SENATE BILL NO. 205–COMMITTEE ON TAXATION

(ON BEHALF OF DEPARTMENT OF TAXATION)

FEBRUARY 17, 1999

Referred to Committee on Taxation

SUMMARY—Requires owner of certain property that is assessed by Nevada tax commission to provide to Nevada tax commission information necessary to establish valuation of such property for assessment purposes. (BDR 32-668)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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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; requiring an owner of certain property that is assessed by the Nevada tax commission to provide to the Nevada tax commission information which is necessary to establish the valuation of such property for assessment purposes; requiring a person who fails to provide such information to pay a penalty; prohibiting the state board of equalization from reducing the assessment of certain property that is assessed by the Nevada tax commission under certain circumstances; 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 a new section to read as follows:

1. Except as otherwise provided in this subsection, on or before March 31 of each year, a person whose property the valuation of which is established by the Nevada tax commission pursuant to subsection 1 of NRS 361.320 shall provide to the Nevada tax commission and sign under oath a report that lists the information that the Nevada tax commission determines is necessary to assess the property. A person who provides a report pursuant to this subsection for the first time or a person whose property has escaped taxation pursuant to NRS 361.325 shall provide and sign under oath the report within 45 days after the date that he receives notification that his property will be assessed by the Nevada tax commission.

2. A person who fails to provide a report to the Nevada tax commission pursuant to subsection 1 shall pay to the department a penalty of 10 percent of the tax due or $5,000, whichever is greater, in addition to the tax. The department shall deposit any amount paid as a penalty in the state general fund. The department may, for good cause shown, waive the payment of a penalty or a portion of a penalty, pursuant to this subsection.

3. If a person refuses or, without good cause, neglects to provide to the Nevada tax commission the report required pursuant to subsection 1, the Nevada tax commission shall make a reasonable estimate of the property and assess it accordingly. No reduction may be made by the state board of equalization from the assessment of the Nevada tax commission made pursuant to this subsection.

Sec. 2. NRS 361.395 is hereby amended to read as follows:

361.395 1. During the annual session of the state board of equalization beginning on the fourth Monday in March of each year, the state board of equalization shall:

(a) Equalize property valuations in the state.

(b) Review the tax rolls of the various counties as corrected by the county boards of equalization thereof and ***, except as otherwise provided in section 1 of this act,*** raise or lower, equalizing and establishing the taxable value of the property, for the purpose of the valuations therein established by all the county assessors and county boards of equalization and the Nevada tax commission, of any class or piece of property in whole or in part in any county, including those classes of property enumerated in NRS 361.320.

2. If the state board of equalization proposes to increase the valuation of any property on the assessment roll, it shall give 10 days' notice to interested persons by registered or certified mail or by personal service. The notice must state the time when and place where the person may appear and submit proof concerning the valuation of the property. A person waives the notice requirement if he personally appears before the board and is notified of the proposed increase in valuation.

Sec. 3. NRS 361.403 is hereby amended to read as follows:

361.403 1. **[**~~Any~~**]** ***Except as otherwise provided in section 1 of this act, any*** person, firm, company, association or corporation, claiming overvaluation or excessive valuation of its property in this state; or

2. Any representative of any local government entity or the department claiming undervaluation, overvaluation or nonassessment of any property in the state,

solely by reason of the valuation placed thereon by the Nevada tax commission pursuant to NRS 361.320 or 361.325, whether or not it is apportioned pursuant to NRS 361.321 or 361.323, is entitled to a hearing before the state board of equalization to protest any assessment resulting therefrom, without appearing before or requesting relief from the county board of equalization. If a hearing is held, evidence of the valuation of the property in which the value is determined by using appropriate appraisal standards must be submitted to the state board of equalization.

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