

## Amendment No. 1003

Assembly Amendment to Senate Bill No. 509	(BDR 32-1452)
<b>Proposed by:</b> Committee on Growth and Infrastructure	
<b>Amendment Box:</b>	
<b>Resolves Conflicts with:</b> N/A	
<b>Amends:</b> Summary: No    Title: Yes    Preamble: No    Joint Sponsorship: No    Digest: No	

ASSEMBLY ACTION	Initial and Date	SENATE ACTION	Initial and Date
Adopted <input type="checkbox"/> Lost <input type="checkbox"/>	_____	Adopted <input type="checkbox"/> Lost <input type="checkbox"/>	_____
Concurred In <input type="checkbox"/> Not <input type="checkbox"/>	_____	Concurred In <input type="checkbox"/> Not <input type="checkbox"/>	_____
Receded <input type="checkbox"/> Not <input type="checkbox"/>	_____	Receded <input type="checkbox"/> Not <input type="checkbox"/>	_____

Amend section 1, page 1, line 2, by deleting “5,” and inserting “22,”.

Amend the bill as a whole by renumbering sections 2 through 5 as sections 19 through 22 and adding new sections designated sections 2 through 18, following section 1, to read as follows:

**“Sec. 2. As used in sections 3 to 7, inclusive, of chapter 20, Statutes of Nevada 2005, and sections 2 to 17, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 13, inclusive, of this act have the meanings ascribed to them in those sections.**

**Sec. 3. “Abatement percentage” means, with regard to any property for which the owner thereof is entitled to a partial abatement from taxation pursuant to:**

**1. Section 3 or 3.5 of chapter 20, Statutes of Nevada 2005, 3 percent;**

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SJC/BJE

Date: 5/26/2005

S.B. No. 509—Revises provisions governing property taxes.

*2. Subsection 1 of section 4 of chapter 20, Statutes of Nevada 2005, the percentage determined pursuant to paragraph (b) of that subsection; or*

*3. Subsection 2 of section 4 of chapter 20, Statutes of Nevada 2005, the percentage determined pursuant to paragraph (b) of that subsection.*

*Sec. 4. “Ad valorem taxes levied in a county” means any ad valorem taxes levied by the State or any other taxing entity in a county.*

*Sec. 5. “Base-year assessed value” means the amount of the assessed value of the taxable property in a redevelopment area which is used for determining the amount of any distribution of the proceeds of ad valorem taxes to the redevelopment taxing entities in accordance with paragraph (a) of subsection 1 of NRS 279.676.*

*Sec. 6. “Base-year assessed value percentage” means the percentage that results from dividing the base-year assessed value for a redevelopment area by the sum obtained by adding:*

- 1. The base-year assessed value for the redevelopment area; and*
- 2. Any incremental assessed value for the redevelopment area for the current year.*

*Sec. 7. “Combined overlapping tax rate” means the total ad valorem tax rate levied on a parcel or other taxable unit of property, excluding any portion thereof which is:*

*1. Exempt pursuant to section 5.5 or subsection 3 of section 6 of chapter 20, Statutes of Nevada 2005, from each partial abatement from taxation provided pursuant to sections 3, 3.5 and 4 of chapter 20, Statutes of Nevada 2005; or*

*2. Approved and levied pursuant to section 7 of chapter 20, Statutes of Nevada 2005, and exempt from each partial abatement from taxation provided pursuant to sections 3, 3.5 and 4 of chapter 20, Statutes of Nevada 2005.*

**Sec. 8.** *“Incremental assessed value” means the amount of the assessed value of the taxable property in a redevelopment area which is used for determining the amount of any distribution of the proceeds of ad valorem taxes to the redevelopment agency in accordance with paragraph (b) of subsection 1 of NRS 279.676.*

**Sec. 9.** *“Parcel-proportionate share of the base value” means the product of:*

- 1. The assessed value of a parcel or other taxable unit of property for the current year; and*
- 2. The base-year assessed value percentage for the current year for the redevelopment area in which the parcel or other taxable unit of property is located.*

