ASSEMBLY BILL NO. 668–COMMITTEE ON TAXATION

MARCH 22, 1999

Referred to Committee on Taxation

SUMMARY—Makes various changes relating to assessment of property for taxation. (BDR 32-1140)

FISCAL NOTE: Effect on Local Government: Yes.
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; making various changes in the provisions governing the exemption and assessment of property for taxation; revising the provisions governing the administration and collection of certain taxes; 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. Chapter 361 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. ***A golf course located on the property of a local government, including any improvement constructed by the lessee if the ownership of the improvement passes to the local government as lessor upon completion of the improvement or expiration of the lease, shall be deemed to be a park within the meaning of paragraph (a) of subsection 2 of NRS 361.157 if:***

1. Each year, the operator of the golf course makes at least one-half of the total available times to begin a round of golf available to residents of the county in which the course is located;

2. The golf course charges those residents no more than one-half of the seasonally adjusted maximum fee charged to nonresidents for playing golf, excluding any charge for renting carts, or provides a program of discounts to residents that is approved by the local government in which the course is located; and

3. It submits an annual report, certified by the operator or an officer of the organization operating the course and approved as to form by the

local government, to the governing body of that local government showing that the golf course has met the requirements of this section and the governing body of the local government certifies to the county assessor that the golf course qualifies for treatment as a park.

Sec. 3. ***1. All intangible personal property is exempt from taxation, including, without limitation, good will, customer lists, contracts and contract rights, patents, trade-marks, brand names, copyrights, trade secrets, franchise agreements and licenses.***

2. The attributes of real property, such as zoning, location, view, proximity to markets, geographic features and other characteristics or attributes of real property, are not intangible personal property and must be considered in valuing the real property, if appropriate.

Sec. 4. NRS 361.068 is hereby amended to read as follows:

361.068 1. The following personal property is exempt from taxation:

(a) Personal property held for sale by a merchant **[**~~;~~

~~(b) Personal property held for sale by a manufacturer;~~

~~(c)~~**]** ***or manufacturer;***

(b) Raw materials and components held by a manufacturer for manufacture into products, and supplies to be consumed in the process of manufacture;

[~~(d)~~**]** ***(c)*** Tangible personal property purchased by a business which will be consumed during the operation of the business;

(d) Tangible personal property owned or leased by, or lent or made available to a natural or artificial person for the operation of a business to the extent of $50,000 in taxable value;

(e) Livestock;

(f) Colonies of bees;

(g) Pipe and other agricultural equipment used to convey water for the irrigation of legal crops;

(h) All boats;

(i) Slide-in campers and camper shells;

(j) Fine art for public display; and

(k) Computers and related equipment donated for use in schools in this state.

2. The Nevada tax commission may exempt from taxation that personal property for which the annual taxes would be less than the cost of collecting those taxes. If such an exemption is provided, the Nevada tax commission shall annually determine the average cost of collecting property taxes in this state which must be used in determining the applicability of the exemption.

3. A person claiming the exemption provided for in paragraph (j) of subsection 1 shall, on or before June 15 for the next ensuing fiscal year, file with the county assessor an affidavit declaring that the fine art:

(a) Was purchased in an arm's length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(b) Will be on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of the year for which the exemption is claimed; and

(c) Will be available for educational purposes.

4. To qualify for the exemption provided in paragraph (k) of subsection 1, a taxpayer must donate the property through a foundation or organization, not for profit, that accepts such property for use in schools in this state. The foundation or organization shall issue a voucher identifying each item of property donated. To obtain the benefit of the exemption, the taxpayer must apply to the county assessor and tender the voucher. The county assessor shall compute the assessed value of the property for the year in which the donation was made using the original cost and the year of acquisition. The county assessor shall allow a credit of that amount against the personal property assessment for the year following the donation.

5. As used in this section:

(a) "Boat" includes any vessel or other watercraft, other than a seaplane, used or capable of being used as a means of transportation on the water.

(b) "Fine art for public display" means a work of art which:

(1) Is an original painting in oil, mineral, water colors, vitreous enamel, pastel or other medium, an original mosaic, drawing or sketch, an original sculpture of clay, textiles, fiber, wood, metal, plastic, glass or a similar material, an original work of mixed media or a lithograph;

(2) Was purchased in an arm's length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(3) Is on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of each year for which the exemption is claimed; and

(4) Is available for educational purposes.

Sec. 5. NRS 361.068 is hereby amended to read as follows:

361.068 1. The following personal property is exempt from taxation:

(a) Personal property held for sale by a merchant **[**~~;~~

~~(b) Personal property held for sale by a manufacturer;~~

~~(c)~~**]** ***or manufacturer;***

(b) Raw materials and components held by a manufacturer for manufacture into products, and supplies to be consumed in the process of manufacture;

~~[(d)]~~ ***(c)*** Tangible personal property purchased by a business which will be consumed during the operation of the business;

(d) Tangible personal property owned or leased by, or lent or made available to a natural or artificial person for the operation of a business to the extent of $100,000 in taxable value;

(e) Livestock;

(f) Colonies of bees;

(g) Pipe and other agricultural equipment used to convey water for the irrigation of legal crops;

(h) All boats;

(i) Slide-in campers and camper shells;

(j) Fine art for public display; and

(k) Computers and related equipment donated for use in schools in this state.

