

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON TAXATION

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
May 26, 1981

The Senate Committee on Taxation was called to order by Chairman Keith Ashworth, at 2:09 p.m., Tuesday, May 26, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Keith Ashworth, Chairman
Senator Norman D. Glaser, Vice Chairman
Senator Don Ashworth
Senator Virgil M. Getto
Senator James N. Kosinski
Senator William J. Raggio

COMMITTEE MEMBER ABSENT:

Senator Floyd R. Lamb

GUEST LEGISLATOR:

Speaker of the Assembly, Robert R. Barengo

STAFF MEMBERS PRESENT:

Ed Schorr, Deputy Fiscal Analyst
Nancy C. Hayslip, Committee Secretary

SENATE BILL NO. 69 (Exhibit C)

Chairman Keith Ashworth, Senators Kosinski, Raggio, and Getto along with Jim Lien from the Taxation Technical Committee discussed the amendments to S. B. No. 69.

It was agreed that the terminology should read, "replacement cost less obsolescence". It was also agreed that on line 30 page 4, it should read, "except for mobile homes".

Chairman Keith Ashworth then appointed himself, Senators Kosinski and Getto as the Committee on Conference.

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There being no further discussion on S. B. No. 69, Chairman Keith Ashworth opened the hearing on A. B. No. 598. (Exhibit D.)

Arthur Senini, President of the Wine Spirits Wholesalers of Nevada, read from a prepared statement. (Exhibit E.)

Mr. Rene Ashleman, representative of DeLuca, read from A. B. No. 598 for the committee.

Senator Don Ashworth questioned Mr. Ashleman as to the purpose of the bill. Mr. Ashleman stated that there were two things that were important. One, people who have been bringing products into the state without reporting to the Department of Taxation at all, and evading the tax. Secondly, there are two states, one being Oklahoma, that do not have taxes, therefore, it is profitable for someone to go there and buy merchandise in large quantities and at lower prices and bring it into Nevada. He further stated that A. B. No. 598 would prevent most of these problems.

Senator Kosinski questioned Mr. Ashleman as to how this bill would solve the problem of smuggling. Mr. Ashleman stated that the bill would give injunctive relief cutting off the source as there are no warehouses here in Nevada for Oklahoma distributors.

Speaker of the Assembly Robert R. Barengo directed his statement to Senator Kosinski that the bill would cut off the source. The wording of the first page of the bill puts a stop to the flow-through pattern. The buyer does not physically go to Oklahoma. He stated that it was strictly a paper procedure.

Being that there was no further discussion on A. B. No. 598, Chairman Keith Ashworth closed the hearing and asked for discussion on A. B. No. 116. (Exhibit F.)

Senator Don Ashworth moved that Assembly Bill No. 116 be approved.

Senator Kosinski seconded the motion.

The motion carried unanimously.


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Senator Don Ashworth stated that he would like some time to make phone calls regarding A. B. No. 598. Chairman Keith Ashworth agreed and stated that A. B. No. 598 would be held until Senator Don Ashworth calls for a meeting.

Senator Raggio stated that he would not participate or vote on A. B. No. 598.


There being no further business, the meeting adjourned at 2:31 p.m.

Respectfully submitted by:



Nancy C. Hayslip, Committee Secretary

APPROVED BY:



SENATOR KEITH ASHWORTH, CHAIRMAN

DATE: 5-27-81

SENATE AGENDA

COMMITTEE MEETINGS

EXHIBIT A

Committee on TAXATION , Room 213 .

Day Tuesday , Date May 26, 1981 , Time 2:00 p.m. .

A. B. No. 598--Impose additional requirements on importers, suppliers and wholesalers of liquor.

ALL OTHER BILLS REFERRED TO COMMITTEE BETWEEN NOW, MAY 21, 1981, AND TUESDAY, MAY 26, 1981 WILL BE HEARD AT THIS MEETING.

ATTENDANCE ROSTER FORM

COMMITTEE MEETINGS

SENATE COMMITTEE ON TAXATION

EXHIBIT B

DATE: May 26, 1981

PLEASE PRINT NAME	PLEASE PRINT ORGANIZATION & ADDRESS	PLEASE PRINT TELEPHONE
<i>E.W. HAMMER</i>	<i>ATTORNEY GENERAL</i>	<i>985-4170</i>
<i>A. SEINI</i>	<i>Mini: Spinto Public of Nevada</i>	<i>323-3100</i>
<i>J. Hicks</i>	<i>Miller + San Jose</i>	<i>322-3480</i>
<i>Ch. Walter</i>	<i>Minist Spinto Public of Nevada</i>	<i>329-1294</i>
<i>F.R. Asherman</i>	<i>De Luca</i>	<i>883-2333</i>

(REPRINTED WITH ADOPTED AMENDMENTS)

SIXTH REPRINT

S. B. 69

SENATE BILL NO. 69—COMMITTEE ON TAXATION

JANUARY 23, 1981

Referred to Committee on Taxation

SUMMARY—Revises factors which may be used in determining full cash value of real property for taxation. (BDR 32-689)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to the taxation of property; revising the factors which must be used in determining its taxable value; changing the year for which taxes are levied; making special provisions for the fiscal biennium 1981-83; 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 360.215 is hereby amended to read as follows:
 2 360.215 The department may:
 3 1. Assist the county assessors in appraising property within their
 4 respective counties which the ratio study shows to be assessed at more
 5 or less than 35 percent of its [full cash] taxable value.
 6 2. Consult with and assist county assessors to develop and maintain
 7 standard assessment procedures to be applied and used in all of the coun-
 8 ties of the state, to the end that assessments of property by county asses-
 9 sors [shall be] *are made* equal in each of the several counties of this
 10 state.
 11 3. Visit a selective cross-section of assessable properties within the
 12 various counties in cooperation with the county assessor and examine
 13 these properties and compare them with the tax roll and assist the various
 14 county assessors in correcting any inequalities found to exist with factors
 15 of equal value and actual assessed value considered, and place upon the
 16 rolls any property found to be omitted from the tax roll.
 17 4. Carry on a continuing study, the object of which is the equalization
 18 of property values between counties.
 19 5. Carry on a program of in-service training for county assessors
 20 of the several counties of the state, and each year hold classes of
 21 instruction in assessing procedure for the purpose of bringing each
 22 county assessor and his authorized personnel the newest methods, pro-
 23 cedures and practices in assessing property. Expenses of attending such

1 classes **[shall be]** are a proper and allowable charge by the board of
2 county commissioners in each county.

3 6. Continually supervise assessment procedures which are carried
4 on in the several counties of the **[State of Nevada]** state and advise
5 county assessors in the application of such procedures. The department
6 shall make a complete, written report to each session of the legislature,
7 which **[shall]** must include all reports of its activities and findings and
8 all recommendations which it has made to the several county assessors,
9 and the extent to which such recommendations have been followed.

10 7. Carry on a continuing program to maintain and study the assessment
11 of public utilities and all other property assessed by the department
12 to the end that such assessment **[shall be]** is equalized with the
13 property assessable by county assessors.

14 8. Conduct appraisals at the request of and in conjunction with
15 any county assessor when such assessor considers such assistance necessary.
16 One-half of the cost of such appraisal **[shall]** must be paid by the
17 county. In lieu of a cash payment, the county may provide labor, material
18 or services having a value equal to one-half of the appraisal cost.

19 SEC. 2. Chapter 361 of NRS is hereby amended by adding thereto
20 the provisions set forth as sections 2.3 and 2.6 of this act.

21 SEC. 2.3. "Taxable value" means:

22 1. The value of shares of stock in a bank determined in the manner
23 provided in NRS 367.025.

24 2. The value of property of an interstate and intercounty nature determined
25 in the manner provided in NRS 361.320.

26 3. The value of all other property determined in the manner provided
27 in NRS 361.227.

28 SEC. 2.6. 1. The owner of any property who believes that the full
29 cash value of his property is less than the taxable value computed for the
30 property in the current assessment year, may, before January 15 of the
31 fiscal year in which the assessment was made, appeal to the county board
32 of equalization. If the county board of equalization finds that the full cash
33 value of the property is less than the taxable value computed for the
34 property, the board shall adjust the factors applied to the property pursuant
35 to NRS 361.227, particularly the rate of depreciation, to make the
36 taxable value of the property correspond as closely as possible to its full
37 cash value.

38 2. No appeal under this section may result in an increase in the taxable
39 value of the property.

40 3. Property found to be obsolete must be identified on the roll and
41 reappraised for each year while it is so listed.

42 SEC. 3. NRS 361.010 is hereby amended to read as follows:

43 361.010 **[When]** As used in this chapter, unless the context otherwise
44 requires, the words and terms defined in NRS 361.015 to 361.040,
45 inclusive, **[shall]** and section 2.3 of this act have the meanings **[set forth]**
46 in NRS 361.015 to 361.040, inclusive, and no other meanings. **[]** ascribed
47 to them in those sections.

48 SEC. 4. NRS 361.025 is hereby amended to read as follows:

49 361.025 **[Except as provided in NRS 361.227, "full]"** "Full cash

1 value" means the amount at which the property would be appraised if
2 taken in payment of a just debt due from a solvent debtor.

3 SEC. 5. NRS 361.055 is hereby amended to read as follows:

4 361.055 1. All lands and other property owned by the state are
5 exempt from taxation, except real property acquired by the State of
6 Nevada and assigned to the department of wildlife which is or was sub-
7 ject to taxation under the provisions of this chapter at the time of
8 acquisition and except as provided in subsection 4.

9 2. In lieu of payment of taxes on each parcel of real property
10 acquired by it which is subject to assessment and taxation pursuant to
11 subsection 1, the department of wildlife shall make annual payment to
12 the county tax receiver of the county wherein each such parcel of real
13 property is located of an amount equal to the total taxes levied and
14 assessed against each such parcel of real property in the year in which
15 title to it was acquired by the State of Nevada.

16 3. Such payments in lieu of taxes must be collected and accounted for
17 in the same manner as taxes levied and assessed against real property pur-
18 suant to this chapter are collected and accounted for.

19 4. [After July 1, 1978, all] All real estate owned by the State of
20 Nevada located in each county must be listed in a separate tax list and
21 assessment roll book of that county at its [full cash] taxable value. If the
22 total taxable value of such real estate owned by the state in a county is
23 greater than 17 percent of the total taxable value of all other real estate
24 listed in the county's tax list and assessment roll books, that portion of
25 the value of the real estate owned by the state which is in excess of such
26 17 percent may be taxed by the county as other property is taxed.

27 5. Money received pursuant to this section must be apportioned each
28 year to the counties, school districts and cities wherein each such parcel
29 of real property is located in the proportion that the tax rate of each such
30 political subdivision bears to the total combined tax rate in effect for such
31 year.

32 SEC. 6. NRS 361.225 is hereby amended to read as follows:

33 361.225 Except as otherwise provided in NRS 361.249, all property
34 subject to taxation must be assessed at 35 percent of its [full cash] tax-
35 able value.

36 SEC. 7. Section 5 of chapter 62, Statutes of Nevada 1979, at page 79,
37 is hereby amended to read as follows:

38 Sec. 5. NRS 361.225 is hereby amended to read as follows:

39 361.225 [Except as otherwise provided in section 2 of this act,
40 all] All property subject to taxation must be assessed at 35 percent
41 of its taxable value.

42 SEC. 8. NRS 361.227 is hereby amended to read as follows:

43 361.227 1. Any person determining the [full cash] taxable value of
44 real property shall compute that value by using each of the following
45 factors for which information is available and shall give such weight to
46 each applicable factor as, in his judgment, is proper:

47 (a) The estimate of the value of the vacant land, plus any improve-
48 ments made and minus any depreciation computed according to the esti-
49 mated life of the improvements.

