

ASSEMBLY BILL NO. 209—COMMITTEE ON TAXATION

(ON BEHALF OF THE NEVADA ASSESSORS' ASSOCIATION)

FEBRUARY 28, 2007

Referred to Committee on Taxation

SUMMARY—Makes various changes regarding the imposition and administration of property taxes. (BDR 32-469)

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 the taxation of property; revising the provisions governing certain exemptions from taxes and appeals by taxpayers; revising the provisions governing the collection of taxes following certain fluctuations in taxable value; providing limitations upon certain requests for the waiver of interest and penalties imposed for the late payment of taxes; repealing the prospective expiration of certain provisions for the funding of accounts for the acquisition and improvement of technology in the offices of county assessors; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each county assessor to provide certain information regarding property taxes on the Internet. (NRS 361.0445) **Section 1** of this bill authorizes a county assessor to disseminate, by additional means, certain information to the public concerning the taxation of property.

Existing law provides an exemption from property taxes for any value added to the assessed value of a building by certain qualified systems that provide heating, cooling or electricity. (NRS 361.079) **Section 2** of this bill simplifies the administration of this exemption by removing any calculation of the value of such a qualified system from the determination of the assessed value of a building to which the exemption applies.

Existing law provides partial exemptions from property taxes for the property of surviving spouses, blind persons, veterans, disabled veterans and certain



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veterans' organizations, and provides for annual increases in those exemptions beginning with the 2006-2007 Fiscal Year based upon the increase in the Consumer Price Index from July 2004. (NRS 361.080, 361.085, 361.090, 361.091, 361.095) **Sections 3-7** of this bill provide for the commencement of those annual increases during the 2005-2006 Fiscal Year based upon the increase in the Consumer Price Index from July 2003.

Section 8 of this bill repeals a \$5,000 limitation on the amount of an exemption from property taxes applicable to the funds, furniture, paraphernalia and regalia of certain lodges and other charitable organizations. (NRS 361.135)

Existing law requires the filing of claims for personal tax exemptions on real property, and the initial claim of an organization for a tax exemption on real property, to be filed on or before June 15. (NRS 361.155) **Section 9** of this bill extends that deadline to July 5 for real property acquired after June 15 and before July 1.

Existing law allows taxpayers to appeal the amount of certain assessments of their property to the State Board of Equalization. (NRS 361.360) **Section 10** of this bill limits the effect of a change in assessment resulting from such an appeal to the fiscal year for which the assessment was made.

Under existing law, a property owner may protest the payment of taxes claimed to be in excess of the amount justly due and, if the State Board of Equalization denies relief, commence a legal proceeding in any county of this State to recover any overpayment. (NRS 361.420) Existing law authorizes a property owner to consolidate similar suits regarding property in more than one county into a single legal action. (NRS 361.435) **Sections 11 and 12** of this bill clarify that these proceedings consist of a judicial review of the decision of the State Board of Equalization and limit the locations where these proceedings may be brought.

Existing law exempts from certain partial abatements of property taxes certain increases in the taxable value of property following large fluctuations in that value and requires the collection of the resulting taxes due over a period of 3 years. (NRS 361.4725) **Section 13** of this bill allows the collection of the amount due in a single year if that amount does not exceed \$100 and authorizes the Nevada Tax Commission to exempt from collection any amount which is less than the cost of collection.

Existing law allows a taxpayer to petition the tax receiver for the review of a determination regarding the applicability of certain partial abatements from property taxes. (NRS 361.4734) **Section 14** of this bill requires the submission of the petition within 30 days after the taxpayer has notice of the determination.

Existing law authorizes a county treasurer or county assessor to waive all or part of the interest or penalty due from a person who fails to make a timely payment of property taxes as a result of circumstances beyond his control and who files a statement setting forth the facts of his claim. (NRS 361.4835) **Section 15** of this bill requires a person seeking such relief to pay the amount of the taxes due and file the statement within 30 days after that payment is made.

Under existing law, 2 percent of the property taxes collected for each county on personal property and the net proceeds of mines must be deposited into an account for the acquisition and improvement of technology in the office of the county assessor. (NRS 361.530, 362.170) **Sections 16 and 17** of this bill provide for the continuation of this funding by repealing its prospective expiration on July 1, 2007.



