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ASSEMBLY BILL NO. 133—ASSEMBLYMEMBER GURR

PREFILED JANUARY 28, 2025

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing public financial administration. (BDR 20-537)

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

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AN ACT relating to public financial administration; requiring certain money from the sale of property for delinquent taxes to be accounted for separately in a county general fund and used to pay for the acquisition and improvement of technology used in the office of the county treasurer; revising the contents of a notice of delinquent taxes; revising provisions relating to certain property held in trust by a county treasurer; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law requires the tax receiver of a county to mail notice of delinquent taxes to certain persons. The notice of delinquency must state certain information, including that if the amount of delinquent taxes is not paid, the tax receiver will, at 5 p.m. on the first Monday in June of the current year, issue a certificate authorizing the county treasurer to hold the property. (NRS 361.5648) **Section 2** of this bill provides instead that the notice of delinquency must state that if the amount of delinquent taxes is not paid, the tax receiver will, at the close of business of the tax receiver of the county on the first Monday in June of the current year, issue a certificate authorizing the county treasurer to hold the property.

Existing law requires the tax receiver to make out a trustee’s certificate that describes each property on which delinquent taxes, penalties, interest and costs have not been paid. The trustee’s certificate authorizes the county treasurer to hold each property for a certain period of time. (NRS 361.570) When the time allowed by law for the redemption of a property described in the certificate has expired and no redemption has been made, the tax receiver who issued the certificate is required to execute and deliver to the county treasurer a deed of the property. Upon obtaining such a deed, the county treasurer is required to hold the property in trust until it is sold or otherwise disposed of. Existing law provides that during certain periods or not later than 5 p.m. on the third business day before the day of the sale



20 by a county treasurer, certain persons are entitled to have the property reconveyed  
21 upon the receipt by the county treasurer of payment of the delinquent taxes and  
22 certain costs. (NRS 361.585) **Section 3** of this bill provides instead that during  
23 certain periods or not later than the close of business of the county treasurer on the  
24 third business day before the day of the sale by a county treasurer, certain persons  
25 are entitled to have the property reconveyed upon the receipt by the county  
26 treasurer of payment of the delinquent taxes and certain costs.

27 Existing law authorizes, under certain circumstances, the county treasurer to  
28 sell property held in trust because of delinquent taxes. Upon payment, the county  
29 treasurer is required, with certain exceptions, to issue a quitclaim deed to the  
30 purchaser. Existing law provides an exception to this requirement to issue a  
31 quitclaim deed under certain circumstances, if, not later than 5 p.m. on the third  
32 business day immediately preceding the day of the sale by the county treasurer, a  
33 municipality provides the county treasurer with an affidavit that meets certain  
34 requirements. (NRS 361.595) **Section 4** of this bill provides instead that, under  
35 certain circumstances, the county treasurer may not issue the quitclaim deed if, not  
36 later than the close of business of the county treasurer on the third business day  
37 immediately preceding the day of the sale by the county treasurer, a municipality  
38 provides the county treasurer with an affidavit that meets certain requirements.

39 Under existing law, if the county treasurer sells property held in trust because  
40 of delinquent taxes, the county treasurer is required to pay certain costs and taxes  
41 from the excess proceeds from the sale and then pay into the county general fund:  
42 (1) the first \$300 of the excess proceeds; (2) 10 percent of the next \$10,000 of the  
43 excess proceeds; and (3) the amount remaining to be held separately for a certain  
44 period of time, and if not claimed by certain persons who had a secured interest in  
45 the property, then into the county general fund. (NRS 361.610) **Section 5** of this  
46 bill provides that after the payment of certain costs and taxes, 5 percent of the  
47 excess proceeds must be accounted for separately in the county general fund  
48 pursuant to **section 1** of this bill. The money in the account is only authorized to be  
49 used to acquire technology or improve technology used in the office of the county  
50 treasurer. **Section 1** also requires the county treasurer to submit an annual report to  
51 the board of county commissioners by July 1 setting forth the projected expenditure  
52 of money in the account for the following fiscal year.