- 1 (b) The market value of the property, as evidenced by:
2 (1) Comparable sales in the vicinity;
3 (2) The price at which the property was sold to the present owner;
4 and
5 (3) The value of the property for the use to which it was actually
6 put during the fiscal year of assessment.
7 (c) The value of the property estimated by capitalization of the fair
8 economic income expectancy.
- 9 2. The county assessor shall, upon request of the owner, furnish
10 within 15 days to the owner a copy of the most recent appraisal of the
11 property.
- 12 3. **]** appraise:
13 (a) *The full cash value of land by considering the uses to which it may*
14 *lawfully be put, any legal or physical restrictions upon those uses, the*
15 *character of the terrain, and the uses of other land in the vicinity.*
16 (b) *Any improvements made on the land by subtracting from the cost*
17 *of replacement of the improvements all applicable depreciation and obso-*
18 *lescence.*
- 19 2. *The taxable value of a possessory interest for the purpose of NRS*
20 *361.157 or 361.159 may be determined:*
21 (a) *By subtracting from the cost of replacement of the improvements*
22 *all applicable depreciation and obsolescence; or*
23 (b) *By capitalizing the fair economic income expectancy.*
- 24 3. In determining the **[full cash]** taxable value of a merchant's or
25 dealer's stock in trade, the county assessor shall use the average full cash
26 value over the 12 months immediately preceding the date of assessment.
27 For this purpose, the county assessor may require from the merchant or
28 dealer a verified report of the value of his stock in trade at any time or
29 reasonable number of times during the year.
- 30 4. *The taxable value of other taxable personal property must be*
31 *determined by subtracting from the original cost of the property any*
32 *depreciation.*
- 33 5. *The computed taxable value of any property must not exceed its*
34 *full cash value.*
- 35 6. *The Nevada tax commission shall by regulation establish:*
36 (a) *Standards for determining the cost of replacement of improvements*
37 *of various kinds.*
38 (b) *Schedules of depreciation based on the estimated life of each kind*
39 *of property. Depreciation must be determined according to the actual age*
40 *of the improvements or other depreciable property.*
41 *The standards and schedules must be approved by the interim legislative*
42 *committee on local governmental finance before they are used. Each*
43 *county assessor shall adhere strictly to these standards and schedules.*
- 44 7. *The county assessor shall, upon the request of the owner, furnish*
45 *within 15 days to the owner a copy of the most recent appraisal of the*
46 *property.*

1 SEC. 9. Section 6 of chapter 62, Statutes of Nevada 1979, at page
2 79, is hereby amended to read as follows:

3 Sec. 6. NRS 361.227 is hereby amended to read as follows:

4 361.227 1. Any person determining the taxable value of real
5 property shall appraise:

6 (a) The full cash value of land by considering the uses to which
7 it may lawfully be put, any legal or physical restrictions upon those
8 uses, the character of the terrain, and the uses of other land in the
9 vicinity.

10 (b) Any improvements made on the land by subtracting from the
11 cost of replacement of the improvements all applicable depreciation
12 and obsolescence.

13 2. The taxable value of a possessory interest for the purpose of
14 NRS 361.157 or 361.159 may be determined:

15 (a) By subtracting from the cost of replacement of the improvements
16 all applicable depreciation and obsolescence; or

17 (b) By capitalizing the fair economic income expectancy.

18 3. **[**In determining the taxable value of a merchant's or dealer's
19 stock in trade, the county assessor shall use the average full cash
20 value over the 12 months immediately preceding the date of assess-
21 ment. For this purpose, the county assessor may require from the
22 merchant or dealer a verified report of the value of his stock in
23 trade at any time or reasonable number of times during the year.

24 4. **[**The taxable value of other taxable personal property must
25 be determined by subtracting from the original cost of the property
26 any depreciation.

27 **[5.]** 4. The computed taxable value of any property must not
28 exceed its full cash value.

29 **[6.]** 5. The Nevada tax commission shall by regulation estab-
30 lish:

31 (a) Standards for determining the cost of replacement of improve-
32 ments of various kinds.

33 6. The Nevada tax commission shall by regulation establish:

34 (a) Standards for determining the cost of replacement of improve-
35 ments and personal property of various kinds.

36 (b) Schedules of depreciation based on the estimated life of each
37 kind of property. Depreciation must be determined according to the
38 actual age of the improvements or other depreciable property.

39 The standards and schedules must be approved by the interim legislative
40 committee on local governmental finance before they are used. Each
41 county assessor shall adhere strictly to these standards and schedules.

42 **[7.]** 6. The county assessor shall, upon the request of the
43 owner, furnish within 15 days to the owner a copy of the most recent
44 appraisal of the property.

45 SEC. 10. NRS 361.249 is hereby amended to read as follows:

46 361.249 1. The section applies to:

47 (a) Personal property held for sale by a merchant;

48 (b) Personal property held for sale by a manufacturer;

1 (c) Raw materials and components held by a manufacturer for manu-
2 facture into products, and supplies to be consumed in the process of
3 manufacture; and

4 (d) Livestock held for business purposes.

5 2. The personal property described in subsection 1 must be assessed
6 as follows:

7 (a) In the fiscal year 1979-80, at 28 percent of its [full cash] taxable
8 value;

9 (b) In the fiscal year 1980-81, at 21 percent of its [full cash] taxable
10 value;

11 (c) In the fiscal year 1981-82, at 14 percent of its [full cash] taxable
12 value; and

13 (d) In the fiscal year 1982-83, at 7 percent of its [full cash] taxable
14 value.

15 SEC. 11. NRS 361.260 is hereby amended to read as follows:

16 361.260 1. Between [July 1] *January 1* and December 15 in each
17 year, the county assessor, except [when otherwise required by special
18 enactment,] *as otherwise required by a particular statute*, shall ascertain
19 by diligent inquiry and examination all real and *secured* personal prop-
20 erty in his county subject to taxation, and also the names of all persons,
21 corporations, associations, companies or firms owning the property. He
22 shall then determine the [full cash] taxable value of all such property
23 and he shall then list and assess it to the person, firm, corporation, associ-
24 ation or company owning it. *He shall take the same action between May*
25 *1 and the following April 30, with respect to personal property which is*
26 *to be placed on the unsecured tax roll.*

27 2. In arriving at the taxable value of all public utilities of an intra-
28 county nature, the intangible or franchise element must be considered as
29 an addition to the physical value and a portion of the [full cash] taxable
30 value.

31 3. In addition to the inquiry and examination required in subsection
32 1, [the county assessor shall appraise property using standards approved
33 by the department and reappraise all property at least once every 5 years
34 thereafter using the same standards. Such appraisals and reappraisals at
35 5-year intervals must be accepted as the examination required under
36 subsection 1, for the intervening 4 years.] *for any property not physically*
37 *reappraised in the current assessment year, the county assessor shall*
38 *determine its assessed value for that year by applying to the assessed value*
39 *derived from the last preceding physical appraisal or reappraisal a factor*
40 *established by regulation of the Nevada tax commission which reason-*
41 *ably represents the change, if any, in the taxable value of the property or*
42 *of similar property in the area since that appraisal or reappraisal and*
43 *taking into account all applicable depreciation and obsolescence. The*
44 *county assessor shall physically reappraise all property at least once every*
45 *5 years.*

46 SEC. 12. NRS 361.300 is hereby amended to read as follows:

47 361.300 1. On or before January 1 of each year, the county assessor
48 shall post at the front door of the courthouse and publish in a newspaper
49 published in the county a notice to the effect that the *secured* tax roll is
50 completed and open for inspection by interested persons of the county.

1 2. Except as otherwise provided in subsection 3, each board of
 2 county commissioners shall by resolution, **[prior to]** *before* December 1
 3 of any fiscal year in which assessment is made, require the county assessor
 4 to prepare a list of all the taxpayers *on the secured roll* in the county
 5 and the total valuation of property on which they severally pay taxes
 6 and direct the county assessor:

7 (a) To cause such list and valuations to be printed and delivered by
 8 the county assessor or mailed by him on or before January 1 of the
 9 fiscal year in which assessment is made to each taxpayer in the county; or

10 (b) To cause such list and valuations to be published once on or
 11 before January 1 of the fiscal year in which assessment is made in a
 12 newspaper of general circulation in the county.

13 3. A board of county commissioners may, in the resolution required
 14 by subsection 2, authorize the county assessor not to deliver or mail the
 15 list, as provided in paragraph (a) of subsection 2, to taxpayers whose
 16 property is assessed at \$1,000 or less and direct the county assessor to
 17 mail to each such taxpayer a statement of the amount of his assessment.
 18 Failure by a taxpayer to receive such a mailed statement **[shall]** *does*
 19 not invalidate any assessment.

20 4. The several boards of county commissioners in the state **[are**
 21 **authorized to]** *may* allow the bill contracted with their approval by the
 22 county assessor under this section on a claim to be allowed and paid as
 23 are other claims against the county.

24 5. Whenever property is appraised or reappraised pursuant to NRS
 25 361.260, the county assessor shall, on or before January 1 of the fiscal
 26 year in which the appraisal or reappraisal is made, deliver or mail to each
 27 owner of such property a written notice stating its assessed valuation as
 28 determined from the appraisal or reappraisal. Failure by the taxpayer to
 29 receive such notice **[shall]** *does* not invalidate the appraisal or reap-
 30 praisal.

31 **Sec. 13.** NRS 361.320 is hereby amended to read as follows:

32 361.320 1. At the regular session of the Nevada tax commission
 33 commencing on the 1st Monday in October of each year, the Nevada tax
 34 commission shall establish the valuation for assessment purposes of any
 35 property of an interstate and intercounty nature, which shall in any event
 36 include the property of all interstate or intercounty railroad, sleeping car,
 37 private car, street railway, traction, telegraph, water, telephone, air trans-
 38 port, electric light and power companies, together with their franchises,
 39 and the property and franchises of all railway express companies operat-
 40 ing on any common or contract carrier in this state. Such valuation
 41 **[shall]** *must* not include the value of vehicles as defined in NRS 371.020.

42 2. Except as otherwise provided in subsections 3 and 4, the foregoing
 43 **[shall]** *must* be assessed as follows: The Nevada tax commission shall
 44 establish and fix the valuation of the franchise, if any, and all physical
 45 property used directly in the operation of any such business of any such
 46 company in this state, as a collective unit; and if operating in more than
 47 one county, on establishing such unit valuation for the collective prop-
 48 erty, the Nevada tax commission shall then determine the total aggregate
 49 mileage operated within the state and within its several counties, and
 50 apportion the mileage upon a mile-unit valuation basis, and the number

1 of miles apportioned to any county shall be subject to assessment in that
2 county according to the mile-unit valuation established by the Nevada tax
3 commission.

4 3. Where 75 percent or more of the physical property of an electric
5 light and power company is devoted to the generation or transmission of
6 electricity for use outside the State of Nevada and the physical property
7 also includes three or more operating units which are not interconnected
8 at any point within the State of Nevada, the Nevada tax commission shall
9 successively:

10 (a) Determine separately the valuation of each operating unit, using
11 the valuation criteria provided in subsection 2.

12 (b) Apportion 15 percent of the valuation of each operating unit
13 which generates electricity predominantly for use outside Nevada to each
14 other operating unit within the State of Nevada.

15 (c) Apportion the valuation of each operating unit, adjusted as
16 required by paragraph (b) upon a mile-unit basis among the counties in
17 which such operating unit is located.

18 4. Where 75 percent or more of the physical property of an electric
19 light and power company is devoted to the generation or transmission of
20 electricity for use outside the State of Nevada and the physical property
21 also includes two but not more than two operating units which are not
22 interconnected at any point within the State of Nevada, the Nevada tax
23 commission shall successively:

24 (a) Determine separately the valuation of each operating unit, using
25 the valuation criteria provided in subsection 2.

26 (b) Apportion 20 percent of the valuation of each operating unit
27 which generates electricity predominantly for use outside Nevada to each
28 other operating unit within the State of Nevada.

29 (c) Apportion the valuation of each operating unit, adjusted as
30 required by paragraph (b) upon a mile-unit basis among the counties in
31 which such operating unit is located.

32 5. The Nevada tax commission shall adopt formulas, and cause them
33 to be incorporated in its records, providing the method or methods pur-
34 sued in fixing and establishing the [full cash] taxable value of all fran-
35 chises and property assessed by it. The formulas [shall] must be adopted
36 and may be changed from time to time upon its own motion or when
37 made necessary by judicial decisions, but the formulas [shall] must in
38 any event show all the elements of value considered by the Nevada tax
39 commission in arriving at and fixing the value for any class of property
40 assessed by it. *These formulas must take into account, as indicators of*
41 *value, the company's income, stock and debt, and the cost of its assets.*

42 6. As used in this section the word "company" means any person, [or
43 persons,] company, corporation or association engaged in the business
44 described.

45 7. In case of an omission by the Nevada tax commission to establish
46 a valuation for assessment purposes upon the property mentioned in this
47 section, the county assessors of any counties wherein the property is
48 situated shall assess it.

49 8. All other property [shall] must be assessed by the county asses-
50 sors, except as provided in NRS 362.100 and except that the valuation of

1 land, livestock and mobile homes [shall] *must* be established for assess-
 2 ment purposes by the Nevada tax commission as provided in NRS
 3 361.325.

4 9. On or before the 1st Monday in December the department shall
 5 transmit to the several county assessors the assessed valuation found on
 6 such classes of property as are enumerated in this section, except for pri-
 7 vate car lines, together with the apportionment of each county of the
 8 assessment. The several county assessors shall enter on the roll all such
 9 assessments transmitted to them by the department.

