
ASSEMBLY BILL NO. 243—ASSEMBLYMEMBERS
HIBBETTS; AND D’SILVA

FEBRUARY 17, 2025

Referred to Committee on Revenue

SUMMARY—Establishes certain partial tax exemptions for surviving spouses of members of the Armed Forces of the United States who were killed in the line of duty. (BDR 32-163)

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; providing partial exemptions from the property and governmental services taxes for surviving spouses of members of the armed forces killed in the line of duty; establishing certain requirements for claiming the exemptions; requiring the maximum allowable amount of the exemptions be adjusted annually; authorizing an eligible surviving spouse to direct an amount equivalent to the exemptions to certain charitable gift accounts in lieu of claiming the exemptions; providing for the reduction of the property tax exemption in certain circumstances; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law exempts from property taxes \$1,000 of the assessed valuation of
2 property, adjusted each fiscal year using the Consumer Price Index, in which a
3 surviving spouse who is a resident of this State has an interest. (NRS 361.080)
4 Existing law also exempts from property taxes: (1) \$2,000 of the assessed valuation
5 of property, as adjusted each fiscal year using the Consumer Price Index, in which a
6 veteran who served on active duty under certain circumstances has an interest; and
7 (2) \$20,000 of the assessed valuation of property, as adjusted each fiscal year using
8 the Consumer Price Index, in which a veteran with a permanent service-connected
9 disability of 100 percent, or the surviving spouse of such a veteran, has an interest.
10 (NRS 361.090, 361.091) Under existing law, in lieu of applying these exemptions
11 to property taxes, the same partial exemptions may be applied to reduce the amount
12 of governmental services tax owed by a surviving spouse, veteran, disabled veteran



13 or surviving spouse of a veteran or disabled veteran upon the annual renewal of the
14 registration of a vehicle. (NRS 361.1565, 371.101, 371.103, 371.104)

15 **Sections 1 and 4** of this bill, respectively, increase the partial exemption from
16 property taxes and governmental services taxes for the surviving spouse of a
17 member of the Armed Forces of the United States who was killed in action. Under
18 **sections 1 and 4**, the amount of the exemption increases from the exemption of
19 \$1,000 for surviving spouses to the amount of the exemption for the surviving
20 spouse of a veteran with a permanent service-connected disability of 100 percent.
21 **Section 3** of this bill makes a conforming change to apply to **sections 1 and 4**
22 existing law which requires a partial exemption from property taxes to be reduced
23 by any partial exemption from the governmental services taxes. **Sections 2 and 5** of
24 this bill make a conforming change to authorize a surviving spouse who qualifies
25 for the partial exemption from property taxes or governmental services taxes under
26 **section 1 or 4**, respectively, to request the deposit of an amount equal to the partial
27 exemption to the Gift Account for the Veterans Home in Southern Nevada or the
28 Gift Account for the Veterans Home in Northern Nevada. (NRS 361.0905,
29 371.1035) **Section 6** of this bill makes a conforming change to apply to **section 4**
30 existing law governing the filing of claims for exemptions for governmental
31 services tax or the designation of amounts to be credited to a Gift Account for a
32 Veterans Home. (NRS 371.105) **Section 7** of this bill makes a conforming change
33 to apply existing law requiring the provision of notice to the Department of Motor
34 Vehicles when an owner of a vehicle is no longer eligible for the exemption under
35 **section 4**.

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 *1. A bona fide resident of the State of Nevada who is the*
4 *surviving spouse of a member of the Armed Forces of the United*
5 *States who was killed in the line of duty, and who has not*
6 *remarried, is entitled to an exemption not to exceed the amount of*
7 *\$20,000 assessed valuation. For the purposes of this section, the*
8 *first \$20,000 assessed valuation of property in which a person has*
9 *any interest is deemed to be the property of the person.*

10 *2. The exemption may be allowed only to a claimant who has*
11 *filed an affidavit with his or her claim for exemption on real*
12 *property pursuant to NRS 361.155. The affidavit may be made at*
13 *any time by a person claiming an exemption from taxation on*
14 *personal property.*

15 *3. The affidavit required by subsection 2 must be made before*
16 *the county assessor or a notary public and be filed with the county*
17 *assessor. It must state that the affiant:*

18 *(a) Is a bona fide resident of the State of Nevada;*

19 *(b) Is the surviving spouse of a member of the Armed Forces*
20 *of the United States who was killed in the line of duty;*

21 *(c) Has not remarried; and*



1 (d) Has not claimed the exemption in any other county within
2 this State.

