

Amendment No. 821

Senate Amendment to Assembly Bill No. 205 First Reprint (BDR 32-703)

Proposed by: Senate Committee on Taxation**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the unfunded mandate not requested by the affected local government to A.B. 205 (§ 8).

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"/> _____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold dashed underlining is newly added transitory language.

BJE



Date: 5/18/2009

A.B. No. 205—Makes various changes relating to the administration of property taxes. (BDR 32-703)



ASSEMBLY BILL NO. 205—COMMITTEE ON TAXATION

FEBRUARY 19, 2009

Referred to Committee on Taxation

SUMMARY—Makes various changes relating to the administration of property taxes. (BDR 32-703)

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

CONTAINS UNFUNDED MANDATE (§ 8)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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 the calculation of certain partial abatements of taxes and the taxable value of improvements made on land, the designation of taxes on personal property as uncollectible and the taxation of open-space land; clarifying the provisions governing the notification, appeal and revision of the valuation of property on the unsecured tax roll; revising the requirements for certain segregation and statistical reports and projections of assessed value; delaying the required filing date for petitions for the review of certain determinations regarding the applicability of a partial abatement; postponing the prospective expiration of certain provisions for the funding of accounts for the acquisition and improvement of technology in the offices of county assessors; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1 and 8 of this bill require a county assessor to make certain projections of assessed valuation of property for an upcoming fiscal year that had been made under existing law by the Department of Taxation. (NRS 361.390) Additionally, **section 8** revises the dates when a county assessor must file with the Department certain statistical and segregation reports showing assessed values of property.

Existing law provides a partial abatement of the property taxes levied on property for which an assessed valuation has previously been established, a remainder parcel of real property, certain single-family residences and certain residential rental dwellings. (NRS 361.4722, 361.4723, 361.4724) **Sections 2 and 9-11** of this bill revise the formula for calculating the partial abatement in such a manner as to lower the cap on the tax liability of an owner of real property when the taxable value of the property is reduced as a result of the partial or complete destruction or removal of an improvement to the property or the correction of an overassessment of an improvement because of a factual error. **Section 13** of this bill

changes the date by which a petition must be filed for the review of a county assessor's determination regarding the applicability of a partial abatement from January 15 to the last day of the fiscal year for which the determination is effective. (NRS 361.4734)

Section 3 of this bill allows a county assessor, when determining the cost to replace an improvement on land for the purpose of calculating taxable value, to use the final plans, drawings and other representations prepared by the architect or builder of the improvement to establish its size or quantity. (NRS 361.227)

Section 4 of this bill provides statutory clarification that a county assessor must provide notice of the assessed valuation of property on the secured tax roll on or before December 18 of the fiscal year in which the property is appraised or reappraised, but the individual tax bills provided to the owners of personal property billed on the unsecured tax roll serve as notification of the assessed valuation of that property. (NRS 361.300)

Under existing law, a taxpayer desiring to appeal the assessment of property placed on the unsecured tax roll must, if the property was assessed after December 15 and on or before April 30, file that appeal with the State Board of Equalization on or before May 15. (NRS 361.360) **Sections 5-7** of this bill provide statutory clarification that a taxpayer desiring to appeal the assessment of property on the unsecured tax roll which was assessed at any other time may file that appeal with the county board of equalization on or before January 15. (NRS 361.345, 361.356, 361.357)

Existing law authorizes a county assessor to seize the personal property of a person who neglects or refuses to pay property taxes, and requires the county assessor to post a notice of the seizure within the immediate vicinity of the seized property before selling the property at public auction. (NRS 361.535) **Section 14** of this bill makes it a gross misdemeanor for a person to remove, deface, cover or conceal that notice, or to move or sell, attempt to move or sell or assist another person to move or sell the seized property, before the delinquent taxes are paid.

Existing law allows a county tax receiver to petition the board of county commissioners to designate certain taxes on personal property as uncollectible, thereby relieving the tax receiver from liability for the failure to collect those taxes. (NRS 361.5607) **Section 15** of this bill revises the criteria under which such a petition is authorized to require in every case that all appropriate collection procedures were followed without success, and that either the taxes have been delinquent for at least 3 years or the amount of the taxes is \$25 or less.

Existing law requires the assessment of a golf course as open-space property and the payment of deferred property taxes when any open-space property is converted to a higher use. (NRS 361A.170, 361A.280) ~~**Section 18**~~ **Sections 18-20** of this bill provide for the designation and classification of certain land regarding which the owner has granted and has outstanding a lease of surface water rights as open-space real property for the purposes of taxation. Section 22 of this bill specifies criteria for determining when a golf course becomes disqualified for open-space use assessment. (NRS 361A.230) Sections 16 and 25 of this bill clarify the amount of deferred property taxes due upon the conversion of any agricultural or open-space property to a higher use. Section 29 of this bill repeals a related section which provided the manner for determining the taxable value when agricultural land is converted to a higher use. (NRS 361A.155)

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 22, 23 and 24 27, 28 and 29** of this bill provide for the continuation of this funding during the next biennium by postponing its prospective expiration until June 30, 2011.

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

Section 1. NRS 360.690 is hereby amended to read as follows:

360.690 1. Except as otherwise provided in NRS 360.730, the Executive Director shall estimate monthly the amount each local government, special district

1 and enterprise district will receive from the Account pursuant to the provisions of
2 this section.

3 2. The Executive Director shall establish a base monthly allocation for each
4 local government, special district and enterprise district by dividing the amount
5 determined pursuant to NRS 360.680 for each local government, special district and
6 enterprise district by 12, and the State Treasurer shall, except as otherwise provided
7 in subsections 3 to 8, inclusive, remit monthly that amount to each local
8 government, special district and enterprise district.

9 3. If, after making the allocation to each enterprise district for the month, the
10 Executive Director determines there is not sufficient money available in the
11 county's subaccount in the Account to allocate to each local government and
12 special district the base monthly allocation determined pursuant to subsection 2, he
13 shall prorate the money in the county's subaccount and allocate to each local
14 government and special district an amount equal to its proportionate percentage of
15 the total amount of the base monthly allocations determined pursuant to subsection
16 2 for all local governments and special districts within the county. The State
17 Treasurer shall remit that amount to the local government or special district.

18 4. Except as otherwise provided in subsections 5 to 8, inclusive, if the
19 Executive Director determines that there is money remaining in the county's
20 subaccount in the Account after the base monthly allocation determined pursuant to
21 subsection 2 has been allocated to each local government, special district and
22 enterprise district, he shall immediately determine and allocate each:

23 (a) Local government's share of the remaining money by:

24 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
25 360.680 by the sum of the:

26 (I) Average percentage of change in the population of the local
27 government over the 5 fiscal years immediately preceding the year in which the
28 allocation is made, as certified by the Governor pursuant to NRS 360.285, except as
29 otherwise provided in subsection 9; and

30 (II) Average percentage of change in the assessed valuation of the
31 taxable property in the local government, including assessed valuation attributable
32 to a redevelopment agency but excluding the portion attributable to the net proceeds
33 of minerals, over the year in which the allocation is made, as projected by the
34 Department, ~~pursuant to NRS 361.390,~~ and the 4 fiscal years immediately
35 preceding the year in which the allocation is made; and

36 (2) Using the figure calculated pursuant to subparagraph (1) to calculate
37 and allocate to each local government an amount equal to the proportion that the
38 figure calculated pursuant to subparagraph (1) bears to the total amount of the
39 figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph
40 (1) of paragraph (b), respectively, for the local governments and special districts
41 located in the same county multiplied by the total amount available in the
42 subaccount; and

43 (b) Special district's share of the remaining money by:

44 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
45 360.680 by the average change in the assessed valuation of the taxable property in
46 the special district, including assessed valuation attributable to a redevelopment
47 agency but excluding the portion attributable to the net proceeds of minerals, over
48 the year in which the allocation is made, as projected by the Department, ~~pursuant~~
49 ~~to NRS 361.390,~~ and the 4 fiscal years immediately preceding the year in which
50 the allocation is made; and

51 (2) Using the figure calculated pursuant to subparagraph (1) to calculate
52 and allocate to each special district an amount equal to the proportion that the figure
53 calculated pursuant to subparagraph (1) bears to the total amount of the figures

1 calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of
2 paragraph (a), respectively, for the local governments and special districts located
3 in the same county multiplied by the total amount available in the subaccount.

