

ASSEMBLY BILL NO. 172—ASSEMBLYMEN BEERS, MABEY, ALLEN, ANDERSON, ATKINSON, BOBZIEN, BUCKLEY, CARPENTER, CHRISTENSEN, CLABORN, COBB, DENIS, GANSERT, GOEDHART, GRADY, HARDY, HORNE, KIHUEN, KIRKPATRICK, MANENDO, MCCLAIN, MORTENSON, MUNFORD, OHRENSCHALL, PARKS, PARNELL, SEGERBLUM, SETTELMAYER, SMITH, STEWART, WEBER AND WOMACK

FEBRUARY 26, 2007

Referred to Committee on Taxation

SUMMARY—Makes various changes concerning refunds of property tax paid by certain senior citizens. (BDR 38-796)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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.

AN ACT relating to senior citizens; revising the qualifications for a senior citizen to obtain a refund of property taxes paid by the senior citizen; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that a senior citizen is entitled to a refund of the property
2 tax paid by the senior citizen if the senior citizen meets certain qualifications. (NRS
3 427A.450-427A.600) This bill changes three of those qualifications. First, this bill
4 raises from \$24,016 to \$30,000 the maximum allowable income, as adjusted for
5 inflation, to qualify for a refund. (NRS 427A.515) Second, existing law provides
6 that a senior citizen is not entitled to a refund if the current assessed value of the
7 senior citizen's home is more than \$200,000. (NRS 427A.540) This bill changes
8 existing law by providing that a senior citizen is not entitled to a refund if the
9 assessed value of his home was more than \$300,000 at the time that the
10 construction of the home was completed. Finally, this bill raises from \$150,000 to
11 \$250,000 the maximum value of liquid assets a senior citizen and his spouse may
12 have to qualify for a refund. (NRS 427A.540)



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

Section 1. NRS 427A.515 is hereby amended to read as follows:

427A.515 1. A senior citizen whose home is placed upon the secured or unsecured tax roll, who has owned the home and maintained it as his primary residence since July 1 immediately preceding the filing of his claim and whose household income is not more than ~~[\$24,016,]~~ **\$30,000**, as adjusted pursuant to subsection 3, is entitled to a refund of the property tax accrued against his home, except as otherwise provided in subsection 2, as follows:

(a) If the amount of the applicant's household income is at or below the federally designated level signifying poverty for a family unit of one or two, the applicant is entitled to a refund of 100 percent of the property taxes accrued.

(b) If the amount of the applicant's household income is above the federally designated level signifying poverty for a family unit of one or two, the applicant is entitled to a refund of a percentage of the property taxes accrued based on a graduated schedule adopted by the Division.

2. The amount of the refund must not exceed the amount of the accrued property tax or \$500, whichever is less.

3. The maximum allowable income to qualify for a refund set forth in subsection 1 must be adjusted for each fiscal year by adding to ~~[\$24,016]~~ **\$30,000** the product of ~~[\$24,016]~~ **\$30,000** multiplied by the percentage increase in the Consumer Price Index from December ~~[2002]~~ **2006** to the November preceding the fiscal year for which the adjustment is calculated.

Sec. 2. NRS 427A.520 is hereby amended to read as follows:

427A.520 1. A senior citizen who has rented and maintained his primary residence in a home or on a lot since July 1 of the preceding calendar year and whose household income is not more than ~~[\$24,016,]~~ **\$30,000**, as adjusted pursuant to subsection 3 of NRS 427A.515, is entitled to a refund as determined in accordance with the provisions of subsection 1 of NRS 427A.515.

2. The amount of the refund provided pursuant to subsection 1 must not exceed an amount equal to that portion of the rent which is rent deemed to constitute accrued property tax, even if the rental property is exempt from property tax.

Sec. 3. NRS 427A.540 is hereby amended to read as follows:

427A.540 No claim may be accepted by the Division if the:

1. Claimant or spouse of the claimant owns real property, other than that claimed as a home, which has an assessed value of more than \$30,000;



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1 2. Home of the claimant and spouse of the claimant ~~has~~ *had*
2 an assessed value of more than ~~[\$200,000;]~~ *\$300,000 at the time*
3 *that the construction of the home was completed;* or

4 3. Liquid assets of the claimant and spouse of the claimant are
5 more than ~~[\$150,000;]~~ *\$250,000.*

6 **Sec. 4.** The amendatory provisions of this act apply to claims
7 for assistance filed pursuant to NRS 427A.450 to 427A.600,
8 inclusive, on or after January 1, 2008.

9 **Sec. 5.** This act becomes effective on July 1, 2007.