10 10. On or before November 1 of each year the department shall for-
 11 ward a tax statement to each private car line company based on the val-
 12 uation established pursuant to this section and in accordance with the
 13 tax levies of the several districts in each county. The company shall remit
 14 the ad valorem taxes due on or before December 15 to the department
 15 which shall allocate the taxes due each county on a mile-unit basis and
 16 remit the taxes to the counties no later than January 31. The portion of
 17 the taxes which is due the state [shall] *must* be transmitted directly to
 18 the state treasurer. As an alternative to any other method of recovering
 19 delinquent taxes provided by this chapter, the attorney general may bring
 20 a civil action in a court of competent jurisdiction to recover delinquent
 21 taxes due under this subsection in the manner provided in NRS 361.560.

22 SEC. 14. NRS 361.333 is hereby amended to read as follows:

23 361.333 1. Not later than May 1 of each year, the department shall:

24 (a) Determine the ratio of the assessed value of each type or class of
 25 property for which the county assessor has the responsibility of assessing
 26 in each county to:

27 (1) The assessed value of comparable property in the remaining
 28 counties.

29 (2) The [full cash] *taxable* value of [such] *that* type or class of
 30 property within that county.

31 (b) Publish and [certify] *deliver* to the county assessors and the
 32 boards of county commissioners of the counties of this state:

33 (1) The average ratio of assessed valuation to the [full cash] *tax-*
 34 *able* value of property in each county and the state.

35 (2) The [adjusted] average ratio of assessed valuation to the [full
 36 cash] *taxable* value of property in each county.

37 [The department may take into account the interval between the current
 38 determination and the last assessment of property by the county assessor,
 39 and it may appropriately discount or otherwise adjust the full cash valua-
 40 tion determined by it or take any other appropriate action.]

41 2. The ratio study must be conducted on nine counties in one year
 42 and eight counties in the next year with the same combination of counties
 43 being tested in alternate years.

44 3. The formulas and standard procedures used by the department in
 45 conducting the ratio study must include a random sampling of property
 46 and sales and the use of the mean, median, standard deviation and any
 47 other statistical criteria that will indicate an accurate ratio of [full cash]
 48 *taxable* value to assessed value and an accurate measure of assessment
 49 equality. The formulas and standard procedures are the mandatory for-
 50 mulas and procedures to be used by the county assessors.

1 4. During the month of May of each year, the [Nevada tax commis-
2 sion shall meet with the] board of county commissioners and the county
3 assessor of each county [.] in which the ratio study was conducted shall
4 meet with the Nevada tax commission. The board of county commis-
5 sioners and the county assessor shall:

6 (a) Present evidence to the Nevada tax commission of the steps taken
7 to insure that all property subject to taxation within the county has been
8 assessed as required by law.

9 (b) Demonstrate to the Nevada tax commission that any adjustments
10 in assessments ordered in the preceding year as a result of the appraisal
11 procedure provided in paragraph (c) of subsection 5 have been complied
12 with.

13 5. At the conclusion of each meeting with the board of county com-
14 missioners and the county assessor, the Nevada tax commission shall:

15 (a) If it finds that all property subject to taxation within the county has
16 been assessed at the proper percentage, take no further action.

17 (b) If it finds that any class of property, as designated in the segrega-
18 tion of the tax roll filed with the secretary of the state board of equaliza-
19 tion pursuant to NRS 361.390, is assessed at less or more than the proper
20 percentage, and if the board of county commissioners approves, order a
21 specified percentage increase or decrease in the assessed valuation of
22 [such] that class on the succeeding tax list and assessment roll.

23 (c) If it finds the existence of underassessment or overassessment
24 wherein the ratio of assessed value to [full cash] taxable value is less
25 than 30 percent or more than 37½ percent within each of the several
26 classes of property of the county which are required by law to be assessed
27 at 35 percent of their [full cash] taxable value, or if the board of county
28 commissioners does not agree to an increase or decrease in assessed value
29 as provided in paragraph (b), order the board of county commissioners
30 to employ forthwith one or more qualified appraisers approved by the
31 department. The payment of such appraisers' fees is a proper charge
32 against the funds of the county notwithstanding that the amount of such
33 fees has not been budgeted in accordance with law. The appraisers shall
34 determine whether or not the county assessor has assessed all real and
35 personal property in the county subject to taxation at the rate of assess-
36 ment required by law. The appraisers may cooperate with the department
37 in making their determination if so agreed by the appraisers and the
38 department, and shall cooperate with the department in preparing a
39 report to the Nevada tax commission. The report to the Nevada tax com-
40 mission must be made on or before October 1 following the date of the
41 order. If the report indicates that any real or personal property in the
42 county subject to taxation has not been assessed at the rate required by
43 law, a copy of the report must be transmitted to the board of county
44 commissioners by the department before November 1. The board of
45 county commissioners shall then order the county assessor to raise or
46 lower the assessment of such property to the rate required by law on the
47 succeeding tax list and assessment roll.

48 6. The Nevada tax commission may adopt regulations reasonably
49 necessary to carry out the provisions of this section.

1 7. Any county assessor who refuses to increase or decrease the
2 assessment of any property pursuant to an order of the Nevada tax com-
3 mission or the board of county commissioners as provided in this section
4 is guilty of malfeasance in office.

5 SEC. 14.5. NRS 361.340 is hereby amended to read as follows:

6 361.340 1. Except as provided in subsection 2, the board of equal-
7 ization of each county **[shall]** *must* consist of:

8 (a) Five members, only two of whom may be elected public officers, in
9 counties having a population of 10,000 or more; and

10 (b) Three members, only one of whom may be an elected public offi-
11 cer, in counties having a population of less than 10,000.

12 2. A district attorney, county treasurer or county assessor or any of
13 their deputies or employees **[shall]** *may* not be appointed to the county
14 board of equalization.

15 3. The chairman of the board of county commissioners shall nomi-
16 nate persons to serve on the county board of equalization who are suffi-
17 ciently experienced in business generally to be able to bring knowledge
18 and sound judgment to the deliberations of the board or who are elected
19 public officers. The nominees **[shall]** *must* be appointed upon a majority
20 vote of the board of county commissioners. The chairman of the board of
21 county commissioners shall designate one of the appointees to serve as
22 chairman of the county board of equalization.

23 4. Except as otherwise provided in this subsection, the term of each
24 member is 4 years and any vacancy must be filled by appointment for the
25 unexpired term. The term of any elected public officer expires upon the
26 expiration of the term of his elected office.

27 5. The county clerk **[shall be]** *is* the clerk of the county board of
28 equalization.

29 6. Any member of the county board of equalization may be removed
30 by the board of county commissioners if, in its opinion, the member is
31 guilty of malfeasance in office or neglect of duty.

32 7. The members of the county board of equalization are entitled to
33 receive per diem allowance and travel expenses as provided by law.

34 8. A majority of the members of the county board of equalization
35 constitutes a quorum, and a majority of the board determines the action
36 of the board.

37 9. The county board of equalization of each county shall meet during
38 January of each year, and shall hold such number of meetings during that
39 month as may be necessary to care for the business of equalization pre-
40 sented to it. **[** and in any event shall meet at least once each week dur-
41 ing the time provided by this section. **]** *Every appeal to the county board*
42 *of equalization must be filed not later than January 15. Each county*
43 *board shall cause to be published, in a newspaper of general circulation*
44 *published in that county, a schedule of dates, times and places of the*
45 *board meetings at least 5 days before the first meeting.* The county board
46 of equalization shall conclude the business of equalization on or before
47 **[**the 31st day of January**]** *February 15* of each year. The state board of
48 equalization may establish procedures for the county boards, including
49 setting the period for hearing appeals and for setting aside time to allow
50 the county board to review and make final determinations. The district

1 attorney or his deputy shall be present at all meetings of the county board
2 of equalization to explain the law and the board's authority.

3 10. The county assessor or his deputy shall attend all meetings of the
4 county board of equalization.

5 SEC. 15. NRS 361.345 is hereby amended to read as follows:

6 361.345 1. The county board of equalization [shall have power to]
7 may determine the valuation of any property assessed by the county
8 assessor, and may change and correct any valuation found to be incorrect
9 either by adding thereto or deducting therefrom such sum as [shall be] is
10 necessary to make it conform to the [actual or full cash] taxable value
11 of the property assessed, whether such valuation was fixed by the owner
12 or the county assessor. Where the person complaining of the assessment
13 of his property has refused to give the county assessor his list under oath,
14 as required by this chapter, no reduction [shall] may be made by the
15 county board of equalization from the assessment of the county assessor.

16 2. If the county board of equalization finds it necessary to add to the
17 assessed valuation of any property on the assessment roll, it shall direct
18 the clerk to give notice to the person so interested by registered or certi-
19 fied letter, [deposited in the post office,] or by personal service, naming
20 the day when it [shall] will act on the matter [.] and allowing a reason-
21 able time for the interested person to appear.

22 SEC. 16. NRS 361.355 is hereby amended to read as follows:

23 361.355 1. Any person, firm, company, association or corporation,
24 claiming overvaluation or excessive valuation of its *real or secured per-*
25 *sonal* property in the state, whether assessed by the Nevada tax commis-
26 sion or by the county assessor or assessors, by reason of undervaluation
27 for taxation purposes of the property of any other person, firm, company,
28 association or corporation within any county of the state or by reason of
29 any such property not being so assessed, shall appear before the county
30 board of equalization of the county or counties [wherein such] where the
31 undervalued or nonassessed property [may be] is located and make com-
32 plaint concerning [the same] it and submit proof thereon. The complaint
33 and proof [shall] must show the name of the owner or owners, the loca-
34 tion, the description, and the [full cash] taxable value of the property
35 claimed to be undervalued or nonassessed.

36 2. Any person, firm, company, association or corporation wishing to
37 protest the valuation of personal property placed on the unsecured tax
38 roll which is assessed between May 1 and December 15 shall likewise
39 appear before the county board of equalization.

40 3. The county board of equalization forthwith shall examine [such]
41 the proof and all data and evidence submitted by the complainant,
42 together with any evidence submitted thereon by the county assessor or
43 any other person. If the county board of equalization determines that the
44 complainant has just cause for making [such] the complaint it shall
45 immediately make such increase in valuation of the property complained
46 of as [shall conform] conforms to its [full cash] taxable value, or cause
47 such property to be placed on the assessment roll at its [full cash] tax-
48 able value, as the case may be, and make proper equalization thereof.

49 [3.] 4. Except as provided in subsection 4 and NRS 361.403, any
50 such person, firm, company, association or corporation failing to make a

1 complaint and submit proof to the county board of equalization of each
2 county wherein it is claimed property is undervalued or nonassessed as
3 provided in this section, [shall not thereafter be permitted to make com-
4 plaint of] *is not entitled to file a complaint with*, or offer proof concern-
5 ing [such] *that* undervalued or nonassessed property to, the state board
6 of equalization.

7 [4.] 5. If the fact that there is such undervalued or nonassessed
8 property in any county has become known to the complainant after the
9 final adjournment of the county board of equalization of that county for
10 that year, the complainant may [make its] *file his* complaint [by] *no*
11 *later than* the 4th Monday of February [to] *with* the state board of
12 equalization and submit its proof as provided in this section at a session
13 of the state board of equalization, upon complainant proving to the satis-
14 faction of the state board of equalization it had no knowledge of such
15 undervalued or nonassessed property prior to the final adjournment of
16 the county board of equalization. The state board of equalization shall
17 proceed in the matter in like manner as provided in this section for a
18 county board of equalization in such case, and cause its order thereon to
19 be certified to the county auditor with direction therein to change the
20 assessment roll accordingly.

21 SEC. 17. NRS 361.360 is hereby amended to read as follows:

22 361.360 1. Any taxpayer [being] aggrieved at the action of the
23 county board of equalization in equalizing, or failing to equalize, the
24 value of his property, or property of others, or a county assessor, may
25 *file an appeal* [to] *with* the state board of equalization [by] *no later*
26 *than* the 4th Monday of February and present to the state board of
27 equalization the matters complained of at one of its sessions.

28 2. All such appeals [shall] *must* be presented upon the same facts
29 and evidence as were submitted to the county board of equalization in the
30 first instance, unless there [shall be] *is* discovered new evidence pertain-
31 ing to the matter which could not, by due diligence, have been discovered
32 prior to the final adjournment of the county board of equalization.

33 3. *Any taxpayer whose personal property placed on the unsecured*
34 *tax roll was assessed after December 15 but before or on the following*
35 *April 30 may likewise protest to the state board of equalization, which*
36 *shall meet before May 31 to hear these protests. Every such appeal must*
37 *be filed on or before May 15.*

38 SEC. 17.3. NRS 361.365 is hereby amended to read as follows:

39 361.365 1. Each county board of equalization shall, at the expense
40 of the county, cause complete minutes to be taken at each hearing. These
41 minutes [shall] *must* include the title of all exhibits, papers, reports and
42 other documentary evidence submitted to the county board of equalization
43 by the complainant. The clerk of the county board of equalization shall
44 forward [such] *the* minutes to the secretary of the state board of equaliz-
45 ation.