4 ➤ The State Treasurer shall remit the amount allocated to each local government or
5 special district pursuant to this subsection.

6 5. Except as otherwise provided in subsection 6 or 7, if the Executive Director
7 determines that there is money remaining in the county's subaccount in the Account
8 after the base monthly allocation determined pursuant to subsection 2 has been
9 allocated to each local government, special district and enterprise district and that
10 the average amount over the 5 fiscal years immediately preceding the year in which
11 the allocation is made of the assessed valuation of taxable property which is
12 attributable to the net proceeds of minerals in the county is equal to at least
13 \$50,000,000 or that the average percentage of change in population of the county
14 over the 5 fiscal years immediately preceding the year in which the allocation is
15 made, as certified by the Governor pursuant to NRS 360.285, except as otherwise
16 provided in subsection 9, is a negative figure or that the average amount over the 5
17 fiscal years immediately preceding the year in which the allocation is made of the
18 assessed valuation of taxable property which is attributable to the net proceeds of
19 minerals in the county is equal to at least \$50,000,000 and the average percentage
20 of change in population of the county over the 5 fiscal years immediately preceding
21 the year in which the allocation is made, as certified by the Governor pursuant to
22 NRS 360.285, except as otherwise provided in subsection 9, is a negative figure, he
23 shall immediately determine and allocate each:

24 (a) Local government's share of the remaining money by:

25 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
26 360.680 by 1 plus the sum of the:

27 (I) Average percentage of change in the population of the local
28 government over the 5 fiscal years immediately preceding the year in which the
29 allocation is made, as certified by the Governor pursuant to NRS 360.285, except as
30 otherwise provided in subsection 9; and

31 (II) Average percentage of change in the assessed valuation of the
32 taxable property in the local government, including assessed valuation attributable
33 to a redevelopment agency but excluding the portion attributable to the net proceeds
34 of minerals, over the year in which the allocation is made, as projected by the
35 Department, ~~[pursuant to NRS 361.390,]~~ and the 4 fiscal years immediately
36 preceding the year in which the allocation is made; and

37 (2) Using the figure calculated pursuant to subparagraph (1) to calculate
38 and allocate to each local government an amount equal to the proportion that the
39 figure calculated pursuant to subparagraph (1) bears to the total amount of the
40 figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph
41 (1) of paragraph (b), respectively, for the local governments and special districts
42 located in the same county multiplied by the total amount available in the
43 subaccount; and

44 (b) Special district's share of the remaining money by:

45 (1) Multiplying one-twelfth of the amount allocated pursuant to NRS
46 360.680 by 1 plus the average change in the assessed valuation of the taxable
47 property in the special district, including assessed valuation attributable to a
48 redevelopment agency but excluding the portion attributable to the net proceeds of
49 minerals, over the year in which the allocation is made, as projected by the
50 Department, ~~[pursuant to NRS 361.390,]~~ and the 4 fiscal years immediately
51 preceding the year in which the allocation is made; and

52 (2) Using the figure calculated pursuant to subparagraph (1) to calculate
53 and allocate to each special district an amount equal to the proportion that the figure

calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

➤ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

6. Except as otherwise provided in subsection 8, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, that the sum of the average percentage of change in population and the average percentage of change in the assessed valuation of taxable property, as calculated pursuant to subparagraph (1) of paragraph (a) of subsection 4 for each of those local governments, is a negative figure, and that the average change in the assessed valuation of the taxable property in each of those special districts, as calculated pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a negative figure, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:

(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and

(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, pursuant to NRS 361.390, and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

➤ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

7. Except as otherwise provided in subsection 8, if the Executive Director determines that there is money remaining in the county's subaccount in the Account after the base monthly allocation determined pursuant to subsection 2 has been allocated to each local government, special district and enterprise district, that the sum of the average percentage of change in population and the average percentage of change in the assessed valuation of taxable property, as calculated pursuant to subparagraph (1) of paragraph (a) of subsection 4 for each of those local governments, is a negative figure, and that the average change in the assessed valuation of the taxable property in any of those special districts, as calculated pursuant to subparagraph (1) of paragraph (b) of subsection 4, is a positive figure, he shall immediately determine and allocate each:

(a) Local government's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:

(I) Average percentage of change in the population of the local government over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and

(II) Average percentage of change in the assessed valuation of the taxable property in the local government, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, ~~pursuant to NRS 361.390,~~ and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each local government an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (b), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount; and

(b) Special district's share of the remaining money by:

(1) Multiplying one-twelfth of the amount allocated pursuant to NRS 360.680 by 1 plus the sum of the:

(I) Average percentage of change in the population of the county over the 5 fiscal years immediately preceding the year in which the allocation is made, as certified by the Governor pursuant to NRS 360.285, except as otherwise provided in subsection 9; and

(II) Average change in the assessed valuation of the taxable property in the special district, including assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, over the year in which the allocation is made, as projected by the Department, ~~pursuant to NRS 361.390,~~ and the 4 fiscal years immediately preceding the year in which the allocation is made; and

(2) Using the figure calculated pursuant to subparagraph (1) to calculate and allocate to each special district an amount equal to the proportion that the figure calculated pursuant to subparagraph (1) bears to the total amount of the figures calculated pursuant to subparagraph (1) of this paragraph and subparagraph (1) of paragraph (a), respectively, for the local governments and special districts located in the same county multiplied by the total amount available in the subaccount.

➤ The State Treasurer shall remit the amount allocated to each local government or special district pursuant to this subsection.

8. The Executive Director shall not allocate any amount to a local government or special district pursuant to subsection 4, 5, 6 or 7 unless the amount distributed and allocated to each of the local governments and special districts in the county in each preceding month of the fiscal year in which the allocation is to be made was at least equal to the base monthly allocation determined pursuant to subsection 2. If the amounts distributed to the local governments and special districts in the county for the preceding months of the fiscal year in which the allocation is to be made were less than the base monthly allocation determined pursuant to subsection 2 and the Executive Director determines there is money remaining in the county's subaccount in the Account after the distribution for the month has been made, he shall:

(a) Determine the amount by which the base monthly allocations determined pursuant to subsection 2 for each local government and special district in the county for the preceding months of the fiscal year in which the allocation is to be made exceeds the amounts actually received by the local governments and special districts in the county for the same period; and

(b) Compare the amount determined pursuant to paragraph (a) to the amount of money remaining in the county's subaccount in the Account to determine which amount is greater.

➤ If the Executive Director determines that the amount determined pursuant to paragraph (a) is greater, he shall allocate the money remaining in the county's subaccount in the Account pursuant to the provisions of subsection 3. If the Executive Director determines that the amount of money remaining in the county's subaccount in the Account is greater, he shall first allocate the money necessary for each local government and special district to receive the base monthly allocation determined pursuant to subsection 2 and the State Treasurer shall remit that money so allocated. The Executive Director shall allocate any additional money in the county's subaccount in the Account pursuant to the provisions of subsection 4, 5, 6 or 7, as appropriate.

9. The percentage changes in population calculated pursuant to subsections 4 to 7, inclusive, must:

(a) Except as otherwise provided in paragraph (c), if the Bureau of the Census of the United States Department of Commerce issues population totals that conflict with the totals certified by the Governor pursuant to NRS 360.285, be an estimate of the change in population for the calendar year, based upon the population totals issued by the Bureau of the Census.

(b) If a new method of determining population is established pursuant to NRS 360.283, be adjusted in a manner that will result in the percentage change being based on population determined pursuant to the new method for both the fiscal year in which the allocation is made and the fiscal year immediately preceding the year in which the allocation is made.