3 4. After the filing of the original affidavit required by
4 subsection 2, the county assessor shall, except as otherwise
5 provided in this subsection, mail a form for:

6 (a) The renewal of the exemption; and

7 (b) The designation of any amount to be credited to the Gift
8 Account for the Veterans Home in Southern Nevada or the Gift
9 Account for the Veterans Home in Northern Nevada established
10 pursuant to NRS 417.145,

11 ↪ to the person each year following a year in which the exemption
12 was allowed for that person. The form must be designed to
13 facilitate its return by mail by the person claiming the exemption.
14 If so requested by the person claiming the exemption, the county
15 assessor may provide the form to the person by electronic means
16 in lieu of by mail. The county assessor may authorize the return of
17 the form by electronic means in accordance with the provisions of
18 chapter 719 of NRS.

19 5. Before allowing any exemption pursuant to the provisions
20 of this section, the county assessor shall require proof that the
21 person is the surviving spouse of a member of the Armed Forces
22 of the United States who was killed in the line of duty. For this
23 purpose, the county assessor shall require the person to produce:

24 (a) A DD Form 1300, "Report of Casualty," or its succeeding
25 form, issued by the United States Department of Defense that
26 identifies the member of the Armed Forces who was killed in the
27 line of duty; and

28 (b) Documentation that the person was married to the member.

29 6. The allowance of a tax exemption to a person under this
30 section does not affect the eligibility of that person for an
31 exemption under NRS 361.090 or 361.091 based on the person's
32 own service in the Armed Forces of the United States, if
33 applicable.

34 7. If any person files a false affidavit or produces false proof
35 to the county assessor or a notary public and, as a result of the
36 false affidavit or false proof, the person is allowed a tax exemption
37 to which the person is not entitled, the person is guilty of a gross
38 misdemeanor.

39 8. The monetary amounts in subsection 1 must be adjusted
40 for each fiscal year by adding to the amount the product of the
41 amount multiplied by the percentage increase in the consumer
42 price inflation index from July 2003 to the July preceding the
43 fiscal year for which the adjustment is calculated. The Department
44 shall provide to each county assessor the adjusted amount, in
45 writing, on or before September 30 of each year.



1 **9. For the purposes of this section:**

2 (a) *“Consumer price inflation index” means the Consumer*
3 *Price Index for All Urban Consumers, West Region (All Items), as*
4 *published by the United States Department of Labor or, if that*
5 *index ceases to be published by the United States Department of*
6 *Labor, the published index that most closely resembles that index,*
7 *as determined by the Department.*

8 (b) *“Member of the Armed Forces of the United States who*
9 *was killed in the line of duty” means a member of the Armed*
10 *Forces of the United States who the United States Department of*
11 *Defense has determined to be a hostile casualty, which may*
12 *include, without limitation, a veteran who the Department of*
13 *Defense determines:*

14 (1) *Was killed in action;*

15 (2) *Died from wounds received in action;*

16 (3) *Died while captured;*

17 (4) *Is presumed killed in action; or*

18 (5) *Died as the direct result of terrorist activity deemed by*
19 *the Department of Defense to be combat or hostility related, such*
20 *that the Department classifies the type of casualty listed on a DD*
21 *Form 1300, “Report of Casualty,” as hostile, or hostility or*
22 *combat-related.*

23 (c) *“Surviving spouse” includes a surviving domestic partner*
24 *as set forth in NRS 122A.200.*

25 **Sec. 2.** NRS 361.0905 is hereby amended to read as follows:

26 361.0905 1. Any person who qualifies for an exemption
27 pursuant to NRS 361.090 or 361.091 *or section 1 of this act* may, in
28 lieu of claiming the exemption:

29 (a) Pay to the county tax receiver all or any portion of the
30 amount by which the tax would be reduced if the person claimed the
31 exemption; and

32 (b) Direct the county tax receiver to deposit that amount for
33 credit to the Gift Account for the Veterans Home in Southern
34 Nevada or the Gift Account for the Veterans Home in Northern
35 Nevada established pursuant to NRS 417.145.

