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ASSEMBLY BILL NO. 348—ASSEMBLYMAN CARPENTER

MARCH 17, 2003

Referred to Committee on Taxation

SUMMARY—Revises provisions governing development of certain factors used in determination of taxable value of improvements to real property for assessment of property taxes. (BDR 32-1121)

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

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to property taxes; revising the provisions governing the development of certain factors used in the determination of the taxable value of improvements to real property; 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 361 of NRS is hereby amended by adding  
2     thereto a new section to read as follows:  
3     *The factors for improvements required by subsection 5 of NRS*  
4     *361.260 must be adopted pursuant to the following procedure:*  
5     1. *On or before July 1 of the year immediately preceding the*  
6     *year to which the factors will be applied, the Nevada Tax*  
7     *Commission shall provide the proposed factors to each county*  
8     *assessor and board of county commissioners.*  
9     2. *On or before September 1 of the same year, each county*  
10    *assessor and board of county commissioners shall notify the*  
11    *Nevada Tax Commission that they either approve or object to the*  
12    *proposed factors that are applicable to the county they represent.*  
13    3. *If all the county assessors and boards of county*  
14    *commissioners approve the factors, the Nevada Tax Commission*



\* A B 3 4 8 \*

1 *shall proceed to adopt the factors on or before November 1 of that*  
2 *year.*

3 *4. If one or more of the county assessors or boards of county*  
4 *commissioners notify the Nevada Tax Commission of an objection*  
5 *to the proposed factors that are applicable to the county they*  
6 *represent, the Nevada Tax Commission shall hold a hearing on*  
7 *those proposed factors on or before October 1 of that year. At the*  
8 *hearing, the Nevada Tax Commission shall make every effort to*  
9 *reconcile the objection or objections of each county assessor and*  
10 *board of county commissioners, including, without limitation,*  
11 *requesting that the publishers of any reference manual relied*  
12 *upon, in part or in whole, to determine the factors attend the*  
13 *hearing and provide the figures and other data used in*  
14 *determining the information contained in the publication.*

15 *5. On or before November 1 of the same year, the Nevada*  
16 *Tax Commission shall adopt the factors required by subsection 5*  
17 *of NRS 361.260, giving due consideration to any unreconciled*  
18 *objection of one or more county assessors or boards of county*  
19 *commissioners.*

20 **Sec. 2.** NRS 361.260 is hereby amended to read as follows:

21 361.260 1. Each year, the county assessor, except as  
22 otherwise required by a particular statute, shall ascertain by diligent  
23 inquiry and examination all real and secured personal property that  
24 is in his county on July 1 which is subject to taxation, and also the  
25 names of all persons, corporations, associations, companies or firms  
26 owning the property. He shall then determine the taxable value of all  
27 such property, and he shall then list and assess it to the person, firm,  
28 corporation, association or company owning it on July 1 of that  
29 fiscal year. He shall take the same action at any time between May 1  
30 and the following April 30, with respect to personal property which  
31 is to be placed on the unsecured tax roll.

32 2. At any time before the lien date for the following fiscal year,  
33 the county assessor may include additional personal property and  
34 mobile and manufactured homes on the secured tax roll if the owner  
35 of the personal property or mobile or manufactured home owns real  
36 property within the same taxing district which has an assessed value  
37 that is equal to or greater than the taxes for 3 years on both the real  
38 property and the personal property or mobile or manufactured home,  
39 plus penalties. Personal property and mobile and manufactured  
40 homes in the county on July 1, but not on the secured tax roll for the  
41 current year, must be placed on the unsecured tax roll for the current  
42 year.

43 3. An improvement on real property in existence on July 1  
44 whose existence was not ascertained in time to be placed on the



1 secured roll for that tax year and which is not governed by  
2 subsection 4 must be placed on the unsecured tax roll.

3 4. The value of any property apportioned among counties  
4 pursuant to NRS 361.320, 361.321 and 361.323 must be added to  
5 the central assessment roll at the assessed value established by the  
6 Nevada Tax Commission or as established pursuant to an appeal to  
7 the State Board of Equalization.

8 5. In addition to the inquiry and examination required in  
9 subsection 1, for any property not reappraised in the current  
10 assessment year, the county assessor shall determine its assessed  
11 value for that year by applying a factor for improvements, if any,  
12 and a factor for land to the assessed value for the preceding year.  
13 The factor for improvements must reasonably represent the change,  
14 if any, in the taxable value of typical improvements in the area since  
15 the preceding year, and must take into account all applicable  
16 depreciation and obsolescence. The factor for improvements must  
17 be adopted by the Nevada Tax Commission ~~in~~ *in the manner*  
18 *required in section 1 of this act.* The factor for land must be  
19 developed by the county assessor and approved by the Commission.  
20 The factor for land must be so chosen that the median ratio of the  
21 assessed value of the land to the taxable value of the land in each  
22 area subject to the factor is not less than 30 percent nor more than  
23 35 percent.

24 6. The county assessor shall reappraise all real property at least  
25 once every 5 years.

26 7. The county assessor shall establish standards for appraising  
27 and reappraising land pursuant to this section. In establishing the  
28 standards, the county assessor shall consider comparable sales of  
29 land before July 1 of the year before the lien date.

30 8. Each county assessor shall submit a written request to the  
31 board of county commissioners and the governing body of each of  
32 the local governments located in the county which maintain a unit of  
33 government that issues building permits for a copy of each building  
34 permit that is issued. Upon receipt of such a request, the governing  
35 body shall direct the unit which issues the permits to provide a copy  
36 of each permit to the county assessor within a reasonable time after  
37 issuance.

38 **Sec. 3.** This act becomes effective on July 1, 2003.