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

Section 1. Chapter 361 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A county assessor may, by regular mail, electronic means or any other means the assessor deems appropriate, disseminate information to the public concerning the taxation of property, including, without limitation, information relating to the valuation and assessment of property, exemptions from taxation, the declaration of a homestead and programs for the assistance of senior citizens.

2. Any information provided pursuant to subsection 1 must, to the extent practicable, be in a form that is easily understood and readily accessible to the public.

Sec. 2. NRS 361.079 is hereby amended to read as follows:

361.079 1. Except as otherwise provided in subsection 2, ~~for any assessment made on or after July 1, 1983, any value added by the value of~~ a qualified system must ~~be excluded from~~ *not be included in* the assessed value of ~~the building regardless of the date the system was installed.~~

~~—2.—Value~~ *a building.*

2. Any value added by a qualified system must ~~not be excluded from~~ *be included in* the assessed value of a commercial or industrial building during any period in which the business that owns the commercial or industrial building is receiving another abatement or exemption *pursuant to NRS 361.045 to 361.159, inclusive,* from the taxes imposed by this chapter.

3. As used in this section, “qualified system” means any system, method, construction, installation, machinery, equipment, device or appliance which is designed, constructed or installed in a residential, commercial or industrial building to heat or cool the building or water used in the building, or to provide electricity used in the building, by using:

(a) Energy from the wind or from solar devices not thermally insulated from the area where the energy is used;

(b) Geothermal resources;

(c) Energy derived from conversion of solid wastes; or

(d) Waterpower,

➔ which conforms to standards established by regulation of the Department.

Sec. 3. NRS 361.080 is hereby amended to read as follows:

361.080 1. The property of surviving spouses, not to exceed the amount of \$1,000 assessed valuation, is exempt from taxation, but no such exemption may be allowed to anyone but a bona fide



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1 resident of this State, and must be allowed in but one county in this
2 State to the same family.

3 2. For the purpose of this section, property in which the
4 surviving spouse has any interest shall be deemed the property of
5 the surviving spouse.

6 3. The person claiming such an exemption must file with the
7 county assessor an affidavit declaring that he is a bona fide resident
8 of this State and that the exemption has been claimed in no other
9 county in this State. The affidavit must be made before the county
10 assessor or a notary public. After the filing of the original affidavit,
11 the county assessor shall mail a form for renewal of the exemption
12 to the person each year following a year in which the exemption was
13 allowed for that person. The form must be designed to facilitate its
14 return by mail by the person claiming the exemption.

15 4. A surviving spouse is not entitled to the exemption provided
16 by this section in any fiscal year beginning after any remarriage,
17 even if the remarriage is later annulled.

18 5. If any person files a false affidavit or provides false proof to
19 the county assessor or a notary public and, as a result of the false
20 affidavit or false proof, the person is allowed a tax exemption to
21 which he is not entitled, he is guilty of a gross misdemeanor.

22 6. Beginning with the ~~2006-2007~~ 2005-2006 Fiscal Year, the
23 monetary amount in subsection 1 must be adjusted for each fiscal
24 year by adding to the amount the product of the amount multiplied
25 by the percentage increase in the Consumer Price Index (All Items)
26 from July ~~2004~~ 2003 to the July preceding the fiscal year for
27 which the adjustment is calculated. The Department shall provide to
28 each county assessor the adjusted amount, in writing, on or before
29 September 30 of each year.

30 **Sec. 4.** NRS 361.085 is hereby amended to read as follows:

31 361.085 1. The property of all blind persons, not to exceed
32 the amount of \$3,000 of assessed valuation, is exempt from taxation,
33 including community property to the extent only of the blind
34 person's interest therein, but no such exemption may be allowed to
35 anyone but a bona fide resident of this State, and must be allowed in
36 but one county in this State on account of the same blind person.

37 2. The person claiming such an exemption must file with the
38 county assessor an affidavit declaring that he is a bona fide resident
39 of the State of Nevada who meets all the other requirements for the
40 exemption and that the exemption is not claimed in any other county
41 in this State. The affidavit must be made before the county assessor
42 or a notary public. After the filing of the original affidavit, the
43 county assessor shall mail a form for renewal of the exemption to
44 the person each year following a year in which the exemption was



1 allowed for that person. The form must be designed to facilitate its
2 return by mail by the person claiming the exemption.

