

CHAPTER.....

AN ACT relating to property taxes; revising the provisions governing the development of certain factors used in the determination of the taxable value of improvements to real property; 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:

*The factors for improvements required by subsection 5 of NRS 361.260 must be adopted pursuant to the following procedure:*

*1. On or before February 1 of the year immediately preceding the year to which the factors will be applied, the Department shall provide the proposed factors to each county assessor.*

*2. On or before May 15 of the same year, each county assessor shall notify the Nevada Tax Commission that he either approves or objects to the proposed factors that are applicable to the county he represents.*

*3. If one or more of the county assessors notify the Nevada Tax Commission of an objection to the proposed factors that are applicable to the county they represent, the Nevada Tax Commission shall, at a regularly scheduled meeting of the Commission, hold a hearing on those proposed factors before the factors are adopted. At the hearing, the Nevada Tax Commission shall:*

*(a) Make every effort to reconcile the objection or objections of each county assessor; and*

*(b) Provide to those persons attending the hearing copies of any published reference manuals and the local indicators of the taxable value of improvements that were used by the Department to establish the proposed factors.*

**Sec. 2.** 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 and manufactured homes on the secured tax roll if the owner of the personal property or mobile or manufactured 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 or manufactured home, plus penalties. Personal property and mobile and manufactured 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 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 ~~in~~ *in the manner required in section 1 of this act*. 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.

6. The county assessor shall reappraise all real property at least once every 5 years.

7. The county assessor shall establish standards for appraising and reappraising land pursuant to this section. In establishing the standards, the county assessor shall consider comparable sales of land before July 1 of the year before the lien date.

8. 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. 3.** This act becomes effective on July 1, 2003.