2. The Nevada tax commission may exempt from taxation that personal property for which the annual taxes would be less than the cost of collecting those taxes. If such an exemption is provided, the Nevada tax commission shall annually determine the average cost of collecting property taxes in this state which must be used in determining the applicability of the exemption.

3. A person claiming the exemption provided for in paragraph (j) of subsection 1 shall, on or before June 15 for the next ensuing fiscal year, file with the county assessor an affidavit declaring that the fine art:

(a) Was purchased in an arm's length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(b) Will be on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of the year for which the exemption is claimed; and

(c) Will be available for educational purposes.

4. To qualify for the exemption provided in paragraph (k) of subsection 1, a taxpayer must donate the property through a foundation or organization, not for profit, that accepts such property for use in schools in this state. The foundation or organization shall issue a voucher identifying each item of property donated. To obtain the benefit of the exemption, the taxpayer must apply to the county assessor and tender the voucher. The county assessor shall compute the assessed value of the property for the year in which the donation was made using the original cost and the year of acquisition. The county assessor shall allow a credit of that amount against the personal property assessment for the year following the donation.

5. As used in this section:

(a) "Boat" includes any vessel or other watercraft, other than a seaplane, used or capable of being used as a means of transportation on the water.

(b) “Fine art for public display” means a work of art which:

(1) Is an original painting in oil, mineral, water colors, vitreous enamel, pastel or other medium, an original mosaic, drawing or sketch, an original sculpture of clay, textiles, fiber, wood, metal, plastic, glass or a similar material, an original work of mixed media or a lithograph;

(2) Was purchased in an arm’s length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(3) Is on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of each year for which the exemption is claimed; and

(4) Is available for educational purposes.

Sec. 6. NRS 361.068 is hereby amended to read as follows:

361.068 1. The following personal property is exempt from taxation:

(a) Personal property held for sale by a merchant **[**~~;~~

~~(b) Personal property held for sale by a manufacturer;~~

~~(c)~~**]** ***or manufacturer;***

(b) Raw materials and components held by a manufacturer for manufacture into products, and supplies to be consumed in the process of manufacture;

[~~(d)~~**]** ***(c)*** Tangible personal property purchased by a business which will be consumed during the operation of the business;

(d) Tangible personal property owned or leased by, or lent or made available to a natural or artificial person for the operation of a business to the extent of $100,000 in taxable value;

(e) Livestock;

(f) Colonies of bees;

(g) Pipe and other agricultural equipment used to convey water for the irrigation of legal crops;

(h) All boats;

(i) Slide-in campers and camper shells; and

(j) Fine art for public display.

2. The Nevada tax commission may exempt from taxation that personal property for which the annual taxes would be less than the cost of collecting those taxes. If such an exemption is provided, the Nevada tax commission shall annually determine the average cost of collecting property taxes in this state which must be used in determining the applicability of the exemption.

3. A person claiming the exemption provided for in paragraph (j) of subsection 1 shall, on or before June 15 for the next ensuing fiscal year, file with the county assessor an affidavit declaring that the fine art:

(a) Was purchased in an arm's length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(b) Will be on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of the year for which the exemption is claimed; and

(c) Will be available for educational purposes.

4. As used in this section:

(a) "Boat" includes any vessel or other watercraft, other than a seaplane, used or capable of being used as a means of transportation on the water.

(b) "Fine art for public display" means a work of art which:

(1) Is an original painting in oil, mineral, water colors, vitreous enamel, pastel or other medium, an original mosaic, drawing or sketch, an original sculpture of clay, textiles, fiber, wood, metal, plastic, glass or a similar material, an original work of mixed media or a lithograph;

(2) Was purchased in an arm's length transaction for $25,000 or more, or has an appraised value of $25,000 or more;

(3) Is on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of each year for which the exemption is claimed; and

(4) Is available for educational purposes.

Sec. 7. NRS 361.080 is hereby amended to read as follows:

361.080 1. The property of ~~[widows and orphan children,]~~ ***surviving spouses,*** not to exceed the amount of $1,000 assessed valuation, is exempt from taxation, but no such exemption may be allowed to anyone but actual bona fide residents of this state, and must be allowed in but one county in this state to the same ~~[family.]~~ ***surviving spouse.***

2. For the purpose of this section, property in which ~~[the widow or orphan child]~~ ***a surviving spouse*** has any interest shall be deemed the property of the ~~[widow or orphan child.]~~ ***surviving spouse.***

3. The person claiming such an exemption shall file with the county assessor an affidavit declaring his residency and that the exemption has been claimed in no other county in this state for that year. ***The affidavit must be made before the county assessor or a notary public.*** After the filing of the original affidavit, the county assessor shall mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

4. A surviving spouse is not entitled to the exemption provided by this section in any fiscal year beginning after his remarriage, even if the remarriage is later annulled.

