

SENATE BILL NO. 430—SENATOR HAMMOND

MARCH 27, 2023

Referred to Committee on Revenue and Economic Development

SUMMARY—Revises provisions relating to partial refunds of property taxes to certain persons who are 66 years of age or older. (BDR 38-999)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. 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.

AN ACT relating to taxation; establishing a program to provide partial refunds of property taxes to certain persons who are 66 years of age or older; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill enacts provisions to provide partial property tax refunds to persons
 2 who are 66 years of age or older. **Sections 2-12** of this bill define certain words and
 3 terms for the purposes of **sections 2-31** of this bill. **Sections 14 and 15** of this bill
 4 entitle each person who is 66 years of age or older who: (1) owns his or her primary
 5 residence and whose household income is less than or equal to the federally
 6 designated level signifying poverty to receive a partial refund of the property taxes
 7 due for the fiscal year in which a claim for the partial refund is filed; or (2) rents his
 8 or her primary residence and whose household income is less than or equal to the
 9 federally designated level signifying poverty to receive a partial refund of a portion
 10 of the annual rent paid by the person which is deemed to constitute the property
 11 taxes due for the fiscal year in which a claim for the partial refund is filed. **Section**
 12 **16** of this bill provides that a senior citizen is entitled to a partial refund calculated
 13 pro rata for certain portions of property taxes levied against property the senior
 14 citizen owned and rented during a portion of the preceding year under certain
 15 circumstances. **Section 17** of this bill sets forth the amount of rent deemed to
 16 constitute accrued property tax.

17 **Sections 18, 19, 23, 24 and 27** of this bill establish the procedure for a claimant
 18 to claim a partial refund and for the Aging and Disability Services Division of the
 19 Department of Health and Human Services to grant or deny such a claim. **Section**
 20 **20** of this bill provides that persons with homes exceeding a certain amount of
 21 assessed value and persons with a certain amount of liquid assets are ineligible to
 22 receive a partial refund. **Section 21** of this bill authorizes surviving spouses,
 23 persons who are blind and veterans who receive certain property tax exemptions to



24 receive a refund of the property taxes pursuant to **sections 2-31**, but require the
25 assessed value used to determine the refund to be reduced by the amount of the
26 exemption. **Sections 25 and 26** of this bill provide for the revocation or
27 disallowance of a refund under certain circumstances. **Section 22** of this bill
28 authorizes the Division to expend a certain amount of money to contract with
29 qualified persons to assist in conducting an audit of claims. **Section 28** of this bill
30 makes it a gross misdemeanor for a person to willfully make a false statement or
31 commit fraud to obtain a refund. **Section 29** of this bill establishes the procedure to
32 appeal a denial of a refund by the Division or a county assessor. **Section 30** of this
33 bill provides certain administrative responsibilities for the Division and authorizes
34 the Division to adopt regulations to carry out the provisions of **sections 2-31**.
35 **Section 31** of this bill requires the refunds authorized by this bill to be paid from
36 money appropriated by the Legislature and establishes the Senior Citizens'
37 Property Tax Assistance Account in the State General Fund. Under **section 31**: (1)
38 the costs of administering **sections 2-31** and the refunds of property taxes are
39 required to be paid from that Account; and (2) the county assessor of each county is
40 required to be paid from the Account an amount equal to \$4 for each claim for a
41 refund received by the county assessor and submitted to the Division.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 427A of NRS is hereby amended by
2 adding thereto the provisions set forth as sections 2 to 31, inclusive,
3 of this act.

