
EMERGENCY REQUEST OF SPEAKER OF THE ASSEMBLY

ASSEMBLY JOINT RESOLUTION NO. 18—ASSEMBLYMAN PERKINS

MAY 31, 2005

Declared an Emergency Measure

SUMMARY—Proposes to amend Nevada Constitution to effect limitation on property taxes collected annually from senior citizens. (BDR C-1480)

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

~

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

ASSEMBLY JOINT RESOLUTION—Proposing to amend the Nevada Constitution to effect a limitation on property taxes collected annually from senior citizens.

Legislative Counsel’s Digest:

- 1 Existing law authorizes the Legislature to provide for an abatement of the tax
2 upon or an exemption of part of the assessed value of a single-family residence
3 occupied by the owner to the extent necessary to avoid severe economic hardship to
4 the owner of the residence. (Nev. Const., Art. 10, § 1)
5 This resolution proposes to amend Section 1 of Article 10 of the Nevada
6 Constitution by requiring the Legislature to provide for a limitation on the
7 maximum amount of the tax which may be collected annually upon the assessed
8 value of any residence owned by a senior citizen who has paid property taxes in
9 Nevada during each of the previous 10 years.
-

- 1 RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF
2 NEVADA, JOINTLY, That Section 1 of Article 10 of the Nevada
3 Constitution is amended to read as follows:

- 4 Section 1. 1. The Legislature shall provide by law
5 for a uniform and equal rate of assessment and taxation, and
6 shall prescribe such regulations as shall secure a just
7 valuation for taxation of all property, real, personal and
8 possessory, except mines and mining claims, which shall be



1 assessed and taxed only as provided in Section 5 of this
2 Article.

3 2. Shares of stock, bonds, mortgages, notes, bank
4 deposits, book accounts and credits, and securities and choses
5 in action of like character are deemed to represent interest in
6 property already assessed and taxed, either in Nevada or
7 elsewhere, and shall be exempt.

8 3. The Legislature may constitute agricultural and
9 open-space real property having a greater value for another
10 use than that for which it is being used, as a separate class for
11 taxation purposes and may provide a separate uniform plan
12 for appraisal and valuation of such property for assessment
13 purposes. If such plan is provided, the Legislature shall also
14 provide for retroactive assessment for a period of not less
15 than 7 years when agricultural and open-space real property is
16 converted to a higher use conforming to the use for which
17 other nearby property is used.

18 4. Personal property which is moving in interstate
19 commerce through or over the territory of the State of
20 Nevada, or which was consigned to a warehouse, public or
21 private, within the State of Nevada from outside the State of
22 Nevada for storage in transit to a final destination outside the
23 State of Nevada, whether specified when transportation
24 begins or afterward, shall be deemed to have acquired no
25 situs in Nevada for purposes of taxation and shall be exempt
26 from taxation. Such property shall not be deprived of such
27 exemption because while in the warehouse the property is
28 assembled, bound, joined, processed, disassembled, divided,
29 cut, broken in bulk, relabeled or repackaged.

30 5. The Legislature may exempt motor vehicles from
31 the provisions of the tax required by this Section, and in lieu
32 thereof, if such exemption is granted, shall provide for a
33 uniform and equal rate of assessment and taxation of motor
34 vehicles, which rate shall not exceed five cents on one dollar
35 of assessed valuation.

36 6. The Legislature shall provide by law for a
37 progressive reduction in the tax upon business inventories by
38 20 percent in each year following the adoption of this
39 provision, and after the expiration of the 4th year such
40 inventories are exempt from taxation. The Legislature may
41 exempt any other personal property, including livestock.

42 7. No inheritance tax shall ever be levied.

43 8. The Legislature may exempt by law property used
44 for municipal, educational, literary, scientific or other



charitable purposes, or to encourage the conservation of energy or the substitution of other sources for fossil sources of energy.

9. No income tax shall be levied upon the wages or personal income of natural persons. Notwithstanding the foregoing provision, and except as otherwise provided in subsection 1 of this Section, taxes may be levied upon the income or revenue of any business in whatever form it may be conducted for profit in the State.

10. The Legislature may provide by law for an abatement of the tax upon or an exemption of part of the assessed value of a single-family residence occupied by the owner to the extent necessary to avoid severe economic hardship to the owner of the residence.

11. Except as otherwise provided in this section, the amount of the property tax which may be collected annually for a residence owned and occupied by a senior citizen who has paid property taxes in this State during each of the previous 10 years must be limited to an amount that does not exceed the lesser of:

(a) The tax upon the assessed value of the property in the year in which the person:

(1) Reaches the age of retirement, as defined by the Legislature; or

(2) Has paid property taxes in this State for each of the previous 10 years,

↳ whichever is later; or

(b) The tax that would otherwise apply to the property for the current year.

↳ The amount of the property tax which, but for the provisions of this subsection, would otherwise be collected for a residence owned and occupied by a senior citizen becomes due and payable when the senior citizen ceases to occupy the residence, upon the sale of the senior citizen's interest in the residence or upon the death of the senior citizen, whichever occurs first.



