

Senate Bill No. 494—Committee on Taxation

CHAPTER.....

AN ACT relating to taxation; extending from 2 years to 3 years the interval between studies of the ratio of assessed to taxable value of property in each county; 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 361.333 is hereby amended to read as follows:

361.333 1. Not later than May 1 of each year, the department shall:

(a) Determine the ratio of the assessed value of each type or class of property for which the county assessor has the responsibility of assessing in each county to:

(1) The assessed value of comparable property in the remaining counties.

(2) The taxable value of that type or class of property within that county.

(b) Publish and deliver to the county assessors and the boards of county commissioners of the counties of this state:

(1) A comparison of the latest median ratio, overall ratio and coefficient of dispersion of the median for:

(I) The total property for each of the 17 counties; and

(II) Each major ~~property~~ class *of property* within each county.

(2) A determination ~~of~~ whether each county has adequate procedures to ensure that all property subject to taxation is being assessed in a correct and timely manner.

(3) A summary for each county of any deficiencies that were discovered in carrying out the ~~ratio study~~.

~~2. The ratio study must be conducted on nine counties in one year and eight counties in the next year with the same combination of counties being tested in alternate years.]~~ *study of those ratios.*

2. The Nevada tax commission shall allocate the counties into three groups such that the work of conducting the study is approximately the same for each group. The department shall conduct the study in one group each year. The commission may from time to time reallocate counties among the groups, but each county must be studied at least once in every 3 years.

3. In conducting the ~~ratio~~ study the department shall include an adequate sample of each major ~~property~~ class *of property* and may use any statistical criteria that will indicate an accurate ratio of taxable value to assessed value and an accurate measure of ~~assessment equality~~ *equality in assessment*.

4. During the month of May of each year, the board of county commissioners, or a representative designated by the board's chairman, and

the county assessor, or a representative designated by the assessor, of each county in which the ~~{ratio}~~ study was conducted shall meet with the Nevada tax commission. The board of county commissioners and the county assessor, or their representatives, shall:

(a) Present evidence to the Nevada tax commission of the steps taken to ensure that all property subject to taxation within the county has been assessed as required by law.

(b) Demonstrate to the Nevada tax commission that any adjustments in assessments ordered in the preceding year as a result of the ~~{appraisal}~~ procedure provided in paragraph (c) of subsection 5 have been complied with.

5. At the conclusion of each meeting with the board of county commissioners and the county assessor, or their representatives, the Nevada tax commission may:

(a) If it finds that all property subject to taxation within the county has been assessed at the proper percentage, take no further action.

(b) If it finds that any class of property is assessed at less or more than the proper percentage, and if the board of county commissioners approves, order a specified percentage increase or decrease in the assessed valuation of that class on the succeeding tax list and assessment roll.

(c) If it finds the existence of underassessment or overassessment wherein the ratio of assessed value to taxable value is less than 32 percent or more than 36 percent in any of the following classes:

(1) Improvement values for the reappraisal area;

(2) Land values for the reappraisal area; and

(3) Total property values for each of the following use categories in the reappraisal area:

(I) Vacant;

(II) Single-family residential;

(III) Multi-residential;

(IV) Commercial and industrial; and

(V) Rural,

of the county which are required by law to be assessed at 35 percent of their taxable value, if in the nonreappraisal area the approved land and improvement factors are not being correctly applied or new construction is not being added to the assessment roll in a timely manner, or if the board of county commissioners does not agree to an increase or decrease in assessed value as provided in paragraph (b), order the board of county commissioners to employ forthwith one or more qualified appraisers approved by the department. The payment of ~~{such}~~ *those* appraisers' fees is a proper charge against the county notwithstanding that the amount of such fees has not been budgeted in accordance with law. The appraisers shall determine whether or not the county assessor has assessed all real and personal property in the county subject to taxation at the rate of assessment required by law. The appraisers may cooperate with the department in making their determination if so agreed by the appraisers and the

department, and shall cooperate with the department in preparing a report to the Nevada tax commission. The report to the Nevada tax commission must be made on or before October 1 following the date of the order. If the report indicates that any real or personal property in the county subject to taxation has not been assessed at the rate required by law, a copy of the report must be transmitted to the board of county commissioners by the department before November 1. The board of county commissioners shall then order the county assessor to raise or lower the assessment of such property to the rate required by law on the succeeding tax list and assessment roll.

6. The Nevada tax commission may adopt regulations reasonably necessary to carry out the provisions of this section.

7. Any county assessor who refuses to increase or decrease the assessment of any property pursuant to an order of the Nevada tax commission or the board of county commissioners as provided in this section is guilty of malfeasance in office.

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