

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 the meetings of the State Board of Equalization. (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 **fornitted-material** is material to be omitted.

AN ACT relating to the State Board of Equalization; extending certain deadlines for the Board to conclude the business of equalization; requiring the 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:

1 The State Board of Equalization hears appeals from the actions of the county
2 boards of equalization and is required to equalize property valuations in the State
3 by reviewing the tax rolls of the various counties and raising or lowering assessed
4 property values, if appropriate, to ensure a uniform and equal rate of assessment
5 and taxation in this State. (NRS 361.395, 361.400) Existing law requires the State
6 Board to conclude the business of equalization on or before April 15 on cases that
7 in its opinion have a substantial effect on tax revenues, while cases having a less
8 substantive effect on tax revenues may be heard at additional meetings before
9 October 1. (NRS 361.380) This bill instead requires that if a proposed equalization
10 affects more than one local governmental entity and is likely to have a substantial
11 effect on tax revenues, the State Board must notify each local governmental entity
12 of the proposed equalization on or before April 30. In addition, this bill extends the
13 deadline for cases which have a less substantive effect, or those arising from
14 decisions made in individual cases, to November 1. This bill also requires the State
15 Board to post a schedule of its meetings concerning such equalization on the
16 Department of Taxation's Internet website and removes the requirement that the
17 State Board publish notice of meetings to be held in locations other than Carson
18 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 361.360 is hereby amended to read as follows:
2 361.360 1. Any taxpayer aggrieved at the action of the
3 county board of equalization in equalizing, or failing to equalize, the
4 value of his or her property, or property of others, or a county
5 assessor, may file an appeal with the State Board of Equalization on
6 or before March 10 and present to the State Board of Equalization
7 the matters complained of at one of its sessions. If March 10 falls on
8 a Saturday, Sunday or legal holiday, the appeal may be filed on the
9 next business day.
- 10 2. All such appeals must be presented upon the same facts and
11 evidence as were submitted to the county board of equalization in
12 the first instance, unless there is discovered new evidence pertaining
13 to the matter which could not, by due diligence, have been
14 discovered before the final adjournment of the county board of
15 equalization. The new evidence must be submitted in writing to the
16 State Board of Equalization and served upon the county assessor not
17 less than 7 days before the hearing.
- 18 3. Any taxpayer whose real or personal property placed on the
19 unsecured tax roll was assessed after December 15 but before or on
20 the following April 30 may likewise protest to the State Board of
21 Equalization. Every such appeal must be filed on or before May 15.
22 If May 15 falls on a Saturday, Sunday or legal holiday, the appeal
23 may be filed on the next business day. A meeting must be held
24 before May 31 to hear those protests that in the opinion of the State
25 Board of Equalization may have a substantial effect on tax revenues.
26 One or more meetings may be held at any time and place in the
27 State before ~~October~~ **November** 1 to hear all other protests.
- 28 4. The State Board of Equalization may not reduce the
29 assessment of the county assessor if:
- 30 (a) The appeal involves an assessment on property which the
31 taxpayer has refused or, without good cause, has neglected to
32 include in the list required of the taxpayer pursuant to NRS 361.265
33 or if the taxpayer has refused or, without good cause, has neglected
34 to provide the list to the county assessor; or
- 35 (b) The taxpayer has, without good cause, refused entry to the
36 assessor for the purpose of conducting the physical examination
37 authorized by NRS 361.260.
- 38 5. Any change made in an assessment appealed to the State
39 Board of Equalization is effective only for the fiscal year for which
40 the assessment was made. The county assessor shall review each
41 such change and maintain or remove the change as circumstances
42 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 cost of the contract and all costs, including attorney's fees, to the State or the appellant necessary to remedy the inadequate record on appeal are a charge against the county.

Sec. 2. NRS 361.380 is hereby amended to read as follows:

361.380 1. Except as otherwise provided in subsection 3, annually, the State Board of Equalization shall convene on the fourth Monday in March in Carson City, Nevada, and shall hold such number of meetings as may be necessary to care for the business of equalization presented to it. ~~{The}~~ *If a proposed equalization affects more than one local governmental entity and the equalization, in the opinion of the State Board of Equalization, is likely to have a substantial effect on tax revenues, the* State Board of Equalization shall ~~{conclude the business}~~ *notify each affected local governmental entity of the proposed* equalization on ~~{cases that in its opinion have a substantial effect on tax revenues on}~~ or before April ~~{15. Cases having less than a substantial effect on tax revenues}~~ *30. This requirement does not apply to a decision of the State Board of Equalization in cases that require equalization of similarly situated property. Cases* may be heard at additional meetings which may be held at any time and place in the state before ~~{October}~~ *November* 1.

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

3. The State Board of Equalization may designate some place other than Carson City, Nevada, for any of the meetings specified in subsection 1. ~~{If such other place is so designated, notice thereof must be given by publication of a notice once a week for 2~~



~~consecutive weeks in some newspaper of general circulation in the county in which such meeting or meetings are to be held.] In addition to any other notice required by law, the State Board of Equalization must post a schedule of each such meeting on the Internet website maintained by the Department.~~

Sec. 3. NRS 361.405 is hereby amended to read as follows:

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

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

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

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

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

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

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

Sec. 4. This act becomes effective upon passage and approval.

