

SENATE BILL NO. 319—COMMITTEE ON TAXATION
(ON BEHALF OF NEVADA ASSOCIATION OF COUNTIES)

MARCH 5, 1999

Referred to Committee on Taxation

SUMMARY—Exempts certain ad valorem tax levies from limitation on total ad valorem tax levy for all public purposes. (BDR 32-520)

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 ~~for omitted material~~ is material to be omitted.

AN ACT relating to taxation; exempting certain ad valorem tax levies from the limitation on the total ad valorem tax levy for all public purposes; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 361.453 is hereby amended to read as follows:
2 361.453 ***1.*** Except as otherwise provided in ***subsection 2 and*** NRS
3 354.705, the total ad valorem tax levy for all public purposes must not
4 exceed \$3.64 on each \$100 of assessed valuation, or a lesser or greater
5 amount fixed by the state board of examiners if the state board of
6 examiners is directed by law to fix a lesser or greater amount for that fiscal
7 year.
8 ***2.*** ***The following tax levies must not be included in calculating the***
9 ***limitation on the total ad valorem levy pursuant to subsection 1, but the***
10 ***total ad valorem tax levy for all public purposes, including those***
11 ***specified in this subsection, must not exceed \$5 on each \$100 of assessed***
12 ***valuation:***
13 ***(a) Any levy imposed by the legislature for the repayment of bonded***
14 ***indebtedness of the State of Nevada;***
15 ***(b) The levies imposed by a board of county commissioners pursuant***
16 ***to*** ***NRS*** ***428.185*** ***and*** ***428.285;*** ***and***

1 ***(c) The mandatory minimum levy imposed by a board of county***
2 ***commissioners pursuant to subsection 2 of NRS 549.020.***

3 **Sec. 2.** NRS 361.455 is hereby amended to read as follows:

4 361.455 1. Unless individual tax rates are reduced pursuant to NRS
5 361.4547, immediately upon adoption of the final budgets, if the combined
6 tax rate ~~together with the established state tax rate~~ exceeds the limit
7 imposed by NRS 361.453, the chairman of the board of county
8 commissioners in each county concerned shall call a meeting of the
9 governing boards of each of the local governments within the county for the
10 purpose of establishing a combined tax rate that conforms to the statutory
11 limit. The chairman shall convene the meeting no later than June 13 of each
12 year.

13 2. The governing boards of the local governments shall meet in public
14 session and the county clerk shall keep appropriate records, pursuant to
15 regulations of the department, of all proceedings. The costs of taking and
16 preparing the record of the proceedings, including the costs of transcribing
17 and summarizing tape recordings, must be borne by the county and
18 participating incorporated cities in proportion to the final tax rate as
19 certified by the department. The chairman of the board of county
20 commissioners or his designee shall preside at the meeting. The governing
21 boards shall explore areas of mutual concern so as to agree upon a
22 combined tax rate that does not exceed the statutory limit.

23 3. The governing boards shall determine final decisions by a
24 unanimous vote of all entities present and qualified to vote, as defined in
25 this subsection. No ballot may be cast on behalf of any governing board
26 unless a majority of the individual board is present. A majority vote of all
27 members of each governing board is necessary to determine the ballot cast
28 for that entity. All ballots must be cast not later than the day following the
29 day the meeting is convened. The district attorney is the legal adviser for
30 such proceedings.

31 4. The county clerk shall immediately thereafter advise the department
32 of the results of the ballots cast and the tax rates set for local governments
33 concerned. If the ballots for the entities present at the meeting in the county
34 are not unanimous, the county clerk shall transmit all records of the
35 proceedings to the department within 5 days after the meeting.

36 5. If a unanimous vote is not obtained and the combined rate in any
37 county together with the established state tax rate exceeds the statutory
38 limit, the department shall examine the record of the discussions and the
39 budgets of all local governments concerned. On June 25 or, if June 25 falls
40 on a Saturday or Sunday, on the Monday next following, the Nevada tax
41 commission shall meet to set the tax rates for the next succeeding year for
42 all local governments so examined. In setting the tax rates for the next
43 succeeding year the Nevada tax commission shall not reduce that portion of

1 the proposed tax rate of the county school district for the operation and
2 maintenance of public schools.

3 6. Any local government affected by a rate adjustment, made in
4 accordance with the provisions of this section, which necessitates a budget
5 revision shall file a copy of its revised budget by July 30 next after the
6 approval and certification of the rate by the Nevada tax commission.

7 7. A copy of the certificate of the Nevada tax commission sent to the
8 board of county commissioners must be forwarded to the county auditor.

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

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