**Sec. 10.** *“Redevelopment agency” means a redevelopment agency created pursuant to chapter 279 of NRS to which any of the proceeds of the ad valorem taxes levied in the redevelopment area are distributed in accordance with paragraph (b) of subsection 1 of NRS 279.676.*

**Sec. 11.** *“Redevelopment area” means a redevelopment area created pursuant to chapter 279 of NRS regarding which the redevelopment plan contains the provision authorized by NRS 279.676.*

**Sec. 12.** *“Redevelopment taxing entity” means a taxing entity to which any of the proceeds of the ad valorem taxes levied in a redevelopment area are distributed in accordance with paragraph (a) of subsection 1 of NRS 279.676.*

**Sec. 13.** *“Taxing entity” means the State and any political subdivision or other legal entity in this State which has the right to receive money from ad valorem taxes.*

**Sec. 14.** *1. On or before August 1 of each fiscal year, the tax receiver of each county in which is located a redevelopment area for which there is any incremental assessed value shall determine for each parcel or other taxable unit of property in that redevelopment area, other than any*

*property to which subsection 2 applies, for which the owner thereof is entitled to a partial abatement of taxes pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, and the combined overlapping tax rate applicable to the property for the current fiscal year exceeds the combined overlapping tax rate applicable to the property for the immediately preceding fiscal year:*

*(a) The amount which equals the lesser of:*

*(1) The amount of the partial abatement of taxes to which the owner of that property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year; or*

*(2) The product of the parcel-proportionate share of the base value for that property for the current fiscal year and the greater of:*

*(I) Zero; or*

*(II) The rate that results when the rate obtained by adding the combined overlapping tax rate for that property for the immediately preceding fiscal year to a percentage of that rate which is equal to the abatement percentage applicable to the property for the current fiscal year, is subtracted from the combined overlapping tax rate for that property for the current fiscal year; and*

*(b) The amount which equals the difference between:*

*(1) The amount determined pursuant to paragraph (a); and*

*(2) The amount of the partial abatement of taxes to which the owner of that property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year.*

*2. On or before August 1 of each fiscal year, the Department shall determine for each parcel or other taxable unit of property which is valued pursuant to NRS 361.320 or 361.323 and apportioned to a redevelopment area for which there is any incremental assessed value, and for which the owner thereof is entitled to a partial abatement of taxes pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, and the combined overlapping tax rate applicable to the property for the current fiscal year exceeds the combined overlapping tax rate applicable to the property for the immediately preceding fiscal year:*

*(a) The amount which equals the lesser of:*

*(1) The amount of the partial abatement of taxes to which the owner of that property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year; or*

*(2) The product of the parcel-proportionate share of the base value for that property for the current fiscal year and the greater of:*

*(I) Zero; or*

*(II) The rate that results when the rate obtained by adding the combined overlapping tax rate for that property for the immediately preceding fiscal year to a percentage of that rate which is equal to the abatement percentage applicable to the property for the current fiscal year, is subtracted from the combined overlapping tax rate for that property for the current fiscal year; and*

*(b) The amount which equals the difference between:*

*(1) The amount determined pursuant to paragraph (a); and*

*(2) The amount of the partial abatement of taxes to which the owner of that property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year.*

*3. That portion of the amount of any reduction in the ad valorem taxes levied on any parcel or other taxable unit of property to which subsection 1 or 2 applies for a fiscal year as a result of the application of sections 3, 3.5 and 4 of chapter 20, Statutes of Nevada 2005, which is determined pursuant to:*

*(a) Paragraph (a) of subsection 1 or paragraph (a) of subsection 2 for each such parcel or other taxable unit of property for which the combined overlapping tax rate for the current fiscal year has increased from the combined overlapping tax rate for the immediately preceding fiscal year by a percentage that exceeds the abatement percentage for that property, must be deducted from the amount of ad valorem taxes that each redevelopment taxing entity which has increased its rate of ad valorem taxes applicable to the property from the rate for the immediately preceding fiscal year, would otherwise be entitled to receive for the current fiscal year from the ad valorem taxes levied on the base-year assessed value for that property in the same proportion as that increase in its ad valorem tax rate bears to the total increase in the combined overlapping tax rate applicable to the property for the current fiscal year; and*

