

SENATE BILL NO. 385—COMMITTEE ON HUMAN
RESOURCES AND FACILITIES

MARCH 17, 2003

Referred to Committee on Taxation

SUMMARY—Increases tax on transfer of real property.
(BDR 32-1180)

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.

AN ACT relating to taxation; increasing the tax on the transfer of real property; requiring the deposit of the proceeds collected from the increase in the State General Fund; 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 375.020 is hereby amended to read as follows:
- 2 375.020 1. A tax, at the rate of:
- 3 (a) In a county whose population is 400,000 or more, ~~[\$1.25;]~~
- 4 ***\$2.25;*** and
- 5 (b) In a county whose population is less than 400,000, ~~[65~~
- 6 ~~cents.]~~ ***\$1.65,***
- 7 for each \$500 of value or fraction thereof, is hereby imposed on
- 8 each deed by which any lands, tenements or other realty is granted,
- 9 assigned, transferred or otherwise conveyed to, or vested in, another
- 10 person, if the consideration or value of the interest or property
- 11 conveyed exceeds \$100.
- 12 2. The amount of tax must be computed on the basis of the
- 13 value of the transferred real property as declared pursuant to
- 14 NRS 375.060.



1 **Sec. 2.** NRS 375.070 is hereby amended to read as follows:
2 375.070 1. The county recorder shall transmit the proceeds of
3 the real property transfer tax at the end of each quarter in the
4 following manner:

5 (a) An amount equal to that portion of the proceeds which is
6 equivalent to 10 cents for each \$500 of value or fraction thereof
7 must be transmitted to the State Controller who shall deposit that
8 amount in the Account for Low-Income Housing created pursuant to
9 NRS 319.500.

10 (b) In a county whose population is more than 400,000, an
11 amount equal to that portion of the proceeds which is equivalent to
12 60 cents for each \$500 of value or fraction thereof must be
13 transmitted to the county treasurer for deposit in the county school
14 district's fund for capital projects established pursuant to NRS
15 387.328, to be held and expended in the same manner as other
16 money deposited in that fund.

17 (c) *An amount equal to that portion of the proceeds which is*
18 *equivalent to \$1 for each \$500 of value or fraction thereof must be*
19 *transmitted to the State Controller for deposit in the State General*
20 *Fund.*

21 (d) The remaining proceeds must be transmitted to the State
22 Controller for deposit in the Local Government Tax Distribution
23 Account created by NRS 360.660 for credit to the respective
24 accounts of Carson City and each county.

25 2. In addition to any other authorized use of the proceeds it
26 receives pursuant to subsection 1, a county or city may use the
27 proceeds to pay expenses related to or incurred for the development
28 of affordable housing for families whose income does not exceed 80
29 percent of the median income for families residing in the same
30 county, as that percentage is defined by the United States
31 Department of Housing and Urban Development. A county or city
32 that uses the proceeds in that manner must give priority to the
33 development of affordable housing for persons who are disabled or
34 elderly.

35 3. The expenses authorized by subsection 2 include, but are not
36 limited to:

- 37 (a) The costs to acquire land and developmental rights;
38 (b) Related predevelopment expenses;
39 (c) The costs to develop the land, including the payment of
40 related rebates;
41 (d) Contributions toward down payments made for the purchase
42 of affordable housing; and
43 (e) The creation of related trust funds.



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

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