36 2. Any person who wishes to waive his or her exemption
37 pursuant to this section shall designate the amount to be credited to
38 a Gift Account on a form provided by the Nevada Tax Commission.

39 3. The county tax receiver shall deposit any money received
40 pursuant to this section with the State Treasurer for credit to the Gift
41 Account for the Veterans Home in Southern Nevada or the Gift
42 Account for the Veterans Home in Northern Nevada established
43 pursuant to NRS 417.145. The State Treasurer shall not accept more
44 than a total of \$2,000,000 for credit to a Gift Account pursuant to
45 this section and NRS 371.1035 during any fiscal year.



1 **Sec. 3.** NRS 361.1565 is hereby amended to read as follows:
2 361.1565 The personal property tax exemption to which a
3 surviving spouse, person who is blind, veteran or surviving spouse
4 of a veteran who incurred a service-connected disability *or was*
5 *killed in the line of duty* is entitled pursuant to NRS 361.080,
6 361.085, 361.090 or 361.091 *or section 1 of this act* is reduced to
7 the extent that he or she is allowed an exemption from the
8 governmental services tax pursuant to chapter 371 of NRS.

9 **Sec. 4.** Chapter 371 of NRS is hereby amended by adding
10 thereto a new section to read as follows:

11 1. *A bona fide resident of the State of Nevada who is the*
12 *surviving spouse of a member of the Armed Forces of the United*
13 *States who was killed in the line of duty, and who has not*
14 *remarried, is entitled to an exemption from the payment of*
15 *governmental services taxes on vehicles not to exceed the amount*
16 *of \$20,000 of determined valuation. For the purpose of this*
17 *section, the first \$20,000 of determined valuation of vehicles in*
18 *which a person described in this subsection has any interest shall*
19 *be deemed to belong entirely to that person.*

20 2. *A person claiming the exemption shall file annually with*
21 *the Department in the county where the exemption is claimed an*
22 *affidavit that declares that the person:*

- 23 (a) *Is a bona fide resident of the State of Nevada;*
24 (b) *Is the surviving spouse of a member of the Armed Forces*
25 *of the United States who was killed in the line of duty;*
26 (c) *Has not remarried; and*
27 (d) *Has not claimed the exemption in any other county within*
28 *this State.*

29 3. *After the filing of the original affidavit required by*
30 *subsection 2, the county assessor in the county where the*
31 *exemption is claimed shall, except as otherwise provided in this*
32 *subsection, mail a form for:*

- 33 (a) *The renewal of the exemption; and*
34 (b) *The designation of any amount to be credited to the Gift*
35 *Account for the Veterans Home in Southern Nevada or the Gift*
36 *Account for the Veterans Home in Northern Nevada established*
37 *pursuant to NRS 417.145,*

38 *↳ to the person each year following a year in which the exemption*
39 *was allowed for that person. The form must be designed to*
40 *facilitate its return by mail by the person claiming the exemption.*
41 *If so requested by the person claiming the exemption, the county*
42 *assessor may provide the form to the person by electronic means*
43 *in lieu of by mail.*

44 4. *Before allowing any exemption pursuant to the provisions*
45 *of this section, the Department shall require proof that the person*



1 *is the surviving spouse of a member of the Armed Forces of the*
2 *United States who was killed in the line of duty. For this purpose,*
3 *the Department shall require the person to produce:*

4 (a) *A DD Form 1300, "Report of Casualty," or its succeeding*
5 *form, issued by the United States Department of Defense that*
6 *identifies the member of the Armed Forces who was killed in the*
7 *line of duty; and*

8 (b) *Documentation that the person was married to the member.*

9 5. *The allowance of a tax exemption to a person under this*
10 *section does not affect the eligibility of that person for an*
11 *exemption under NRS 371.103 or 371.104 based on the person's*
12 *own service in the Armed Forces of the United States, if*
13 *applicable.*

14 6. *If any person files a false affidavit or produces false proof*
15 *to the Department and, as a result of the false affidavit or false*
16 *proof, the person is allowed a tax exemption to which the person is*
17 *not entitled, the person is guilty of a gross misdemeanor.*