*(b) Paragraph (b) of subsection 1 or paragraph (b) of subsection 2 must be deducted from the amount of ad valorem taxes the redevelopment agency and each redevelopment taxing entity would otherwise be entitled to receive pursuant to paragraphs (b), (c) and (d) of subsection 1 of NRS 279.676 for the current fiscal year in the same proportion as each of those entities would otherwise share in the total amount distributed pursuant to those paragraphs.*

**Sec. 15. 1. On or before August 1 of each fiscal year, the tax receiver of each county shall determine for each parcel or other taxable unit of property located in that county, other than any property to which subsection 2 or section 14 of this act applies, for which the owner thereof is entitled to a partial abatement of taxes pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, and the combined overlapping tax rate applicable to the property for the current fiscal year exceeds the combined overlapping tax rate applicable to the property for the immediately preceding fiscal year, the amount which equals the lesser of:**

**(a) The amount of the partial abatement of taxes to which the owner of the property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year; or**

**(b) The product of the assessed value of the property for the current fiscal year and the difference between:**

**(1) The combined overlapping tax rate applicable to the property for the current fiscal year; and**

**(2) The combined overlapping tax rate applicable to the property for the immediately preceding fiscal year.**

**2. On or before August 1 of each fiscal year, the Department shall determine for each parcel or other taxable unit of property which is valued pursuant to NRS 361.320 or 361.323, other than any property to which section 14 of this act applies, and for which the owner thereof is entitled to a partial abatement of taxes pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, and the combined overlapping tax rate applicable to the property for the current fiscal year**

*exceeds the combined overlapping tax rate applicable to the property for the immediately preceding fiscal year, the amount which equals the lesser of:*

*(a) The amount of the partial abatement of taxes to which the owner of the property is entitled pursuant to section 3, 3.5 or 4 of chapter 20, Statutes of Nevada 2005, for the current fiscal year;*

*or*

*(b) The product of the assessed value of the property for the current fiscal year and the difference between:*

*(1) The combined overlapping tax rate applicable to the property for the current fiscal year;*  
*and*

*(2) The combined overlapping tax rate applicable to the property for the immediately preceding fiscal year.*

*3. That portion of the amount of any reduction in the ad valorem taxes levied on any parcel or other taxable unit of property to which subsection 1 or 2 applies for a fiscal year as a result of the application of sections 3, 3.5 and 4 of chapter 20, Statutes of Nevada 2005, which is determined pursuant to subsection 1 or 2 must be deducted from the amount of ad valorem taxes that each taxing entity which has increased its rate of ad valorem taxes applicable to the property from the rate for the immediately preceding fiscal year, would otherwise be entitled to receive for the current fiscal year in the same proportion as that increase in its ad valorem tax rate bears to the total increase in the combined overlapping tax rate applicable to the property for the current fiscal year.*



**Sec. 16.** *Notwithstanding any other provision of sections 3 to 7, inclusive, of chapter 20, Statutes of Nevada 2005, and sections 2 to 17, inclusive, of this act to the contrary, after a parcel or other taxable unit of real property is annexed to a taxing entity:*

*1. The amount otherwise required to be determined pursuant to paragraph (a) of subsection 1 of section 3, paragraph (a) of subsection 1 of section 3.5, paragraph (a) of subsection 1 of section 4 or paragraph (a) of subsection 2 of section 4 of chapter 20, Statutes of Nevada 2005, with respect to that property for the first fiscal year in which that taxing entity is entitled to levy or require the levy on its behalf of any ad valorem taxes on the property as a result of that annexation of the property, shall be deemed to be the amount of ad valorem taxes which would have been levied on the property for the immediately preceding fiscal year if the annexation had occurred 1 year earlier, based upon the tax rates that would have applied to the property for the immediately preceding fiscal year if the annexation had occurred 1 year earlier and without regard to any exemptions from taxation that applied to the property for the immediately preceding fiscal year but do not apply to the property for the current fiscal year; and*