3 3. Upon first claiming the exemption in a county , the claimant
4 shall furnish to the assessor a certificate of a licensed physician
5 setting forth that he has examined the claimant and has found him to
6 be a blind person.

7 4. If any person files a false affidavit or provides false proof to
8 the county assessor or a notary public and, as a result of the false
9 affidavit or false proof, the person is allowed a tax exemption to
10 which he is not entitled, he is guilty of a gross misdemeanor.

11 5. Beginning with the ~~2006-2007~~ 2005-2006 Fiscal Year, the
12 monetary amount in subsection 1 must be adjusted for each fiscal
13 year by adding to the amount the product of the amount multiplied
14 by the percentage increase in the Consumer Price Index (All Items)
15 from July ~~2004~~ 2003 to the July preceding the fiscal year for
16 which the adjustment is calculated. The Department shall provide to
17 each county assessor the adjusted amount, in writing, on or before
18 September 30 of each year.

19 6. As used in this section, "blind person" includes any person
20 whose visual acuity with correcting lenses does not exceed 20/200
21 in the better eye, or whose vision in the better eye is restricted to a
22 field which subtends an angle of not greater than 20°.

23 **Sec. 5.** NRS 361.090 is hereby amended to read as follows:

24 361.090 1. The property, to the extent of \$2,000 assessed
25 valuation, of any actual bona fide resident of the State of Nevada
26 who:

27 (a) Has served a minimum of 90 continuous days on active duty,
28 who was assigned to active duty at some time between April 21,
29 1898, and June 15, 1903, or between April 6, 1917, and
30 November 11, 1918, or between December 7, 1941, and
31 December 31, 1946, or between June 25, 1950, and May 7, 1975, or
32 between September 26, 1982, and December 1, 1987, or between
33 October 23, 1983, and November 21, 1983, or between
34 December 20, 1989, and January 31, 1990, or between August 2,
35 1990, and April 11, 1991, or between December 5, 1992, and
36 March 31, 1994, or between November 20, 1995, and December 20,
37 1996;

38 (b) Has served on active duty in connection with carrying out
39 the authorization granted to the President of the United States in
40 Public Law 102-1; or

41 (c) Has served on active duty in connection with a campaign or
42 expedition for service in which a medal has been authorized by the
43 government of the United States, regardless of the number of days
44 served on active duty,



1 ➡ and who received, upon severance from service, an honorable
2 discharge or certificate of satisfactory service from the Armed
3 Forces of the United States, or who, having so served, is still serving
4 in the Armed Forces of the United States, is exempt from taxation.

5 2. For the purpose of this section, the first \$2,000 assessed
6 valuation of property in which an applicant has any interest shall be
7 deemed the property of the applicant.

8 3. The exemption may be allowed only to a claimant who files
9 an affidavit with his claim for exemption on real property pursuant
10 to NRS 361.155. The affidavit may be filed at any time by a person
11 claiming exemption from taxation on personal property.

12 4. The affidavit must be made before the county assessor or a
13 notary public and filed with the county assessor. It must state that
14 the affiant is a bona fide resident of the State of Nevada who meets
15 all the other requirements of subsection 1 and that the exemption is
16 not claimed in any other county in this State. After the filing of the
17 original affidavit, the county assessor shall mail a form for:

18 (a) The renewal of the exemption; and

19 (b) The designation of any amount to be credited to the Gift
20 Account for Veterans' Homes established pursuant to NRS 417.145,
21 ➡ to the person each year following a year in which the exemption
22 was allowed for that person. The form must be designed to facilitate
23 its return by mail by the person claiming the exemption.

24 5. Persons in actual military service are exempt during the
25 period of such service from filing the annual forms for renewal of
26 the exemption, and the county assessors shall continue to grant the
27 exemption to such persons on the basis of the original affidavits
28 filed. In the case of any person who has entered the military service
29 without having previously made and filed an affidavit of exemption,
30 the affidavit may be filed in his behalf during the period of such
31 service by any person having knowledge of the facts.

32 6. Before allowing any veteran's exemption pursuant to the
33 provisions of this chapter, the county assessor shall require proof of
34 status of the veteran, and for that purpose shall require production of
35 an honorable discharge or certificate of satisfactory service or a
36 certified copy thereof, or such other proof of status as may be
37 necessary.