46 2. If a transcript of any hearing held before the county board of
47 equalization is requested by the complainant, he shall furnish the reporter,
48 pay for the transcript and deliver a copy of the transcript to the clerk of
49 the county board of equalization and the secretary of the state board of

1 equalization [at least 2 days before his hearing with the state board
2 of equalization.] upon filing an appeal.

3 SEC. 17.5. NRS 361.380 is hereby amended to read as follows:

4 361.380 1. Except as otherwise provided in subsection 3, annually,
5 the state board of equalization shall convene on the 1st Monday in [Feb-
6 ruary] March in Carson City, Nevada, and shall hold such number of
7 meetings as may be necessary to care for the business of equalization pre-
8 sented to it. [All protests to the state board of equalization shall be made
9 on or before the 4th Monday of February.] The state board of equaliza-
10 tion shall conclude the business of equalization on cases that in its opinion
11 have a substantial effect on tax revenues on or before [March 4.] April
12 10. Cases having less than a substantial effect on tax revenues may be
13 heard at additional meetings which may be held at any time and place in
14 the state prior to October 1.

15 2. The publication in the statutes of the foregoing time, place and
16 purpose of each regular session of the state board of equalization [shall
17 be deemed] is notice of such sessions, or if it so elects, the state board of
18 equalization may cause published notices of such regular sessions to be
19 made in the press, or may notify parties in interest by letter or otherwise.

20 3. The state board of equalization may designate some place other
21 than Carson City, Nevada, for any of the meetings specified in subsec-
22 tion 1. If such other place is so designated, notice thereof [shall] must
23 be given by publication of a notice once a week for 2 consecutive weeks
24 in some newspaper of general circulation in the county in which such
25 meeting or meetings are to be held.

26 SEC. 17.7. NRS 361.390 is hereby amended to read as follows:

27 361.390 Each county assessor shall:

28 1. File with or cause to be filed with the secretary of the state board
29 of equalization, on or before the [first Monday in February] 1st Mon-
30 day in March of each year, the tax roll, or a true copy thereof, of his
31 county [; and] for the current year as corrected by the county board of
32 equalization.

33 2. Prepare and file with the secretary of the state board of equaliza-
34 tion, on or before [March 25] the 1st Monday in March of each year,
35 a report showing the segregation of property and the assessment thereof
36 shown on the tax roll for the current year.

37 SEC. 18. NRS 361.395 is hereby amended to read as follows:

38 361.395 1. During the annual session of the state board of equaliza-
39 tion beginning on the 1st Monday in [February] March of each year,
40 the state board of equalization shall:

41 (a) Equalize property valuations in the state, including the valuation
42 of livestock theretofore established by the Nevada tax commission.

43 (b) Review the tax rolls of the various counties as corrected by the
44 county boards of equalization thereof and raise or lower, equalizing and
45 establishing the [full cash] taxable value of the property, for the purpose
46 of the valuations therein established by all the county assessors and
47 county boards of equalization and the Nevada tax commission, of any
48 class or piece of property in whole or in part in any county, including
49 also livestock and those classes of property enumerated in NRS 361.320.

1 2. If the state board of equalization proposes to increase the valuation of any property on the assessment roll, it shall give 10 days' notice to interested persons by registered or certified mail or by personal service. The notice shall state the time when and place where the person may appear and submit proof concerning the valuation of the property. A person waives the notice requirement if he personally appears before the board and is notified of the proposed increase in valuation.

8 SEC. 18.5. NRS 361.405 is hereby amended to read as follows:

9 361.405 1. The secretary of the state board of equalization forthwith shall certify any change made by the board in the assessed valuation of any property in whole or in part to the county auditor of the county [wherein such] where the property is assessed, and whenever the valuation of any property is raised, the secretary of the state board of equalization shall forward by certified mail to the property owner or owners affected, notice of [such] the increased valuation.

16 2. As soon as changes resulting from cases having a substantial effect on tax revenues have been certified to him by the secretary of the state board of equalization, the county auditor shall:

19 (a) Enter all such changes on the assessment roll prior to the delivery thereof to the tax receiver.

21 (b) Add up the valuations and enter the total valuation of each kind of property and the total valuation of all property on the assessment roll.

23 (c) Certify the results to the board of county commissioners and the department on or before [March] April 15 of each year.

25 3. As soon as changes resulting from cases having less than a substantial effect on tax revenue have been certified to him by the secretary of the state board of equalization, the county tax receiver shall adjust the assessment roll or the tax statement or make a tax refund, as directed by the state board of equalization.

30 SEC. 19. NRS 361.420 is hereby amended to read as follows:

31 361.420 1. Any property owner whose taxes are in excess of the amount which the owner claims justly to be due may pay each installment of taxes as it becomes due under protest in writing. [, which protest shall] The protest must be in triplicate and filed with the county treasurer at the time of the payment of the installment of taxes. The county treasurer forthwith shall forward one copy of the protest to the attorney general and one copy to the state controller.

38 2. The property owner, having protested the payment of taxes as provided in subsection 1 and having been denied relief by the state board of equalization, may commence a suit in any court of competent jurisdiction in the State of Nevada against the state and county in which the taxes were paid, and, in a proper case, both the Nevada tax commission and the department may be joined as a defendant for a recovery of the difference between the amount of taxes paid and the amount which the owner claims justly to be due, and the owner may complain upon any of the grounds contained in subsection 4.

47 3. Every action commenced under the provisions of this section [shall] must be commenced within 3 months after the date of the payment of the last installment of taxes, and if not so commenced [shall be] is forever barred. If the tax complained of is paid in full and under the

1 written protest provided for in this section, at the time of the payment of
2 the first installment of taxes, suit for the recovery of the difference
3 between the amount paid and the amount claimed to be justly due **[shall]**
4 *must* be commenced within 3 months after the date of the full payment of
5 the tax, and if not so commenced **[shall be]** *is* forever barred.

6 4. In any suit brought under the provisions of this section, the person
7 assessed may complain or defend upon any of the following grounds:

8 (a) That the taxes have been paid before the suit;

9 (b) That the property is exempt from taxation under the provisions of
10 the revenue or tax laws of the state, specifying in detail the claim of
11 exemption;

12 (c) That the person assessed was not the owner and had no right, title
13 or interest in the property assessed at the time of assessment;

14 (d) That the property is situate in and has been **[duly]** assessed in
15 another county, and the taxes thereon paid;

16 (e) That there was fraud in the assessment or that the assessment is
17 out of proportion to and above the **[actual]** taxable cash value of the
18 property assessed;

19 (f) That the assessment is out of proportion to and above the valuation
20 fixed by the Nevada tax commission for the year in which the taxes were
21 levied and the property assessed; or

22 (g) That the assessment complained of is discriminatory in that it is
23 not in accordance with a uniform and equal rate of assessment and taxa-
24 tion, but is at a higher rate of the **[full cash]** taxable value of the property
25 so assessed than that at which the other property in the state is assessed.

26 5. In a suit based upon any one of the grounds mentioned in para-
27 graphs (e) to (g), inclusive, of subsection 4, the court shall conduct the
28 trial without a jury and confine its review to the record before the state
29 board of equalization. Where procedural irregularities by the board are
30 alleged and are not shown in the record, the court may take evidence
31 respecting the allegation and, upon the request of either party, shall hear
32 oral argument and receive written briefs on the matter.

33 6. In all cases mentioned in this section where the complaint is based
34 upon any grounds mentioned in subsection 4, the entire assessment
35 **[shall]** *must* not be declared void but **[shall only be void]** *is void only*
36 as to the excess in valuation.

37 7. In any judgment recovered by the taxpayer under this section, the
38 court may provide for interest thereon not to exceed 6 percent per annum
39 from and after the date of payment of the tax complained of.

40 SEC. 19.3. NRS 361.450 is hereby amended to read as follows:

41 361.450 1. Except as provided in subsection 3, every tax levied
42 under the provisions of or authority of this chapter **[shall be]** *is* a per-
43 petual lien against the property assessed until **[such taxes]** *the tax* and
44 any penalty charges and interest which may accrue thereon **[shall be]** *are*
45 paid.

46 2. The lien **[shall attach on the 1st Monday in September prior to the**
47 **date on]** *attaches on July 1 of the year for which the taxes are levied,*
48 **[and shall be]** upon all property then within the county. The lien **[shall**
49 **attach]** *attaches* upon all other property on the day it is moved into the

1 county ~~["]~~ whether or not the owner has real estate within the county of
2 sufficient value to pay the taxes on both his real and personal property. If
3 real and personal property are assessed against the same owner, a lien
4 ~~["shall attach"]~~ attaches upon such real property also for the tax levied
5 upon the personal property within the county; and a lien for taxes on per-
6 sonal property ~~["shall also attach"]~~ also attaches upon real property
7 assessed against the same owner in any other county of the state from the
8 date on which a certified copy of any unpaid property assessment is filed
9 for record with the county recorder in the county in which the real prop-
10 erty is situated.

11 3. All liens for taxes levied under this chapter which have already
12 attached to a mobile home expire on the date when the mobile home is
13 sold, except the liens for personal property taxes due in the county in
14 which the mobile home was situate at the time of sale, for any part of the
15 12 months immediately preceding the date of sale.

16 4. All special taxes levied for city, town, school, road or other pur-
17 poses throughout the different counties of this state ~~["shall be"]~~ are a lien
18 on the property so assessed, and ~~["shall"]~~ must be assessed and collected
19 by the same officer at the same time and in the same manner as the state
20 and county taxes are ~~["now or may hereafter be"]~~ assessed and collected.

21 Sec. 19.4. NRS 361.465 is hereby amended to read as follows:

22 361.465 1. Immediately upon the levy of the tax rate the county
23 clerk shall inform the county auditor of the action of the board of county
24 commissioners. The county auditor shall proceed to extend the tax roll by
25 applying the tax rate levied to the total valuation and ascertaining the
26 total taxes to be collected from each property owner.

27 2. When the tax roll has been so extended, and not later than June
28 ~~["1"]~~ 15 of each year, the county auditor shall deliver ~~["the same,"]~~ it, with
29 his certificate attached, to the ex officio tax receiver of the county.

30 Sec. 19.5. NRS 361.483 is hereby amended to read as follows:

31 361.483 1. Except as provided in subsection 4, taxes assessed upon
32 the real property tax roll and upon mobile homes as defined in NRS
33 361.561 are due ~~["and payable"]~~ on the ~~["1st"]~~ 3rd Monday of July.

34 2. Taxes assessed upon the real property tax roll may be paid in four
35 equal installments.

36 3. In any county having a population of 100,000 or more, taxes
37 assessed upon a mobile home may be paid in four equal installments if
38 the taxes assessed exceed \$100.

39 4. If a person elects to pay in quarterly installments, the first install-
40 ment is due ~~["and payable"]~~ on the 3rd Monday of July, the second install-
41 ment on the 1st Monday of October, the third installment on the 1st
42 Monday of January, and the fourth installment on the 1st Monday of
43 March.

44 5. If any person charged with taxes which are a lien on real property
45 fails to pay:

46 (a) Any one quarter of such taxes on or within 10 days following the
47 day such taxes become due ~~["and payable"]~~, there ~~["shall"]~~ must be added
48 thereto a penalty of 4 percent.

49 (b) Any two quarters of such taxes, together with accumulated penal-
50 ties, on or within 10 days following the day the later ~~["of such quarters"]~~

1 quarter of taxes becomes due, there **[shall]** *must* be added thereto a pen-
2 alty of 5 percent of the two quarters due.

3 (c) Any three quarters of such taxes, together with accumulated pen-
4 alties, on or within 10 days following the day the latest **[of such quarters]**
5 *quarter* of taxes becomes due, there **[shall]** *must* be added thereto a pen-
6 alty of 6 percent of the three quarters due.

7 (d) The full amount of such taxes, together with accumulated penal-
8 ties, on or within 10 days following the 1st Monday of March, there
9 **[shall]** *must* be added thereto a penalty of 7 percent of the full amount
10 of such taxes.

11 6. Any person charged with taxes which are a lien on a mobile home
12 as defined in NRS 361.561, who fails to pay the taxes within 10 days after
13 the quarterly payment is due is subject to the following provisions:

14 (a) The entire amount of the taxes are due; **[and payable;]**

15 (b) A penalty of 10 percent of the taxes due; **[and payable;]**

16 (c) An additional penalty of \$3 per month or any portion thereof,
17 until the taxes are paid; and

18 (d) The county assessor may proceed under NRS 361.535.