*2. For the purposes of any other calculations required pursuant to the provisions of sections 3 to 7, inclusive, of chapter 20, Statutes of Nevada 2005, and sections 2 to 17, inclusive, of this act, the combined overlapping tax rate applicable to that property for the fiscal year immediately preceding the first fiscal year in which that taxing entity is entitled to levy or require the levy on its behalf of any ad valorem taxes on the property as a result of that annexation of the property, shall be deemed to be the combined overlapping tax rate that would have applied to the property for that year if the annexation had occurred 1 year earlier.*

**Sec. 17.** *1. The Committee on Local Government Finance may adopt:*

*(a) Such regulations as it determines to be appropriate for the administration and interpretation of the provisions of sections 14, 15 and 16 of this act; and*

*(b) Regulations which provide, in a manner that is consistent with the provisions of sections 14, 15 and 16 of this act, methodologies for allocating among the appropriate taxing entities the amount of any reduction in the ad valorem taxes levied on a parcel or other taxable unit of real property as a result of the application of sections 3, 3.5 and 4 of chapter 20, Statutes of Nevada 2005, if the property is included in or excluded from the boundaries of a redevelopment area, tax increment area or taxing entity after the effective date of this act.*

*2. Any regulations adopted by the Committee on Local Government Finance pursuant to this section must be adopted in the manner prescribed for state agencies in chapter 233B of NRS.*

*Sec. 18. 1. On or before March 5 of each year, the county assessor of each county shall provide to the Department, in addition to the information provided pursuant to NRS 361.390, such information regarding each parcel or other taxable unit of property in the county as the Department determines to be necessary to carry out subsection 2.*

*2. On or before March 25 of each year, the Department shall provide to each local government in this State a projection of the revenue the local government may receive for the upcoming fiscal year from ad valorem taxes.”.*

Amend sec. 3, page 2, by deleting line 24 and inserting:

*“failed to claim the partial abatement before the extension of the tax roll for that fiscal year pursuant to NRS 361.465, the tax”.*

Amend the bill as a whole by renumbering sections 6 through 9 as sections 25 through 28 and adding new sections designated sections 23 and 24, following sec. 5, to read as follows:

“**Sec. 23.** NRS 361.4545 is hereby amended to read as follows:

361.4545 1. On or before May 5 of each year, ~~[or within 5 days after receiving the projections of revenue from the Department, whichever is later,]~~ the ex officio tax receivers shall prepare and cause to be published in a newspaper of general circulation in their respective counties, a notice which contains at least the following information:

(a) A statement that the notice is not a bill for taxes owed but an informational notice. The notice must state:

(1) That public hearings will be held on the dates listed in the notice to adopt budgets and tax rates for the fiscal year beginning on July 1;

(2) That the purpose of the public hearings is to receive opinions from members of the public on the proposed budgets and tax rates before final action is taken thereon; and

(3) The tax rate to be imposed by the county and each political subdivision within the county for the ensuing fiscal year if the tentative budgets which affect the property in those areas become final budgets.

(b) A brief description of the limitation imposed by the Legislature on the revenue of the local governments.

(c) The dates, times and locations of all of the public hearings on the tentative budgets which affect the taxes on property.

(d) The names and addresses of the county assessor and ex officio tax receiver who may be consulted for further information.

(e) A brief statement of how property is assessed and how the combined tax rate is determined.

↪ The notice must be displayed in the format used for news and must be printed on at least one-half of a page of the newspaper.

2. Each ex officio tax receiver shall prepare and cause to be published in a newspaper of general circulation within the county:

(a) A notice, displayed in the format used for news and printed in not less than 8-point type, disclosing any increase in the property taxes as a result of any change in the tentative budget.

(b) A notice, displayed in the format used for advertisements and printed in not less than 8-point type on at least one quarter of a page of the newspaper, disclosing any amount in cents on each \$100 of assessed valuation by which the highest combined tax rate for property in the county exceeds \$3.64 on each \$100 of assessed valuation.

↪ These notices must be published within 10 days after the receipt of the information pursuant to NRS 354.596.