Sec. 8. NRS 361.085 is hereby amended to read as follows:

361.085 1. The property of all blind persons, not to exceed the amount of $3,000 of assessed valuation, is exempt from taxation, including community property to the extent only of the blind person's interest therein, but no such exemption may be allowed to anyone but bona fide residents of this state, and must be allowed in but one county in this state ~~[to the same family.]~~ ***on account of the same blind person.***

2. The person claiming such an exemption shall file with the county assessor an affidavit declaring his residency and that the exemption has been claimed in no other county in this state for that year. ***The affidavit must be made before the county assessor or a notary public.*** After the filing of the original affidavit, the county assessor shall mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

3. Upon first claiming the exemption in a county the claimant shall furnish to the assessor a certificate of a physician licensed under the laws of this state setting forth that he has examined the claimant and has found him to be a blind person.

4. As used in this section, "blind person" includes any person whose visual acuity with correcting lenses does not exceed 20/200 in the better eye, or whose vision in the better eye is restricted to a field which subtends an angle of not greater than 20°.

Sec. 9. NRS 361.090 is hereby amended to read as follows:

361.090 1. The property, to the extent of $1,000 assessed valuation, of any actual bona fide resident of the State of Nevada who:

(a) Has served a minimum of 90 days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and January 31, 1955;

(b) Has served a minimum of 90 continuous days on active duty none of which was for training purposes, who was assigned to active duty at some time between January 1, 1961, and May 7, 1975; or

(c) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1,

and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. For the purpose of this section the first $1,000 assessed valuation of property in which such a person has any interest shall be deemed the property of that person.

3. The exemption may be allowed only to a claimant who files an affidavit with his claim for exemption on real property pursuant to NRS 361.155. The affidavit may be filed at any time by a person claiming exemption from taxation on personal property.

4. The affidavit must be ***made before the county assessor or a notary public and*** filed with the county assessor ***.*** [~~to the effect~~] ***It must state*** that the affiant is an actual bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is claimed in no other county within this state. After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the veterans' home account,

to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

5. Persons in actual military service are exempt during the period of such service from filing annual affidavits of exemption and the county assessors shall continue to grant exemption to such persons on the basis of the original affidavits filed. In the case of any person who has entered the military service without having previously made and filed an affidavit of exemption, the affidavit may be filed in his behalf during the period of such service by any person having knowledge of the facts.

6. Before allowing any veteran's exemption pursuant to the provisions of this chapter, the county assessor of each of the several counties of this state shall require proof of status of the veteran, and for that purpose shall require production of an honorable discharge or certificate of satisfactory service or a certified copy thereof, or such other proof of status as may be necessary.

7. If any person files a false affidavit or produces false proof to the county assessor, and as a result of the false affidavit or false proof a tax exemption is allowed to a person not entitled to the exemption, he is guilty of a gross misdemeanor.

Sec. 10. NRS 361.125 is hereby amended to read as follows:

361.125 1. Except as otherwise provided in subsection 2, churches, chapels, other than marriage chapels, and other buildings used for religious worship, with their furniture and equipment, and the lots of ground on which they stand, used therewith and necessary thereto, owned by some recognized religious society or corporation, and parsonages so owned, are exempt from taxation.

2. Except as otherwise provided in NRS 361.157, when any such property is used exclusively or in part for any other than church purposes, and a rent or other valuable consideration is received for its use, the property must be taxed.

3. ~~[If a recognized religious society or corporation leases or rents space to facilitate worship during the same fiscal year in which it owns a parcel of vacant land with the intent of constructing a church or chapel, other than a marriage chapel, on that land and the society or corporation has no other church or chapel in the county, the parcel of land is exempt from taxation for not more than 3 consecutive years. If a church or chapel has not been constructed by the end of the third year of exemption or the property is sold before that date, the exemption is voided and the taxes must be paid for the years for which an exemption pursuant to this subsection was claimed.]~~ ***The exemption provided by this section must be prorated for the portion of a fiscal year during which the religious society or corporation owns the real property. For the purposes of this subsection, ownership of property purchased begins on the date of recording of the deed to the purchaser.***

Sec. 11. NRS 361.157 is hereby amended to read as follows:

361.157 1. When any real estate or portion of real estate which for any reason is exempt from taxation is leased, loaned or otherwise made available to and used by a natural person, association, partnership or corporation in connection with a business conducted for profit or as a residence, or both, the leasehold interest, possessory interest, beneficial interest or beneficial use of the lessee or user of the property is subject to taxation to the extent the:

(a) Portion of the property leased or used; and

(b) Percentage of time during the fiscal year that the property is leased by the lessee or used by the user,

can be segregated and identified. The taxable value of the interest or use must be determined in the manner provided in subsection 3 of NRS 361.227.

