another state. Mr. Bennett pointed out that the law presently requires that you must be a resident of the state and then the exemption can only be taken in one location-one county. He added, however, that filing for the exemption annually does not prove that the person is a resident- a person could file whether he was a resident or not.

Mr. May called attention to page 2, line 20 where it provides that "when the property is sold or ceases to be exempt the owner is the required to notify the assessor of that fact". He shares Mr. Stewart's views, but feels we are covered by that provision of the present statute.

Testifying in opposition to this measure was Marie Feeney with the Clark County Assessor's office. She distributed copies of written testimony indicating the areas of their concern (Exhibit II attached) and explained that they do not have strong opposition but this would create some problems for their office.

She went over the points on the memo urging that the requirement for annual filing be retained in order to provide them with necessary controls.

Mr. May asked Mrs. Feeney if she had any figures how many veterans take advantage of this veteran's exemption and was advised that there are approximately 5,000 as a fairly stable number.

Mr. Bergevin pointed out that, in reading through the bill, he has some problems with the portion relating to the disability exemption. In his opinion, the annual filing should be retained or you should enlarge the same one-shot privilege to many other groups such as senior citizens, etc. In his opinion, we have made this advantage available to people, it should be worth their time to register annually as the law now requires.

In response to a question by Mr. Price on the average cost of taking this annual exemption registration, Mrs. Feeney said there were no figures available. Mr. Price further asked if it would help both the veterans and the assessor's if this registration period could be every three years, or some other figure. Mrs. Westall concurred with the registration requirement and agreed with the suggestion of Mr. Price that a three year period would be helpful.

At the conclusion of the discussion a motion was introduced by Mr. Marvel that this bill be passed from the committee with a recommendation of Amend and do pass; motion seconded by Mrs. Westall. The amendment was to include the addition to "Chapter 371" where the veteran may have the option of applying this to his automobile.

Mr. Stewart questioned how we could open this up without including the senior citizens. Mr. May explained that every year the veterans came to the Legislature and ask for help and usually do not receive much benefit. He supports the bill as giving the veterans something that will help them. Mr. Rusk stated he was going to vote against this bill as he concurs with a statement made by Mr. Bergevin that the benefit is available to the veterans if they take the time to register for the exemption.

Voting aye on the bill were Messrs. Craddock, Coulter, Marvel, Price, May and Mrs. Caffarata. Voting "nay" Messrs. Bergevin, Brady, Rusk and Stewart and Mrs. Caffarata. Motion carried.

A.B. 162 - Removes requirement for oath in declaration of personal property for purposes of assessment of property tax.

There was no one present to testify in support or in opposition to this bill, therefore, no action was taken.

S.B. 16 - Allows credit for personal property tax paid in another state on certain property.

Mr. Nickson was present and volunteered to answer any questions he could on this bill. (Committee Minutes) 341

He explained, however, that this was not a bill requested by his Department. This bill indicates that the purchaser of a mobile home that is brought into the state of Nevada, on which property tax has been paid in another state, is entitled to a complete credit for all the taxes that were paid in the originating state for the remainder of the fiscal year. If the Nevada taxes exceed the other state's taxes a Nevada tax would be collected. With 50,000 mobile homes in the state, he estimated that less than 100 are actually moved into the state in any year, therefore, the fiscal impact should not be large.

There being no one else present to testify either in support or in opposition to this bill no action was taken.

S.B. 114 - Conforms date for performing certain duties respecting property tax allowance to date for setting tax rates.

Mr. Nickson testified in support of this bill explaining that it deals with the allowance section of the statutes which provides for an allowance against solar and wind energy and geothermal resources. Nevada had 136 claims last year for a total of \$8,215.00. The date change deals with the change that was made in the law in 1979 that has the Tax Commission set the tax rates on May 25th rather on May 1st. Therefore, they want the claims in before March 15th.

In response to a question from Mr. Marvel, Mr. Nickson explained that this bill conforms the procedure to the real world. Mr. Marvel then moved that the bill be forwarded to the Assembly with a recommendation of "do pass"; seconded by Mrs. Westall and carried unanimously.

Mr. May informed the committee that he had a bill (BDR 32-826)\* requested by a member of the Assembly that would impose a statewide 2% tax on lodging for the benefit of schools going into the distribution school fund.

After discussion, a motion was made by Mrs. Westall to introduce this bill by the Committee On Taxation (by request) with referral back to the committee. Motion seconded by Mr. Price and carried with a vote of 8 "aye" and 2 "nay" and 1 absent not voting.

Mr. May distributed a list of points for discussion on putting together a tax package for further review by the committee. These areas will be considered by the committee at its meeting tomorrow.

An announcement was made by the Chairman regarding the vote to be taken on SJR 6 of the 60th Session on Monday, March 2, 1981 at 3:30 P.M. There will be no further testimony taken on this measure but a roll call vote will be taken.

Mr. Craddock asked if the committee had any appetite to request a constitutional amendment as discussed previously exempting aircraft from the personal property tax. He feels we have left the Department of Taxation in limbo as we did not take care of the problems they are having with this issue. Mr. Rusk stated that he had discussed this idea with Mr. Hutchins who testified at a previous meeting on this

subject, and he feels that perhaps this is something this committee should look into. Mr. Hutchins claims that he can provide statistics and data that would prove that if we did away with the property tax on airplanes we would have in the state of Nevada many airplanes that would be stationed here, accruing great benefit to the state. Mr. Rusk stated he would be very interested in hearing some of that testimony if it could show that we would have more corporations using Nevada for corporate headquarters thereby broadening our tax base.

After discussion there was no interest by the committee to pursue this issue.