(c) If a local government files a formal appeal with the Bureau of the Census concerning the population total of the local government issued by the Bureau of the Census, be calculated using the population total certified by the Governor pursuant to NRS 360.285 until the appeal is resolved. If additional money is allocated to the local government because the population total certified by the Governor is greater than the population total issued by the Bureau of the Census, the State Treasurer shall deposit that additional money in a separate interest-bearing account. Upon resolution of the appeal, if the population total finally determined pursuant to the appeal is:

(1) Equal to or less than the population total initially issued by the Bureau of the Census, the State Treasurer shall transfer the total amount in the separate interest-bearing account, including interest but excluding any administrative fees, to

the Local Government Tax Distribution Account for allocation among the local governments in the county pursuant to subsection 4, 5, 6 or 7, as appropriate.

(2) Greater than the population total initially issued by the Bureau of the Census, the Executive Director shall calculate the amount that would have been allocated to the local government pursuant to subsection 4, 5, 6 or 7, as appropriate, if the population total finally determined pursuant to the appeal had been used and the State Treasurer shall remit to the local government an amount equal to the difference between the amount actually distributed and the amount calculated pursuant to this subparagraph or the total amount in the separate interest-bearing account, including interest but excluding any administrative fees, whichever is less.

10. On or before February 15 of each year, the Executive Director shall provide to each local government, special district and enterprise district a preliminary estimate of the revenue it will receive from the Account for that fiscal year.

11. On or before March 15 of each year, the Executive Director shall:

(a) Make an estimate of the receipts from each tax included in the Account on an accrual basis for the next fiscal year in accordance with generally accepted accounting principles, including an estimate for each county of the receipts from each tax included in the Account; and

(b) Provide to each local government, special district and enterprise district an estimate of the amount that local government, special district or enterprise district would receive based upon the estimate made pursuant to paragraph (a) and calculated pursuant to the provisions of this section.

12. A local government, special district or enterprise district may use the estimate provided by the Executive Director pursuant to subsection 11 in the preparation of its budget.

Sec. 2. Chapter 361 of NRS is hereby amended by adding thereto a new section to read as follows:

If the taxable value of an improvement to real property is reduced as a result of:

1. *The partial or complete destruction or removal of the improvement; or*
2. *The correction pursuant to NRS 361.768 of an overassessment of the*

improvement because of a factual error,

then for the purpose of calculating the amount of any partial abatement to which the owner of the real property is entitled pursuant to NRS 361.4722, 361.4723 or 361.4724 for the initial fiscal year for which that reduction in taxable value applies, the amount determined for the immediately preceding fiscal year pursuant to paragraph (a) of subsection 1 of NRS 361.4722, paragraph (a) of subsection 2 of NRS 361.4722, paragraph (a) of subsection 1 of NRS 361.4723 or paragraph (a) of subsection 1 of NRS 361.4724, as applicable, must be reduced by the same percentage as the taxable value of the real property is reduced for that initial fiscal year as a result of the partial or complete destruction or removal of the improvement to the property or the correction of the overassessment of the improvement to the property.

Sec. 3. NRS 361.227 is hereby amended to read as follows:

361.227 1. Any person determining the taxable value of real property shall appraise:

(a) The full cash value of:

(1) Vacant land by considering the uses to which it may lawfully be put, any legal or physical restrictions upon those uses, the character of the terrain, and the uses of other land in the vicinity.

(2) Improved land consistently with the use to which the improvements are being put.

(b) Any improvements made on the land by subtracting from the cost of replacement of the improvements all applicable depreciation and obsolescence. Depreciation of an improvement made on real property must be calculated at 1.5 percent of the cost of replacement for each year of adjusted actual age of the improvement, up to a maximum of 50 years.

2. The unit of appraisal must be a single parcel unless:

(a) The location of the improvements causes two or more parcels to function as a single parcel;

(b) The parcel is one of a group of contiguous parcels which qualifies for valuation as a subdivision pursuant to the regulations of the Nevada Tax Commission; or

(c) In the professional judgment of the person determining the taxable value, the parcel is one of a group of parcels which should be valued as a collective unit.

3. The taxable value of a leasehold interest, possessory interest, beneficial interest or beneficial use for the purpose of NRS 361.157 or 361.159 must be determined in the same manner as the taxable value of the property would otherwise be determined if the lessee or user of the property was the owner of the property and it was not exempt from taxation, except that the taxable value so determined must be reduced by a percentage of the taxable value that is equal to the:

(a) Percentage of the property that is not actually leased by the lessee or used by the user during the fiscal year; and

(b) Percentage of time that the property is not actually leased by the lessee or used by the user during the fiscal year, which must be determined in accordance with NRS 361.2275.

4. The taxable value of other taxable personal property, except a mobile or manufactured home, must be determined by subtracting from the cost of replacement of the property all applicable depreciation and obsolescence. Depreciation of a billboard must be calculated at 1.5 percent of the cost of replacement for each year after the year of acquisition of the billboard, up to a maximum of 50 years.

5. The computed taxable value of any property must not exceed its full cash value. Each person determining the taxable value of property shall reduce it if necessary to comply with this requirement. A person determining whether taxable value exceeds that full cash value or whether obsolescence is a factor in valuation may consider:

(a) Comparative sales, based on prices actually paid in market transactions.

(b) A summation of the estimated full cash value of the land and contributory value of the improvements.

(c) Capitalization of the fair economic income expectancy or fair economic rent, or an analysis of the discounted cash flow.

➤ A county assessor is required to make the reduction prescribed in this subsection if the owner calls to his attention the facts warranting it, if he discovers those facts during physical reappraisal of the property or if he is otherwise aware of those facts.

6. The Nevada Tax Commission shall, by regulation, establish:

(a) Standards for determining the cost of replacement of improvements of various kinds.

(b) Standards for determining the cost of replacement of personal property of various kinds. The standards must include a separate index of factors for application to the acquisition cost of a billboard to determine its replacement cost.

(c) Schedules of depreciation for personal property based on its estimated life.

(d) Criteria for the valuation of two or more parcels as a subdivision.

7. In determining , *for the purpose of computing taxable value*, the cost of replacement of :

(a) Any personal property , ~~{for the purpose of computing taxable value,}~~ the cost of all improvements of the personal property, including any additions to or renovations of the personal property, but excluding routine maintenance and repairs, must be added to the cost of acquisition of the personal property.

(b) *An improvement made on land, a county assessor may use any final representations of the improvement prepared by the architect or builder of the improvement, including, without limitation, any final building plans, drawings, sketches and surveys, and any specifications included in such representations, as a basis for establishing any relevant measurements of size or quantity.*

8. The county assessor shall, upon the request of the owner, furnish within 15 days to the owner a copy of the most recent appraisal of the property, including, without limitation, copies of any sales data, materials presented on appeal to the county board of equalization or State Board of Equalization and other materials used to determine or defend the taxable value of the property.

9. The provisions of this section do not apply to property which is assessed pursuant to NRS 361.320.

Sec. 4. NRS 361.300 is hereby amended to read as follows:

361.300 1. On or before January 1 of each year, the county assessor shall transmit to the county clerk, post at the front door of the courthouse and publish in a newspaper published in the county a notice to the effect that the secured tax roll is completed and open for inspection by interested persons of the county.

2. If the county assessor fails to complete the assessment roll in the manner and at the time specified in this section, the board of county commissioners shall not allow him a salary or other compensation for any day after January 1 during which the roll is not completed, unless excused by the board of county commissioners.

3. Except as otherwise provided in subsection 4, each board of county commissioners shall by resolution, before December 1 of any fiscal year in which assessment is made, require the county assessor to prepare a list of all the taxpayers on the secured roll in the county and the total valuation of property on which they severally pay taxes and direct the county assessor:

(a) To cause such list and valuations to be printed and delivered by the county assessor or mailed by him on or before January 1 of the fiscal year in which assessment is made to each taxpayer in the county; or

(b) To cause such list and valuations to be published once on or before January 1 of the fiscal year in which assessment is made in a newspaper of general circulation in the county.

➤ In addition to complying with paragraph (a) or (b), the list and valuations may also be posted in a public area of the public libraries and branch libraries located in the county, in a public area of the county courthouse and the county office building in which the county assessor's office is located, and on a website or other Internet site that is operated or administered by or on behalf of the county or county assessor.

4. A board of county commissioners may, in the resolution required by subsection 3, authorize the county assessor not to deliver or mail the list, as provided in paragraph (a) of subsection 3, to taxpayers whose property is assessed at \$1,000 or less and direct the county assessor to mail to each such taxpayer a statement of the amount of his assessment. Failure by a taxpayer to receive such a mailed statement does not invalidate any assessment.