**Sec. 24.** NRS 361.455 is hereby amended to read as follows:

361.455 1. Unless individual tax rates are reduced pursuant to NRS 361.4547, immediately upon adoption of the final budgets, if the combined tax rate exceeds the limit imposed by NRS 361.453, the chairman of the board of county commissioners in each county concerned shall call a meeting of the governing boards of each of the local governments within the county for the purpose of establishing a combined tax rate that conforms to the statutory limit. The chairman shall convene the meeting no later than June ~~13~~ 20 of each year.

2. The governing boards of the local governments shall meet in public session and the county clerk shall keep appropriate records, pursuant to regulations of the Department, of all proceedings. The costs of taking and preparing the record of the proceedings, including the costs of transcribing

and summarizing tape recordings, must be borne by the county and participating incorporated cities in proportion to the final tax rate as certified by the Department. The chairman of the board of county commissioners or his designee shall preside at the meeting. The governing boards shall explore areas of mutual concern so as to agree upon a combined tax rate that does not exceed the statutory limit.

3. The governing boards shall determine final decisions by a unanimous vote of all entities present and qualified to vote, as defined in this subsection. No ballot may be cast on behalf of any governing board unless a majority of the individual board is present. A majority vote of all members of each governing board is necessary to determine the ballot cast for that entity. All ballots must be cast not later than the day following the day the meeting is convened. The district attorney is the legal adviser for such proceedings.

4. The county clerk shall immediately thereafter advise the Department of the results of the ballots cast and the tax rates set for local governments concerned. If the ballots for the entities present at the meeting in the county are not unanimous, the county clerk shall transmit all records of the proceedings to the Department within 5 days after the meeting.

5. If a unanimous vote is not obtained and the combined rate in any county together with the established state tax rate exceeds the statutory limit, the Department shall examine the record of the discussions and the budgets of all local governments concerned. On June 25 or, if June 25 falls on a Saturday or Sunday, on the Monday next following, the Nevada Tax Commission shall meet to set the tax rates for the next succeeding year for all local governments so examined. In setting the tax rates for the next succeeding year the Nevada Tax Commission shall not reduce that portion of the proposed tax rate of the county school district for the operation and maintenance of public schools.

6. Any local government affected by a rate adjustment, made in accordance with the provisions of this section, which necessitates a budget revision shall file a copy of its revised budget by July 30 next after the approval and certification of the rate by the Nevada Tax Commission.

7. A copy of the certificate of the Nevada Tax Commission sent to the board of county commissioners must be forwarded to the county auditor.”.

Amend sec. 6, page 3, by deleting line 20 and inserting:

“sections 5 ~~and~~ to 7 , *inclusive*, of this act, the owner of a single-family”.

Amend sec. 6, page 4, line 5, by deleting “The amount” and inserting:

“~~[The]~~ *Except as otherwise required to carry out the provisions of sections 14 to 17, inclusive, of Senate Bill No. 509 of this session and any regulations adopted pursuant thereto, the* amount”.

Amend sec. 7, page 5, by deleting line 45 and inserting:

“sections 5 ~~and~~ to 7 , *inclusive*, of this act, if the amount of rent collected”.

Amend sec. 7, page 6, line 35, by deleting “The amount” and inserting:

“~~[The]~~ *Except as otherwise required to carry out the provisions of sections 14 to 17, inclusive, of Senate Bill No. 509 of this session and any regulations adopted pursuant thereto, the* amount”.

Amend sec. 8, page 7, by deleting line 20 and inserting:

“sections 5 ~~and~~ to 7 , *inclusive*, of this act, the owner of any parcel or”.

Amend sec. 8, page 8, by deleting line 13 and inserting:

“out the provisions of sections 5 ~~and~~ to 7 , *inclusive*, of this act, the owner”.

Amend sec. 8, page 9, line 21, by deleting “The amount” and inserting:

“~~[The]~~ *Except as otherwise required to carry out the provisions of sections 14 to 17, inclusive, of Senate Bill No. 509 of this session and any regulations adopted pursuant thereto, the* amount”.