4 **Sec. 2.** *As used in sections 2 to 31, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 3 to 12, inclusive, of this act have the meanings*
7 *ascribed to them in those sections.*

8 **Sec. 3.** *“Claim” means an application for property tax*
9 *assistance filed pursuant to section 18 of this act.*

10 **Sec. 4.** *“Claimant” means a person who files a claim.*

11 **Sec. 5. 1.** *“Home” means residential living quarters located*
12 *in this State. The quarters may consist of a single dwelling unit, or*
13 *a unit which is an integral part of a larger complex such as a*
14 *multidwelling or a multipurpose building, together with the land*
15 *upon which the unit is built and any surrounding land, not to*
16 *exceed 2 acres, and any outbuildings and facilities reasonably*
17 *necessary for use of the unit as residential living quarters.*

18 **2.** *The term includes:*

19 *(a) A mobile home or manufactured home.*

20 *(b) A home, mobile home, manufactured home or dwelling*
21 *that the claimant and spouse of the claimant possess under a*
22 *contract of sale, deed of trust, life estate, joint tenancy or tenancy*
23 *in common.*

24 *(c) A residential facility for groups, as defined in*
25 *NRS 449.017.*



1 (d) A dwelling within any housing project which has been
2 established pursuant to chapter 315 of NRS and for which the
3 housing authority makes payments in lieu of taxes.

4 3. The term does not include any part of the building or land
5 which is not used as living quarters by the claimant and spouse
6 and which produces income for the claimant or spouse, if the
7 residential living quarters are part of a multipurpose building.

8 4. As used in this section:

9 (a) "Manufactured home" has the meaning ascribed to it in
10 NRS 489.113.

11 (b) "Mobile home" has the meaning ascribed to it in
12 NRS 489.120.

13 **Sec. 6.** "Household" means a claimant and his or her
14 spouse.

15 **Sec. 7.** "Household income" means the combined income
16 received by a claimant and the spouse of the claimant.

17 **Sec. 8.** "Income" means adjusted gross income, as defined in
18 the Internal Revenue Code, and includes:

19 1. Tax-free interest;

20 2. The untaxed portion of a pension, individual retirement
21 account or annuity;

22 3. Railroad retirement benefits;

23 4. Veterans' pensions and compensation;

24 5. Payments received pursuant to the federal Social Security
25 Act, including supplemental security income, but excluding
26 hospital and medical insurance benefits for persons who are aged
27 or disabled;

28 6. Public welfare payments, including, without limitation,
29 allowances for shelter;

30 7. Unemployment insurance benefits;

31 8. Payments for lost time;

32 9. Payments received from disability insurance;

33 10. Disability payments received pursuant to workers'
34 compensation insurance;

35 11. Spousal support;

36 12. Support payments;

37 13. Allowances received by dependents of servicemen or
38 servicewomen;

39 14. The amount of recognized capital gains and losses
40 excluded from adjusted gross income;

41 15. Life insurance proceeds in excess of \$5,000;

42 16. Bequests and inheritances; and

43 17. Gifts of cash of more than \$300 not between household
44 members and such other kinds of cash received by a household as
45 the Division specifies by regulation.



1 **Sec. 9.** *“Lot” means a portion of land that is rented to*
2 *accommodate a mobile home or manufactured home owned or*
3 *rented by the claimant.*

4 **Sec. 10.** *“Property taxes accrued” means property taxes,*
5 *excluding special assessments, delinquent taxes and interest,*
6 *levied on the home of a claimant in this State which are due*
7 *during August, immediately preceding the date of filing of a claim.*
8 *If a home is owned by two or more persons or entities as joint*
9 *tenants or tenants in common and one or more persons or entities*
10 *are not members of the household of the claimant, property taxes*
11 *accrued is that part of the property taxes levied on the home which*
12 *reflects the percentage of the residential space occupied by the*
13 *claimant and his or her household.*

14 **Sec. 11.** *“Rent” means the payment a claimant has made*
15 *under a bona fide tenancy or leasing agreement solely for the*
16 *right to occupy a home or lot during the calendar year*
17 *immediately preceding the filing of a claim. The term does not*
18 *include any amount paid for utilities, fuel, furnishings, food,*
19 *nursing services or institutional care.*

20 **Sec. 12.** *“Senior citizen” means any person who is domiciled*
21 *in this State and will attain the age of 66 years on or before the*
22 *last day in June immediately succeeding the filing period.*

