

ASSEMBLY BILL NO. 369—ASSEMBLYMAN MORTENSON

MARCH 16, 2009

Referred to Committee on Taxation

SUMMARY—Revises provisions relating to the property tax exemption for the property of certain nonprofit organizations. (BDR 32-916)

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 taxation; revising the provision providing property tax exemptions for the property of certain nonprofit organizations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Currently NRS 361.111 provides a tax exemption for property held by the
2 Archaeological Conservancy, Nature Conservancy, American Land Conservancy
3 and Nevada Land Conservancy. This bill amends the statute to remove the names
4 of specific organizations and provide the exemption for the property of nonprofit,
5 501(c)3 organizations that are organized principally for the conservation of land,
6 cultural resources and natural resources. The statute requires that the property is
7 being held for acquisition by the State or a local governmental unit, and this bill
8 includes the Federal Government as an additional entity. This bill also provides for
9 an additional exemption from taxation if the property is being held indefinitely for
10 purposes of conservation, education or environmental protection.

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

1 **Section 1.** NRS 361.111 is hereby amended to read as follows:
2 361.111 1. Except as otherwise provided in subsections 2 and
3 3, ~~fall~~ real property and improvements thereon acquired by ~~the~~
4 ~~Archaeological Conservancy, Nature Conservancy, American Land~~
5 ~~Conservancy or Nevada Land Conservancy and held for ultimate~~
6 ~~acquisition by the State or a local governmental unit are~~ **a**
7 **nonprofit organization is** exempt from taxation if:



* A B 3 6 9 *

(a) The *property is held for ultimate acquisition by the Federal Government, the State or a local governmental unit and:*

(1) The Federal Government, the State or a local governmental unit has agreed, in writing, that acquisition of the property will be given serious consideration; and

~~[(b)]~~ *(2) For property for which the State has given the statement required by ~~[paragraph (a)]~~ subparagraph (1), the governing body of the county in which the property is located has approved the potential acquisition of the property by the State* ~~[(1)]~~ ;
or

(b) The property will be held indefinitely and vested in the nonprofit organization for the purposes of education, environmental protection or conservation.

2. When ~~[(the Archaeological Conservancy, Nature Conservancy, American Land Conservancy or Nevada Land Conservancy)]~~ *a nonprofit organization* transfers property it has held for purposes of conservation to any person, partnership, association, corporation or entity other than the *Federal Government, the State or a local governmental unit*, the property must be assessed at the rate set for first-class pasture by the Nevada Tax Commission for each year it was exempt pursuant to subsection 1 and the taxes must be collected as other taxes under this chapter are collected.

3. When ~~[(the Archaeological Conservancy, Nature Conservancy, American Land Conservancy or Nevada Land Conservancy)]~~ *a nonprofit organization* transfers property it has held for purposes other than conservation to any person, partnership, association, corporation or entity other than the *Federal Government, the State or a local governmental unit*, the tax imposed by this chapter must be assessed against the property for each year it was exempt pursuant to subsection 1 and collected in the manner provided in this chapter.

4. The Nevada Tax Commission shall adopt regulations specifying the criteria for determining when property ~~[(has been)]~~ *is* held by ~~[(the Archaeological Conservancy, Nature Conservancy, American Land Conservancy or Nevada Land Conservancy)]~~ *a nonprofit organization* for purposes of conservation ~~[(1)]~~ , *education or environmental protection.*

5. *As used in this section, "nonprofit organization" means a nonprofit corporation, association or organization that is:*

(a) Recognized as exempt under section 501(c)(3) of the Internal Revenue Code; and

(b) Organized principally for the conservation of land, cultural resources and natural resources.



1 **Sec. 2.** This act becomes effective on July 1, 2009.

