ASSEMBLY BILL NO. 423–ASSEMBLYMEN FREEMAN, GIBBONS, HUMKE, LESLIE AND EVANS

MARCH 8, 1999

Referred to Committee on Taxation

SUMMARY—Revises provisions regarding taxation of real property. (BDR 32-867)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: 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; exempting certain property acquired by the Nevada Land Conservancy and the American Land Conservancy from property taxes; revising the provisions governing the requirements for such exemptions; and providing other matters properly relating thereto.

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

Section 1. NRS 361.111 is hereby amended to read as follows:

361.111 1. ~~[All]~~ ***Except as otherwise provided in subsections 2 and 3, all*** real property and improvements thereon acquired by the Nature Conservancy ***, American Land Conservancy or Nevada Land Conservancy*** and held for ultimate acquisition by the state or a local governmental unit are exempt from taxation ~~[except as otherwise provided in subsections 2 and 3.]~~ ***if:***

(a) The state or a local governmental unit has agreed, in writing, that acquisition of the property will be given serious consideration; and

(b) For property for which the state has given the statement required by paragraph (a), the governing body of the county in which the property is located has approved the potential acquisition of the property by the state.

2. When the Nature Conservancy ***, American Land Conservancy or Nevada Land Conservancy*** transfers property it has held for purposes of conservation to any person, partnership, association, corporation or entity other than the state or a local governmental unit, the property must be

assessed at the rate set for first-class pasture by the Nevada tax commission for each year it was exempt pursuant to subsection 1 and the taxes must be collected as other taxes under this chapter are collected.

3. When the Nature Conservancy ***, American Land Conservancy or Nevada Land Conservancy*** transfers property it has held for purposes other than conservation to any person, partnership, association, corporation or entity other than the state or a local governmental unit, the tax imposed by this chapter must be assessed against the property for each year it was exempt pursuant to subsection 1 and collected in the manner provided in this chapter.

4. The Nevada tax commission shall adopt regulations specifying the criteria for determining when property has been held by the Nature Conservancy ***, American Land Conservancy or Nevada Land Conservancy*** for purposes of conservation.

Sec. 2. NRS 361A.286 is hereby amended to read as follows:

361A.286 1. The deferred tax and penalty assessed pursuant to NRS 361A.280 and 361A.283 are a perpetual lien until paid as provided in NRS 361.450. If the property continues to be used exclusively for agricultural use or approved open-space use for 7 fiscal years after the date of attachment, the lien for that earliest year expires. The lien is for an undetermined amount until the property is converted and the amount is determined pursuant to NRS 361A.280. Any liens calculated and recorded before July 1, 1989, for property that had not been converted shall be deemed to have expired on that date.

2. If agricultural or open-space real property receiving agricultural or open-space use assessment is sold or transferred to an ownership making it exempt from taxation ad valorem, any such liens for deferred taxes must be canceled, except for such liens on property acquired by the Nature Conservancy ~~[.]~~ ***, American Land Conservancy or Nevada Land Conservancy.***

3. The provisions of this section do not apply to any portion of agricultural or open-space real property if the deferred tax and any penalty have been paid pursuant to NRS 361A.265.

4. Each year, the county assessor must record a list of parcel numbers and owner's names for all parcels on which a lien exists pursuant to subsection 1.

Sec. 3. This act becomes effective on July 1, 1999.