23 **Sec. 13.** *For the purposes of section 4 of this act, if two*
24 *members of a household meet the qualifications for a claimant,*
25 *the members may determine between themselves who will be the*
26 *claimant. If they are unable to agree, the matter must be referred*
27 *to the Administrator and the decision of the Administrator is final.*
28 *Only one claim may be filed for any household.*

29 **Sec. 14.** *A senior citizen whose home is placed upon the*
30 *secured or unsecured tax roll, who has owned the home and*
31 *maintained it as his or her primary residence since July 1*
32 *immediately preceding the filing of the claim of the senior citizen*
33 *and whose household income is at or below the federally*
34 *designated level signifying poverty is entitled to a refund of the*
35 *property tax accrued against the home in the amount of 50 percent*
36 *of the accrued property tax or \$1,000, whichever is less.*

37 **Sec. 15.** 1. *A senior citizen who has rented and maintained*
38 *his or her primary residence in a home or on a lot since July 1 of*
39 *the preceding calendar year and whose household income is at or*
40 *below the federally designated level signifying poverty is entitled to*
41 *a refund as determined in accordance with section 14 of this act.*

42 2. *The amount of the refund provided pursuant to subsection*
43 *I must be an amount equal to that portion of the rent which is rent*
44 *deemed to constitute accrued property tax pursuant to section 17*



1 of this act, even if the rental property is exempt from property tax,
2 or \$1,000, whichever is less.

3 **Sec. 16.** A senior citizen is entitled to a refund calculated *pro*
4 *rata* pursuant to sections 14 and 15 of this act, respectively, for the
5 portion of the year that the senior citizen owned and rented his or
6 her primary residence, if the senior citizen has maintained his or
7 her primary residence in the State of Nevada since July 1 of the
8 preceding calendar year and:

9 1. For any portion of that year, owned his or her home and
10 would have otherwise been entitled to a refund pursuant to section
11 17 of this act if he or she had owned the home for the entire year;
12 and

13 2. For all the remaining portion of that year, rented a home
14 or lot for his or her primary residence and would have otherwise
15 been entitled to a refund pursuant to section 15 of this act if he or
16 she had rented the home for the entire year.

17 **Sec. 17.** Rent deemed to constitute accrued property tax is 8.5
18 percent of the total annual rent which a claimant has paid.

19 **Sec. 18.** 1. A claim may be filed with the assessor of the
20 county in which the home or lot of the claimant is located not
21 earlier than February 1 and not later than April 30.

22 2. The claim must be made under oath and filed in such form
23 and content, and accompanied by such proof, as the Division may
24 prescribe.

25 3. The Division or county assessor, as applicable, shall
26 provide the appropriate form to each claimant.

27 4. The county assessor shall, within 30 days after receiving a
28 claim for a refund:

29 (a) Process the application;

30 (b) Determine the assessed valuation of the property to which
31 the claim applies, if applicable; and

32 (c) Submit the claim to the Division.

33 5. The Division shall not accept a claim submitted pursuant
34 to subsection 4 after July 1 unless an extension of time to file a
35 claim is provided for by regulation pursuant to section 30 of this
36 act.

37 **Sec. 19.** 1. The Division shall examine each claim and
38 grant or deny the claim. If a claim is granted, the Division shall
39 determine the refund to which the claimant is entitled.

40 2. Upon examination, if:

41 (a) The claim is denied, the Division shall so notify the
42 claimant by first-class mail.

43 (b) The claim is granted, the Division shall pay the refund to
44 the claimant not later than August 15, unless the Administrator



1 cannot provide for full refunds of all just claims pursuant to
2 subsection 4 of section 31 of this act.