53 Existing law sets forth certain procedures allowing a person to make a claim for  
54 the excess proceeds from the sale by the county treasurer of property held in trust  
55 because of delinquent taxes, including, without limitation, requiring certain  
56 indeterminable claims to be submitted to mediation, and if mediation is  
57 unsuccessful, then requiring the county treasurer to conduct a hearing or file an  
58 action for interpleader. (NRS 361.610) **Section 5** eliminates conducting a hearing  
59 as a method for determining certain indeterminable claims, instead requiring the  
60 county treasurer to file an action for interpleader following any unsuccessful  
61 mediation. Existing law authorizes a person to enter into an agreement to locate,  
62 deliver, recover or assist in the recovery of excess proceeds by certain persons.  
63 However, if the agreement is entered into by a natural person who occupied the  
64 property as his or her primary residence at the time of the sale, any such agreement  
65 must not provide for a fee of more than 10 percent of the remaining excess  
66 proceeds due that person. (NRS 361.610) **Section 5** removes the limitation that the  
67 property must have been occupied by a natural person as his or her primary  
68 residence at the time of sale and instead applies the 10 percent cap to the fee of: (1)  
69 any natural person; and (2) certain persons who are otherwise authorized by power  
70 of attorney, assignment or any other legal instrument by another person to file a  
71 claim with and collect from the county treasurer any property owed to the person.



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

1       **Section 1.** Chapter 249 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3       1. *Any money received by the county treasurer pursuant to*  
4 *paragraph (a) of subsection 3 of NRS 361.610 must be accounted*  
5 *for separately in the county general fund.*

6       2. *Money in the account:*

7       (a) *May only be used to acquire technology for or improve the*  
8 *technology used in the office of the county treasurer, including,*  
9 *without limitation, the payment of any costs associated with*  
10 *acquiring or improving technology for converting or archiving*  
11 *records, purchasing hardware or software, maintaining the*  
12 *technology, training employees in the operation of the technology*  
13 *and contracting for professional services relating to the*  
14 *technology; and*

15       (b) *Must not be used to replace or supplant any money*  
16 *available from other sources to acquire technology for or improve*  
17 *technology used in the office of the county treasurer.*

18       3. *Any money remaining in the account at the end of a fiscal*  
19 *year does not revert to the county general fund, and the balance in*  
20 *the account must be carried forward to the next fiscal year.*

21       4. *The money in the account must be invested as other county*  
22 *funds are invested. All interest earned on the deposit or investment*  
23 *of the money in the account, after deducting any applicable*  
24 *charges, must be credited to the account. Claims against the*  
25 *account must be paid as other claims against the county are paid.*

26       5. *On or before July 1 of each year, the county treasurer shall*  
27 *submit a report to the board of county commissioners setting forth*  
28 *the projected expenditure of money in the account for the*  
29 *following fiscal year.*

30       **Sec. 2.** NRS 361.5648 is hereby amended to read as follows:

31       361.5648 1. Within 30 days after the first Monday in March  
32 of each year, with respect to each property on which the tax is  
33 delinquent, the tax receiver of the county shall mail notice of the  
34 delinquency by first-class mail to:

35       (a) The owner or owners of the property;

36       (b) The person or persons listed as the taxpayer or taxpayers on  
37 the tax rolls, at their last known addresses, if the names and  
38 addresses are known;

39       (c) Each holder of a recorded security interest if the holder has  
40 made a request in writing to the tax receiver for the notice, which  
41 identifies the secured property by the parcel number assigned to it in  
42 accordance with the provisions of NRS 361.189; and



1 (d) Each assignee of a tax lien on the property, if the assignee  
2 has made a request in writing to the tax receiver for the notice  
3 described in paragraph (c).

4 2. The notice of delinquency must state:

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

6 (b) The description of the property on which the taxes are a lien.

7 (c) The amount of the taxes due on the property and the  
8 penalties and costs as provided by law.