5. The several boards of county commissioners in the State may allow the bill contracted with their approval by the county assessor under this section on a claim to be allowed and paid as are other claims against the county.

6. Whenever :

(a) *Any property on the secured tax roll* is appraised or reappraised pursuant to NRS 361.260, the county assessor shall, on or before December 18 of the fiscal year in which the appraisal or reappraisal is made, deliver or mail to each owner of such property a written notice stating the assessed valuation of the property as determined from the appraisal or reappraisal.

(b) *Any personal property billed on the unsecured tax roll is appraised or reappraised pursuant to NRS 361.260, the delivery or mailing to the owner of such property of an individual tax bill or individual tax notice for the property shall be deemed to constitute adequate notice to the owner of the assessed valuation of the property as determined from the appraisal or reappraisal.*

7. If the secured tax roll is changed pursuant to NRS 361.310, the county assessor shall mail an amended notice of assessed valuation to each affected taxpayer. The notice must include:

(a) The information set forth in subsection 6 for the new assessed valuation.

(b) The dates for appealing the new assessed valuation.

8. Failure by the taxpayer to receive a notice required by this section does not invalidate the appraisal or reappraisal.

9. In addition to complying with subsections 6 and 7, a county assessor shall:

(a) Provide without charge a copy of a notice of assessed valuation to the owner of the property upon request.

(b) Post the information included in a notice of assessed valuation on a website or other Internet site, if any, that is operated or administered by or on behalf of the county or the county assessor.

Sec. 5. NRS 361.345 is hereby amended to read as follows:

361.345 1. Except as otherwise provided in subsection 2, the county board of equalization may ~~determine~~:

(a) *Determine* the valuation of any *real or personal* property *placed on:*

(1) *The secured tax roll which was* assessed by the county assessor ~~[-and may change]; or~~

(2) *The unsecured tax roll which was assessed by the county assessor on or after May 1 and on or before December 15; and*

(b) *Change* and correct any valuation found to be incorrect either by adding thereto or by deducting therefrom such sum as is necessary to make it conform to the taxable value of the property assessed, whether that valuation was fixed by the owner or the county assessor. The county board of equalization may not reduce the assessment of the county assessor unless it is established by a preponderance of the evidence that the valuation established by the county assessor exceeds the full cash value of the property or is inequitable. A change so made is effective only for the fiscal year for which the assessment was made. The county assessor shall each year review all such changes made for the previous fiscal year and maintain or remove each change as circumstances warrant.

2. If a person complaining of the assessment of his property:

(a) Has refused or, without good cause, has neglected to give the county assessor his list under oath, as required by NRS 361.265; or

(b) Has, without good cause, refused entry to the assessor for the purpose of conducting the physical examination required by NRS 361.260,

the county assessor shall make a reasonable estimate of the property and assess it accordingly. No reduction may be made by the county board of equalization from the assessment of the county assessor made pursuant to this subsection.

3. If the county board of equalization finds it necessary to add to the assessed valuation of any property on the assessment roll, it shall direct the clerk to give notice to the person so interested by registered or certified letter, or by personal service, naming the day when it will act on the matter and allowing a reasonable time for the interested person to appear.

Sec. 6. NRS 361.356 is hereby amended to read as follows:

361.356 1. An owner of *any real or personal* property *placed on:*

(a) *The secured tax roll* who believes that his property was assessed at a higher value than another property whose use is identical and whose location is comparable may appeal the assessment, on or before January 15 of the fiscal year in which the assessment was made, to the county board of equalization. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.

(b) *The unsecured tax roll which was assessed on or after May 1 and on or before December 15 who believes that his property was assessed at a higher value than another property whose use is identical and whose location is comparable may appeal the assessment, on or before the following January 15, to the county board of equalization. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.*

2. Before a person may file an appeal pursuant to subsection 1, the person must complete a form provided by the county assessor to appeal the assessment to the county board of equalization. The county assessor may, before providing such a form, require the person requesting the form to provide the parcel number or other identification number of the property that is the subject of the planned appeal.

3. If the board finds that an inequity exists in the assessment of the value of the land or the value of the improvements, or both, the board may add to or deduct from the value of the land or the value of the improvements, or both, either of the appellant's property or of the property to which it is compared, to equalize the assessment.

4. In the case of residential property, the appellant shall cite other property within the same subdivision if possible.

Sec. 7. NRS 361.357 is hereby amended to read as follows:

361.357 1. The owner of any *real or personal* property *placed on:*

(a) *The secured tax roll* who believes that the full cash value of his property is less than the taxable value computed for the property in the current assessment year ~~†~~ may, not later than January 15 of the fiscal year in which the assessment was made, appeal to the county board of equalization. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.

(b) *The unsecured tax roll which was assessed on or after May 1 and on or before December 15 who believes that the full cash value of his property is less than the taxable value computed for the property in the current assessment year may, not later than the following January 15, appeal to the county board of equalization. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.*

2. Before a person may file an appeal pursuant to subsection 1, the person must complete a form provided by the county assessor to appeal the assessment to the county board of equalization. The county assessor may, before providing such a form, require the person requesting the form to provide the parcel number or other identification number of the property that is the subject of the planned appeal.

3. If the county board of equalization finds that the full cash value of the property on January 1 immediately preceding the fiscal year for which the taxes are levied is less than the taxable value computed for the property, the board shall correct the land value or fix a percentage of obsolescence to be deducted from the

otherwise computed taxable value of the improvements, or both, to make the taxable value of the property correspond as closely as possible to its full cash value.

4. No appeal under this section may result in an increase in the taxable value of the property.

Sec. 8. NRS 361.390 is hereby amended to read as follows:

361.390 Each county assessor shall:

1. File with or cause to be filed with the Secretary of the State Board of Equalization, on or before March 10 of each year, the tax roll, or a true copy thereof, of his county for the current year as corrected by the county board of equalization.

2. Prepare and file with the Department on or before January 31, ~~and again on or before~~ March 5 *and October 31* of each year, a segregation report showing the assessed values for each taxing entity within the county on a form prescribed by the Department. The assessor shall make ~~any~~ projections ~~required~~ *of assessed value* for the current fiscal year ~~and the upcoming fiscal year regarding real and personal property for which the taxable value is determined by the assessor.~~ The Department shall make any projections required for the upcoming fiscal year ~~regarding the net proceeds of minerals and any property for which the taxable value is determined by the Nevada Tax Commission.~~

3. Prepare and file with the Department on or before ~~July 31 for the secured roll and on or before~~ May 5 for the unsecured roll, *on or before August 10 for the secured roll, and on or before October 31 for the unsecured roll and the secured roll*, a statistical report showing values for all categories of property on a form prescribed by the Department.

Sec. 9. NRS 361.4722 is hereby amended to read as follows:

361.4722 1. Except as otherwise provided in or required to carry out the provisions of subsection 3 and NRS 361.4725 to 361.4728, inclusive, *and section 2 of this act*, the owner of any parcel or other taxable unit of property, including property entered on the central assessment roll, for which an assessed valuation was separately established for the immediately preceding fiscal year is entitled to a partial abatement of the ad valorem taxes levied in a county on that property each fiscal year equal to the amount by which the product of the combined rate of all ad valorem taxes levied in that county on the property for that fiscal year and the amount of the assessed valuation of the property which is taxable in that county for that fiscal year, excluding any increase in the assessed valuation of the property from the immediately preceding fiscal year as a result of any improvement to or change in the actual or authorized use of the property, exceeds the sum obtained by adding:

(a) The amount of all the ad valorem taxes:

(1) Levied in that county on the property for the immediately preceding fiscal year; or

(2) Which would have been levied in that county on the property for the immediately preceding fiscal year if not for any exemptions from taxation that applied to the property for that prior fiscal year but do not apply to the property for the current fiscal year,

— whichever is greater; and

(b) A percentage of the amount determined pursuant to paragraph (a) which is equal to:

(1) The greater of:

(I) The average percentage of change in the assessed valuation of all the taxable property in the county, as determined by the Department, over the fiscal year in which the levy is made and the 9 immediately preceding fiscal years;

1 (II) Twice the percentage of increase in the Consumer Price Index for
2 all Urban Consumers, U.S. City Average (All Items) for the immediately preceding
3 calendar year; or

4 (III) Zero; or

5 (2) Eight percent,

6 ↪ whichever is less.