19 SEC. 19.6. 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
23 county assessor's judgment, to pay the taxes on both his **[or their]** real
24 and personal property, shall proceed immediately to collect the taxes on
25 the personal property so assessed, except as to mobile homes as provided
26 in subsection 3 of NRS 361.483.

27 2. The county assessor shall prorate the tax on personal property
28 brought into or entering the state or county for the first time during the
29 fiscal year by reducing the tax one-twelfth for each full month which has
30 elapsed since the beginning of the fiscal year. *Where such property is*
31 *owned by a person who does own real estate in the county of sufficient*
32 *value in the county assessor's judgment to pay the taxes on both his real*
33 *and personal property, the tax on the personal property for the fiscal year*
34 *in which the property was moved into the state or county, prorated, may*
35 *be collected all at once or by installments as permitted by NRS 361.483*
36 *for property assessed upon the real property tax roll. The tax on personal*
37 *property first assessed in May or June may be added to the tax on that*
38 *property for the ensuing fiscal year and collected concurrently with it.*

39 3. The person paying such taxes **[shall not be]** *is not* thereby
40 deprived of his right to have such assessment equalized, and if, upon
41 such equalization, the value is reduced, the taxes paid **[shall]** *must*
42 be refunded to such person from the county treasury, upon the order of the
43 **[board of county commissioners,]** *county or state board of equalization*
44 in proportion to the reduction of the value made.

45 **[2.** If, at the time of such assessment of personal property, the
46 board of county commissioners has not as yet levied the tax based upon
47 the full combined tax rate for the taxable year to which such assessment
48 is applicable, the total amount of the tax to be collected by the county
49 assessor shall be determined by use of the then current state ad valorem

1 tax rate and the regular combined tax rate for the county, city and
2 school district as levied and applied for the preceding taxable year. The
3 county treasurer shall apportion the tax as other taxes are apportioned.
4 3. Nothing contained] 4. Nothing in this section or any other
5 statute [shall be construed as prohibiting] prohibits the county assessor
6 from prorating the count on livestock situated within the state for a por-
7 tion of a year.

8 SEC. 19.7. NRS 361.535 is hereby amended to read as follows:

9 361.535 1. If the person, [or persons,] company or corporation so
10 assessed [shall neglect or refuse to pay such taxes on demand of the
11 county assessor, the county assessor or his deputy shall seize sufficient]
12 neglects or refuses to pay the taxes within 30 days after demand, a penalty
13 of 10 percent must be added. If the tax and penalty are not paid on
14 demand, the county assessor or his deputy shall seize, seal or lock enough
15 of the personal property of the person, [or persons,] company or cor-
16 poration so neglecting or refusing to pay to satisfy the taxes and costs.

17 2. The county assessor shall post a notice of [such] the seizure, with
18 a description of the property, in three public places in the township or
19 district where it is seized, and shall, at the expiration of 5 days, proceed
20 to sell at public auction, at the time and place mentioned in the notice, to
21 the highest bidder, for lawful money of the United States, a sufficient
22 quantity of such property to pay the taxes and expenses incurred. For this
23 service the county assessor [shall] must be allowed from the delinquent
24 person a fee of \$3.

25 3. If the personal property seized by the county assessor or his
26 deputy [,] consists of a mobile home, house trailer or boat, the county
27 assessor shall publish a notice of such seizure once during each of 2 suc-
28 cessive weeks in a newspaper of general circulation in the county. If the
29 legal owner of such property is someone other than the registered owner
30 and the name and address of the legal owner can be ascertained from the
31 records of the department of motor vehicles, the county assessor shall,
32 prior to such publication, send a copy of such notice by registered or
33 certified mail to such legal owner. The cost of such publication and
34 notice [shall] must be charged to the delinquent taxpayer. Such notice
35 [shall] must state:

36 (a) The name of the owner, if known.

37 (b) The description of the property seized, including the make, model
38 and color and the serial number, motor number, body number or other
39 identifying number.

40 (c) The fact that [such] the property has been seized and the reason
41 for [such] seizure.

42 (d) The amount of the taxes due on [such] the property and the
43 penalties and costs as provided by law.

44 (e) The time and place at which such property is to be sold.

45 After the expiration of 5 days from the date of the second publication of
46 such notice, [such property shall] the property must be sold at public
47 auction in the manner provided in subsection 2 for the sale of other per-
48 sonal property by the county assessor.

49 4. Upon payment of the purchase money, the county assessor shall
50 deliver to the purchaser of the property sold, with a certificate of the sale,

1 a statement of the amount of taxes or assessment and the expenses
2 thereon for which the property was sold, whereupon the title of the prop-
3 erty so sold [shall vest] vests absolutely in the purchaser.

4 SEC. 19.8. NRS 361.562 is hereby amended to read as follows:

5 361.562 1. If the purchaser of a mobile home or slide-in camper
6 does not pay the personal property tax thereon, upon taking possession,
7 he shall, within 30 days from the date of its purchase:

8 (a) Pay to the county assessor all personal property taxes which the
9 assessor is required to collect against such mobile home or slide-in
10 camper and its contents, except as provided in subsection 3 of NRS
11 361.483; or

12 (b) Satisfy the county assessor that he owns real estate within the
13 county of sufficient value, in the county assessor's judgment, to pay the
14 taxes on both his real and personal property. *In this case, the personal*
15 *property taxes which the county assessor is required to collect against*
16 *the mobile home or slide-in camper and its contents for the fiscal year in*
17 *which it is purchased, may be collected all at once or by installments as*
18 *permitted by NRS 361.483 for property assessed upon the real property*
19 *tax roll.*

20 2. The county assessor shall collect the tax required to be paid by
21 subsection 1, in the manner prescribed by law for the collection of other
22 personal property taxes, *except as provided in paragraph (b) of subsec-*
23 *tion 1 and* except as to mobile homes as provided in subsection 3 of NRS
24 361.483.

25 SEC. 20. NRS 361.695 is hereby amended to read as follows:

26 361.695 The defendant may answer [], which answer shall be veri-
27 fied:] by a verified pleading:

28 1. That the taxes and penalties have been paid before suit.

29 2. That the taxes with penalties and costs have been paid since suit,
30 or that such property is exempt from taxation under the provisions of
31 this chapter.

32 3. Denying all claim, title or interest in the property assessed at the
33 time of the assessment.

34 4. That the land is situate in, and has been [duly] assessed in,
35 another county, and the taxes thereon paid.

36 5. Fraud in the assessment, or that the assessment is out of propor-
37 tion to and above the [actual cash] taxable value of the property
38 assessed. [In the last-mentioned case, where] *Where* the defense is based
39 upon the ground that the assessment is above the [actual cash] taxable
40 value of the property, the defense [shall only be] *is only* effectual as to
41 the proportion of the tax based upon such excess of valuation; but in no
42 such case [shall] *may* an entire assessment be declared void.

43 SEC. 20.5. NRS 361.795 is hereby amended to read as follows:

44 361.795 1. As used in this section, "qualified system" means any
45 system, method, construction, installation, machinery, equipment, device
46 or appliance which is designed, constructed or installed in a residential
47 building to heat or cool the building by using:

48 (a) Solar or wind energy;

49 (b) Geothermal resources;

- 1 (c) Energy derived from conversion of solid wastes; or
2 (d) Water power,
3 which conforms to standards established by regulation of the department.
4 2. The owner of a residential building which is heated or cooled with
5 a qualified system is entitled to an allowance against the property tax
6 accrued:
7 (a) During the current assessment year if the building is placed upon
8 the secured tax roll; or
9 (b) In the next following assessment year if the building is placed
10 upon the unsecured tax roll,
11 in an amount equal to the difference between the tax on the property at
12 its assessed value with the system and the tax on the property at its
13 assessed value without the system.
14 3. In no event may the allowance:
15 (a) Exceed the amount of the accrued property tax paid by the claim-
16 ant on the building or \$2,000, whichever is less; or
17 (b) Be granted in any assessment year in which the qualified system is
18 not actually used to heat or cool the building.
19 4. Only one owner of the building may file a claim for an assessment
20 year. A claim may be filed with the county assessor of the county in
21 which the building is located. The claim must be **made under oath or**
22 **affirmation** signed under penalty of perjury and filed in such form and
23 content, and accompanied by such proof, as the department may pre-
24 scribe. The county assessor shall furnish the appropriate form to each
25 claimant.
26 5. The claim must be filed **between January 15 and March 15,**
27 **inclusive:**
28 (a) Of each assessment year for which an allowance is claimed
29 against the tax on property placed upon the secured tax roll.
30 (b) Next preceding each assessment year for which an allowance is
31 claimed against the tax on property placed upon the unsecured tax roll.
32 *on or before the 1st Monday in August for the ensuing fiscal year. The*
33 *claim remains effective until the ownership of the property is changed or*
34 *the system is removed.*
35 6. **By not** *Not* later than May 25 of the assessment year or, if
36 May 25 falls on a Saturday or Sunday or on a legal holiday, on the Mon-
37 day or **Tuesday,** *day other than Saturday, Sunday or a legal holiday,*
38 respectively, next following, the county assessor shall provide the auditor
39 of his county a statement showing the property description or parcel num-
40 ber, name and address of claimant, and the dollar allowances of each
41 claim granted for the assessment year under this section with respect to
42 property placed upon the secured tax roll. After the county auditor
43 extends the secured tax roll, he shall adjust the roll to show the dollar
44 allowances and the amounts of tax, if any, remaining due as a result of
45 claims granted under this section. By not later than June **15** of the
46 assessment year, the county auditor shall deliver the extended tax roll, so
47 adjusted, to the ex officio tax receiver of the county.
48 7. The ex officio tax receiver of the county shall make such cor-
49 responding adjustments to the individual property tax bills, prepared from

1 the secured tax rolls, as are necessary to notify the taxpayers of the allow-
2 ances granted them under this section.

3 8. After granting the claim of a taxpayer whose building is placed
4 upon the unsecured tax roll, the county assessor shall determine the
5 amount of the allowance to which the claimant is entitled under this sec-
6 tion and shall credit the claimant's individual property tax account
7 accordingly.

8 9. The county assessor shall send to the department, for each assess-
9 ment year, a statement showing the allowances granted pursuant to this
10 section. Upon verification and audit of the allowances, the department
11 shall authorize reimbursement to the county by the state from money
12 appropriated for the purpose.

13 10. Any person who willfully makes a materially false statement on
14 a claim filed under this section or produces false proof, and as a result of
15 that false statement or false proof, a tax allowance is granted to a person
16 not entitled to the allowance, is guilty of a gross misdemeanor.

17 SEC. 21. NRS 361A.020 is hereby amended to read as follows:

18 361A.020 1. "Agricultural real property" means:

19 (a) Land:

20 (1) Devoted exclusively for at least 3 consecutive years immediately
21 preceding the assessment date to:

22 (I) Agricultural use; or

23 (II) Activities which prepare the land for agricultural use; and

24 (2) Having a greater value for another use than for agricultural use.

25 For the purposes of this subparagraph, agricultural land devoted to agri-
26 cultural use has a greater value for another use if its [full cash] taxable
27 value determined pursuant to NRS 361.227 and 361.260 exceeds its
28 value for agricultural use determined on the basis provided in NRS 361.-
29 325.

30 (b) The improvements on such land which support accepted agricul-
31 tural practices except any structures or any portion of a structure used
32 primarily as a human dwelling.

33 The term does not apply to any land with respect to which the owner has
34 granted and has outstanding any lease or option to buy the surface rights
35 for other than agricultural use, except leases for the exploration of geo-
36 thermal resources as defined in NRS 361.027, mineral resources or other
37 subsurface resources, or options to purchase such resources, if such explo-
38 ration does not interfere with the agricultural use of the land.

39 2. As used in this section, "accepted agricultural practices" means a
40 mode of operation that is common to farms or ranches of a similar nature,
41 necessary for the operation of such farms or ranches to obtain a profit in
42 money and customarily utilized in conjunction with agricultural use.

43 SEC. 22. NRS 361A.130 is hereby amended to read as follows:

44 361A.130 1. If the property is found to be agricultural real property,
45 the county assessor shall determine its value for agricultural use and
46 assess it for taxes to be collected in the ensuing fiscal year at 35 percent
47 of that value. At the same time the assessor shall make a separate deter-
48 mination of its [full cash] taxable value pursuant to NRS 361.227 and
49 361.260 if he determines that the property is located in a higher use area.

1 If the assessor determines that the property is not located in a higher use
2 area, he shall make the agricultural use assessment only, and shall not
3 make the [full cash] taxable value assessment, except as provided in
4 NRS 361A.155.