38 7. If any person files a false affidavit or produces false proof to
39 the county assessor or a notary public and, as a result of the false
40 affidavit or false proof, the person is allowed a tax exemption to
41 which he is not entitled, he is guilty of a gross misdemeanor.

42 8. Beginning with the ~~[2006-2007]~~ 2005-2006 Fiscal Year, the
43 monetary amounts in subsections 1 and 2 must be adjusted for each
44 fiscal year by adding to the amount the product of the amount
45 multiplied by the percentage increase in the Consumer Price Index



(All Items) from July ~~2004~~ 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.

Sec. 6. NRS 361.091 is hereby amended to read as follows:

361.091 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his surviving spouse, is entitled to a disabled veteran's exemption.

2. The amount of exemption is based on the total percentage of permanent service-connected disability. The maximum allowable exemption for total permanent disability is the first \$20,000 assessed valuation. A person with a permanent service-connected disability of:

(a) Eighty to 99 percent, inclusive, is entitled to an exemption of \$15,000 assessed value.

(b) Sixty to 79 percent, inclusive, is entitled to an exemption of \$10,000 assessed value.

➤ For the purposes of this section, any property in which an applicant has any interest is deemed to be the property of the applicant.

3. The exemption may be allowed only to a claimant who has filed an affidavit with his claim for exemption on real property pursuant to NRS 361.155. The affidavit may be made at any time by a person claiming an exemption from taxation on personal property.

4. The affidavit must be made before the county assessor or a notary public and be filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada, that he meets all the other requirements of subsection 1 and that the exemption is not claimed in any other county within this State. After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, ➤ to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

5. Before allowing any exemption pursuant to the provisions of this section, the county assessor shall require proof of the applicant's status, and for that purpose shall require him to produce an original or certified copy of:

(a) An honorable discharge or other document of honorable separation from the Armed Forces of the United States which



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1 indicates the total percentage of his permanent service-connected
2 disability;

3 (b) A certificate of satisfactory service which indicates the total
4 percentage of his permanent service-connected disability; or

5 (c) A certificate from the Department of Veterans Affairs or any
6 other military document which shows that he has incurred a
7 permanent service-connected disability and which indicates the total
8 percentage of that disability, together with a certificate of honorable
9 discharge or satisfactory service.

10 6. A surviving spouse claiming an exemption pursuant to this
11 section must file with the county assessor an affidavit declaring that:

12 (a) The surviving spouse was married to and living with the
13 disabled veteran for the 5 years preceding his death;

14 (b) The disabled veteran was eligible for the exemption at the
15 time of his death or would have been eligible if he had been a
16 resident of the State of Nevada;

17 (c) The surviving spouse has not remarried; and

18 (d) The surviving spouse is a bona fide resident of the State of
19 Nevada.

20 ➤ The affidavit required by this subsection is in addition to the
21 certification required pursuant to subsections 4 and 5. After the
22 filing of the original affidavit required by this subsection, the county
23 assessor shall mail a form for renewal of the exemption to the
24 person each year following a year in which the exemption was
25 allowed for that person. The form must be designed to facilitate its
26 return by mail by the person claiming the exemption.

27 7. If a veteran or the surviving spouse of a veteran submits, as
28 proof of disability, documentation that indicates a percentage of
29 permanent service-connected disability for more than one permanent
30 service-connected disability, the amount of the exemption must be
31 based on the total of those combined percentages, not to exceed 100
32 percent.

33 8. If a tax exemption is allowed under this section, the claimant
34 is not entitled to an exemption under NRS 361.090.

35 9. If any person files a false affidavit or produces false proof to
36 the county assessor or a notary public and, as a result of the false
37 affidavit or false proof, the person is allowed a tax exemption to
38 which he is not entitled, he is guilty of a gross misdemeanor.

39 10. Beginning with the ~~2006-2007~~ 2005-2006 Fiscal Year,
40 the monetary amounts in subsection 2 must be adjusted for each
41 fiscal year by adding to the amount the product of the amount
42 multiplied by the percentage increase in the Consumer Price Index
43 (All Items) from July ~~2004~~ 2003 to the July preceding the fiscal
44 year for which the adjustment is calculated. The Department shall



1 provide to each county assessor the adjusted amount, in writing, on
2 or before September 30 of each year.

