SENATE BILL NO. 33–SENATOR SHAFFER

PREFILED JANUARY 25, 1999

Referred to Committee on Taxation

SUMMARY—Makes various changes concerning exemptions from property and vehicle privilege taxes for veterans. (BDR 32-1180)

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; increasing and providing for the adjustment of the amount of the exemptions from property and vehicle privilege taxes for veterans and veterans' organizations; increasing the maximum amount that the state treasurer may accept from certain persons for credit to the veterans' home account; 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 361.090 is hereby amended to read as follows:

361.090 1. The property, to the extent of **[**~~$1,000~~**]** ***$2,000*** 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]~~ ***$2,000*** 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 filed with the county assessor to the effect 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.

8. Beginning with fiscal year 2000-2001, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to each amount the product of the amount shown multiplied by the percentage increase in the Consumer Price Index from December 1999 to the December preceding the fiscal year for which the adjustment is calculated.

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

361.0905 1. Any person who qualifies for an exemption pursuant to NRS 361.090 may, in lieu of claiming his exemption:

(a) Pay to the county assessor all or any portion of the amount by which the tax would be reduced if he claimed his exemption; and

(b) Direct the county assessor to deposit that amount for credit to the veterans' home account established pursuant to NRS 417.145.

2. Any person who wishes to waive his exemption pursuant to this section shall designate the amount to be credited to the account on a form provided by the Nevada tax commission.

3. The county assessor shall deposit any money received pursuant to this section with the state treasurer for credit to the veterans' home account established pursuant to NRS 417.145. The state treasurer shall not accept more than a total of **[**~~$1,000,000~~**]** ***$2,000,000*** for credit to the account pursuant to this section and NRS 371.1035 during any fiscal year.

Sec. 3. NRS 361.091 is hereby amended to read as follows:

361.091 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his surviving spouse, is entitled to a disabled veteran's exemption.

2. The amount of exemption is based on the total percentage of permanent service-connected disability. The maximum allowable exemption for total permanent disability is the first **[**~~$10,000~~**]** ***$20,000*** assessed valuation. A person with a permanent service-connected disability of:

(a) Eighty to 99 percent, inclusive, is entitled to an exemption of **[**~~$7,500~~**]** ***$15,000*** assessed value.

(b) Sixty to 79 percent, inclusive, is entitled to an exemption of **[**~~$5,000~~**]** ***$10,000*** assessed value.

For the purposes of this section, any property in which an applicant has any interest is deemed to be the property of the applicant.

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

4. The affidavit must be made before the county assessor or a notary public and be submitted to the county assessor. It must be to the effect that the affiant is a bona fide resident of the State of Nevada, that he meets all the other requirements of subsection 1 and that he does not claim the exemption in any other county within this state. 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.

5. Before allowing any exemption pursuant to the provisions of this section, the county assessor shall require proof of the applicant's status, and for that purpose shall require him to produce an original or certified copy of:

(a) An honorable discharge or other document of honorable separation from the Armed Forces of the United States which indicates the total percentage of his permanent service-connected disability;

(b) A certificate of satisfactory service which indicates the total percentage of his permanent service-connected disability; or

(c) A certificate from the Department of Veterans Affairs or any other military document which shows that he has incurred a permanent service-connected disability and which indicates the total percentage of that disability, together with a certificate of honorable discharge or satisfactory service.

6. A surviving spouse claiming an exemption pursuant to this section must file with the county assessor an affidavit declaring that:

(a) The surviving spouse was married to and living with the disabled veteran for the 5 years preceding his death;

(b) The disabled veteran was eligible for the exemption at the time of his death or would have been eligible if he had been a resident of the State of Nevada;

(c) The surviving spouse has not remarried; and

(d) The surviving spouse is a bona fide resident of the State of Nevada.

The affidavit required by this subsection is in addition to the certification required pursuant to subsections 4 and 5. After the filing of the original affidavit required by this subsection, 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.

7. If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 361.090.

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

9. Beginning with fiscal year 2000-2001, the monetary amounts in subsection 2 must be adjusted for each fiscal year by adding to each amount the product of the amount shown multiplied by the percentage increase in the Consumer Price Index from December 1999 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 4. NRS 361.095 is hereby amended to read as follows:

361.095 1. The funds, furniture, paraphernalia and regalia owned and used exclusively by any post of any national organization of ex-service men or women for the legitimate purposes and customary objects of such posts shall be exempt from taxation, but such exemption shall in no case exceed the sum of **[**~~$5,000~~**]** ***$10,000*** assessed valuation to any one post or organization thereof.