3 **Sec. 20.** *The Division shall not accept a claim if the:*

4 1. *Claimant or spouse of the claimant owns real property,*
5 *other than that claimed as a home, which has an assessed value of*
6 *more than \$40,000;*

7 2. *Home of the claimant and spouse of the claimant was*
8 *purchased by the claimant or spouse, or both, for a price of*
9 *\$500,000 or more; or*

10 3. *Liquid assets of the claimant and spouse of the claimant*
11 *are more than \$180,000.*

12 **Sec. 21.** 1. *A person may receive assistance pursuant to*
13 *sections 2 to 31, inclusive, of this act while receiving a property tax*
14 *exemption as a surviving spouse, person who is blind or veteran if*
15 *the person has filed a claim for the exemption with the county*
16 *assessor.*

17 2. *The assessed valuation of any property used to determine a*
18 *refund pursuant to sections 2 to 31, inclusive, of this act must be*
19 *reduced by the amount of such an exemption.*

20 **Sec. 22.** *If the Division determines that an audit of claims is*
21 *required to determine whether a county assessor accurately*
22 *processed claims, and if employees of the Division are not capable*
23 *of auditing a sufficient number of the claims, the Division may*
24 *expend not more than \$20,000 of the money in the Senior*
25 *Citizens' Property Tax Assistance Account created by section 31 of*
26 *this act to contract with qualified persons to assist in conducting*
27 *the audit.*

28 **Sec. 23.** *Only one member of each household may file a*
29 *claim in any tax year. If more than one member is eligible to claim*
30 *a refund, any one of the eligible members may file the claim with*
31 *the written consent of the others. If such consent is not obtainable,*
32 *the claim may be filed only if criteria regulating such a*
33 *circumstance have been prescribed by the Division.*

34 **Sec. 24.** *The right to file a claim pursuant to sections 2 to 31,*
35 *inclusive, of this act is personal to the claimant and does not*
36 *survive the death of the claimant, except the right may be*
37 *exercised on behalf of the claimant by the legal guardian or*
38 *attorney-in-fact of the claimant. If a claimant dies after having*
39 *filed a timely claim, any assistance provided pursuant to sections 2*
40 *to 31, inclusive, of this act inures to the benefit of the heirs of the*
41 *claimant or the executor or administrator of the claimant, if one is*
42 *appointed by a court of competent jurisdiction within 6 months*
43 *after the claim is made. If no executor or administrator is so*
44 *appointed, the claim and all benefits thereunder lapse.*



1 **Sec. 25.** *Any grant of assistance under an improper claim*
2 *may be revoked by the county assessor or Division, as applicable,*
3 *within 2 years after the filing of the claim. If a grant is revoked,*
4 *the claimant shall make restitution to the State of Nevada or the*
5 *county, as applicable, for any assistance the claimant has received*
6 *pursuant to the improper claim, and the State of Nevada or the*
7 *county, as applicable, shall take all proper action to collect the*
8 *amount of the assistance as a debt.*

9 **Sec. 26.** *A claim must be disallowed if the Division finds that*
10 *the claimant received title to a home primarily to obtain benefits*
11 *pursuant to sections 2 to 31, inclusive, of this act. If such a*
12 *claimant has received a refund and does not repay it together with*
13 *a 10 percent penalty to the Division, the amount of the refund and*
14 *penalty must be assessed against the property claimed by the*
15 *claimant as a home.*

16 **Sec. 27.** *The Division shall deny any claim for assistance to*
17 *which the claimant is not entitled or any amount in excess of that*
18 *to which the claimant is entitled. The Division may deny in total*
19 *any claim which is filed with fraudulent intent. If any such claim*
20 *has been paid and is afterward denied, the amount of the claim*
21 *together with a 10 percent penalty must be repaid by the claimant*
22 *to the Division. If the amount of the refund and penalty is not*
23 *repaid, the amount must be assessed against any real or personal*
24 *property owned by the claimant.*

25 **Sec. 28.** *Any person who willfully makes a materially false*
26 *statement or uses any other fraudulent device to secure for himself*
27 *or herself or any other person the assistance provided pursuant to*
28 *sections 2 to 31, inclusive, of this act is guilty of a gross*
29 *misdemeanor.*