2. Subsection 1 does not apply to:

(a) Property located upon a public airport, park, market or fairground or any property owned by a public airport, unless the property owned by the public airport is not located upon the public airport and the property is leased, loaned or otherwise made available for purposes other than for the purposes of a public airport, including, without limitation, residential, commercial or industrial purposes;

(b) Federal property for which payments are made in lieu of taxes in amounts equivalent to taxes which might otherwise be lawfully assessed;

(c) Property of any state-supported educational institution;

(d) Property leased or otherwise made available to and used by a natural person, private association, private corporation, municipal corporation, quasi-municipal corporation or a political subdivision under the provisions of the Taylor Grazing Act or by the United States Forest Service or the Bureau of Reclamation of the United States Department of the Interior;

(e) Property of any Indian or of any Indian tribe, band or community which is held in trust by the United States or subject to a restriction against alienation by the United States;

(f) Vending stand locations and facilities operated by blind persons under the auspices of the bureau of services to the blind and visually impaired of the rehabilitation division of the department of employment, training and rehabilitation, whether or not the property is owned by the federal, state or a local government;

(g) Leases held by a natural person, corporation, association, municipal corporation, quasi-municipal corporation or political subdivision for development of geothermal resources, but only for resources which have not been put into commercial production;

(h) The use of exempt property that is leased, loaned or made available to a public officer or employee, incident to or in the course of public employment;

(i) A parsonage owned by a recognized religious society or corporation when used exclusively as a parsonage;

(j) Property owned by a charitable or religious organization all or a portion of which is made available to and is used as a residence by a natural person in connection with carrying out the activities of the organization;

(k) Property owned by a governmental entity and used to provide shelter at a reduced rate to elderly persons or persons having low incomes;

(l) The occasional rental of meeting rooms or similar facilities for periods of less than 30 consecutive days; or

(m) The use of exempt property to provide day care for children if the day care is provided by a nonprofit organization.

3. Taxes must be assessed to lessees or users of exempt real estate and collected in the same manner as taxes assessed to owners of other real estate, except that taxes due under this section do not become a lien against the property. When due, the taxes constitute a debt due from the lessee or user to the county for which the taxes were assessed and, if unpaid, are recoverable by the county in the proper court of the county.

~~[4. As used in this section, the term “park” does not include a golf course.]~~

Sec. 12. NRS 361.260 is hereby amended to read as follows:

361.260 1. Each year, the county assessor, except as otherwise required by a particular statute, shall ascertain by diligent inquiry and examination all real and secured personal property ***that is*** in his county ***on July 1*** which is subject to taxation, and also the names of all persons, corporations, associations, companies or firms owning the property. He shall then determine the taxable value of all such property and he shall then list and assess it to the person, firm, corporation, association or company owning it ~~[.]~~ ***on July 1 of that fiscal year.*** He shall take the same action ***at any time*** between May 1 and the following April 30, with respect to personal property which is to be placed on the unsecured tax roll.

2. At any time before the lien date for the following fiscal year, the county assessor may include additional personal property and mobile homes on the secured tax roll if the owner of the personal property or mobile home owns real property within the same taxing district which has an assessed value that is equal to or greater than the taxes for 3 years on both the real property and the personal property or mobile home, plus penalties. Personal property and mobile homes in the county on July 1, but not on the secured tax roll for the current year, must be placed on the unsecured tax roll for the current year.

3. An improvement on real property in existence on July 1 whose existence was not ascertained in time to be placed on the secured roll for that tax year and which is not governed by subsection 4 must be placed on the unsecured tax roll.

4. The value of any property apportioned among counties pursuant to NRS 361.320, 361.321 and 361.323 must be added to the central assessment roll at the assessed value established by the Nevada tax commission or as established pursuant to an appeal to the state board of equalization.

5. ~~[In arriving at the taxable value of all public utilities of an intracounty nature, the intangible or franchise element must be considered as an addition to the physical value and a portion of the taxable value.~~

~~6.]~~ In addition to the inquiry and examination required in subsection 1, for any property not reappraised in the current assessment year, the county assessor shall determine its assessed value for that year by applying a factor for improvements, if any, and a factor for land to the assessed value for the preceding year. The factor for improvements must reasonably represent the change, if any, in the taxable value of typical improvements in the area since the preceding year, and must take into account all applicable depreciation and obsolescence. The factor for improvements must be adopted by the Nevada tax commission. The factor for land must be developed by the county assessor and approved by the commission. The factor for land must be so chosen that the median ratio of the assessed value of the land to the taxable value of the land in each area subject to the factor is not less than 30 percent nor more than 35 percent.

~~[7.]~~ ***6.*** The county assessor shall reappraise all real property at least once every 5 years.

~~[8.]~~ ***7.*** Each county assessor shall submit a written request to the board of county commissioners and the governing body of each of the local governments located in the county which maintain a unit of government that issues building permits for a copy of each building permit that is issued. Upon receipt of such a request, the governing body shall direct the unit which issues the permits to provide a copy of each permit to the county assessor within a reasonable time after issuance.

Sec. 13. NRS 361.265 is hereby amended to read as follows:

361.265 1. To enable the county assessor to make assessments, he shall demand from each natural person or firm, and from the president, cashier, treasurer or managing agent of each corporation, association or company, including all banking institutions, associations or firms within his county, a written statement, signed under penalty of perjury, on forms to be furnished by the county assessor of all the personal property within the county, owned, claimed, possessed, controlled or managed by those persons, firms, corporations, associations or companies.