2. The buildings, with their fixtures and the lots of ground on which they stand, used for its legitimate purposes and necessary thereto, of any such organization shall be exempt from taxation, but when any such property is used for purposes other than those of such organization, and a rent or other valuable consideration is received for its use, the property so used shall be taxed.

3. Where any structure or parcel of land is used partly for the purposes of such organization and partly for rental purposes, the area used for rental purposes shall be assessed separately and that portion only shall be taxed.

4. Beginning with fiscal year 2000-2001, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to $10,000 the product of $10,000 multiplied by the percentage increase in the Consumer Price Index from December 1999 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 5. NRS 371.103 is hereby amended to read as follows:

371.103 1. Vehicles, to the extent of **[**~~$1,000~~**]** ***$2,000*** determined valuation, registered by 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~~**]** ***$2,000*** determined valuation of vehicles in which such a person has any interest shall be deemed to belong to that person.

3. A person claiming the exemption shall file annually with the department in the county where the exemption is claimed an affidavit declaring that he 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.

4. Persons in actual military service are exempt during the period of such service from filing annual affidavits of exemption and the department shall grant exemptions to those 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.

5. Before allowing any veteran's exemption pursuant to the provisions of this chapter, the department 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.

6. If any person files a false affidavit or produces false proof to the department, 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.

7. Beginning with fiscal year 2000-2001, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to each amount the product of the amount shown multiplied by the percentage increase in the Consumer Price Index from December 1999 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 6. NRS 371.1035 is hereby amended to read as follows:

371.1035 1. Any person who qualifies for an exemption pursuant to NRS 371.103 may, in lieu of claiming his exemption:

(a) Pay to the department all or any portion of the amount by which the tax would be reduced if he claimed his exemption; and

(b) Direct the department to deposit that amount for credit to the veterans' home account established pursuant to NRS 417.145.

2. Any person who wishes to waive his exemption pursuant to this section shall designate the amount to be credited to the account on a form provided by the department.

3. The department shall deposit any money received pursuant to this section with the state treasurer for credit to the veterans' home account established pursuant to NRS 417.145. The state treasurer shall not accept more than a total **[**~~$1,000,000~~**]** ***of $2,000,000*** for credit to the account pursuant to this section and NRS 361.0905 during any fiscal year.

Sec. 7. NRS 371.104 is hereby amended to read as follows:

371.104 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his surviving spouse, is entitled to a veteran's exemption from the payment of vehicle privilege taxes on vehicles of the following determined valuations:

(a) If he has a disability of 100 percent, the first **[**~~$10,000~~**]** ***$20,000*** of determined valuation;

(b) If he has a disability of 80 to 99 percent, inclusive, the first **[**~~$7,500~~**]** ***$15,000*** of determined valuation; or

(c) If he has a disability of 60 to 79 percent, inclusive, the first **[**~~$5,000~~**]** ***$10,000*** of determined valuation.

2. For the purpose of this section, the first **[**~~$10,000~~**]** ***$20,000*** determined valuation of vehicles in which an applicant has any interest shall be deemed to belong entirely to that person.

3. A person claiming the exemption shall file annually with the department in the county where the exemption is claimed an affidavit declaring that he is a 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 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. Before allowing any exemption pursuant to the provisions of this section, the department shall require proof of the applicant's status, and for that purpose shall require production of:

(a) A certificate from the Department of Veterans Affairs that the veteran has incurred a permanent service-connected disability, which shows the percentage of that disability; and

(b) Any one of the following:

(1) An honorable discharge;

(2) A certificate of satisfactory service; or

(3) A certified copy of either of these documents.

5. A surviving spouse claiming an exemption pursuant to this section must file with the department in the county where the exemption is claimed an affidavit declaring that:

(a) The surviving spouse was married to and living with the disabled veteran for the 5 years preceding his death;

(b) The disabled veteran was eligible for the exemption at the time of his death; and

(c) The surviving spouse has not remarried.

The affidavit required by this subsection is in addition to the certification required pursuant to subsections 3 and 4. After the filing of the original affidavit required by this subsection, 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.

6. If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 371.103.

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

8. Beginning with fiscal year 2000-2001, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to each amount the product of the amount shown multiplied by the percentage increase in the Consumer Price Index from December 1999 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 8. This act becomes effective on July 1, 1999.

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