5 2. The [full cash] taxable value assessment [shall] must be main-
6 tained in the assessor's records, and [shall] must be made available to
7 any person upon request. The property owner shall be notified of the
8 [full cash] taxable value assessment each year the property is reap-
9 praised, together with the agricultural use assessment, in the manner pre-
10 scribed by the department.

11 3. The entitlement of agricultural real property to agricultural use
12 assessment [shall] must be determined as of [the first Monday in
13 September] December 15 in each year. If the property becomes disquali-
14 fied for such assessment [prior to the first Monday in September in the
15 same year, it shall] before that date, it must be assessed as all other real
16 property is assessed [.] and taxed in the ensuing fiscal year upon the basis
17 of this regular assessment.

18 SEC. 23. NRS 361A.155 is hereby amended to read as follows:

19 361A.155 1. When any agricultural real property whose [full cash]
20 taxable value as determined pursuant to NRS 361.227 and 361.260 has
21 not been separately determined for each year in which agricultural use
22 assessment was in effect for the property is:

23 (a) Determined by the county assessor to be located in a higher use
24 area; or

25 (b) Converted in whole or in part to a higher use,
26 the county assessor shall determine its [full cash] taxable value at the
27 time the location in a higher use area is determined or at the time of
28 conversion, respectively, and discount that valuation as appropriate to
29 determine the valuation against which to compute the deferred tax.

30 2. The department shall prescribe by regulation an appropriate pro-
31 cedure for determining [full cash] taxable value assessment under this
32 section.

33 SEC. 24. NRS 361A.160 is hereby amended to read as follows:

34 361A.160 1. The determination of use, the agricultural use assess-
35 ment and the [full cash] taxable value assessment in each year are final
36 unless appealed in the manner provided in chapter 361 of NRS for com-
37 plaints of overvaluation, excessive valuation or undervaluation.

38 2. Any person desiring to have his property assessed for agricultural
39 use who fails to file a timely application may petition the county board
40 of equalization which, upon good cause shown, may accept an applica-
41 tion, and, if appropriate, allow that application. The assessor shall then
42 assess the property consistently with the decision of the county board of
43 equalization on the next assessment roll.

44 SEC. 25. NRS 361A.220 is hereby amended to read as follows:

45 361A.220 1. If the property is found by the board of county com-
46 missioners to be open-space real property, the county assessor shall deter-
47 mine its value for open-space use and assess it for taxes to be collected in
48 the ensuing fiscal year at 35 percent of that value. At the same time, the
49 assessor shall make a separate determination of its [full cash] taxable
50 value pursuant to NRS 361.227 and 361.260.

1 2. The **["full cash"] taxable** value assessment **["shall"] must** be main-
2 tained in the assessor's records and **["shall"] must** be made available to any
3 person upon request. The property owner shall be notified of the **["full**
4 **cash"] taxable** value assessment each year the property is reappraised,
5 together with the open-space use assessment in the manner prescribed by
6 the department.

7 3. The entitlement of open-space real property to open-space use
8 assessment **["shall"] must** be determined as of **["the first Monday in Sep-**
9 **tember"] December 15** in each year. If the property becomes disqualified
10 for open-space assessment **["prior to the first Monday in September in the**
11 **same year, it shall"] before that date it must** be assessed as all other real
12 property is assessed **[""]** and **taxed in the ensuing fiscal year upon the basis**
13 **of this regular assessment.**

14 SEC. 26. NRS 361A.240 is hereby amended to read as follows:

15 361A.240 1. The determination of use, the open-space use assess-
16 ment and the **["full cash"] taxable** value assessment in each year are final
17 unless appealed.

18 2. The applicant for open-space assessment is entitled to:

19 (a) Appeal the determination made by the board of county commis-
20 sioners to the district court in the county where the property is located, or
21 if located in more than one county, in the county in which the major por-
22 tion of the property is located, as provided in NRS 278.027.

23 (b) Equalization of both the open-space use assessment and the **["full**
24 **cash"] taxable** value assessment in the manner provided in chapter 361 of
25 NRS for complaints of overvaluation, excessive valuation or undervalua-
26 tion.

27 SEC. 27. NRS 361A.280 is hereby amended to read as follows:

28 361A.280 1. When agricultural or open-space real property which is
29 receiving agricultural or open-space use assessment is converted to a
30 higher use, there shall be added to the tax extended against the property
31 on the next property tax statement, an amount equal to the sum of the
32 following:

33 (a) The deferred tax, which is the difference between the taxes paid or
34 payable on the basis of the agricultural or open-space use assessment and
35 the taxes which would have been paid or payable on the basis of the
36 **["full cash"] taxable** value determination for each year in which agricul-
37 tural or open-space use assessment was in effect for the property, up to
38 84 months immediately preceding the date of conversion from agricul-
39 tural or open-space use. The 84-month period includes the most recent
40 year of agricultural or open-space use assessment but does not include
41 any period before July 1, 1976.

42 (b) A penalty equal to 20 percent of the accumulated deferred tax for
43 each year in which the owner failed to give the notice required by NRS
44 361A.270.

45 2. The deferred tax and penalty are a perpetual lien until paid as
46 provided in NRS 361.450; but if the property is not converted to a
47 higher use within 84 months after the date of attachment, the lien for
48 that earliest year then expires.

49 3. Each year a statement of liens attached pursuant to this section

1 must be recorded with the county recorder by the tax receiver in a form
2 prescribed by the department upon completion of the tax statement.

3 4. If agricultural or open-space real property receiving agricultural or
4 open-space use assessment is sold or transferred to an ownership making
5 it exempt from [ad valorem property taxation between July 1 and the
6 first Monday in September, inclusive, in any year,] *taxation ad valorem*,
7 a lien for a proportional share of the deferred taxes that would otherwise
8 have been due in the following year, attaches on the day preceding the
9 sale or transfer. The lien [shall] *must* be enforced against the property
10 when it is converted to a higher use, even though the owner at the time of
11 conversion enjoys an exemption from taxation.

12 SEC. 27.5. NRS 362.130 is hereby amended to read as follows:

13 362.130 1. When the department determines the net proceeds of any
14 mine or mines, the Nevada tax commission shall prepare its certificate of
15 the amount of the net proceeds of the mine or mines in triplicate and
16 shall file one copy of the certificate with the department, one copy with
17 the county assessor of the county in which the mine or mines are located,
18 and shall send the third copy to the person, corporation or association
19 which is the owner of the mine, operator of the mine, or recipient of the
20 royalty payment, as the case may be.

21 2. Upon the filing of the copy of the certificate with the county
22 assessor and with the department, the assessment [shall be deemed to
23 be] *is* made in the amount fixed by the certificate of the Nevada tax com-
24 mission, and taxes thereon at the rate established are immediately due.
25 [and payable.] The certificate of assessment must be filed and mailed not
26 later than [the 15th day of] May 25 immediately following the month of
27 February during which the statement was filed.

28 SEC. 28. NRS 367.025 is hereby amended to read as follows:

29 367.025 For the purposes of this chapter, the [full cash] *taxable*
30 value of a share of stock in a bank is its proportionate part of the aggre-
31 gate taxable capital. Such aggregate taxable capital [shall] *must* be
32 determined in the following manner:

33 1. The average of each of the following factors [shall] *must* be com-
34 puted for the fiscal year preceding the valuation, using the respective
35 amounts as of the end of each calendar quarter:

- 36 (a) Cash;
- 37 (b) Demand deposits;
- 38 (c) Time deposits; and
- 39 (d) Total deposits.

40 2. From the average cash [shall] *must* be subtracted an appropriate
41 cash reserve, which [shall] *must* be the sum of:

42 (a) Average demand deposits multiplied by that percentage established
43 by the Board of Governors of the Federal Reserve System as a required
44 cash reserve for member banks, as of the close of the fiscal year preceding
45 the valuation.

46 (b) Average time deposits multiplied by that percentage established by
47 the Board of Governors of the Federal Reserve System as a required cash
48 reserve for member banks as of the close of the fiscal year preceding valu-
49 ation.

50 The appropriate cash reserve [shall] *must* be computed in the same

1 manner for all banks, whether or not they are members of the Federal
2 Reserve System.

3 3. From the average total deposits [shall] *must* be subtracted the
4 excess cash, which is the difference obtained pursuant to subsection 2, if
5 any.

6 4. The difference obtained pursuant to subsection 3 [shall] *must* be
7 multiplied by 9 percent, to obtain the capital equivalent of the deposits.

8 5. From the capital equivalent obtained pursuant to subsection 4
9 [shall] *must* be subtracted the [full cash] *taxable* value of all real
10 property assessed to the bank. The difference so obtained is the aggregate
11 taxable capital of the bank.

12 SEC. 29. NRS 367.030 is hereby amended to read as follows:

13 367.030 1. All shares of stock in banks, including shares subscribed
14 but not issued, existing by authority of the United States, or of the State
15 of Nevada, or of any other state, territory or foreign government, and
16 located within the State of Nevada, [shall] *must* be assessed to the own-
17 ers thereof in the county, city, town or district where such banks are
18 located, and not elsewhere, in the assessment of all state, county, town or
19 special taxes, imposed and levied in such place, whether such owner is a
20 resident of the county, city, town or district, or not.

21 2. All such shares [shall] *must* be assessed at 35 percent of their
22 [full cash] *taxable* value determined as of July 1.

23 3. The proportionate parts of the shares of stock in a bank having
24 branches in one or more counties, cities, towns or districts, [shall]
25 *must* be assessed as provided [herein] *in this section* in such counties,
26 cities, towns or districts where such bank or branches may be situated,
27 such proportionate parts to be assessed in each such county, town, city
28 or district being determined by the ratio which the total deposits, both
29 time and demand, at the close of banking hours on the last business
30 day of the preceding fiscal year in the bank or branch situated in such
31 county, city, town or district bear to the total of such deposits on the
32 last business day of the preceding fiscal year in all of the banks and
33 branches thereof, ownership of which is represented by the shares of
34 stock so assessed.

35 4. The persons or corporations who appear from the records of the
36 banks to be the owners of shares at the close of the business day on
37 July 1, or if July 1 is not a business day then the next-succeeding busi-
38 ness day, in each year shall be [taken and] deemed to be the owners
39 thereof for the purposes of this section.

40 SEC. 30. NRS 367.050 is hereby amended to read as follows:

41 367.050 1. On or before August 1 of each year, each bank which
42 is located or has a branch located in this state shall report to the depart-
43 ment, upon forms which shall be prescribed by the department:

44 (a) The quarterly amounts of its cash, demand deposits, time depos-
45 its and total deposits for the preceding fiscal year; and

46 (b) A list showing the total deposits in its principal office and in
47 each of its branches at the close of the last business day of the preceding
48 fiscal year, segregated according to the county in which such office and
49 each branch is situated.

50 2. On or before September 1 of each year, each county assessor

1 shall transmit to the department a list showing the [full cash] taxable
2 value of each parcel of real property in his county which is assessed to
3 a bank for the current fiscal year.

4 3. The department shall annually, at its regular meeting beginning
5 on the 1st Monday in October, determine:

6 (a) The aggregate taxable capital of each bank which is located or
7 has a branch located in this state; and

8 (b) The proportion of such aggregate taxable capital which is
9 required to be assessed in each county of the state.

10 4. On or before the 1st Monday in December, the department shall
11 transmit to each county assessor the amount of the aggregate taxable
12 capital of each bank which is required to be assessed in his county, and
13 each assessor shall adopt as the [full cash] taxable value of the shares of
14 stock of each such bank the amounts so shown.

15 Sec. 30.3. NRS 482.180 is hereby amended to read as follows:

16 482.180 1. The motor vehicle fund is hereby created as an agency
17 fund. All money received or collected by the department must be depos-
18 ited in the state treasury for credit to the motor vehicle fund.

19 2. Any check accepted by the department in payment of vehicle
20 privilege tax or any other fee required to be collected under this chapter
21 must, if it is dishonored upon presentation for payment, be charged back
22 against the motor vehicle fund or the county to which the payment was
23 credited, in the proper proportion.

24 3. Money for the administration of the provisions of this chapter
25 must be provided by direct legislative appropriation from the state high-
26 way fund, upon the presentation of budgets in the manner required by
27 law. Out of the appropriation the department shall pay every item of
28 expense.

29 4. The department shall certify monthly to the state board of exam-
30 iners the amount of privilege taxes collected for each county by the
31 department and its agents during the preceding month, and that money
32 must be distributed monthly as provided in subsection 5.