7 2. Except as otherwise provided in or required to carry out the provisions of
8 NRS 361.4725 to 361.4728, inclusive, *and section 2 of this act*, the owner of any
9 remainder parcel of real property for which no assessed valuation was separately
10 established for the immediately preceding fiscal year, is entitled to a partial
11 abatement of the ad valorem taxes levied in a county on that property for a fiscal
12 year equal to the amount by which the product of the combined rate of all ad
13 valorem taxes levied in that county on the property for that fiscal year and the
14 amount of the assessed valuation of the property which is taxable in that county for
15 that fiscal year, excluding any amount of that assessed valuation attributable to any
16 improvement to or change in the actual or authorized use of the property that would
17 not have been included in the calculation of the assessed valuation of the property
18 for the immediately preceding fiscal year if an assessed valuation had been
19 separately established for that property for that prior fiscal year, exceeds the sum
20 obtained by adding:

21 (a) The amount of all the ad valorem taxes:

22 (1) Which would have been levied in that county on the property for the
23 immediately preceding fiscal year if an assessed valuation had been separately
24 established for that property for that prior fiscal year based upon all the
25 assumptions, costs, values, calculations and other factors and considerations that
26 would have been used for the valuation of that property for that prior fiscal year; or

27 (2) Which would have been levied in that county on the property for the
28 immediately preceding fiscal year if an assessed valuation had been separately
29 established for that property for that prior fiscal year based upon all the
30 assumptions, costs, values, calculations and other factors and considerations that
31 would have been used for the valuation of that property for that prior fiscal year,
32 and if not for any exemptions from taxation that applied to the property for that
33 prior fiscal year but do not apply to the property for the current fiscal year,

34 ↪ whichever is greater; and

35 (b) A percentage of the amount determined pursuant to paragraph (a) which is
36 equal to:

37 (1) The greater of:

38 (I) The average percentage of change in the assessed valuation of all
39 the taxable property in the county, as determined by the Department, over the fiscal
40 year in which the levy is made and the 9 immediately preceding fiscal years;

41 (II) Twice the percentage of increase in the Consumer Price Index for
42 all Urban Consumers, U.S. City Average (All Items) for the immediately preceding
43 calendar year; or

44 (III) Zero; or

45 (2) Eight percent,

46 ↪ whichever is less.

47 3. The provisions of subsection 1 do not apply to any property for which the
48 provisions of subsection 1 of NRS 361.4723 or subsection 1 of NRS 361.4724
49 provide a greater abatement from taxation.

50 4. Except as otherwise required to carry out the provisions of NRS 361.4732
51 and any regulations adopted pursuant to NRS 361.4733, the amount of any
52 reduction in the ad valorem taxes levied in a county for a fiscal year as a result of
53 the application of the provisions of subsections 1 and 2 must be deducted from the

1 amount of ad valorem taxes each taxing entity would otherwise be entitled to
2 receive for that fiscal year in the same proportion as the rate of ad valorem taxes
3 levied in the county on the property by or on behalf of that taxing entity for that
4 fiscal year bears to the combined rate of all ad valorem taxes levied in the county
5 on the property by or on behalf of all taxing entities for that fiscal year.

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

8 6. For the purposes of this section, "remainder parcel of real property" means
9 a parcel of real property which remains after the creation of new parcels of real
10 property for development from one or more existing parcels of real property, if the
11 use of that remaining parcel has not changed from the immediately preceding fiscal
12 year.

13 **Sec. 10.** NRS 361.4723 is hereby amended to read as follows:


14 361.4723 The Legislature hereby finds and declares that an increase in the tax
15 bill of the owner of a home by more than 3 percent over the tax bill of that
16 homeowner for the previous year constitutes a severe economic hardship within the
17 meaning of subsection 10 of Section 1 of Article 10 of the Nevada Constitution.
18 The Legislature therefore directs a partial abatement of taxes for such homeowners
19 as follows:

20 1. Except as otherwise provided in or required to carry out the provisions of
21 subsection 2 and NRS 361.4725 to 361.4728, inclusive, *and section 2 of this act*,
22 the owner of a single-family residence which is the primary residence of the owner
23 is entitled to a partial abatement of the ad valorem taxes levied in a county on that
24 property each fiscal year equal to the amount by which the product of the combined
25 rate of all ad valorem taxes levied in that county on the property for that fiscal year
26 and the amount of the assessed valuation of the property which is taxable in that
27 county for that fiscal year, excluding any increase in the assessed valuation of the
28 property from the immediately preceding fiscal year as a result of any improvement
29 to or change in the actual or authorized use of the property, exceeds the sum
30 obtained by adding:

31 (a) The amount of all the ad valorem taxes:

32 (1) Levied in that county on the property for the immediately preceding
33 fiscal year; or

34 (2) Which would have been levied in that county on the property for the
35 immediately preceding fiscal year if not for any exemptions from taxation that
36 applied to the property for that prior fiscal year but do not apply to the property for
37 the current fiscal year,

38  whichever is greater; and

39 (b) Three percent of the amount determined pursuant to paragraph (a).

40 2. The provisions of subsection 1 do not apply to any property for which:

41 (a) No assessed valuation was separately established for the immediately
42 preceding fiscal year; or

43 (b) The provisions of subsection 1 of NRS 361.4722 provide a greater
44 abatement from taxation.

45 3. Except as otherwise required to carry out the provisions of NRS 361.4732
46 and any regulations adopted pursuant to NRS 361.4733, the amount of any
47 reduction in the ad valorem taxes levied in a county for a fiscal year as a result of
48 the application of the provisions of subsection 1 must be deducted from the amount
49 of ad valorem taxes each taxing entity would otherwise be entitled to receive for
50 that fiscal year in the same proportion as the rate of ad valorem taxes levied in the
51 county on the property by or on behalf of that taxing entity for that fiscal year bears
52 to the combined rate of all ad valorem taxes levied in the county on the property by
53 or on behalf of all taxing entities for that fiscal year.

4. The Nevada Tax Commission shall adopt such regulations as it deems appropriate to carry out this section, including, without limitation, regulations providing a methodology for applying the partial abatement provided pursuant to subsection 1 to a parcel of real property of which only a portion qualifies as a single-family residence which is the primary residence of the owner and the remainder is used in another manner.

5. The owner of a single-family residence does not become ineligible for the partial abatement provided pursuant to subsection 1 as a result of:

(a) The operation of a home business out of a portion of that single-family residence; or

(b) The manner in which title is held by the owner if the owner occupies the residence, including, without limitation, if the owner has placed the title in a trust for purposes of estate planning.

6. For the purposes of this section:

(a) "Primary residence of the owner" means a residence which:

(1) Is designated by the owner as the primary residence of the owner in this State, exclusive of any other residence of the owner in this State; and

(2) Is not rented, leased or otherwise made available for exclusive occupancy by any person other than the owner of the residence and members of the family of the owner of the residence.

(b) "Single-family residence" means a parcel or other unit of real property or unit of personal property which is intended or designed to be occupied by one family with facilities for living, sleeping, cooking and eating.

(c) "Unit of personal property" includes, without limitation, any:

(1) Mobile or manufactured home, whether or not the owner thereof also owns the real property upon which it is located; or

(2) Taxable unit of a condominium, common-interest community, planned unit development or similar property,

➤ if classified as personal property for the purposes of this chapter.

(d) "Unit of real property" includes, without limitation, any taxable unit of a condominium, common-interest community, planned unit development or similar property, if classified as real property for the purposes of this chapter.