3 **Sec. 7.** NRS 361.095 is hereby amended to read as follows:

4 361.095 1. The funds, furniture, paraphernalia and regalia
5 owned and used exclusively by any post of any national
6 organization of ex-servicemen or ex-servicewomen for the
7 legitimate purposes and customary objects of such posts are exempt
8 from taxation, but such an exemption must not exceed the sum of
9 \$10,000 assessed valuation to any one post or organization thereof.

10 2. The buildings, with their fixtures and the lots of ground on
11 which they stand, used for its legitimate purposes and necessary
12 thereto, of any such organization are exempt from taxation, but
13 when any such property is used for purposes other than those of
14 such an organization, and a rent or other valuable consideration is
15 received for its use, the property so used must be taxed.

16 3. Where any structure or parcel of land is used partly for the
17 purposes of such an organization and partly for rental purposes, the
18 area used for rental purposes must be assessed separately and that
19 portion only may be taxed.

20 4. Beginning with the ~~[2006-2007]~~ 2005-2006 Fiscal Year, the
21 monetary amount in subsection 1 must be adjusted for each fiscal
22 year by adding to the amount the product of the amount multiplied
23 by the percentage increase in the Consumer Price Index (All Items)
24 from July ~~[2004]~~ 2003 to the July preceding the fiscal year for
25 which the adjustment is calculated. The Department shall provide to
26 each county assessor the adjusted amount, in writing, on or before
27 September 30 of each year.

28 **Sec. 8.** NRS 361.135 is hereby amended to read as follows:

29 361.135 1. The funds, furniture, paraphernalia and regalia
30 owned by any lodge of the Benevolent Protective Order of Elks,
31 Fraternal Order of Eagles, Free and Accepted Masons, Independent
32 Order of Odd Fellows, Knights of Pythias or Knights of Columbus,
33 or by any similar charitable organization, or by the Lahontan
34 Audubon Society, the National Audubon Society, Inc., of New
35 York, the Defenders of Wildlife of the District of Columbia or any
36 similar benevolent or charitable society, so long as ~~[the same shall~~
37 ~~be]~~ *they are* used for the legitimate purposes of such lodge or
38 society or for such charitable or benevolent purposes, ~~[shall be]~~ *are*
39 exempt from taxation . ~~[, but such exemption shall in no case exceed~~
40 ~~the sum of \$5,000 assessed valuation to any one lodge, society or~~
41 ~~organization.]~~

42 2. The real estate and fixtures of any such organization or
43 society ~~[shall be]~~ *are* exempt from taxation, but when any such
44 property is used for purposes other than those of such organization



1 or society, and a rent or other valuable consideration is received for
2 its use, the property so used ~~{shall}~~ **must** be taxed.

3 3. Where any structure or parcel of land is used partly for the
4 purposes of such organization or society and partly for rental
5 purposes, the area used for rental purposes ~~{shall}~~ **must** be assessed
6 separately and that portion only ~~{shall}~~ **may** be taxed.

7 **Sec. 9.** NRS 361.155 is hereby amended to read as follows:

8 361.155 1. ~~{A} 1.~~ ***Except as otherwise provided in this***
9 ***subsection, all*** claims for personal tax exemptions on real property,
10 the initial claim of an organization for a tax exemption on real
11 property and the designation of any amount to be credited to the Gift
12 Account for Veterans' Homes pursuant to NRS 361.0905 must be
13 filed on or before June 15. ***An initial claim for a tax exemption on***
14 ***real property acquired after June 15 and before July 1 must be***
15 ***filed on or before July 5.***

16 2. All exemptions provided for pursuant to this chapter apply
17 on a fiscal year basis and any exemption granted pursuant to this
18 chapter must not be in an amount which gives the taxpayer a total
19 exemption greater than that to which he is entitled during any fiscal
20 year.

21 ~~{2} 3.~~ 3. Each claim for an exemption provided for pursuant to
22 this chapter must be filed with the county assessor of:

23 (a) The county in which the claimant resides for personal tax
24 exemptions; or

25 (b) Each county in which property is located for the tax
26 exemption of an organization.