9 (d) That if the amount is not paid by or on behalf of the taxpayer  
10 or his or her successor in interest, the tax receiver will, at ~~[5 p.m.]~~  
11 *the close of business of the tax receiver of the county* on the first  
12 Monday in June of the current year, issue to the county treasurer, as  
13 trustee for the State and county, a certificate authorizing the county  
14 treasurer to hold the property, subject to redemption within 2 years,  
15 or within 1 year if the property is determined to be abandoned  
16 pursuant to NRS 361.567, after the date of the issuance of the  
17 certificate, by payment of the taxes and accruing taxes, penalties and  
18 costs, together with interest on the taxes at the rate of 10 percent per  
19 annum, assessed monthly, from the date due until paid as provided  
20 by law, except as otherwise provided in NRS 360.232 and 360.320,  
21 and that redemption may be made in accordance with the provisions  
22 of chapter 21 of NRS in regard to real property sold under  
23 execution.

24 3. Within 30 days after mailing the original notice of  
25 delinquency, the tax receiver shall issue his or her personal affidavit  
26 to the board of county commissioners affirming that due notice has  
27 been mailed with respect to each parcel. The affidavit must recite  
28 the number of letters mailed, the number of letters returned and the  
29 number of letters finally determined to be undeliverable. Until the  
30 period of redemption has expired, the tax receiver shall maintain  
31 detailed records which contain such information as the Department  
32 may prescribe in support of the affidavit.

33 4. A second copy of the notice of delinquency must be sent by  
34 certified mail, not less than 60 days before the expiration of the  
35 period of redemption as stated in the notice.

36 5. The cost of each mailing must be charged to the delinquent  
37 taxpayer.

38 6. A county and its officers and employees are not liable for  
39 any damages resulting from failure to provide actual notice pursuant  
40 to this section if the county, officer or employee, in determining the  
41 names and addresses of persons with an interest in the property,  
42 relies upon a preliminary title search from a company authorized to  
43 provide title insurance in this State.



**Sec. 3.** NRS 361.585 is hereby amended to read as follows:

361.585 1. When the time allowed by law for the redemption of a property described in a certificate has expired and no redemption has been made, the tax receiver who issued the certificate, or his or her successor in office, shall execute and deliver to the county treasurer a deed of the property in trust for the use and benefit of the State and county and any officers having fees due them.

2. The county treasurer and his or her successors in office, upon obtaining a deed of any property in trust under the provisions of this chapter, shall hold that property in trust until it is sold or otherwise disposed of pursuant to the provisions of this chapter.

3. Notwithstanding the provisions of NRS 361.595 or 361.603, at any time during the 90-day period specified in NRS 361.603, or not later than ~~5 p.m.~~ *the close of business of the county treasurer* on the third business day before the day of the sale by a county treasurer, as specified in the notice required by NRS 361.595, of any property held in trust by him or her by virtue of any deed made pursuant to the provisions of this chapter, any person specified in subsection 4 is entitled to have the property reconveyed upon the receipt by the county treasurer of payment by or on behalf of that person of an amount equal to the taxes accrued, together with any costs, penalties and interest legally chargeable against the property. A reconveyance may not be made after expiration of the 90-day period specified in NRS 361.603.

4. Property may be reconveyed pursuant to subsection 3 to one or more of the persons specified in the following categories, or to one or more persons within a particular category, as their interests may appear of record:

- (a) The owner.
- (b) The beneficiary under a note and deed of trust.
- (c) The mortgagee under a mortgage.
- (d) The creditor under a judgment.
- (e) The person to whom the property was assessed.
- (f) The person holding a contract to purchase the property before its conveyance to the county treasurer.
- (g) The Director of the Department of Health and Human Services if the owner has received or is receiving any benefits from Medicaid.
- (h) The successor in interest of any person specified in this subsection.
- (i) A municipality that holds a lien against the property.