2. ~~[The]~~ ***Except as otherwise provided in subsection 5, the*** statement must include:

(a) A description of the location of any taxable personal property that is owned, claimed, possessed, controlled or managed by the natural person, firm, corporation, association or company, but stored, maintained or otherwise placed at a location other than the principal residence of the natural person or principal place of business of the firm, corporation, association or company; and

(b) The cost of acquisition of each item of taxable personal property including the cost of any improvements of the personal property, such as additions to or renovations of the property other than routine maintenance or repairs.

3. The statement must be returned not later than July 31, except for a statement mailed to the taxpayer after July 15, in which case it must be returned within 15 days after demand for its return is made. Upon petition of the property owner showing good cause, the county assessor may grant one or more 30-day extensions.

4. If the owners of any taxable property not listed by another person are absent or unknown, or fail to provide the written statement as described in subsection 1, the county assessor shall make an estimate of the value of the property and assess it accordingly. If the name of the absent owner is known to the county assessor, the property must be assessed in his name. If the name of the owner is unknown to the county assessor, the property must be assessed to "unknown owner"; but no mistake made in the name

of the owner or the supposed owner of personal property renders the assessment or any sale of the property for taxes invalid.

5. ***A county assessor may send to an owner of personal property a statement to sign and return instead of complying with subsection 2. An owner who claims the exemption provided in paragraph (d) of subsection 1 of NRS 361.068 shall provide a signed statement, under oath, that the total cost of acquisition of all taxable personal property claimed to be exempt is less than $50,000 and any further information demanded by the county assessor.***

6. If any person, officer or agent neglects or refuses on demand of the county assessor or his deputy to give the statement required by this section, or gives a false name, or refuses to give his name or sign the statement, he is guilty of a misdemeanor.

Sec. 14. NRS 361.5644 is hereby amended to read as follows:

361.5644 1. If the purchaser, repossessor or other owner of a mobile or manufactured home fails to comply with the provisions of subsection 1 of NRS 361.562 within the required time, the county assessor shall collect a penalty, which must be added to the tax and collected therewith in the amount of 10 percent of the tax due ***.*** **[**~~, plus:~~

~~(a) If the tax on a mobile or manufactured home is paid within 1 month after it is due, $3, and if paid on any unit or vehicle mentioned in NRS 361.561 within 1 month, $1.~~

~~(b) If the tax on a mobile or manufactured home is paid more than 1 month after it is due, $3 for each full month or final fraction of a month which has elapsed, and if paid on any unit or vehicle mentioned in NRS 361.561 more than 1 month after it is due, $1 for each such month.~~**]**

2. If any person required to pay a personal property tax under the provisions of NRS 361.562 neglects or refuses to pay the tax on demand of the county assessor, the county assessor or his deputy shall seize the mobile or manufactured home upon which the taxes are due and proceed in accordance with the provisions of NRS 361.535.

3. The tax is due and the tax and any penalty must be computed for each fiscal year from the date of purchase within or importation into this state.

Sec. 15. NRS 361.767 is hereby amended to read as follows:

361.767 1. If the county assessor determines that certain personal property was not assessed, he may assess the property based upon its taxable value in the year in which it was not assessed.

2. If the county assessor determines that certain personal property was underassessed because it was incorrectly reported by the owner, the assessor may assess the property based upon its taxable value in the year in which it was underassessed. He may then send an additional tax bill for an

amount which represents the difference between the reported value and the taxable value for each year.

3. The assessments provided for in subsections 1 and 2 may be made at any time within 3 years after the end of the fiscal year in which the taxes would have been due. The tax bill must specify the fiscal year for which the tax is due and the applicable rate and whether it is for property which was not assessed or for property which was underassessed.

4. If property is not assessed or is underassessed because the owner submitted an incorrect written statement or failed to submit a written statement required pursuant to subsection 1 of NRS 361.265, there must be added to the taxes due a penalty in the amount of 20 percent of the tax for each year the property was not assessed or was underassessed. ***The county assessor may waive this penalty if he finds extenuating circumstances sufficient to justify the waiver.***

Sec. 16. NRS 361A.283 is hereby amended to read as follows:

361A.283 1. If the county assessor determines that the deferred tax for any fiscal year or years was not assessed in the year it became due, he may assess it anytime within 5 fiscal years after the end of the fiscal year in which a parcel or portion of a parcel was converted to a higher use.

2. If the county assessor determines that a parcel was assessed for agricultural use rather than at full taxable value for any fiscal year in which it did not qualify for agricultural assessment, he may assess the deferred tax for that year anytime within 5 years after the end of that fiscal year.

3. A penalty equal to 20 percent of the total accumulated deferred tax described in subsections 1 and 2 must be added for each of the years in which the owner failed to provide the written notice required by NRS 361A.270. ***The county assessor may waive this penalty if he finds extenuating circumstances sufficient to justify the waiver.***

Sec. 17. NRS 482.180 is hereby amended to read as follows:

482.180 1. The motor vehicle fund is hereby created as an agency fund. Except as otherwise provided in subsection 4 or by a specific statute, all money received or collected by the department must be deposited in the state treasury for credit to the motor vehicle fund.