33 5. The distribution of the privilege tax within a county must be made
34 to local governments, as defined in NRS 354.474, in the same ratio as
35 all property taxes were levied in the county in the previous fiscal year,
36 but the State of Nevada is not entitled to share in that distribution. The
37 amount attributable to the debt service of each school district must be
38 included in the allocation made to each county government. For the
39 purpose of this subsection, the taxes levied by each local government are
40 the product of its certified valuation, determined pursuant to subsection
41 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.-
42 455 [.] for the fiscal year beginning on July 1, 1980, except that the tax
43 rate for school districts is the rate established pursuant to NRS 361.455
44 for the fiscal year beginning on July 1, 1978. Local governments, other
45 than incorporated cities, are entitled to receive no distribution if the
46 distribution to the local government is less than \$100. Any undistributed
47 money accrues to the county general fund of the county in which the
48 local government is located. The department shall make distributions
49 directly to counties, county school districts and incorporated cities or

1 towns. Distributions for other local governments within a county must
2 be paid to the counties for distribution to the other local governments.

3 6. Privilege taxes collected on vehicles subject to the provisions of
4 chapter 706 of NRS and engaged in interstate or intercounty operation
5 must be distributed among the counties in the following percentages:

6	Carson City.....	1.07 percent	Lincoln.....	3.12 percent
7	Churchill.....	5.21 percent	Lyon.....	2.90 percent
8	Clark.....	22.54 percent	Mineral.....	2.40 percent
9	Douglas.....	2.52 percent	Nye.....	4.09 percent
10	Elko.....	13.31 percent	Pershing.....	7.00 percent
11	Esmeralda.....	2.52 percent	Storey.....	.19 percent
12	Eureka.....	3.10 percent	Washoe.....	12.24 percent
13	Humboldt.....	8.25 percent	White Pine.....	5.66 percent
14	Lander.....	3.88 percent		

15 The distributions must be allocated among local governments within the
16 respective counties pursuant to the provisions of subsection 5.

17 7. As commission to the state for collecting the privilege taxes on
18 vehicles subject to the provisions of this chapter and chapter 706 of NRS
19 the department shall retain 6 percent from counties having a population
20 of 30,000 or more and 1 percent from counties having a population of
21 less than 30,000.

22 8. When the foregoing requirements have been met, and when
23 directed by the department, the state controller shall transfer monthly to
24 the state highway fund any balance in the motor vehicle fund.

25 SEC. 30.6. NRS 361.267, 361.285, 361.290, 361.735, 361.750 and
26 361.760 are hereby repealed.

27 SEC. 31. 1. Notwithstanding the provisions of NRS 361.225, except
28 as provided in section 32 of this act, all property subject to taxation must
29 be assessed at 35 percent of its adjusted cash value. The adjusted cash
30 value is calculated by multiplying the full cash value of the property by
31 the factor shown in the following table for the class and for the fiscal year
32 in which the property was most recently appraised:

33		Factor for	Factor for
34	Year of Appraisal	Residential Improvements	Other Property
35	1976-1977 or earlier	1.416	1.438
36	1977-1978	1.190	1.313
37	1978-1979	1.000	1.199
38	1979-1980	0.840	1.095
39	1980-1981	0.706	1.000

41 2. The assessment provided in subsection 1 must be used only for the
42 levying of taxes to be collected during the fiscal year 1981-1982 on all
43 property to which they apply.

44 3. As used in this section, "residential improvement" means a single-
45 family dwelling, a townhouse or a condominium, and its appurtenances.

46 SEC. 31.3. 1. Notwithstanding the provisions of NRS 361.225, for
47 the assessment period ending December 15, 1981, all property, except
48 as provided in section 32 of this act, must be assessed at 35 percent of

1 taxable value. For existing properties the taxable value must be deter-
2 mined by multiplying the adjusted cash value calculated pursuant to sec-
3 tion 31 of this act by the appropriate factors provided by the department
4 of taxation. For new properties the county assessor must determine taxa-
5 ble value consistent with the value of like properties as determined from
6 adjusted cash value.

7 2. The department shall develop the factors for determining the tax-
8 able value of these properties no later than September 1, 1981. The fac-
9 tors and the projected results of their application must be reviewed by the
10 interim legislative committee on local governmental finance which must
11 adopt, modify or reject the factors no later than September 15, 1981.
12 Immediately thereafter the department shall furnish the factoring sched-
13 ules and the regulations for their use to the county assessors.

14 3. No physical appraisals except of new properties need be com-
15 pleted by the county assessors for the assessment period ending December
16 15, 1981. The requirement of NRS 361.260 for appraisal at 5-year inter-
17 vals is tolled during the fiscal year beginning on July 1, 1981.

18 SEC. 31.6. The amendments made to NRS 361.227 by section 8 of
19 this act do not apply to personal property placed on the secured or
20 unsecured roll before May 1, 1982.

21 SEC. 32. The provisions of sections 31 and 31.3 of this act do not
22 apply to the assessment of:

- 23 1. Any personal property;
- 24 2. Any property assessed by the Nevada tax commission pursuant to
25 NRS 361.320;
- 26 3. Any land assessed by the Nevada tax commission pursuant to
27 NRS 361.325;
- 28 4. Any real property assessed pursuant to chapter 361A of NRS; or
- 29 5. Shares of stock in banks pursuant to chapter 367 of NRS,
30 or to the assessment or taxation of mining claims or the net proceeds of
31 mines under chapter 362 of NRS.

32 SEC. 32.5. Each public utility and railroad shall, without making an
33 application to the public service commission of Nevada:

34 1. Immediately reduce its rates to customers in Nevada by an amount
35 which represents the reduction in property taxes paid or to be paid by the
36 utility or railroad as a result of legislation enacted by the 61st session of
37 the Nevada legislature; and

38 2. Show the reduction on each bill for service, denoted by the words
39 "Legislative Tax Reduction," until the rate of taxes on the property of
40 the utility or railroad is the same or greater than that which was in effect
41 on January 1, 1981.

42 SEC. 33. The legislature finds that:

43 1. The factors prescribed in section 31 of this act for the respective
44 years of appraisal have the approximate effect of placing property
45 appraised before the fiscal year 1980-1981 on a parity with property
46 appraised during that fiscal year, and the respective classes of real prop-
47 erty separately specified in that section on a parity with one another.

48 2. Such an approximation is necessary in order to permit the orderly
49 collection of taxes ad valorem during the fiscal year 1981-1982.

1 3. Each of the classes of property excluded from the operation of sec-
2 tion 31 of this act is assessed pursuant to NRS in such a manner that no
3 adjustment is required to place all property within that class on a parity.

4 SEC. 34. 1. Before July 1, 1981, each county assessor shall deter-
5 mine the required assessment for each parcel of real property assessed
6 according to its adjusted cash value pursuant to section 31 of this act,
7 and deliver the adjusted assessment roll to the county auditor.

8 2. The county auditor shall extend the adjusted assessment roll by
9 applying the tax rate certified by the department of taxation to the
10 adjusted assessed valuation and ascertain the total taxes to be collected
11 from each property owner. The county auditor shall also calculate what
12 the taxes to be collected during the fiscal year beginning on July 1, 1981,
13 would have been on each property had there been no adjustment to the
14 property's assessed valuation or the proposed tax rate. For this purpose,
15 the department of taxation shall on or before May 30 notify each county
16 auditor of the tax rate which would have been necessary to support the
17 budget of each local government for the fiscal year beginning on July 1,
18 1981, under prior law.

19 3. When the adjusted tax roll has been extended, and not later than
20 July 17, the county auditor shall deliver it to the ex officio tax receiver of
21 the county.

22 4. Upon receipt of the adjusted assessment roll, the ex officio tax
23 receiver shall:

24 (a) Publish notice of the dates when the taxes to be collected during
25 the fiscal year beginning on July 1, 1981, are due;

26 (b) Proceed to bill each owner or other person to whom tax bills are
27 sent for a particular parcel for the taxes due;

28 (c) Include in the billing a notice of change of valuation which
29 includes the prior assessed valuation and the adjusted assessed valuation;
30 and

31 (d) Include in the billing a notice of what the taxes would have been
32 had the assessed valuation and the proposed tax rate not been adjusted.

33 If the billing is sent to anyone other than the owner, the ex officio tax
34 receiver shall send a copy of the tax bill and the required notices to the
35 owner.

36 5. If, after receipt of a tax bill and notice of change of assessed valu-
37 ation, any person believes the adjusted assessed valuation of his property
38 is incorrect or unjust, he may file a protest with the county board of
39 equalization no later than August 14, 1981. The county board of equali-
40 zation of each county must hold special meetings to hear those protests
41 beginning August 17, 1981, and must conclude its work no later than
42 September 15, 1981. The county board shall hear only protests on prop-
43 erties for which the adjusted valuation exceeds the valuation on the
44 1980-81 equalized assessment roll or the prior year's equalized valua-
45 tion.

46 6. Any person who is aggrieved at the action of the county board of
47 equalization on his protest may appeal that action to the state board of
48 equalization not later than 5 days after the action of the county board
49 of equalization. The state board shall hold special hearings as often as is
50 necessary to determine those appeals as expeditiously as possible. These

1 hearings must be concluded no later than October 1, 1981. The secretary
2 of the state board of equalization shall immediately, as each change in the
3 adjusted assessed valuation is made by the board, certify that change to
4 the appropriate county auditor who shall forthwith enter the change on
5 the adjusted assessment roll. The secretary shall also issue an order to the
6 ex officio tax receiver of the appropriate county who shall, if applicable,
7 issue a refund of excess taxes paid or adjust the balance due to reflect the
8 changes made by the county board of equalization or by the state board
9 of equalization.

10 SEC. 34.5. Notwithstanding the provisions of NRS 361.455, the
11 Nevada tax commission shall meet on July 10, 1981, to set and certify
12 tax rates for local governments to be collected during the fiscal year
13 beginning on July 1, 1981.

14 SEC. 35. 1. Each local government shall, with the approval of the
15 department of taxation, revise its budget for the fiscal year commencing
16 July 1, 1981, if and to the extent necessary to comply with the provisions
17 of this act.

18 2. The taxes on real property otherwise due under NRS 361.483 on
19 the 1st or 3rd Monday of July, 1981, are due on the 3rd Monday of
20 August, 1981.

21 SEC. 35.5. Every lender whose loan is secured by an encumbrance
22 of real property and who requires periodic payments by the borrower
23 into a special account for the payment of taxes on that real property
24 shall fully adjust the balance of and payments into that account, to
25 reflect any reduction of property taxes resulting from laws enacted by
26 the 61st session of this legislature, no later than July 1, 1982. If com-
27 pletion of the adjustment is deferred beyond October 1, 1981, the adjust-
28 ment must be accomplished by an appropriate schedule of equal
29 payments into the account for all the months from July 1981 to June
30 1982.

31 SEC. 36. The lien for taxes upon real property payable:

32 1. During the fiscal year commencing July 1, 1982; or

33 2. As deferred taxes under NRS 361A.280,

34 which attached on the first Monday in September 1981, expires on July
35 1, 1982, and is superseded by the lien for such taxes which attaches on
36 July 1, 1982, as provided in NRS 361.450.

37 SEC. 37. Each county shall pay the necessary expenses of the county
38 assessor in fulfilling his duties under subsection 1 of section 34 of this
39 act. These expenses must be paid first out of any resources not legally
40 prohibited for this purpose. If no such resources are available, the county
41 may, without regard to any statutory limitation on expenditures or on the
42 use of taxes ad valorem, use any balances available on or before June 30,
43 1981, in any fund, except a debt service fund, for the purpose of this
44 section.

45 SEC. 38. 1. Section 2 of chapter 93, Statutes of Nevada 1981, is
46 hereby amended to read as follows:

47 Sec. 2. 1. Hearing must be held upon tentative budgets for the
48 fiscal year beginning July 1, 1981;

49 (a) For counties, on the 1st Thursday in June;

50 (b) For cities, on the 2nd Monday in June;

1 (c) For school districts, on the 1st Wednesday in June; and
2 (d) For all other local governments, on the 1st Friday in June,
3 except that the board of county commissioners may consolidate the
4 hearing on all local government budgets administered by the board
5 of county commissioners with the county budget hearing.

6 2. The final budget for that fiscal year must be adopted and sub-
7 mitted to the Nevada tax commission on or before June 10.

8 2. Sections 3, 4 and 5 of chapter 93, Statutes of Nevada 1981, are
9 hereby repealed.

10 3. Chapter 2, Statutes of Nevada 1981, is hereby repealed.

11 SEC. 39. 1. Section 40 of chapter 149, Statutes of Nevada 1981, is
12 hereby amended to read as follows:

13 Sec. 40. The legislature declares that this bill [], Senate Bill No.
14 69] and Senate Bill No. 411 of this session constitute an integrated
15 plan for the relief of the residents of this state from excessive prop-
16 erty taxes while providing revenue for the necessary services of
17 local government, and that their provisions are not severable. If
18 any provision of any of these bills which becomes law, or the appli-
19 cation thereof to any person, thing or circumstance is held invalid,
20 the other provisions of each of these bills become ineffective, and
21 all statutes repealed by [any] either of these bills are revived.

