

## Amendment No. 665

Assembly Amendment to Senate Bill No. 32 First Reprint (BDR 32-433)

Proposed by: Assembly Committee on Taxation

Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

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 underlining* is newly added transitory language.

SRT/RBL



Date: 5/26/2011

S.B. No. 32—Makes various changes relating to equalization of property valuations. (BDR 32-433)



## SENATE BILL NO. 32—COMMITTEE ON REVENUE

(ON BEHALF OF THE DEPARTMENT OF TAXATION)

PREFILED DECEMBER 14, 2010

Referred to Committee on Revenue

SUMMARY—Makes various changes relating to equalization of property valuations. (BDR 32-433)

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

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

AN ACT relating to the equalization of property valuations; extending under certain circumstances the deadline for appeals to county boards of equalization; extending certain deadlines for the State Board of Equalization to conclude the business of equalization; requiring the State Board to post a schedule of certain meetings on the Internet website of the Department of Taxation; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

A taxpayer who desires to appeal the valuation of his or her property to a county board of equalization must file the appeal on or before January 15. (NRS 361.340) **Section 1** of this bill extends that deadline to the next business day if January 15 falls on a Saturday, Sunday or legal holiday.

The State Board of Equalization hears appeals from the actions of the county boards of equalization and is required to equalize property valuations in the State by reviewing the tax rolls of the various counties and raising or lowering assessed property values, if appropriate, to ensure a uniform and equal rate of assessment and taxation in this State. (NRS 361.395, 361.400) Existing law requires the State Board to conclude the business of equalization on or before April 15 on cases that in its opinion have a substantial effect on tax revenues, while cases having a less substantive effect on tax revenues may be heard at additional meetings before October 1. (NRS 361.380) **Section 3** of this bill instead requires that if a proposed equalization affects local governmental entities in more than one county and is likely to have a substantial effect on tax revenues, the State Board must notify each affected local governmental entity of the proposed equalization on or before April 30. In addition, **sections 2 and 3** of this bill extend the deadline for cases which have a less substantive effect, or those arising from decisions made in individual cases, to November 1. **Section 3** also requires the State Board to post a schedule of its meetings concerning such equalization on the Department of Taxation's Internet website ~~and removes the requirement that the State Board publish~~ **in addition to publishing** notice of meetings to be held in locations other than Carson City in a newspaper in the county where the meetings are to be held.

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

1       **Section 1.** NRS 361.340 is hereby amended to read as follows:  
2       361.340 1. Except as otherwise provided in subsection 2, the board of  
3       equalization of each county consists of:  
4       (a) Five members, only two of whom may be elected public officers, in  
5       counties having a population of 15,000 or more; and  
6       (b) Three members, only one of whom may be an elected public officer, in  
7       counties having a population of less than 15,000.  
8       2. The board of county commissioners may by resolution provide for an  
9       additional panel of like composition to be added to the board of equalization to  
10      serve for a designated fiscal year. The board of county commissioners may also  
11      appoint alternate members to either panel.  
12      3. A district attorney, county treasurer or county assessor or any of their  
13      deputies or employees may not be appointed to the county board of equalization.  
14      4. The chair of the board of county commissioners shall nominate persons to  
15      serve on the county board of equalization who are sufficiently experienced in  
16      business generally to be able to bring knowledge and sound judgment to the  
17      deliberations of the board or who are elected public officers. The nominees must be  
18      appointed upon a majority vote of the board of county commissioners. The chair of  
19      the board of county commissioners shall designate one of the appointees to serve as  
20      chair of the county board of equalization.  
21      5. Except as otherwise provided in this subsection, the term of each member  
22      is 4 years and any vacancy must be filled by appointment for the unexpired term.  
23      The term of any elected public officer expires upon the expiration of the term of his  
24      or her elected office.  
25      6. The county clerk or his or her designated deputy is the clerk of each panel  
26      of the county board of equalization.  
27      7. Any member of the county board of equalization may be removed by the  
28      board of county commissioners if, in its opinion, the member is guilty of  
29      malfeasance in office or neglect of duty.  
30      8. The members of the county board of equalization are entitled to receive per  
31      diem allowance and travel expenses as provided for state officers and employees.  
32      The board of county commissioners of any county may by resolution provide for  
33      compensation to members of the board of equalization in its county who are not  
34      elected public officers as it deems adequate for time actually spent on the work of  
35      the board of equalization. In no event may the rate of compensation established by  
36      a board of county commissioners exceed \$125 per day.  
37      9. A majority of the members of the county board of equalization constitutes a  
38      quorum, and a majority of the board determines the action of the board.  
39      10. A county board of equalization shall comply with any applicable  
40      regulation adopted by the Nevada Tax Commission.  
41      11. The county board of equalization of each county shall hold such number  
42      of meetings as may be necessary to care for the business of equalization presented  
43      to it. Every appeal to the county board of equalization must be filed not later than  
44      January 15. *If January 15 falls on a Saturday, Sunday or legal holiday, the appeal*  
45      *may be filed on the next business day.* Each county board shall cause to be  
46      published, in a newspaper of general circulation published in that county, a  
47      schedule of dates, times and places of the board meetings at least 5 days before the  
48      first meeting. The county board of equalization shall conclude the business of  
49      equalization on or before the last day of February of each year except as to matters

remanded by the State Board of Equalization. The State Board of Equalization may establish procedures for the county boards, including setting the period for hearing appeals and for setting aside time to allow the county board to review and make final determinations. The district attorney or his or her deputy shall be present at all meetings of the county board of equalization to explain the law and the board's authority.