30 **Sec. 29.** *1. Any claimant aggrieved by a decision of the*
31 *Division or a county assessor, as applicable, which denies the*
32 *refund claimed pursuant to sections 2 to 31, inclusive, of this act*
33 *may have a review of the denial before the Administrator or the*
34 *designee of the Administrator, if, within 30 days after the date on*
35 *which the claimant receives notice of the denial, the claimant*
36 *submits a written petition for review to the Administrator or the*
37 *designee of the Administrator.*

38 *2. Any claimant aggrieved by the denial in whole or in part of*
39 *the refund claimed pursuant to sections 2 to 31, inclusive, of this*
40 *act, or by any other final action or review of the Administrator or*
41 *the designee of the Administrator, is entitled to a judicial review*
42 *thereof.*

43 **Sec. 30.** *1. The Division is responsible for the*
44 *administration of the provisions of sections 2 to 31, inclusive, of*
45 *this act.*



1 2. *The Division may:*

2 (a) *Specify by regulation any other type of income that is*
3 *applicable for the purposes of section 8 of this act.*

4 (b) *Prescribe the content and form of claims and approve any*
5 *form used by a county assessor.*

6 (c) *Designate the proof required for substantiation of claims.*

7 (d) *Establish criteria for determining the circumstances under*
8 *which a claim may be filed by one of two eligible spouses without*
9 *the consent of the other spouse.*

10 (e) *Prescribe that the home ownership of a claimant must be*
11 *shown of record.*

12 (f) *Provide by regulation that a vendee that is in possession of*
13 *the home under an installment sale contract and responsible for*
14 *paying the property taxes on the home is eligible to claim*
15 *assistance as a homeowner.*

16 (g) *Limit the computation of benefits to the nearest dollar and*
17 *limit the issuance of warrants to \$5 or more.*

18 (h) *Verify and audit any claims, statements or other records*
19 *made pursuant to sections 2 to 31, inclusive, of this act.*

20 (i) *Adopt regulations to ensure the confidentiality of*
21 *information provided by claimants.*

22 (j) *Provide by regulation for a limited extension of time to file*
23 *a claim in cases of hardship.*

24 (k) *Adopt such other regulations as may be required to carry*
25 *out the provisions of sections 2 to 31, inclusive, of this act.*

26 **Sec. 31. 1.** *Money to pay for assistance granted to senior*
27 *citizens pursuant to the provisions of sections 2 to 31, inclusive, of*
28 *this act must be provided by legislative appropriation from the*
29 *State General Fund. The money so appropriated must be*
30 *transferred to the Senior Citizens' Property Tax Assistance*
31 *Account, which is hereby created in the State General Fund.*

32 **2.** *Money in the Senior Citizens' Property Tax Assistance*
33 *Account must be used only to administer the provisions of sections*
34 *2 to 31, inclusive, of this act and pay refunds granted pursuant to*
35 *the provisions of sections 2 to 31, inclusive, of this act. From the*
36 *Account, the sum of \$4 must be paid to the county assessor of each*
37 *county in this State for each claim which is received by the county*
38 *assessor and submitted to the Division.*

39 **3.** *The Administrator may, from time to time, obtain from the*
40 *State Controller a statement of the balance in the Senior Citizens'*
41 *Property Tax Assistance Account. The Administrator shall provide*
42 *for full refunds of all granted claims if the total amount of the*
43 *claims does not exceed the balance in the Account. If the total*
44 *amount of the claims exceeds that balance, the Administrator shall*



1 *proportionately reduce each claim paid pursuant to section 19 of*
2 *this act.*

3 *4. All claims against the Senior Citizens' Property Tax*
4 *Assistance Account must be certified by the Administrator or the*
5 *designee of the Administrator and, if certified and approved by the*
6 *State Board of Examiners, the State Controller shall draw his or*
7 *her warrant against the Account.*

8 **Sec. 32.** 1. This section becomes effective upon passage and
9 approval.

10 2. Sections 1 to 31, inclusive, of this act become effective:

11 (a) Upon passage and approval for the purpose of adopting any
12 regulations and performing any other preparatory administrative
13 tasks that are necessary to carry out the provisions of this act; and

14 (b) On January 1, 2024, for all other purposes.