22 2. Section 20 of chapter 150, Statutes of Nevada 1981, is hereby
23 amended to read as follows:

24 Sec. 20. 1. Except as provided in subsection 2, the legislature
25 declares that this bill [], Senate Bill No. 69] and Assembly Bill No.
26 369 constitute an integrated plan for the relief of the residents of
27 this state from excessive property taxes while providing revenue for
28 the necessary services of local government, that their provisions are
29 not severable. If any provision of any of these bills which becomes
30 law, or the application thereof to any person, thing or circumstance
31 is held invalid, the other provisions of each of these bills become
32 ineffective, and all statutes repealed by [any] either of these bills
33 are revived.

34 2. If the interim legislative committee on local governmental
35 finance is held invalid as a whole or unable to perform any particu-
36 lar function, all of its functions or that particular function, as the
37 case may be, devolve upon the Nevada tax commission.

38 SEC. 40. 1. This section and sections 31 to 39, inclusive, of this act,
39 shall become effective upon passage and approval.

40 2. Except as provided in subsection 3, sections 1 to 30.6, inclusive,
41 of this act shall become effective on July 30, 1981.

42 3. Sections 19.3, 22 and 25 of this act shall become effective on
43 July 1, 1982.

A. B. 598**ASSEMBLY BILL NO. 598—COMMITTEE ON COMMERCE**

MAY 4, 1981

Referred to Committee on Commerce

SUMMARY—Impose additional requirements on importers, suppliers and wholesalers of liquor. (BDR 32-1650)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to intoxicating liquors; imposing additional requirements on importers, suppliers and wholesalers; 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. Chapter 369 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- 3 SEC. 2. *As used in this chapter, "supplier" means, with respect to*
4 *liquor which is brewed, distilled, fermented, manufactured, produced, or*
5 *bottled:*
- 6 1. *Outside the United States, the owner of the liquor when it is first*
7 *transported into any area under the jurisdiction of the United States*
8 *Government; or*
- 9 2. *Within the United States but outside this state, the brewer, dis-*
10 *tiller, manufacturer, producer, vintner, or bottler of the liquor, or his*
11 *designated agent.*
- 12 SEC. 3. 1. *A supplier of liquor may sell to an importer into this state*
13 *only if:*
- 14 (a) *Their commercial relationship is of definite duration or continu-*
15 *ing indefinite duration; and*
- 16 (b) *The importer is granted the right to offer, sell and distribute within*
17 *this state or any designated area thereof such of the supplier's brands of*
18 *packaged malt beverages, distilled spirits and wines, or all of them, as*
19 *may be specified.*
- 20 2. *The supplier shall file with the department a written notice indicat-*
21 *ing the name and address of each designated importer. Each importer*
22 *shall file with the department a written acceptance of the designation.*
- 23 3. *A brewer, distiller, manufacturer, producer, vintner or bottler of*
24 *liquor who designates an agent to sell his products to importers into this*
25 *state shall file with the department a written designation indicating the*

1 name and address of the agent, and the agent shall file with the depart-
2 ment a written acceptance of the designation.

3 SEC. 4. A person who holds an importer's license or permit may
4 purchase a liquor only from the supplier of that liquor.

5 SEC. 5. No person is eligible to obtain an importer's or wholesaler's
6 license unless he agrees to, or to retain the license unless he does:

7 1. Maintain for distilled spirits, if he imports them or sells them at
8 wholesale, warehouse and office space owned or leased by him or dedi-
9 cated to his use in a public warehouse sufficient to store at one time:

10 (a) A stock equal to 10 percent or more of his annual gross volume of
11 sales to retailers within this state; or

12 (b) A stock whose cost of acquisition is \$50,000 or more; or

13 2. Maintain for wine or beer, if he imports either of them or sells
14 either at wholesale, warehouse and office space owned or leased by him
15 or dedicated to his use in a public warehouse sufficient to store at one
16 time:

17 (a) A stock equal to 10 percent or more of his annual gross volume of
18 sales to retailers within this state; or

19 (b) A stock whose cost of acquisition is \$10,000 or more, and sell to
20 retailers generally rather than a selected few retailers.

21 The stock required by this section must be owned by him, not held on
22 consignment and not acquired pursuant to a prior agreement to sell it to
23 a specific licensee or licensees. An importer or wholesaler whose total
24 volume of sales of distilled spirits to retailers during any 12-month period
25 consists of 50 percent or more of individual sales in quantities of ten
26 cases or less sells to retailers generally.

27 SEC. 6. NRS 369.190 is hereby amended to read as follows:

28 369.190 1. An application for any of the licenses described in NRS
29 369.180 **[shall]** must be made to the board of county commissioners of
30 the county in which the applicant maintains his principal place of busi-
31 ness.

32 2. Each application **[shall:]** must:

33 (a) Be made on such form as the department **[shall prescribe.]** pre-
34 scribes.

35 (b) Include the name and address of the applicant. If the applicant is:

36 (1) A partnership, the application **[shall]** must include the names
37 and addresses of all partners.

38 (2) A corporation, association or other organization, the application
39 **[shall]** must include the names and addresses of the president, vice
40 president, secretary and managing officer or officers.

41 (3) A person carrying on or transacting business in this state under
42 an assumed or fictitious name, the person making the application shall
43 attach thereto:

44 (I) A certified copy of the certificate required by NRS 602.010.

45 (II) A certificate signed by an officer of the corporation or by each
46 person interested in, or conducting or carrying on such business, or
47 intending so to do, and acknowledged before some officer authorized to
48 take acknowledgments of conveyances of real property, indicating the
49 name of the authorized representative whose signature may be required
50 on the license under the provisions of this chapter.

1 (c) Specify the location, by street and number, of the premises for
2 which the license is sought.

3 (d) Be accompanied by the annual license fee required for the particu-
4 lar license for which application is made.

5 3. [Each applicant for an importer's license or for a wholesale wine
6 or liquor dealer's license or for a wholesale beer dealer's license shall
7 agree to establish and maintain a place of business in the State of
8 Nevada, in good faith actually to carry on a bona fide wholesale business,
9 and must keep on hand therein at all times liquor of a wholesale value of
10 at least \$1,000.

11 4.] The board of county commissioners shall examine all applica-
12 tions filed with it, and in addition thereto shall require satisfactory evi-
13 dence that the applicant is a person of good moral character.

14 SEC. 7. NRS 369.430 is hereby amended to read as follows:

15 369.430 1. By regulation, the department shall prescribe the form
16 of application for and the form of a certificate of compliance [which
17 shall], which must be printed and distributed to exporters of liquor into
18 this state to assist them in legally exporting liquor into this state.

19 2. [Any] An intending importer may not legally receive or accept
20 any [such shipment] shipment of liquor except from a holder of a
21 certificate of compliance.

22 3. The department shall grant a certificate of compliance to any out-
23 of-state vendor of liquors who [shall undertake] undertakes in writing:

24 (a) To furnish the department on or before the 10th day of each
25 month a report under oath showing the quantity and type of liquor
26 sold and shipped by [such] the vendor to each licensed importer of
27 liquor in Nevada during the preceding month; [and]

28 (b) That he and all his agents and [all] any other agencies controlled
29 by him will comply faithfully with all laws of this state and all regulations
30 of the department respecting the exporting of liquor into this state [.] :

31 (c) That he will make available for inspection and copying by the
32 department any books, documents and records, whether within or outside
33 this state, which are pertinent to his activities or the activities of his
34 agents or any other agencies controlled by him within this state and which
35 relate to the sale and distribution of his liquors within this state; and

36 (d) That he will appoint a resident of this state as his agent for service
37 of process or any notice which may be issued by the department.

38 4. If any holder of a certificate of compliance fails to keep any
39 undertaking or condition made or imposed in connection therewith, the
40 department may suspend [such] the certificate and conduct a hearing,
41 giving the holder thereof a reasonable opportunity to appear and be
42 heard on the question of vacating the suspension order or order finally
43 revoking the certificate.

44 5. No fee [shall] may be charged for any certificate of compliance,
45 but [such certificate shall] the certificate must be renewed annually,
46 subject to the conditions of the original certificate, on or before July 1 of
47 each year.

EXHIBIT E

Good Afternoon Gentlemen:

My name is Arthur Senini, President of the Wine & Spirit Wholesalers of Nevada.

Our industry supports A.B. #598 and does hope that you will act favorably in a "Do Pass" vote.

This proposed legislation was presented to Mr. Roy Nickson, Exec. Secretary of the Nevada Tax Commission, discussed in detail and was approved in concept at that meeting. In view of the fiscal note attached to this bill wherein there is no effect to local Government and no effect on the State or on Industrial Insurance, the Nevada Tax Commission could find no objection to this bill. If anything, it could be beneficial to the Tax Commission. A.B. #598 is an industry sponsored bill wherein we are imposing additional requirements on ourselves in pursuit of a more orderly conduct of business. This bill assures complete service to the entire beverage industry.

Government has strong and legitimate interests in the public benefits offered by this proposed legislation. Enforcement of liquor tax collection and liquor control laws can be strengthened by this proposal wherein all beverage alcohol must pass through three controllable levels prior to sale to the consumer.

A.B. #598 will help protect public revenue. The tax revenues generated by beverage alcohol sales is aided significantly by the "proper audit trail" resulting from this proposal within the frame work of our three-tier system of distribution.

After repeal of Prohibition, many of the license states and control states enacted laws similiar to that which we propose. Their basic purpose is to define a legal and efficient channel of distribution of beverage alcohol for purposes of efficient and effective taxation and protection of the public health and safety through state liquor control administration.

Once again. we ask your support to A.B. #598 and do hope that you will act favorably in a "do pass" vote.

Thank you.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 116

ASSEMBLY BILL NO. 116—ASSEMBLYMEN STEWART,
HAYES AND SADER

FEBRUARY 6, 1981

—○—

Referred to Committee on Taxation

SUMMARY—Removes requirement to classify mobile homes for purposes of property tax assessment. (BDR 32-851)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State or on Industrial Insurance: No.

—○—

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

AN ACT relating to the property tax; dividing mobile homes into two classes for the purpose of valuation; 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 361.325 is hereby amended to read as follows:
2 361.325 1. On or before the 1st Monday in June of each year, the
3 Nevada tax commission shall:
4 (a) Fix and establish the valuation for assessment purposes of all live-
5 stock *and mobile homes* in the state.
6 (b) [Classify all mobile homes in the state on the basis of those fac-
7 tors which most closely determine their service lives and fix and establish
8 their valuation for assessment purposes. The definition of "mobile home"
9 in NRS 361.561 applies to this paragraph.
10 (c)] Classify land and fix and establish the valuation thereof for
11 assessment purposes. The classification of agricultural land [shall] *must*
12 be made on the basis of crop, timber or forage production, either in tons
13 of crops per acre, board feet or other unit, or animal unit months of for-
14 age. An animal unit month is the amount of forage which is necessary for
15 the complete sustenance of one animal unit for [a period of] 1 month.
16 One animal unit is defined as one cow and calf, or its equivalent, and the
17 amount of forage necessary to sustain one animal unit for 1 month is
18 defined as 900 pounds of dry weight forage. [per month.]
19 2. The valuation of livestock, mobile homes and land so fixed and
20 established is for the next succeeding year and is subject to equalization
21 by the state board of equalization.
22 3. *In establishing the value of new mobile homes sold on or after*
23 *July 1, 1982, the Nevada tax commission shall classify them according to*

1 *those factors which most closely determine their useful lives. In establish-*
2 *ing the value of other mobile homes, the commission shall begin with the*
3 *retail selling price and depreciate it by 5 percent per year, but not below*
4 *20 percent of its original amount.*

5 **[3.]** 4. The Nevada tax commission shall cause to be placed on the
6 assessment roll of any county property found to be escaping taxation com-
7 ing to its knowledge after the adjournment of the state board of equaliza-
8 tion. **[Such property shall]** *This property must* be placed upon the
9 assessment roll prior to the delivery thereof to the ex officio tax receiver.
10 If such property cannot be placed upon the assessment roll of the proper
11 county within the proper time, it **[shall thereafter]** *must* be placed upon
12 the tax roll for the next ensuing year, in addition to the assessment for the
13 current year, if any, and taxes thereon **[shall]** *must* be collected for the
14 prior year in the same amount as though collected upon the prior year's
15 assessment roll.

16 **[4.]** 5. The Nevada tax commission shall not raise or lower any val-
17 uations established by the state board of equalization unless, by the addi-
18 tion to any assessment roll of property found to be escaping taxation, it is
19 necessary to do so.

20 **[5.]** 6. Nothing in this section provides an appeal from the acts of
21 the state board of equalization to the Nevada tax commission.