18 7. *The monetary amount in subsection 1 must be adjusted for*
19 *each fiscal year by adding to the amount the product of the*
20 *amount multiplied by the percentage increase in the consumer*
21 *price inflation index from July 2003 to the July preceding the*
22 *fiscal year for which the adjustment is calculated.*

23 8. *For the purposes of this section:*

24 (a) *"Consumer price inflation index" means the Consumer*
25 *Price Index for All Urban Consumers, West Region (All Items), as*
26 *published by the United States Department of Labor or, if that*
27 *index ceases to be published by the United States Department of*
28 *Labor, the published index that most closely resembles that index,*
29 *as determined by the Department.*

30 (b) *"Member of the Armed Forces of the United States who*
31 *was killed in the line of duty" means a member of the Armed*
32 *Forces of the United States who the United States Department of*
33 *Defense has determined to be a hostile casualty, which may*
34 *include, without limitation, a veteran who the Department of*
35 *Defense determines:*

36 (1) *Was killed in action;*

37 (2) *Died from wounds received in action;*

38 (3) *Died while captured;*

39 (4) *Is presumed killed in action; or*

40 (5) *Died as the direct result of terrorist activity deemed by*
41 *the Department of Defense to be combat or hostility related, such*
42 *that the Department classifies the type of casualty listed on a DD*
43 *Form 1300, "Report of Casualty," as hostile, or hostility or*
44 *combat-related.*



1 (c) *“Surviving spouse” includes a surviving domestic partner*
2 *as set forth in NRS 122A.200.*

3 **Sec. 5.** NRS 371.1035 is hereby amended to read as follows:

4 371.1035 1. Any person who qualifies for an exemption
5 pursuant to NRS 371.103 or 371.104 *or section 4 of this act* may, in
6 lieu of claiming the exemption:

7 (a) Pay to the Department all or any portion of the amount by
8 which the tax would be reduced if the person claimed the
9 exemption; and

10 (b) Direct the Department to deposit that amount for credit to
11 the Gift Account for the Veterans Home in Southern Nevada or the
12 Gift Account for the Veterans Home in Northern Nevada established
13 pursuant to NRS 417.145.

14 2. Any person who wishes to waive his or her exemption
15 pursuant to this section shall designate the amount to be credited to
16 a Gift Account on a form provided by the Department.

17 3. The Department shall deposit any money received pursuant
18 to this section with the State Treasurer for credit to the Gift Account
19 for the Veterans Home in Southern Nevada or the Gift Account for
20 the Veterans Home in Northern Nevada established pursuant to NRS
21 417.145. The State Treasurer shall not accept more than a total of
22 \$2,000,000 for credit to a Gift Account pursuant to this section and
23 NRS 361.0905 during any fiscal year.

24 **Sec. 6.** NRS 371.105 is hereby amended to read as follows:

25 371.105 Claims pursuant to NRS 371.101, 371.102, 371.103 or
26 371.104 *or section 4 of this act* for tax exemption on the
27 governmental services tax and designations of any amount to be
28 credited to the Gift Account for the Veterans Home in Southern
29 Nevada or the Gift Account for the Veterans Home in Northern
30 Nevada pursuant to NRS 371.1035 must be filed annually at any
31 time on or before the date when payment of the tax is due. All
32 exemptions provided for in this section must not be in an amount
33 which gives the taxpayer a total exemption greater than that to
34 which the taxpayer is entitled during any fiscal year.

35 **Sec. 7.** NRS 371.106 is hereby amended to read as follows:

36 371.106 1. Whenever any vehicle ceases to be exempt from
37 taxation under NRS 371.101, 371.102, 371.103 or 371.104 *or*
38 *section 4 of this act* because the owner no longer meets the
39 requirements for the exemption provided in those sections, its owner
40 shall immediately notify the Department of the fact.

41 2. If a person fails to notify the Department as required by
42 subsection 1 and as a result of such failure is allowed a tax
43 exemption to which he or she is not entitled, there shall be added to
44 and collected with the tax otherwise due a penalty equal to double
45 the amount of the tax. If the person’s failure is fraudulent and results



1 in his or her receiving a tax exemption to which he or she is not
2 entitled, the person is also guilty of a gross misdemeanor.

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