5. The provisions of this section apply to land held in trust by a county treasurer on or after April 17, 1971.



1       **Sec. 4.** NRS 361.595 is hereby amended to read as follows:

2       361.595 1. Any property held in trust by any county treasurer  
3 by virtue of any deed made pursuant to the provisions of this chapter  
4 may be sold and conveyed in the manner prescribed in this section  
5 and in NRS 361.603 or conveyed without sale as provided in  
6 NRS 361.604.

7       2. If the property is to be sold, the board of county  
8 commissioners may make an order, to be entered on the record of its  
9 proceedings, directing the county treasurer to sell the property  
10 particularly described therein, after giving notice of sale, for a total  
11 amount not less than the amount of the taxes, costs, penalties and  
12 interest legally chargeable against the property as stated in the order.

13       3. Except as otherwise provided in subsection 4, notice of the  
14 sale must specify the day, time and place of the sale and be:

15       (a) Posted in at least three public places in the county, including  
16 one at the courthouse and one on the property, not less than 20 days  
17 before the day of sale or, in lieu of such a posting, by publication of  
18 the notice at least once a week for 4 consecutive weeks by four  
19 weekly insertions in some newspaper published within the county,  
20 the first publication being at least 22 days before the day of the sale,  
21 if the board of county commissioners so directs.

22       (b) Mailed by certified mail, return receipt requested, not less  
23 than 90 days before the day of the sale, to the owner of the parcel as  
24 shown on the tax roll and to any person or governmental entity that  
25 appears in the records of the county to have a lien or other interest in  
26 the property. If the receipt is returned unsigned, the county treasurer  
27 must make a reasonable attempt to locate and notify the owner or  
28 other person or governmental entity before the sale.

29       4. If, pursuant to NRS 361.567, the tax receiver has elected to  
30 use an expedited procedure for the sale of the property and the  
31 requirements of NRS 361.567 were met, notice of the sale must  
32 specify the day, time and place of the sale and be:

33       (a) Posted in at least three public places in the county, including  
34 one at the courthouse and one on the property, not less than 20 days  
35 before the day of sale or, in lieu of such a posting, by publication of  
36 the notice at least once a week for 4 consecutive weeks by four  
37 weekly insertions in some newspaper published within the county,  
38 the first publication being at least 22 days before the day of the sale,  
39 if the board of county commissioners so directs.

40       (b) Mailed by certified mail, return receipt requested, not less  
41 than 45 days before the day of the sale, to the owner of the parcel as  
42 shown on the tax roll and to any person or governmental entity that  
43 appears in the records of the county to have a lien or other interest in  
44 the property. If the receipt is returned unsigned, the county treasurer



1 must make a reasonable attempt to locate and notify the owner or  
2 other person or governmental entity before the sale.

3 5. Except as otherwise provided in subsection 6, the county  
4 treasurer shall make, execute and deliver to any purchaser, upon  
5 payment to the county treasurer, as trustee, of a consideration not  
6 less than that specified in the order, a quitclaim deed, discharged of  
7 any trust of the property mentioned in the order.

8 6. If, not later than ~~[5 p.m.]~~ *the close of business of the county*  
9 *treasurer* on the third business day immediately preceding the day  
10 of the sale by the county treasurer, a municipality provides the  
11 county treasurer with an affidavit signed by the treasurer of the  
12 municipality stating that:

13 (a) The municipality sold the property or the property was  
14 stricken off to the municipality pursuant to NRS 271.560; and

15 (b) A certificate of sale for the property was issued to the  
16 purchaser pursuant to NRS 271.570 or to the municipality pursuant  
17 to NRS 271.560,

18 ➔ the county treasurer may not issue the quitclaim deed described  
19 in subsection 5 unless the person who purchased the property from  
20 the county pays to the municipality any amount owed pursuant to  
21 the certificate of sale issued pursuant to NRS 271.560 and 271.570  
22 and the municipality provides an affidavit signed by the treasurer of  
23 the municipality stating that such amounts have been paid. If the  
24 purchaser does not pay the amount owed to the municipality within  
25 20 days after the sale of the property by the county, the sale of the  
26 property by the county is void and the county treasurer may retain  
27 for administrative costs not more than 10 percent of the purchase  
28 amount paid by the purchaser.