Sec. 11. NRS 361.4724 is hereby amended to read as follows:

361.4724 The Legislature hereby finds and declares that many Nevadans who cannot afford to own their own homes would be adversely affected by large unanticipated increases in property taxes, as those tax increases are passed down to renters in the form of rent increases and therefore the benefits of a charitable exemption pursuant to subsection 8 of Section 1 of Article 10 of the Nevada Constitution should be afforded to those Nevadans through an abatement granted to the owners of residential rental dwellings who charge rent that does not exceed affordable housing standards for low-income housing. The Legislature therefore directs a partial abatement of taxes for such owners as follows:

1. Except as otherwise provided in or required to carry out the provisions of subsection 2 and NRS 361.4725 to 361.4728, inclusive, **and section 2 of this act**, if the amount of rent collected from each of the tenants of a residential dwelling does not exceed the fair market rent for the county in which the dwelling is located, as most recently published by the United States Department of Housing and Urban Development, the owner of the dwelling is entitled to a partial abatement of the ad valorem taxes levied in a county on that property for each fiscal year equal to the amount by which the product of the combined rate of all ad valorem taxes levied in that county on the property for that fiscal year and the amount of the assessed valuation of the property which is taxable in that county for that fiscal year, excluding any increase in the assessed valuation of the property from the

1 immediately preceding fiscal year as a result of any improvement to or change in
2 the actual or authorized use of the property, exceeds the sum obtained by adding:

3 (a) The amount of all the ad valorem taxes:

4 (1) Levied in that county on the property for the immediately preceding
5 fiscal year; or

6 (2) Which would have been levied in that county on the property for the
7 immediately preceding fiscal year if not for any exemptions from taxation that
8 applied to the property for that prior fiscal year but do not apply to the property for
9 the current fiscal year,

10 ➤ whichever is greater; and

11 (b) Three percent of the amount determined pursuant to paragraph (a).

12 2. The provisions of subsection 1 do not apply to:

13 (a) Any hotels, motels or other forms of transient lodging;

14 (b) Any property for which no assessed valuation was separately established
15 for the immediately preceding fiscal year; and

16 (c) Any property for which the provisions of subsection 1 of NRS 361.4722
17 provide a greater abatement from taxation.

18 3. Except as otherwise required to carry out the provisions of NRS 361.4732
19 and any regulations adopted pursuant to NRS 361.4733, the amount of any
20 reduction in the ad valorem taxes levied in a county for a fiscal year as a result of
21 the application of the provisions of subsection 1 must be deducted from the amount
22 of ad valorem taxes each taxing entity would otherwise be entitled to receive for
23 that fiscal year in the same proportion as the rate of ad valorem taxes levied in the
24 county on the property by or on behalf of that taxing entity for that fiscal year bears
25 to the combined rate of all ad valorem taxes levied in the county on the property by
26 or on behalf of all taxing entities for that fiscal year.

27 4. The Nevada Tax Commission shall adopt such regulations as it deems
28 appropriate to carry out this section.

29 **Sec. 12.** NRS 361.4732 is hereby amended to read as follows:

30 361.4732 Except as otherwise required to carry out *the provisions of section*
31 *2 of this act* and any regulations adopted pursuant to NRS 361.4733, and
32 notwithstanding any other provision of NRS 361.471 to 361.4735, inclusive, *and*
33 *section 2 of this act* to the contrary, after a parcel or other taxable unit of real
34 property is annexed to a taxing entity:

35 1. The amount otherwise required to be determined pursuant to paragraph (a)
36 of subsection 1 of NRS 361.4722, paragraph (a) of subsection 2 of NRS 361.4722,
37 paragraph (a) of subsection 1 of NRS 361.4723 or paragraph (a) of subsection 1 of
38 NRS 361.4724 with respect to that property for the first fiscal year in which that
39 taxing entity is entitled to levy or require the levy on its behalf of any ad valorem
40 taxes on the property as a result of that annexation of the property, shall be deemed
41 to be the amount of ad valorem taxes which would have been levied on the property
42 for the immediately preceding fiscal year if the annexation had occurred 1 year
43 earlier, based upon the tax rates that would have applied to the property for the
44 immediately preceding fiscal year if the annexation had occurred 1 year earlier and
45 without regard to any exemptions from taxation that applied to the property for the
46 immediately preceding fiscal year but do not apply to the property for the current
47 fiscal year; and

48 2. For the purposes of any other calculations required pursuant to the
49 provisions of NRS 361.471 to 361.4735, inclusive, *and section 2 of this act*, the
50 combined overlapping tax rate applicable to that property for the fiscal year
51 immediately preceding the first fiscal year in which that taxing entity is entitled to
52 levy or require the levy on its behalf of any ad valorem taxes on the property as a
53 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. 13. 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 county assessor of the county in which the property is located. The petition must be submitted on or before ~~January~~ **June 30** of the fiscal year for which the determination is effective. The county assessor shall, 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 county assessor 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. 14. NRS 361.535 is hereby amended to read as follows:

361.535 1. If the person, company or corporation so assessed neglects or refuses to pay the taxes within 30 days after demand, the taxes become delinquent. If the person, company or corporation so assessed neglects or refuses to pay the taxes within 10 days after the taxes become delinquent, a penalty of 10 percent must be added. If the tax and penalty are not paid on demand, the county assessor or his deputy may seize, seal or lock enough of the personal property of the person, company or corporation so neglecting or refusing to pay to satisfy the taxes and costs. The county assessor may use alternative methods of collection, including, without limitation, the assistance of the district attorney.

2. The county assessor shall:

(a) Post a notice of the seizure, with a description of the property, in a public area of the county courthouse or the county office building in which the assessor's office is located, and within the immediate vicinity of the property being seized; and

(b) At the expiration of 5 days, proceed to sell at public auction, at the time and place mentioned in the notice, to the highest bidder, for lawful money of the United States, a sufficient quantity of the property to pay the taxes and expenses incurred. For this service, the county assessor must be allowed from the delinquent person a fee of \$3. The county assessor is not required to sell the property if the highest bid received is less than the lowest acceptable bid indicated in the notice.

A person who, after the notice of the seizure of the property is posted pursuant to this subsection within the immediate vicinity of the property being seized and before the delinquent taxes on the property are paid, and without the consent of the county assessor, removes, defaces, covers or otherwise conceals that notice, moves or sells the property, attempts to move or sell the property, or assists another person to move or sell the property, is guilty of a gross misdemeanor.

3. If the personal property seized by the county assessor or his deputy consists of a mobile or manufactured home, an aircraft, or the personal property of a business, the county assessor shall publish a notice of the seizure once during each

of 2 successive weeks in a newspaper of general circulation in the county. If the legal owner of the property is someone other than the registered owner and the name and address of the legal owner can be ascertained from public records, the county assessor shall, before publication, send a notice of the seizure by registered or certified mail to the legal owner. The cost of the publication and notice must be charged to the delinquent taxpayer. The notice must state:

(a) The name of the owner, if known.

(b) The description of the property seized, including the location, the make, model and dimensions and the serial number, body number or other identifying number.

(c) The fact that the property has been seized and the reason for seizure.

(d) The lowest acceptable bid for the sale of the property, which is the total amount of the taxes due on the property and the penalties and costs as provided by law.

(e) The time and place at which the property is to be sold.

➤ After the expiration of 5 days from the date of the second publication of the notice, the property must be sold at public auction in the manner provided in subsection 2 for the sale of other personal property by the county assessor.

4. Upon payment of the purchase money, the county assessor shall deliver to the purchaser of the property sold, with a certificate of the sale, a statement of the amount of taxes or assessment and the expenses thereon for which the property was sold, whereupon the title of the property so sold vests absolutely in the purchaser.

5. After a mobile or manufactured home, an aircraft, or the personal property of a business is sold and the county assessor has paid all the taxes and costs on the property, the county assessor shall deposit into the general fund of the county the first \$300 of the excess proceeds from the sale. The county assessor shall deposit any remaining amount of the excess proceeds from the sale into an interest-bearing account maintained for the purpose of holding excess proceeds separate from other money of the county. If no claim is made for the money within 6 months after the sale of the property for which the claim is made, the county assessor shall pay the money into the general fund of the county. All interest paid on money deposited in the account pursuant to this subsection is the property of the county.

6. If the former owner of a mobile or manufactured home, aircraft, or personal property of a business that was sold pursuant to this section makes a claim in writing for the balance of the proceeds of the sale within 6 months after the completion of the sale, the county assessor shall pay the balance of the proceeds of the sale or the proper portion of the balance over to the former owner if the county assessor is satisfied that the former owner is entitled to it.