27 ~~{3} 4.~~ 4. After the initial claim for an exemption pursuant to
28 NRS 361.088 or 361.098 to 361.150, inclusive, an organization is
29 not required to file annual claims if the property remains exempt. If
30 any portion of the property loses its exemption pursuant to NRS
31 361.157 or for any other reason becomes taxable, the organization
32 must notify the county assessor.

33 ~~{4} 5.~~ 5. If an exemption is granted or renewed in error because
34 of an incorrect claim or failure of an organization to give the notice
35 required by subsection ~~{3} 4,~~ the assessor shall assess the taxable
36 portion of the property retroactively pursuant to NRS 361.769 and a
37 penalty of 10 percent of the tax due for the current year and any
38 prior years may be added.

39 **Sec. 10.** NRS 361.360 is hereby amended to read as follows:

40 361.360 1. Any taxpayer aggrieved at the action of the
41 county board of equalization in equalizing, or failing to equalize, the
42 value of his property, or property of others, or a county assessor,
43 may file an appeal with the State Board of Equalization on or before
44 March 10 and present to the State Board of Equalization the matters
45 complained of at one of its sessions. If March 10 falls on a Saturday,



1 Sunday or legal holiday, the appeal may be filed on the next
2 business day.

3 2. All such appeals must be presented upon the same facts and
4 evidence as were submitted to the county board of equalization in
5 the first instance, unless there is discovered new evidence pertaining
6 to the matter which could not, by due diligence, have been
7 discovered before the final adjournment of the county board of
8 equalization. The new evidence must be submitted in writing to the
9 State Board of Equalization and served upon the county assessor not
10 less than 7 days before the hearing.

11 3. Any taxpayer whose real or personal property placed on the
12 unsecured tax roll was assessed after December 15 but before or on
13 the following April 30 may likewise protest to the State Board of
14 Equalization. Every such appeal must be filed on or before May 15.
15 If May 15 falls on a Saturday, Sunday or legal holiday, the appeal
16 may be filed on the next business day. A meeting must be held
17 before May 31 to hear those protests that in the opinion of the State
18 Board of Equalization may have a substantial effect on tax revenues.
19 One or more meetings may be held at any time and place in the
20 State before October 1 to hear all other protests.

21 4. The State Board of Equalization may not reduce the
22 assessment of the county assessor if:

23 (a) The appeal involves an assessment on property which the
24 taxpayer has refused or, without good cause, has neglected to
25 include in the list required of him pursuant to NRS 361.265 or *if the*
26 *taxpayer* has refused or, without good cause, has neglected to
27 provide the list to the county assessor; or

28 (b) The taxpayer has, without good cause, refused entry to the
29 assessor for the purpose of conducting the physical examination
30 authorized by NRS 361.260.

31 5. *Any change made in an assessment appealed to the State*
32 *Board of Equalization is effective only for the fiscal year for*
33 *which the assessment was made.* The county assessor shall each
34 year review any change made in an assessment for the previous
35 fiscal year and maintain or remove the change as circumstances
36 warrant.

37 6. If the State Board of Equalization determines that the record
38 of a case on appeal from the county board of equalization is
39 inadequate because of an act or omission of the county assessor, the
40 district attorney or the county board of equalization, the State Board
41 of Equalization may remand the case to the county board of
42 equalization with directions to develop an adequate record within 30
43 days after the remand. The directions must indicate specifically the
44 inadequacies to be remedied. If the State Board of Equalization
45 determines that the record returned from the county board of



1 equalization after remand is still inadequate, the State Board of
2 Equalization may hold a hearing anew on the appellant's complaint
3 or it may, if necessary, contract with an appropriate person to hear
4 the matter, develop an adequate record in the case and submit
5 recommendations to the State Board. The cost of the contract and all
6 costs, including attorney's fees, to the State or the appellant
7 necessary to remedy the inadequate record on appeal are a charge
8 against the county.

9 **Sec. 11.** NRS 361.420 is hereby amended to read as follows:

10 361.420 1. Any property owner whose taxes are in excess of
11 the amount which the owner claims justly to be due may pay each
12 installment of taxes as it becomes due under protest in writing. The
13 protest must be in the form of a separate, signed statement from
14 the property owner and filed with the tax receiver at the time of the
15 payment of the installment of taxes.