Mr. Bergevin brought up the subject of the estate tax credit and suggested that perhaps the climate is correct at this time to urge congress to do away, totally, with this estate tax. Mrs. Caffarata advised Mr. Bergevin and the committee that she has already requested such a resolution.

There being no further business, the meeting was adjourned.

Respectfully submitted,

*Nycki Kinsley*  
Nycki Kinsley  
Committee Secretary



ASSEMBLY

AGENDA FOR COMMITTEE ON.....Taxation.....

Date Mon., Feb. 23, 1981 Time 3:00 pm Room 240

Bills or Resolutions  
to be considered

Subject

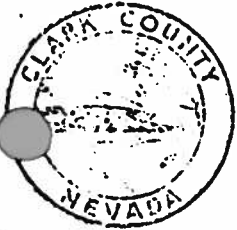
Counsel  
requested\*

ALL MEETINGS OF THE ASSEMBLY TAXATION COMMITTEE  
BEGIN PROMPTLY AT 3:00 PM. PLEASE ARRANGE YOUR  
SCHEDULE ACCORDINGLY.

- A.B. 122 - Revises form used in declaration of value of real property at time of transfer of title and increases penalty for false statements of value.
- A.B. 162 - Removes requirement for oath in declaration of personal property for purposes of assessment of property tax.
- S.B. 16 - Allows credit for personal property tax paid in another state on certain property.
- S.B. 114 - Conforms date for performing certain duties respecting property tax allowance to date for setting tax rates.
- A.B. 177 - Abolishes requirement for veterans to make annual claims for exemption from property tax.

SUPERSEDES PREVIOUS AGENDA





CLARK CO ASSESSOR

RECEIVED  
*Office of the County Recorder*

FEB 19 9 27 AM '81  
CLARK COUNTY COURT HOUSE  
LAS VEGAS, NEVADA 89101

JOAN L. SWIFT  
*Recorder*

CAROL A. CORBETT  
*Assistant Recorder*

Phone (702) 386-4011

TO: DON DUNN, ASSISTANT COUNTY ASSESSOR  
FROM: JOAN L. SWIFT, COUNTY RECORDER  
SUBJECT: AB 122  
DATE: February 18, 1981

Attached is a copy of our recommended changes to NRS 375.050 - 060 to be incorporated into AB 122. Thank you for your assistance in presenting the changes to the Committee on Taxation.

JLS/ce  
Copy: Pat Mulroy  
Copy: Dick Isenberg

*CV 122 I*



2. Upon receipt of the tax due, the county recorder shall show on the face of the document the amount of tax paid.

3. An escrow holder may tender a deed for recordation without paying the tax at that time, but must pay the tax due thereon within 3 months after such recording.

(Added to NRS by 1967, 1760; A 1973, 212)

375.050 Declaration of value: Deeds not going through escrow; information to be appended. Each deed evidencing a transfer of title which does not go through escrow shall have appended thereon the information as follows in substantially the following form, using a rubber stamp or otherwise:

Documentary Transfer Tax \$.....

Computed on full value of property conveyed; or

Computed on full value less liens and encumbrances remaining thereon at time of transfer.

Under penalty of perjury:

Signature of declarant or agent determining tax—firm name.

(Added to NRS by 1967, 1760; A 1971, 80)

375.060 Declaration of value: Escrow holder to declare value. If any deed evidencing a transfer of title of real property goes through escrow, at the time the deed is presented for recordation, the escrow holder shall declare to the county recorder the value of the property transferred.

(Added to NRS by 1967, 1761)

375.070 Disposition of proceeds. [Expires by limitation June 30, 1981, if before that date Nevada constitution is amended to reduce limit on property taxes.]

1. The county recorder shall transmit the proceeds of the real property transfer tax at the end of each quarter to the county treasurer, who shall in Carson City, and in any county where there are no incorporated cities, deposit them all in the general fund, and in other counties deposit 25 percent of them in the general fund and apportion the remainder as follows:

(a) If there is one incorporated city in the county, between that city and the county general fund in proportion to the respective populations of the city and the unincorporated area of the county.

(b) If there are two or more cities in the county, among the cities in proportion to their respective populations.

2. If there is any incorporated city in a county, the county recorder shall charge each city a fee equal to 2 percent of the real property transfer tax which is transferred to that city.

(Added to NRS by 1967, 1761; A 1971, 246; 1979, 1403)

(1979)

14046

INSERT:

INSERT:

be accompanied by a declaration of value signed by the grantee or his representative.

"it shall be accompanied by a declaration of value signed by the escrow holder."

AB 177

Exempting annual filing for veteran's exemptions:

Annual filing is necessary because it is the only control we have over:

- 1) Knowing when a death occurs which would stop the exemption.
- 2) Knowing which property the veteran wants the exemption applied to, since he can apply it to any real property, mobile home, business personal property, or motor vehicle.

As taxes go up and tax rates for entities differ, we find more and more veterans shifting that exemption to whichever property has the highest tax rate that year.

For Example: The 1000 assessed value exemption for property amounts to \$23.65 in unincorporated Clark County, \$37.18 in Las Vegas, and \$40.00 if applied to any motor vehicle.

- 3) The annual contact allows us to determine where to apply the exemption if the property is sold. We ask our exemptees to notify as soon as possible if they sell the property utilizing the exemption. The vast majority forget to notify us of the sale and our only chance to find which new property the exemption is to be applied to is upon the annual renewal.

- 4) Many veterans claim physical disability as reason to do away with annual filing. Clark County feels annual filing important enough to send someone out with the claim if a person is physically unable to come into the office.

- 5) Prevents abuse of exemption by persons previously residents who have left Nevada but still own property here, (more attempt to do this than you would believe).