12. The county assessor or his or her deputy shall attend all meetings of each panel of the county board of equalization.

**Sec. 2.** NRS 361.360 is hereby amended to read as follows:

361.360 1. Any taxpayer aggrieved at the action of the county board of equalization in equalizing, or failing to equalize, the value of his or her property, or property of others, or a county assessor, may file an appeal with the State Board of Equalization on or before March 10 and present to the State Board of Equalization the matters complained of at one of its sessions. If March 10 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.

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

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

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

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

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

5. Any change made in an assessment appealed to the State Board of Equalization is effective only for the fiscal year for which the assessment was made. The county assessor shall review each such change and maintain or remove the change as circumstances warrant for the next fiscal year.

6. If the State Board of Equalization determines that the record of a case on appeal from the county board of equalization is inadequate because of an act or omission of the county assessor, the district attorney or the county board of equalization, the State Board of Equalization may remand the case to the county board of equalization with directions to develop an adequate record within 30 days after the remand. The directions must indicate specifically the inadequacies to be remedied. If the State Board of Equalization determines that the record returned from the county board of equalization after remand is still inadequate, the State Board of Equalization may hold a hearing anew on the appellant's complaint or it may, if necessary, contract with an appropriate person to hear the matter, develop an adequate record in the case and submit recommendations to the State Board. The

1 cost of the contract and all costs, including attorney's fees, to the State or the  
2 appellant necessary to remedy the inadequate record on appeal are a charge against  
3 the county.

4 **Sec. 3.** NRS 361.380 is hereby amended to read as follows:

5 361.380 1. Except as otherwise provided in subsection 3, annually, the State  
6 Board of Equalization shall convene on the fourth Monday in March in Carson  
7 City, Nevada, and shall hold such number of meetings as may be necessary to care  
8 for the business of equalization presented to it. ~~[The]~~ *If a proposed equalization*  
9 *affects local governmental entities in more than one county and the equalization,*  
10 *in the opinion of the State Board of Equalization, is likely to have a substantial*  
11 *effect on tax revenues, the* State Board of Equalization shall ~~[conclude the~~  
12 ~~business]~~ *notify each affected local governmental entity of the proposed*  
13 *equalization on* ~~[cases that in its opinion have a substantial effect on tax revenues~~  
14 ~~on]~~ or before April ~~[15. Cases having less than a substantial effect on tax revenues]~~  
15 *30. Cases* may be heard at additional meetings which may be held at any time and  
16 place in the state before ~~[October]~~ *November* 1.

17 2. The publication in the statutes of the foregoing time, place and purpose of  
18 each regular session of the State Board of Equalization is notice of such sessions, or  
19 if it so elects, the State Board of Equalization may cause published notices of such  
20 regular sessions to be made in the press, or may notify parties in interest by letter or  
21 otherwise.

22 3. The State Board of Equalization may designate some place other than  
23 Carson City, Nevada, for any of the meetings specified in subsection 1. *If such*  
24 *other place is so designated, notice thereof must be given by publication of a notice*  
25 *once a week for 2 consecutive weeks in some newspaper of general circulation in*  
26 *the county in which such meeting or meetings are to be held. [In addition to any*  
27 *other notice required by law, the]* *The State Board of Equalization must also post*  
28 *a schedule of each such meeting on the Internet website maintained by the*  
29 *Department.*

30 **Sec. 4.** NRS 361.405 is hereby amended to read as follows:

31 361.405 1. The Secretary of the State Board of Equalization forthwith shall  
32 certify any change made by the Board in the assessed valuation of any property in  
33 whole or in part to the county auditor of the county where the property is assessed,  
34 and whenever the valuation of any property is raised, the Secretary of the State  
35 Board of Equalization shall forward by certified mail to the property owner or  
36 owners affected, notice of the increased valuation.

37 2. As soon as changes resulting from cases having a substantial effect on tax  
38 revenues have been certified to the county auditor by the Secretary of the State  
39 Board of Equalization, the county auditor shall:

40 (a) Enter all such changes and the value of any construction work in progress  
41 and net proceeds of minerals which were certified to him or her by the Department,  
42 on the assessment roll before the delivery thereof to the tax receiver.

43 (b) Add up the valuations and enter the total valuation of each kind of property  
44 and the total valuation of all property on the assessment roll.

45 (c) Certify the results to the board of county commissioners and the  
46 Department. ~~[on or before April 15 of each year.]~~

47 3. The board of county commissioners shall not levy a tax on the net proceeds  
48 of minerals added to the assessed valuation pursuant to paragraph (a) of subsection  
49 2, but, except as otherwise provided by specific statute, the net proceeds of minerals  
50 must be included in the assessed valuation of the taxable property of the county and  
51 all local governments in the county for the determination of the rate of tax and all  
52 other purposes for which assessed valuation is used.

1           4. As soon as changes resulting from cases having less than a substantial  
2 effect on tax revenue have been certified to the county tax receiver by the Secretary  
3 of the State Board of Equalization, the county tax receiver shall adjust the  
4 assessment roll or the tax statement or make a tax refund, as directed by the State  
5 Board of Equalization.

6           **Sec. 5.** This act becomes effective upon passage and approval.