

ASSEMBLY BILL NO. 348—ASSEMBLYMAN CARPENTER

MARCH 17, 2003

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Referred to Committee on Taxation

SUMMARY—Revises provisions governing development of certain factors used in determination of taxable value of improvements to real property for assessment of property taxes. (BDR 32-1121)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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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:

- 1     **Section 1.** Chapter 361 of NRS is hereby amended by adding  
2     thereto a new section to read as follows:  
3     *The factors for improvements required by subsection 5 of NRS*  
4     *361.260 must be adopted pursuant to the following procedure:*  
5     1. *On or before February 1 of the year immediately preceding*  
6     *the year to which the factors will be applied, the Department shall*  
7     *provide the proposed factors to each county assessor.*  
8     2. *On or before May 15 of the same year, each county*  
9     *assessor shall notify the Nevada Tax Commission that he either*  
10    *approves or objects to the proposed factors that are applicable to*  
11    *the county he represents.*  
12    3. *If one or more of the county assessors notify the Nevada*  
13    *Tax Commission of an objection to the proposed factors that are*  
14    *applicable to the county they represent, the Nevada Tax*  
15    *Commission shall, at a regularly scheduled meeting of the*



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1 *Commission, hold a hearing on those proposed factors before the*  
2 *factors are adopted. At the hearing, the Nevada Tax Commission*  
3 *shall:*

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

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

10 **Sec. 2.** NRS 361.260 is hereby amended to read as follows:

11 361.260 1. Each year, the county assessor, except as  
12 otherwise required by a particular statute, shall ascertain by diligent  
13 inquiry and examination all real and secured personal property that  
14 is in his county on July 1 which is subject to taxation, and also the  
15 names of all persons, corporations, associations, companies or firms  
16 owning the property. He shall then determine the taxable value of all  
17 such property, and he shall then list and assess it to the person, firm,  
18 corporation, association or company owning it on July 1 of that  
19 fiscal year. He shall take the same action at any time between May 1  
20 and the following April 30, with respect to personal property which  
21 is to be placed on the unsecured tax roll.

22 2. At any time before the lien date for the following fiscal year,  
23 the county assessor may include additional personal property and  
24 mobile and manufactured homes on the secured tax roll if the owner  
25 of the personal property or mobile or manufactured home owns real  
26 property within the same taxing district which has an assessed value  
27 that is equal to or greater than the taxes for 3 years on both the real  
28 property and the personal property or mobile or manufactured home,  
29 plus penalties. Personal property and mobile and manufactured  
30 homes in the county on July 1, but not on the secured tax roll for the  
31 current year, must be placed on the unsecured tax roll for the current  
32 year.

33 3. An improvement on real property in existence on July 1  
34 whose existence was not ascertained in time to be placed on the  
35 secured roll for that tax year and which is not governed by  
36 subsection 4 must be placed on the unsecured tax roll.

37 4. The value of any property apportioned among counties  
38 pursuant to NRS 361.320, 361.321 and 361.323 must be added to  
39 the central assessment roll at the assessed value established by the  
40 Nevada Tax Commission or as established pursuant to an appeal to  
41 the State Board of Equalization.

42 5. In addition to the inquiry and examination required in  
43 subsection 1, for any property not reappraised in the current  
44 assessment year, the county assessor shall determine its assessed  
45 value for that year by applying a factor for improvements, if any,



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1 and a factor for land to the assessed value for the preceding year.  
2 The factor for improvements must reasonably represent the change,  
3 if any, in the taxable value of typical improvements in the area since  
4 the preceding year, and must take into account all applicable  
5 depreciation and obsolescence. The factor for improvements must  
6 be adopted by the Nevada Tax Commission ~~in~~ *in the manner*  
7 *required in section 1 of this act.* The factor for land must be  
8 developed by the county assessor and approved by the Commission.  
9 The factor for land must be so chosen that the median ratio of the  
10 assessed value of the land to the taxable value of the land in each  
11 area subject to the factor is not less than 30 percent nor more than  
12 35 percent.

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

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

19 8. Each county assessor shall submit a written request to the  
20 board of county commissioners and the governing body of each of  
21 the local governments located in the county which maintain a unit of  
22 government that issues building permits for a copy of each building  
23 permit that is issued. Upon receipt of such a request, the governing  
24 body shall direct the unit which issues the permits to provide a copy  
25 of each permit to the county assessor within a reasonable time after  
26 issuance.

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