Amend the bill as a whole by renumbering sections 10 through 13 as sections 30 through 33 and adding a new section designated sec. 29, following sec. 9, to read as follows:

“**Sec. 29.** Chapter 20, Statutes of Nevada 2005, is hereby amended by adding thereto a new section designated sec. 5.5, following sec. 5, to read as follows:

Sec. 5.5. *1. Except as otherwise provided by specific statute, if any legislative act which becomes effective after April 6, 2005, imposes a duty on a taxing entity to levy a new ad valorem tax or to increase the rate of an existing ad valorem tax, the amount of the new tax or increase in the rate of the existing tax is exempt from each partial abatement from taxation provided pursuant to sections 3, 3.5 and 4 of this act.*

*2. For the purposes of this section, “taxing entity” does not include the State.”.*

Amend sec. 10, page 12, by deleting lines 7 through 15 and inserting:

“**4.** For the purposes of this section, “taxing entity” ~~[means the State and any political subdivision or other legal entity in this State which has the right to receive money from ad valorem taxes.]~~ *does not include the State.”.*

Amend sec. 11, page 13, by deleting lines 13 through 21 and inserting:

“**5.** For the purposes of this section, “taxing entity” ~~[means any political subdivision or other legal entity, other than the State, which has the right to receive money from any ad valorem taxes levied in a county.]~~ *does not include the State.”.*

Amend the bill as a whole by deleting sec. 14 and renumbering sec. 15 as sec. 34.

Amend sec. 15, page 15, line 13, by deleting “*or 9*”.

Amend sec. 15, page 15, by deleting lines 29 through 33 and inserting:

“*↪ for all purposes, including, without limitation, for the purposes of section 7 of Senate Bill No. 509 of this session,* to be approved and levied pursuant to section 7 of this act and to be exempt from each partial abatement from taxation provided pursuant to sections 3, 3.5 and 4 of this act.”.

Amend the bill as a whole by renumbering sec. 16 as sec. 37 and adding new sections designated sections 35 and 36, following sec. 15, to read as follows:

“**Sec. 35.** Section 9 of chapter 20, Statutes of Nevada 2005, is hereby repealed.

**Sec. 36.** Notwithstanding any provision of section 14 or 15 of this act to the contrary, the tax receiver of each county and the Department of Taxation:

1. Are not required to carry out the provisions of those sections before August 2, 2005; and
2. Shall carry out the provisions of those sections on or before October 1, 2005.”.

Amend sec. 16, page 15, by deleting lines 38 and 39 and inserting:

“**Sec. 37.** 1. This section and sections 1 to 17, inclusive, 19 to 22, inclusive, and 24 to 36, inclusive, of this act become effective upon passage and approval.

2. Sections 18 and 23 of this act become effective on January 1, 2006.”.

Amend the bill as a whole by adding the text of the repealed section, following sec. 16, to read as follows:

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#### **TEXT OF REPEALED SECTION**

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**Section 9 of chapter 20, Statutes of Nevada 2005:**



**Sec. 9.** Chapter 354 of NRS is hereby amending by adding thereto a new section to read as follows:

*1. A local government may not increase its total ad valorem tax rate for a fiscal year above its total ad valorem tax rate for the immediately preceding fiscal year without the approval of the Nevada Tax Commission, based upon the recommendation of the Committee on Local Government Finance. An application for such approval must be submitted to the Nevada Tax Commission.*

*2. The Nevada Tax Commission shall adopt such regulations as it deems appropriate to carry out the provisions of this section.”.*

Amend the title of the bill to read as follows:

“AN ACT relating to the taxation of property; making technical corrections to and providing for the administration of the provisions of Assembly Bill No. 489 of this session; providing for the allocation among taxing entities of certain reductions in ad valorem revenue; specifying the procedure for appealing determinations of the applicability of certain partial abatements of taxes; providing for the correction of the tax roll under certain circumstances when certain claims for a partial abatement are filed late; providing a penalty for falsely claiming to be entitled to certain partial abatements; specifying the order in which certain partial abatements and exemptions must be applied to reduce tax liability; clarifying certain provisions governing the determination of primary residences; exempting certain tax levies from the partial abatements; repealing the requirement for certain approval by the Nevada Tax Commission; and providing other matters properly relating thereto.”.