29 7. Before delivering a deed, the county treasurer shall record  
30 the deed at the expense of the purchaser.

31 8. All deeds issued pursuant to this section, whether issued  
32 before, on or after July 1, 1955, are primary evidence:

33 (a) Of the regularity of all proceedings relating to the order of  
34 the board of county commissioners, the notice of sale and the sale of  
35 the property;

36 (b) That if, pursuant to NRS 361.567, the tax receiver has  
37 elected to use an expedited procedure for the sale of the property,  
38 the property is abandoned; and

39 (c) That, if the real property was sold to pay taxes on personal  
40 property, the real property belonged to the person liable to pay the  
41 tax.

42 9. No deed may be executed and delivered by the county  
43 treasurer until he or she files at the expense of the purchaser, with  
44 the clerk of the board of county commissioners, proper affidavits of  
45 posting and of publication of the notice of sale, as the case may be,



1 together with his or her return of sale, verified, showing compliance  
2 with the order of the board of county commissioners, which  
3 constitutes primary evidence of the facts recited therein.

4 10. If the deed when regularly issued is not recorded in the  
5 office of the county recorder, the deed, and all proceedings relating  
6 thereto, is void as against any subsequent purchaser in good faith  
7 and for a valuable consideration of the same property, or any portion  
8 thereof, when his or her own conveyance is first recorded.

9 11. The board of county commissioners shall provide its clerk  
10 with a record book in which must be indexed the name of each  
11 purchaser, together with the date of sale, a description of the  
12 property sold, a reference to the book and page of the minutes of the  
13 board of county commissioners where the order of sale is recorded,  
14 and the file number of the affidavits and return.

15 **Sec. 5.** NRS 361.610 is hereby amended to read as follows:

16 361.610 1. Out of the sale price or rents of any property of  
17 which he or she is trustee, the county treasurer shall pay the costs  
18 due any officer for the enforcement of the tax upon the parcel of  
19 property and all taxes owing thereon, and upon the redemption of  
20 any property from the county treasurer as trustee, he or she shall pay  
21 the redemption money over to any officers having fees due them  
22 from the parcels of property and pay the tax for which it was sold  
23 and pay the redemption percentage according to the proportion those  
24 fees respectively bear to the tax.

25 2. In no case may:

26 (a) Any service rendered by any officer under this chapter  
27 become or be allowed as a charge against the county; or

28 (b) The sale price or rent or redemption money of any one parcel  
29 of property be appropriated to pay any cost or tax upon any other  
30 parcel of property than that so sold, rented or redeemed.

31 3. After paying all the tax and costs upon any one parcel of  
32 property, the county treasurer shall pay into the general fund of the  
33 county, from the excess proceeds of the sale ~~the~~, *the following:*

34 (a) *Five percent of the total amount of excess proceeds into the*  
35 *account created by section 1 of this act;*

36 (b) The ~~first~~ next \$300 of the excess proceeds; and

37 ~~(b)~~ (c) Ten percent of the next \$10,000 of the excess proceeds.

38 4. The amount remaining after the county treasurer has paid the  
39 amounts required by subsection 3 must be deposited in an interest-  
40 bearing account maintained for the purpose of holding excess  
41 proceeds separate from other money of the county. If no claim is  
42 made for the excess proceeds within 1 year after the deed given by  
43 the county treasurer is recorded, the county treasurer shall pay the  
44 money into the general fund of the county, and it must not thereafter  
45 be refunded to the former property owner or his or her successors in





1 interest. All interest paid on money deposited in the account  
2 required by this subsection is the property of the county.

3 5. If a person listed in subsection 6 makes a claim in writing  
4 for the excess proceeds within 1 year after the deed is recorded, the  
5 county treasurer shall pay the claim or the proper portion of  
6 the claim over to the person if the county treasurer is satisfied that  
7 the person is entitled to it.