Sec. 15. NRS 361.5607 is hereby amended to read as follows:

361.5607 1. The tax receiver may petition the board of county commissioners to designate as uncollectible those taxes on personal property ~~for~~ *for whose collection all appropriate procedures have been followed and have proved unsuccessful and:*

(a) Which have been delinquent for 3 years or more; *or*

(b) Whose amount, including penalties and costs, is \$25 or less. ~~for~~ *and*

~~—(c) For whose collection all appropriate procedures have been followed and have proved unsuccessful.]~~

➤ The board may grant or deny the petition with respect to any or all of those taxes.

2. No future liability attaches to the county assessor or the county treasurer for any taxes designated as uncollectible by the board of county commissioners under this section.

1 **Sec. 16.** Chapter 361A of NRS is hereby amended by adding thereto a new
2 section to read as follows:

3 *When any portion of agricultural or open-space land is converted to a higher*
4 *use, the county assessor shall determine its taxable and, as appropriate,*
5 *agricultural or open-space use values against which to compute the deferred tax*
6 *for each fiscal year the property was under agricultural or open-space assessment*
7 *during the current fiscal year and the preceding 6 fiscal years, or such other*
8 *period as is required pursuant to NRS 361A.283. The taxable values for each*
9 *year must be comparable for the corresponding years to the taxable values for*
10 *property similar, including, without limitation, in size, zoning and location, to the*
11 *portion of property actually converted to a higher use. When agricultural land is*
12 *converted to a higher use, the agricultural use values for each of the years may*
13 *be based on the agricultural use for the latest year. When open-space land that is*
14 *used as a golf course is converted to a higher use, the taxable values for the*
15 *property must be determined, for the purpose of computing the deferred tax, in*
16 *accordance with the provisions of NRS 361.227 based upon the assessment of the*
17 *land as a golf course.*

18 **Sec. 17.** NRS 361A.031 is hereby amended to read as follows:

19 361A.031 1. “Converted to a higher use” means:

20 (a) A physical alteration of the surface of the property enabling it to be used for
21 a higher use;

22 (b) The recording of a final map or parcel map which creates one or more
23 parcels not intended for agricultural *or open-space* use;

24 (c) The existence of a final map or parcel map which creates one or more
25 parcels not intended for agricultural *or open-space* use; or

26 (d) A change in zoning to a higher use made at the request of the owner.

27 2. The term does not apply to ~~{the property remaining after a}~~ any portion of
28 the parcel ~~{is converted to higher use pursuant to paragraph (b) or (c) of subsection~~
29 ~~1 if the remaining portion}~~ that continues to qualify as agricultural *or open-space*
30 real property.

31 3. The term does not include leasing the land to or otherwise permitting the
32 land to be used by an agricultural association formed pursuant to chapter 547 of
33 NRS.

34 4. As used in this section:

35 (a) “Final map” has the meaning ascribed to it in NRS 278.0145.

36 (b) “Parcel map” has the meaning ascribed to it in NRS 278.017.

37 **Sec. 18.** NRS 361A.040 is hereby amended to read as follows:

38 361A.040 “Open-space real property” means:

39 1. Land:

40 (a) Located within an area classified pursuant to NRS 278.250 and subject to
41 regulations designed to promote the conservation of open space and the protection
42 of other natural and scenic resources from unreasonable impairment; and

43 (b) Devoted exclusively to open-space use.

44 2. The improvements on the land described in subsection 1 that is used
45 primarily to support the open-space use and not primarily to increase the value of
46 surrounding developed property or secure an immediate monetary return.

47 3. Land that is used as a golf course.

48 4. Land regarding which the owner has granted and has outstanding a
49 lease of surface water rights appurtenant to the property to a political subdivision
50 of this State for a municipal use, if the land was agricultural real property at the
51 time the lease was granted.

52 **Sec. 19.** NRS 361A.050 is hereby amended to read as follows:

361A.050 "Open-space use" means the current employment of land, the preservation of which use would conserve and enhance natural or scenic resources, protect streams and water supplies, maintain natural features which enhance control of floods or preserve sites designated as historic by the Office of Historic Preservation of the Department of Cultural Affairs. The use of real property and the improvements on that real property as a golf course shall be deemed to be an open-space use of the land. *The use of land to lease surface water rights appurtenant to the property to a political subdivision of this State for a municipal use shall be deemed to be an open-space use of the land, if the land was agricultural real property at the time the lease was granted.*

Sec. 20. NRS 361A.170 is hereby amended to read as follows:

361A.170 1. Property used as a golf course is hereby designated and classified as open-space real property and must be assessed as an open-space use.

2. *Land regarding which the owner has granted and has outstanding a lease of surface water rights appurtenant to the property to a political subdivision of this State for a municipal use, if the land was agricultural real property at the time the lease was granted, is hereby designated and classified as open-space real property and must be assessed as an open-space use.*

3. In addition to the designation and classification of ~~{a golf course}~~ property as open-space real property pursuant to ~~{subsection 1,}~~ *subsections 1 and 2,* the governing body of each city or county shall, from time to time, specify by resolution additional designations or classifications under its master plan that are designed to promote the conservation of open space, the maintenance of natural features for control of floods and the protection of other natural and scenic resources from unreasonable impairment.

~~{2.}~~ 4. The board of county commissioners shall, from time to time, adopt by ordinance procedures and criteria which must be used in considering an application for open-space use assessment based on a designation or classification adopted pursuant to subsection ~~{2.}~~ 3. The criteria may include requirements respecting public access to and the minimum size of the property.

Sec. 21. NRS 361A.180 is hereby amended to read as follows:

361A.180 Any owner of real property may apply to the county assessor for open-space use assessment based on a designation or classification adopted pursuant to subsection ~~{2.}~~ 3 of NRS 361A.170 and the payment of taxes on such property as provided in this chapter.

~~{Sec. 18.}~~ *Sec. 22. NRS 361A.230 is hereby amended to read as follows:*

361A.230 1. The county assessor shall enter on the assessment roll the valuation based on open-space use until the property becomes disqualified for open-space use assessment by:

(a) Sale or transfer to an owner making it exempt from ad valorem property taxation;

(b) Removal of the open-space use assessment by the assessor, with the concurrence of the board, upon discovery that the property is no longer in the open-space use; ~~{or}~~

(c) *If the open-space use assessment is based on the designation and classification of the property pursuant to subsection 1 of NRS 361A.170, the cessation of the use of the property for golfing or golfing practice, except for:*

(1) A seasonal closure of the property to such use;

(2) A temporary closure of the property for maintenance or repairs; or

(3) A temporary closure of the property, upon notification of the county assessor, for not more than 12 months for any other purpose that is incidental to such use or necessary for the continuation of such use; or

(d) If the open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~¶ 3~~ 3 of NRS 361A.170:

(1) Notification by the applicant to the assessor to remove the open-space use assessment; or

(2) Failure to file a new application as provided in NRS 361A.190.

2. Except as otherwise provided in paragraph (a) of subsection 1, the sale or transfer to a new owner or transfer by reason of death of a former owner does not operate to disqualify open-space real property from open-space use assessment so long as the property continues to be used exclusively for an open-space use. If the open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~¶ 3~~ 3 of NRS 361A.170, the new owner must apply for open-space use assessment in the manner provided in NRS 361A.190.

3. Whenever open-space real property becomes disqualified under subsection 1, the county assessor shall send a written notice of disqualification by certified mail with return receipt requested to each owner of record. The notice must contain the assessed value for the ensuing fiscal year.

Sec. 23. NRS 361A.240 is hereby amended to read as follows:

361A.240 1. The determination of use and the open-space use assessment in each year are final unless appealed.

2. If the application for an open-space use assessment is based on a designation or classification adopted pursuant to subsection ~~¶ 3~~ 3 of NRS 361A.170, the applicant for the open-space assessment is entitled to:

(a) Appeal the determination made by the board of county commissioners to the district court in the county where the property is located, or if located in more than one county, in the county in which the major portion of the property is located, as provided in NRS 278.0235.