16 2. The property owner, having protested the payment of taxes
17 as provided in subsection 1 and having been denied relief by the
18 State Board of Equalization, may ~~commence a suit~~ *file for the*
19 *judicial review of the decision of the State Board of Equalization*
20 in any court of competent jurisdiction in the ~~State of Nevada~~
21 *county in which the taxes were paid* against the State and county in
22 which the taxes were paid, and, in a proper case, both the Nevada
23 Tax Commission and the Department may be joined as a defendant
24 for a recovery of the difference between the amount of taxes paid
25 and the amount which the owner claims justly to be due, and the
26 owner may complain upon any of the grounds contained in
27 subsection 4.

28 3. Every action commenced under the provisions of this section
29 must be commenced within 3 months after the date of the payment
30 of the last installment of taxes, and if not so commenced is forever
31 barred. If the tax complained of is paid in full and under the written
32 protest provided for in this section, at the time of the payment of the
33 first installment of taxes, suit for the recovery of the difference
34 between the amount paid and the amount claimed to be justly due
35 must be commenced within 3 months after the date of the full
36 payment of the tax or the issuance of the decision of the State Board
37 of Equalization denying relief, whichever occurs later, and if not so
38 commenced is forever barred.

39 4. In any suit brought under the provisions of this section, the
40 person assessed may complain or defend upon any of the following
41 grounds:

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

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



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

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

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

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

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

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

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

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

Sec. 12. NRS 361.435 is hereby amended to read as follows:

361.435 Any property owner owning property of like kind in more than one county in the State and desiring to proceed with a suit under the provisions of NRS 361.420 may, where the issues in the cases are substantially the same in all or in some of the counties concerning the assessment of taxes on such property, consolidate any of the suits in one action and bring the action in any court of competent jurisdiction in ~~{Carson City,}~~ the county of this State where the property owner resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the Department.

Sec. 13. NRS 361.4725 is hereby amended to read as follows:

361.4725 1. ~~{Notwithstanding}~~ *Except as otherwise provided in this section and notwithstanding* the provisions of NRS



361.4722, 361.4723 and 361.4724, if the taxable value of any parcel or other taxable unit of property:

(a) Decreases by 15 percent or more from its taxable value on:

(1) July 1, 2003; or

(2) July 1 of the second year immediately preceding the lien date for the current year,

↳ whichever is later; and

(b) For any fiscal year beginning on or after July 1, 2005, increases by 15 percent or more from its taxable value for the immediately preceding fiscal year,

↳ the amount of any ad valorem taxes levied in a county which, if not for the provisions of NRS 361.4722, 361.4723 and 361.4724, would otherwise have been collected for the property for that fiscal year as a result of that increase in taxable value, excluding any amount attributable to any increase in the taxable value of the property above the taxable value of the property on the most recent date determined pursuant to paragraph (a), must be levied on the property and carried forward each fiscal year, without any penalty or interest, in such a manner that one-third of that amount may be collected during that fiscal year and each of the succeeding 2 fiscal years.

2. *If the total amount otherwise required to be collected during a fiscal year and each of the succeeding 2 fiscal years pursuant to subsection 1 for a parcel or other taxable unit of property is less than or equal to \$100, the entire amount may be levied on the property and collected during that initial fiscal year.*

3. *The Nevada Tax Commission may exempt from the requirements of this section the levy of any taxes in an amount which is less than the cost of collecting those taxes.*

4. The amount of any taxes ~~{which are carried forward and}~~ levied on any property pursuant to this section must be added to the amount of ad valorem taxes each taxing entity would otherwise be entitled to receive for a fiscal year in the same proportion as the rate of ad valorem taxes levied in the county on the property by or on behalf of that taxing entity for that fiscal year bears to the combined rate of all ad valorem taxes levied in the county on the property by or on behalf of all taxing entities for that fiscal year.

~~[3-]~~ 5. The Nevada Tax Commission shall adopt such regulations as it deems appropriate to ensure that this section is carried out in a uniform and equal manner.

