

ASSEMBLY JOINT RESOLUTION NO. 8—ASSEMBLYMEN ANDERSON,
BUCKLEY, CARPENTER, CLABORN, CONKLIN AND GEDDES

MARCH 17, 2003

Referred to Concurrent Committees on Taxation
and Constitutional Amendments

SUMMARY—Proposes amendment to Nevada Constitution to
authorize reassessment of real property for taxation
purposes upon transfer of ownership and, under
certain circumstances, upon its conversion to another
use. (BDR C-348)

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

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

ASSEMBLY JOINT RESOLUTION—Proposing to amend the
Nevada Constitution to authorize the reassessment of real
property for taxation purposes upon the transfer of its
ownership and, under certain circumstances, upon its
conversion to another use.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF
NEVADA, JOINTLY, That Section 1 of Article 10 of the Nevada
Constitution be amended to read as follows:

- 1 Section 1. 1. ~~The~~ *Except as otherwise provided in*
- 2 *subsection 11*, the legislature shall provide by law for a
- 3 uniform and equal rate of assessment and taxation, and shall
- 4 prescribe such regulations as shall secure a just valuation for
- 5 taxation of all property, real, personal and possessory, except
- 6 mines and mining claims, which shall be assessed and taxed
- 7 only as provided in section 5 of this article.
- 8 2. Shares of stock, bonds, mortgages, notes, bank
- 9 deposits, book accounts and credits, and securities and choses
- 10 in action of like character are deemed to represent interest in
- 11 property already assessed and taxed, either in Nevada or
- 12 elsewhere, and shall be exempt.



1 3. The legislature may constitute agricultural and open-
2 space real property having a greater value for another use
3 than that for which it is being used, as a separate class for
4 taxation purposes and may provide a separate uniform plan
5 for appraisal and valuation of such property for assessment
6 purposes. If such plan is provided, the legislature shall also
7 provide for retroactive assessment for a period of not less
8 than 7 years when agricultural and open-space real property is
9 converted to a higher use conforming to the use for which
10 other nearby property is used.

11 4. Personal property which is moving in interstate
12 commerce through or over the territory of the State of
13 Nevada, or which was consigned to a warehouse, public or
14 private, within the State of Nevada from outside the State of
15 Nevada for storage in transit to a final destination outside the
16 State of Nevada, whether specified when transportation
17 begins or afterward, shall be deemed to have acquired no
18 situs in Nevada for purposes of taxation and shall be exempt
19 from taxation. Such property shall not be deprived of such
20 exemption because while in the warehouse the property is
21 assembled, bound, joined, processed, disassembled, divided,
22 cut, broken in bulk, relabeled or repackaged.

23 5. The legislature may exempt motor vehicles from the
24 provisions of the tax required by this section, and in lieu
25 thereof, if such exemption is granted, shall provide for a
26 uniform and equal rate of assessment and taxation of motor
27 vehicles, which rate shall not exceed five cents on one dollar
28 of assessed valuation.

29 6. The legislature shall provide by law for a progressive
30 reduction in the tax upon business inventories by 20 percent
31 in each year following the adoption of this provision, and
32 after the expiration of the 4th year such inventories are
33 exempt from taxation. The legislature may exempt any other
34 personal property, including livestock.

35 7. No inheritance tax shall ever be levied.

36 8. The legislature may exempt by law property used for
37 municipal, educational, literary, scientific or other charitable
38 purposes, or to encourage the conservation of energy or the
39 substitution of other sources for fossil sources of energy.

40 9. No income tax shall be levied upon the wages or
41 personal income of natural persons. Notwithstanding the
42 foregoing provision, and except as otherwise provided in
43 subsection 1 of this section, taxes may be levied upon the
44 income or revenue of any business in whatever form it may
45 be conducted for profit in the state.



1 10. The legislature may provide by law for an abatement
2 of the tax upon or an exemption of part of the assessed value
3 of a single-family residence occupied by the owner to the
4 extent necessary to avoid severe economic hardship to the
5 owner of the residence.

6 ***11. The legislature may, by law, require:***

7 ***(a) The assessed value of real property to be***
8 ***redetermined for taxation purposes upon the sale or other***
9 ***transfer of ownership of that property. If such a provision is***
10 ***enacted, the legislature may require any depreciation and***
11 ***obsolescence accumulated during the previous ownership to***
12 ***be excluded from the reassessed value of the property.***

13 ***(b) The assessed value of residential real property that is***
14 ***converted to another use to be redetermined for taxation***
15 ***purposes after the conversion in accordance with the new***
16 ***use of the property.***