(b) Equalization of the open-space use assessment in the manner provided in chapter 361 of NRS for complaints of overvaluation, excessive valuation or undervaluation.

~~Sec. 19.~~ **Sec. 24. NRS 361A.265 is hereby amended to read as follows:**

361A.265 1. An owner of property which has received an agricultural or open-space use assessment:

(a) Must pay the full amount of deferred taxes calculated pursuant to NRS 361A.280 for any property for which a final map will be recorded pursuant to NRS 278.460 before the date on which the map is recorded ~~¶ 3~~, *if the existence or recording of the map will result in the conversion of any portion of the property to a higher use.*

(b) In all other cases may, before the conversion of any portion of the property to a higher use, pay the amount of deferred taxes which would be due upon the conversion of that property pursuant to NRS 361A.280.

2. An owner who desires to pay the deferred taxes must request, in writing, the county assessor to estimate the amount of the deferred taxes which would be due at the time of conversion. After receiving such a request, the county assessor shall estimate the amount of the deferred taxes due for the next property tax statement and report the amount to the owner.

3. An owner who voluntarily pays the deferred taxes may appeal the valuations and calculations upon which the deferred taxes were based in the manner provided in NRS 361A.273.

4. If a parcel that has been created after the secured tax roll has been closed is converted to a higher use, the assessor must change the roll to reflect the changes in the parcel or parcels and assess the new parcel or parcels at taxable value for the following fiscal year. The deferred tax must be assessed pursuant to NRS 361A.280.

~~[Sec. 20.]~~ **Sec. 25.** NRS 361A.280 is hereby amended to read as follows:
361A.280 If the county assessor is notified or otherwise becomes aware that a parcel or any portion of a parcel of real property which has received agricultural or open-space use assessment has been converted to a higher use, the county assessor shall add to the tax extended against that portion of the property on the next property tax statement the deferred tax, which is the difference between the taxes that would have been paid or payable on the basis of the agricultural or open-space use valuation and the taxes which would have been paid or payable on the basis of the taxable value calculated pursuant to ~~[NRS 361A.155]~~ ~~[+]~~ ~~[for]~~ **section 16 of this act** ~~[+ as applicable.]~~ for each year in which agricultural or open-space use assessment was in effect for the property during the fiscal year in which the property ceased to be used exclusively for agricultural use or approved open-space use and the preceding 6 fiscal years. The county assessor shall assess the property pursuant to NRS 361.227 for the next fiscal year following the date of conversion to a higher use.

~~[Sec. 24.]~~ **Sec. 26.** NRS 361A.283 is hereby amended to read as follows:
361A.283 1. If the county assessor determines that the deferred tax for any fiscal year or years was not assessed in the year it became due, he may assess it anytime within 5 fiscal years after the end of the fiscal year in which a parcel or portion of a parcel was converted to a higher use.

2. If the county assessor determines that a parcel was assessed for agricultural **or open-space** use rather than at full taxable value for any fiscal year in which it did not qualify for agricultural **or open-space** assessment, he may assess the deferred tax for that year anytime within 5 years after the end of that fiscal year.

3. A penalty equal to 20 percent of the total accumulated deferred tax described in subsections 1 and 2 must be added for each of the years in which the owner failed to provide the written notice required by NRS 361A.270. The county assessor may waive this penalty if he finds extenuating circumstances sufficient to justify the waiver.

~~[Sec. 22.]~~ **Sec. 27.** Section 57 of chapter 496, Statutes of Nevada 2005, as amended by section 27 of chapter 415, Statutes of Nevada 2007, at page 1899, is hereby amended to read as follows:

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

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

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

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

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

4. Section 23 of this act becomes effective on July 1, ~~[2009.]~~ **2011.**

5. Section 43 of this act expires by limitation on June 30, ~~[2009.]~~ **2011.**

~~[Sec. 23.]~~ **Sec. 28.** Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, at page 23, is hereby amended to read as follows:

Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon passage and approval.

2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009 ~~[+]~~.

~~3. Sections 4 and 6 to 12, inclusive, of this act]~~ **and** expire by limitation on June 30, 2009.

~~3.~~ Sections 1, 3 ~~[, 5]~~ and 13 of this act become effective on July 1, 2009.

~~4.~~ Sections 1 ~~[, 2, 3 and 5]~~ to 4, inclusive, of this act expire by limitation on June 30, 2011.

~~Sec. 24.~~ Sec. 29. 1. NRS 361A.155 is hereby repealed.

2. Section 5 of chapter 4, Statutes of Nevada 2008, 25th Special Session, at page 17, is hereby repealed.

~~Sec. 25.~~ Sec. 30. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

~~Sec. 26.~~ Sec. 31. 1. This section and sections 3, 4 , 27, 28, subsection 2 of section 29 and ~~[22 to 25, inclusive,]~~ section 30 of this act become effective upon passage and approval.

2. Sections 1, 2 and 5 to ~~[2,]~~ 26, inclusive, and subsection 1 of section 29 of this act become effective on July 1, 2009.

TEXT OF REPEALED ~~[SECTION]~~ SECTIONS

361A.155 Determination of taxable value when agricultural land converted to higher use. When any portion of agricultural land is converted to a higher use, the county assessor shall determine its taxable and agricultural use values against which to compute the deferred tax for each fiscal year the property was under agricultural assessment during the current fiscal year and the preceding 6 fiscal years, or such other period as is required pursuant to NRS 361A.283. The agricultural use values for each of the years may be based on the agricultural use for the latest year. The taxable values for each year must be comparable for the corresponding years to the taxable values for property similar, including, without limitation, in size, zoning and location, to the portion of property actually converted to a higher use.

Section 5 of chapter 4, Statutes of Nevada 2008, 25th Special Session, at page 17:

Sec. 5. NRS 362.170 is hereby amended to read as follows:

362.170 1. There is hereby appropriated to each county the total of the amounts obtained by multiplying, for each extractive operation situated within the county, the net proceeds of that operation and any royalties paid by that operation, *as estimated and paid pursuant to NRS 362.115, plus any amounts paid pursuant to NRS 362.130* by the combined rate of tax ad valorem ~~[,]~~ *for the fiscal year to which the payments apply*, excluding any rate levied by the State of Nevada, for property at that site, plus a pro rata share of any penalties and interest collected by the Department for the late payment of taxes distributed to the county. The Department shall report to the State Controller on or before May 25 of each year the amount appropriated to each county, as calculated for each operation from the ~~[final statement made in February of that year]~~ *estimate provided pursuant to NRS 362.115 for the current calendar year and any adjustments made pursuant to NRS 362.130* for the preceding calendar year. The State Controller shall distribute all money due to a county on or before May 30 of each year. *The Department shall report to the State Controller any additional payments made pursuant to paragraph (b) of subsection 1 of*

NRS 362.115 within 15 days after receipt of the payment, and the State Controller shall distribute the money to the appropriate county within 5 days after receipt of the report from the Department. For the purposes of this subsection, payments made pursuant to paragraph (b) of subsection 1 of NRS 362.115 apply to the fiscal year in which the statement of the estimated net proceeds is filed pursuant to paragraph (a) of subsection 1 of NRS 362.115.

2. The county treasurer shall apportion to each local government or other local entity an amount calculated by:

(a) Determining the total of the amounts obtained by multiplying, for each extractive operation situated within its jurisdiction, the net proceeds of that operation and any royalty payments paid by that operation, by the rate levied on behalf of that local government or other local entity;

(b) Adding to the amount determined pursuant to paragraph (a) a pro rata share of any penalties and interest collected by the Department for the late payment of taxes distributed to that local government or local entity; and

(c) Subtracting from the amount determined pursuant to paragraph (b) a commission of 3 percent of that amount which must be deposited in the county general fund.

3. The amounts apportioned pursuant to subsection 2, including, without limitation, the amount retained by the county and excluding the percentage commission, must be applied to the uses for which each levy was authorized in the same proportion as the rate of each levy bears to the total rate.

4. The Department shall report to the State Controller on or before May 25 of each year the amount received as tax upon the net proceeds of geothermal resources which equals the product of those net proceeds multiplied by the rate of tax levied ad valorem by the State of Nevada.