2. The interest and income on the money in the motor vehicle fund, after deducting any applicable charges, must be credited to the state highway fund.

3. Any check accepted by the department in payment of vehicle privilege tax or any other fee required to be collected pursuant to this chapter must, if it is dishonored upon presentation for payment, be charged back against the motor vehicle fund or the county to which the payment was credited, in the proper proportion.

4. All money received or collected by the department for the basic vehicle privilege tax must be deposited in the local government tax

distribution account, created by NRS 360.660, for credit to the appropriate county pursuant to subsection 6.

5. Money for the administration of the provisions of this chapter must be provided by direct legislative appropriation from the state highway fund, upon the presentation of budgets in the manner required by law. Out of the appropriation the department shall pay every item of expense.

6. The privilege tax collected on vehicles subject to the provisions of chapter 706 of NRS and engaged in interstate or intercounty operation must be distributed among the counties in the following percentages:

Carson City	1.07 percent	Lincoln	3.12 percent
Churchill	5.21 percent	Lyon	2.90 percent
Clark	22.54 percent	Mineral	2.40 percent
Douglas	2.52 percent	Nye	4.09 percent
Elko	13.31 percent	Pershing	7.00 percent
Esmeralda	2.52 percent	Storey	.19 percent
Eureka	3.10 percent	Washoe	12.24 percent
Humboldt	8.25 percent	White Pine	5.66 percent
Lander	3.88 percent		

The distributions must be allocated among local governments within the respective counties pursuant to the provisions of NRS 482.181.

7. ~~[As commission to the department for collecting the privilege tax on vehicles subject to the provisions of this chapter and chapter 706 of NRS, the department shall deduct and withhold 1 percent of the privilege tax collected by a county assessor and 6 percent of the other privilege tax collected.]~~ ***The department shall withhold 6 percent from the amount of privilege tax collected by the department as a commission. From the amount of privilege tax collected by a county assessor, the state controller shall credit 1 percent to the department as a commission and remit 5 percent to the county for credit to its general fund as commission for the services of the county assessor.***

8. When the requirements of this section and NRS 482.181 have been met, and when directed by the department, the state controller shall transfer monthly to the state highway fund any balance in the motor vehicle fund.

9. If a statute requires that any money in the motor vehicle fund be transferred to another fund or account, the department shall direct the controller to transfer the money in accordance with the statute.

Sec. 18. NRS 489.511 is hereby amended to read as follows:

489.511 1. If a used or rebuilt manufactured home, mobile home or commercial coach is sold in this state by a dealer or rebuilder, the dealer or rebuilder shall complete a dealer's or rebuilder's report of sale. The report must be in a form prescribed by the division and include a description of the manufactured home, mobile home or commercial coach, the name and address of the seller and the name and address of the buyer. If a security interest exists at the time of the sale, or if in connection with the sale a security interest is taken or retained by the seller, dealer or rebuilder to secure all or part of the purchase price, or a security interest is taken by a person who gives value to enable the buyer to acquire rights in the manufactured home, mobile home or commercial coach, the name and address of the secured party must be entered on the dealer's or rebuilder's report of sale.

2. The dealer or rebuilder shall submit the original of the dealer's or rebuilder's report of sale to the division within 45 days after the execution of all instruments which the contract of sale requires to be executed at the time of the sale, unless an extension of time is granted by the division, together with the endorsed certificate of title or certificate of ownership previously issued. The dealer or rebuilder shall furnish one copy of the report of sale to the buyer at the time of the sale. Within 45 days after the sale, the dealer or rebuilder shall furnish one copy of the report of sale to the assessor of the county in which the manufactured home, mobile home or commercial coach will be located.

3. ***The dealer or rebuilder shall require the buyer to sign an acknowledgment of taxes, on a form prescribed by the division, which includes a statement that the manufactured, mobile home or commercial coach is taxable in the county in which it is located. The dealer shall deliver the buyer's copy of the acknowledgment to him at the time of sale and submit another copy to the county assessor of the county in which the manufactured home, mobile home or commercial coach is to be located.***

4. If a used or rebuilt manufactured home, mobile home or commercial coach is sold by a dealer or rebuilder pursuant to an installment contract or other agreement by which the certificate of title or certificate of ownership does not pass immediately from the seller to the buyer upon the sale, the dealer or rebuilder shall submit to the division any information required by the regulations adopted by the administrator pursuant to NRS 489.272.

Sec. 19. NRS 562.160 is hereby amended to read as follows:

562.160 Upon receipt of the reports from the committee for assessing livestock pursuant to NRS 575.180, the board shall fix the rate to be levied each year as provided for in NRS 562.170 and shall send notice of it to the county assessor or treasurer of each county ***that administers the special tax, and to the division of agriculture of the department of business and industry*** on or before the first Monday in May of each year.

Sec. 20. NRS 567.110 is hereby amended to read as follows:

567.110 1. Upon receipt of the reports from the committee for assessing livestock pursuant to NRS 575.180, the state board of sheep commissioners, acting as the committee to control predatory animals, may levy an annual special tax of not to exceed the equivalent of 20 cents per head on all sheep and goats.