~~[4. For the purposes of this section:~~

~~—(a) “Ad valorem taxes levied in a county” means any ad valorem taxes levied by the State or any other taxing entity in a county.~~



~~(b) "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. NRS 361.4734 is hereby amended to read as follows:

361.4734 1. A taxpayer who is aggrieved by a determination of the applicability of a partial abatement from taxation pursuant to NRS 361.4722, 361.4723 or 361.4724 may, if the property which is the subject of that determination:

(a) Is not valued pursuant to NRS 361.320 or 361.323, submit a written petition for the review of that determination to the tax receiver of the county in which the property is located. *The petition must be submitted not later than 30 days after the taxpayer receives:*

(1) Written notification of the determination from the county assessor or county treasurer; or

(2) The individual tax bill or individual tax notice for the property from the tax receiver,

↳ whichever occurs first. The tax receiver shall, after consulting with the county assessor of that county regarding the determination and within 30 days after receiving the petition, render a decision on the petition and notify the taxpayer of that decision.

(b) Is valued pursuant to NRS 361.320 or 361.323, submit a written petition for the review of that determination to the Department. The Department shall, within 30 days after receiving the petition, render a decision on the petition and notify the taxpayer of that decision.

2. A taxpayer who is aggrieved by a decision rendered by a tax receiver or the Department pursuant to subsection 1 may, within 30 days after receiving notice of that decision, appeal the decision to the Nevada Tax Commission.

3. A taxpayer who is aggrieved by a determination of the Nevada Tax Commission rendered on an appeal made pursuant to subsection 2 is entitled to a judicial review of that determination.

Sec. 15. NRS 361.4835 is hereby amended to read as follows:

361.4835 1. If the county treasurer or the county assessor finds that a person's failure to make a timely return or payment of tax that is assessed by the county treasurer or county assessor and that is imposed pursuant to chapter 361 of NRS, except NRS 361.320, is the result of circumstances beyond his control and occurred despite the exercise of ordinary care and without intent, the county treasurer or the county assessor may relieve him of all or part of any interest or penalty, or both.

2. A person seeking this relief must *pay the amount of the tax due and, within 30 days after the date the payment is made,* file a



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1 statement setting forth the facts upon which he bases his claim with
2 the county treasurer or the county assessor.

3 3. The county treasurer or the county assessor shall disclose,
4 upon the request of any person:

5 (a) The name of the person; and

6 (b) The amount of the relief.

7 4. If the relief sought by the taxpayer is denied, he may appeal
8 from the denial to the Nevada Tax Commission.

9 5. The county treasurer or the county assessor may defer the
10 decision to the Department.

11 **Sec. 16.** Section 57 of chapter 496, Statutes of Nevada 2005,
12 at page 2680, is hereby amended to read as follows:

13 Sec. 57. 1. This section and sections 52.1 to 52.8,
14 inclusive, of this act become effective upon passage and
15 approval.

16 2. Sections 1 to 22, inclusive, 24 to 28, inclusive, 42 to
17 52, inclusive, and 53 to 56, inclusive, of this act become
18 effective on July 1, 2005.

19 3. Sections 29 to 41, inclusive, of this act become
20 effective:

21 (a) Upon passage and approval for the purpose of
22 performing any preparatory administrative tasks that are
23 necessary to carry out the provisions of those sections; and

24 (b) On July 1, 2006, for all other purposes.

25 ~~[4. Section 23 of this act becomes effective on July 1,~~
26 ~~2007.~~

27 ~~—5. Section 43 of this act expires by limitation on June 30,~~
28 ~~2007.]~~

29 **Sec. 17.** Section 23 of chapter 496, Statutes of Nevada 2005,
30 at page 2660, is hereby repealed.

31 **Sec. 18.** 1. This section and sections 16 and 17 of this act
32 become effective upon passage and approval.

33 2. Sections 1 to 15, inclusive, of this act become effective on
34 July 1, 2007.

TEXT OF REPEALED SECTION

Section 23 of chapter 496, Statutes of Nevada 2005:

Sec. 23. NRS 361.530 is hereby amended to read as follows:

361.530 ~~[1. Except as otherwise provided in this~~
~~section, on]~~ **On** all money collected from personal property



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tax by the several county assessors and county treasurers, there must be reserved and paid into the county treasury, for the benefit of the general fund of their respective counties, by the county assessor or county treasurer, a percentage commission of ~~{8}~~ 6 percent on the gross amount of collections from personal property tax.

~~{2.—One quarter of the commission reserved pursuant to subsection 1 must be accounted for separately in the account for the acquisition and improvement of technology in the office of the county assessor created pursuant to NRS 250.085.}~~