8 6. A claim for excess proceeds must be paid out in the  
9 following order of priority to:

10 (a) The following persons in the order of priority of the liens  
11 recorded or perfected before the sale:

12 (1) A person holding a valid lien under subsection 3 of  
13 NRS 444.520;

14 (2) Persons specified in paragraphs (b), (c), (d), (g), (h) and  
15 (i) of subsection 4 of NRS 361.585;

16 (3) An association, as defined in NRS 116.011, that has  
17 caused to be recorded a notice of default and election to sell the  
18 property pursuant to paragraph (b) of subsection 1 of NRS  
19 116.31162 that has not been rescinded; and

20 (4) An association, as defined in NRS 116B.030, or a hotel  
21 unit owner, as defined in NRS 116B.125, that has caused to be  
22 recorded a notice of default and election to sell the property  
23 pursuant to paragraph (b) of subsection 1 of NRS 116B.635 that has  
24 not been rescinded; and

25 (b) Any person specified in paragraphs (a), (e) and (f) of  
26 subsection 4 of NRS 361.585.

27 7. The county treasurer shall approve or deny a claim within 30  
28 days after the period described in subsection 4 for filing a claim has  
29 expired. *In determining a claim for excess proceeds, the county*  
30 *treasurer may require any person making a claim to provide any*  
31 *records or other documents to the county treasurer.* Any records or  
32 other documents concerning a claim shall be deemed the working  
33 papers of the county treasurer and are confidential. If more than one  
34 person files a claim, and the county treasurer is not able to  
35 determine who is entitled to the excess proceeds, the matter must be  
36 submitted to mediation.

37 8. If the mediation is not successful, the county treasurer shall

38 ~~f:~~  
39 ~~—(a) Conduct a hearing to determine who is entitled to the excess~~  
40 ~~proceeds; or~~

41 ~~—(b) File] file~~ an action for interpleader.

42 9. A person who is aggrieved by a determination of the county  
43 treasurer pursuant to this section may, within 90 days after the  
44 person receives notice of the determination, commence an action for  
45 judicial review of the determination in district court.



1 10. If an association, as defined in NRS 116.011, recovers any  
2 amount of excess proceeds of a sale of a residential unit, as defined  
3 in NRS 116.332, the amount recovered by the association shall be  
4 deemed to have satisfied the debt owed by the owner of the  
5 residential unit to the association and the association may not  
6 recover in a civil action or otherwise collect any deficiency  
7 remaining due to the association from the owner.

8 11. Any agreement to locate, deliver, recover or assist in the  
9 recovery of remaining excess proceeds of a sale which is entered  
10 into by a person listed in subsection 6 must:

11 (a) Be in writing.

12 (b) Be signed by the person listed in subsection 6.

13 (c) If the agreement is entered into by a natural person for  
14 assistance in the recovery of excess proceeds remaining from a sale,  
15 ~~[of a residence that was occupied by that natural person as his or her~~  
16 ~~primary residence at the time of the sale,]~~ not provide for a fee of  
17 more than 10 percent of the total remaining excess proceeds of the  
18 sale due that person.

19 12. In addition to authorizing a person pursuant to an  
20 agreement described in subsection 11 to file a claim and collect  
21 from the county treasurer any property owed to the person, a person  
22 listed in subsection 6 may authorize a person pursuant to a power of  
23 attorney, assignment or any other legal instrument to file a claim  
24 and collect from the county treasurer any property owed to him or  
25 her. *Any person authorized pursuant to a power of attorney,*  
26 *assignment or any other legal instrument to file a claim and*  
27 *collect from the county treasurer any property may collect a fee of*  
28 *not more than 10 percent of the total remaining excess proceeds of*  
29 *the sale due the person making the authorization.* The county is  
30 not liable for any losses resulting from the approval of the claim if  
31 the claim is paid by the county treasurer in accordance with the  
32 provisions of the legal instrument.





