

SENATE BILL NO. 45—COMMITTEE ON TAXATION

(ON BEHALF OF THE STATE CONTROLLER)

FEBRUARY 10, 2005

Referred to Committee on Taxation

SUMMARY—Eliminates requirement that Attorney General and State Controller receive copy of written protest filed by property owner concerning property taxes. (BDR 32-166)

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

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

AN ACT relating to taxation; eliminating the requirement that a tax receiver must provide the Attorney General and the State Controller with a copy of a written protest filed by a property owner concerning property taxes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, a property owner who believes that the amount he has been
2 billed for property taxes is excessive may pay his property taxes under protest. To
3 pay under protest, the property owner must file a written protest with the county
4 treasurer at the time he pays the property tax installment. The county treasurer must
5 then forward a copy of the protest to the Attorney General and the State Controller.
6 (NRS 361.420)

7 This bill removes the requirement that a copy of the written protest be
8 forwarded to the Attorney General and the State Controller.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 361.420 is hereby amended to read as follows:
2 361.420 1. Any property owner whose taxes are in excess of
3 the amount which the owner claims justly to be due may pay each
4 installment of taxes as it becomes due under protest in writing. The



1 protest must be filed with the tax receiver at the time of the payment
2 of the installment of taxes. ~~[The tax receiver forthwith shall forward~~
3 ~~one copy of the protest to the Attorney General and one copy to the~~
4 ~~State Controller.]~~

5 2. The property owner, having protested the payment of taxes
6 as provided in subsection 1 and having been denied relief by the
7 State Board of Equalization, may commence a suit in any court of
8 competent jurisdiction in the State of Nevada against the State and
9 county in which the taxes were paid, and, in a proper case, both the
10 Nevada Tax Commission and the Department may be joined as a
11 defendant for a recovery of the difference between the amount of
12 taxes paid and the amount which the owner claims justly to be due,
13 and the owner may complain upon any of the grounds contained in
14 subsection 4.

15 3. Every action commenced under the provisions of this section
16 must be commenced within 3 months after the date of the payment
17 of the last installment of taxes, and if not so commenced is forever
18 barred. If the tax complained of is paid in full and under the written
19 protest provided for in this section, at the time of the payment of the
20 first installment of taxes, suit for the recovery of the difference
21 between the amount paid and the amount claimed to be justly due
22 must be commenced within 3 months after the date of the full
23 payment of the tax or the issuance of the decision of the State Board
24 of Equalization denying relief, whichever occurs later, and if not so
25 commenced is forever barred.

26 4. In any suit brought under the provisions of this section, the
27 person assessed may complain or defend upon any of the following
28 grounds:

29 (a) That the taxes have been paid before the suit;

30 (b) That the property is exempt from taxation under the
31 provisions of the revenue or tax laws of the State, specifying in
32 detail the claim of exemption;

33 (c) That the person assessed was not the owner and had no right,
34 title or interest in the property assessed at the time of assessment;

35 (d) That the property is situate in and has been assessed in
36 another county, and the taxes thereon paid;

37 (e) That there was fraud in the assessment or that the assessment
38 is out of proportion to and above the taxable cash value of the
39 property assessed;

40 (f) That the assessment is out of proportion to and above the
41 valuation fixed by the Nevada Tax Commission for the year in
42 which the taxes were levied and the property assessed; or



1 (g) That the assessment complained of is discriminatory in that
2 it is not in accordance with a uniform and equal rate of assessment
3 and taxation, but is at a higher rate of the taxable value of the
1 property so assessed than that at which the other property in the
2 State is assessed.

3 5. In a suit based upon any one of the grounds mentioned in
4 paragraphs (e), (f) and (g) of subsection 4, the court shall conduct
5 the trial without a jury and confine its review to the record before
6 the State Board of Equalization. Where procedural irregularities
7 by the Board are alleged and are not shown in the record, the court
8 may take evidence respecting the allegation and, upon the request of
9 either party, shall hear oral argument and receive written briefs on
10 the matter.

11 6. In all cases mentioned in this section where the complaint is
12 based upon any grounds mentioned in subsection 4, the entire
13 assessment must not be declared void but is void only as to the
14 excess in valuation.

15 7. In any judgment recovered by the taxpayer under this
16 section, the court may provide for interest thereon not to exceed 6
17 percent per annum from and after the date of payment of the tax
18 complained of.

19 **Sec. 2.** This act becomes effective on July 1, 2005.