2. The special tax is designated as the tax for control of predatory animals.

3. Notice of the tax must be sent by the board to the county assessor or treasurer of each county ***that is administering the special taxes on livestock, and to the division of agriculture of the department of business and industry*** on or before the first Monday in May of each year.

Sec. 21. NRS 571.035 is hereby amended to read as follows:

571.035 1. Upon receipt of the reports from the committee for assessing livestock pursuant to NRS 575.180, the division shall fix the amount of the annual special tax on each head of the following specified classes of livestock, which ***, except as otherwise provided in subsection 4,*** must not exceed the following rates per head for each class:

Class	Rate per head
Stock cattle	$0.28
Dairy cattle	.53
Horses	.75
Mules	.75
Burros or asses	.75
Hogs and pigs	.07
Goats	.06

2. As used in subsection 1:

(a) "Dairy cattle" are bulls, cows and heifers of the dairy breeds that are more than 6 months old.

(b) "Stock cattle" are:

(1) Steers of any breed and other weaned calves of the beef breeds that are more than 6 months old; and

(2) Bulls, cows and older heifers of the beef breeds.

(c) The classes consisting of horses, mules, and burros and asses exclude animals that are less than 1 year old.

3. The division shall send notice of the annual special tax on each head of the specified classes of livestock to the county assessor or treasurer of each county on or before the first Monday in May of each year **[**~~.~~

~~4. Notwithstanding the provisions of subsection 1, the~~**]** ***unless the division makes the election provided in subsection 7.***

4. The minimum special tax due annually pursuant to this section from each owner of livestock is $5.

5. Upon the receipt of payment of the special tax and the report thereof by the state controller, the division shall credit the amount of the tax as paid on its records.

6. The special taxes paid by an owner of livestock, when transmitted to the state treasurer, must be deposited in the livestock inspection account.

7. The division may elect to perform the duties otherwise performed by the county assessor and county treasurer under NRS 575.100 to 575.140, inclusive.

Sec. 22. NRS 575.090 is hereby amended to read as follows:

575.090 1. There is hereby created in each county a committee for assessing livestock composed of:

(a) Two persons who own livestock in the county and who are appointed by the state board of agriculture;

(b) One person who owns sheep in the county and who is appointed by the board or, if there is no owner of sheep in the county, another person who owns livestock in the county who is appointed by the state board of agriculture;

(c) A brand inspector who is designated by the administrator of the division; and

(d) ~~[The]~~ ***In a county where the division elects to administer the special tax, another person who owns livestock, appointed by the state board of agriculture, otherwise the*** county assessor or a person designated by him.

2. Except as otherwise provided in this subsection, the term of each member is 2 years, and any vacancy must be filled by appointment for the unexpired term. The term of the county assessor expires upon the expiration of the term of his office. A person designated by the county assessor serves at the pleasure of the county assessor. The brand inspector serves at the pleasure of the administrator of the division.

3. While engaged in official business of the committee for assessing livestock, each member of the committee is entitled to:

(a) A salary not exceeding $60 per day for attending meetings or performing other official business, to be paid from any money available to the division.

(b) The per diem allowance and travel expenses fixed for state officers and employees.

Sec. 23. NRS 575.120 is hereby amended to read as follows:

575.120 1. The division shall prepare a form for declaration of livestock and sheep on which an owner of livestock or sheep shall declare the average number, kind and classification of all livestock and sheep in the state owned by him during the year immediately preceding the date the declaration is made.

2. Before May 6 of each year, the division shall distribute the form for declaration to ~~[all]~~ the county assessors ~~[.]~~ ***of the counties in which the special tax is administered by the county.***

3. In other counties, the division shall mail directly to each owner of livestock or sheep a bill for the special tax due from him. Failure to receive a tax bill does not excuse an owner from the timely payment of the tax due.

Sec. 24. NRS 575.130 is hereby amended to read as follows:

575.130 1. ~~[The]~~ ***In a county in which the special tax is administered by the county, the*** county assessor shall mail the form for declaration to each owner of livestock or sheep listed in his most current report of such owners. He may include the form with any other mailing sent by him to that owner.

2. An owner of livestock or sheep who fails to complete and return the form for declaration within 30 days after the date it was mailed to him is subject to a penalty of $5 assessed by the committee.

Sec. 25. NRS 575.140 is hereby amended to read as follows:

575.140 The county assessor ***or the division*** shall forward to the committee for assessing livestock all of the completed forms for declaration of livestock and sheep received by him and a copy of his most current report of owners of livestock and sheep. This report may show a parcel number and must include the name and address of each owner and the number, kind and classification of the livestock and sheep belonging to each owner.

Sec. 26. NRS 575.150 is hereby amended to read as follows:

575.150 1. Upon receipt of the forms for declaration of livestock and sheep and the report of owners of livestock and sheep from the county assessor ~~[,]~~ ***or the division,*** the committee for assessing livestock shall:

(a) Make an estimate of the number, kind and classification of all livestock and sheep owned by any person failing to return the form for declaration of livestock and sheep and include that information on the report; and

(b) Examine each completed form for declaration of livestock and sheep and the report to determine its accuracy, and if there is any evidence that any information is inaccurate or incomplete, may change and correct any listing as to number, kind, classification, ownership or location by adding thereto or deducting therefrom as necessary to make the report complete and accurate.

2. The committee for assessing livestock may verify the number of livestock or sheep by any reasonable means, including actual count at any reasonable time.

3. If the committee for assessing livestock changes the listings on the report of owners of livestock and sheep for any owner and the listing for

that owner does not conform to the listings on the form for declaration completed by that owner, the committee shall notify the owner of the change within 15 days after the change is made. The notification must contain a statement explaining the owner's right to challenge the accuracy of the report made by the committee for assessing livestock.

Sec. 27. NRS 575.180 is hereby amended to read as follows:

575.180 1. When the report of owners of livestock and sheep is approved by the committee for assessing livestock as complete and accurate, the approval must be noted on the report. The report must then be returned to the county assessor ***, or the division if it is administering the special tax,*** and a copy sent to the board, the division ***unless it is administering the special tax,*** and the Nevada beef council.

2. If, as the result of a challenge of the accuracy of the report, any change is ordered in the report of owners of livestock and sheep after it has been approved by the committee for assessing livestock, [~~the county assessor, the board, the division and the Nevada beef council~~] ***each recipient of the report or copy*** must be notified of the change.

Sec. 28. NRS 575.190 is hereby amended to read as follows:

575.190 Using the tax levies from the board, the division and the Nevada beef council, the county assessor, auditor or treasurer ***, or the division if it is administering the special tax,*** shall calculate the total taxes due from each owner of livestock or sheep based on the report of owners of livestock or sheep approved by the committee for assessing livestock.

Sec. 29. NRS 575.200 is hereby amended to read as follows:

575.200 The county treasurer or the assessor ***, or the division if it is administering the special tax,*** shall mail to each owner of livestock or sheep a bill for the total taxes due from that owner. The billing may be made from the secured or unsecured tax roll. The bill may be included with any other tax bill sent by the county assessor or treasurer to that owner. Failure to receive a tax bill does not excuse the taxpayer from the timely payment of his taxes.

Sec. 30. Section 13 of this act is hereby amended to read as follows:

> Sec. 13. NRS 361.265 is hereby amended to read as follows:
>
> 361.265 1. To enable the county assessor to make assessments, he shall demand from each natural person or firm, and from the president, cashier, treasurer or managing agent of each corporation, association or company, including all banking institutions, associations or firms within his county, a written statement, signed under penalty of perjury, on forms to be furnished by the county assessor of all the personal property within the county, owned, claimed, possessed, controlled or managed by those persons, firms, corporations, associations or companies.

2. Except as otherwise provided in subsection 5, the statement must include:

(a) A description of the location of any taxable personal property that is owned, claimed, possessed, controlled or managed by the natural person, firm, corporation, association or company, but stored, maintained or otherwise placed at a location other than the principal residence of the natural person or principal place of business of the firm, corporation, association or company; and

(b) The cost of acquisition of each item of taxable personal property including the cost of any improvements of the personal property, such as additions to or renovations of the property other than routine maintenance or repairs.

3. The statement must be returned not later than July 31, except for a statement mailed to the taxpayer after July 15, in which case it must be returned within 15 days after demand for its return is made. Upon petition of the property owner showing good cause, the county assessor may grant one or more 30-day extensions.

4. If the owners of any taxable property not listed by another person are absent or unknown, or fail to provide the written statement as described in subsection 1, the county assessor shall make an estimate of the value of the property and assess it accordingly. If the name of the absent owner is known to the county assessor, the property must be assessed in his name. If the name of the owner is unknown to the county assessor, the property must be assessed to "unknown owner"; but no mistake made in the name of the owner or the supposed owner of personal property renders the assessment or any sale of the property for taxes invalid.

5. A county assessor may send to an owner of personal property a statement to sign and return instead of complying with subsection 2. An owner who claims the exemption provided in paragraph (d) of subsection 1 of NRS 361.068 shall provide a signed statement, under oath, that the total cost of acquisition of all taxable personal property claimed to be exempt is less than **~~[$50,000]~~** ***$100,000*** and any further information demanded by the county assessor.

6. If any person, officer or agent neglects or refuses on demand of the county assessor or his deputy to give the statement required by this section, or gives a false name, or refuses to give his name or sign the statement, he is guilty of a misdemeanor.

Sec. 31. 1. This section and sections 1, 2 and 3 and 7 to 12, inclusive, and 14 to 29, inclusive, of this act become effective on June 30, 1999.

2. Sections 4 and 13 of this act become effective on June 30, 2000, and section 4 of this act expires by limitation on June 30, 2001.

3. Sections 5 and 30 of this act become effective at 12:01 a.m. on June 30, 2001, and section 5 of this act expires by limitation on June 30, 2003.

4. Section 6 of this act becomes effective at 12:01 a.m. on June 30, 2003.

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