

SENATE BILL NO. 78—COMMITTEE ON REVENUE
AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE DEPARTMENT OF TAXATION)

PREFILED DECEMBER 20, 2014

Referred to Committee on Revenue and
Economic Development

SUMMARY—Makes various changes to provisions relating to
taxation. (BDR 32-303)

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

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

AN ACT relating to taxation; clarifying provisions governing
appeals to the State Board of Equalization of appraisals
and assessments of property tax on the property of mines;
and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the Department of Taxation to appraise and assess all
2 reduction, smelting and milling works, plants and facilities, whether or not
3 associated with a mine, all drilling rigs, and all supplies, machinery, equipment,
4 apparatus, facilities, buildings, structures and other improvements used in
5 connection with any mining, drilling, reduction, smelting or milling operation.
6 (NRS 362.100) **Section 1** of this bill authorizes any person, firm, company,
7 association or corporation claiming overvaluation or excessive valuation of its
8 property that is appraised and assessed by the Department to appeal any resulting
9 assessment to the State Board of Equalization.

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

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

3 *1. Any person, firm, company, association or corporation*
4 *claiming overvaluation or excessive valuation of its property in*
5 *this State that is appraised and assessed by the Department*



pursuant to NRS 362.100 is entitled to a hearing before the State Board of Equalization to appeal any assessment resulting therefrom, without appearing before or requesting relief from the county board of equalization. If a hearing is held, evidence of the valuation of the property in which the value is determined by using appropriate appraisal standards must be submitted to the State Board of Equalization.

2. Every appeal to the State Board of Equalization described in subsection 1 must be filed not later than January 15. If January 15 falls on a Saturday, Sunday or legal holiday, the appeal may be filed on the next business day.

Sec. 2. NRS 361.334 is hereby amended to read as follows:

361.334 As used in NRS 361.334 to 361.435, inclusive ~~H~~ , *and section 1 of this act:*

1. The term “property” includes a leasehold interest, possessory interest, beneficial interest or beneficial use of a lessee or user of property which is taxable pursuant to NRS 361.157 or 361.159.

2. Where the term “property” is read to mean a taxable leasehold interest, possessory interest, beneficial interest or beneficial use of a lessee or user of property, the term “owner” used in conjunction therewith must be interpreted to mean the lessee or user of the property.

Sec. 3. NRS 361.395 is hereby amended to read as follows:

361.395 1. During the annual session of the State Board of Equalization beginning on the fourth Monday in March of each year, the State Board of Equalization shall:

(a) Equalize property valuations in the State.

(b) Review the tax rolls of the various counties as corrected by the county boards of equalization thereof and raise or lower, equalizing and establishing the taxable value of the property, for the purpose of the valuations therein established by all the county assessors and county boards of equalization and the Nevada Tax Commission, of any class or piece of property in whole or in part in any county, including those classes of property enumerated in NRS 361.320.

2. If the State Board of Equalization proposes to increase the valuation of any property on the assessment roll:

(a) Pursuant to paragraph (b) of subsection 1, it shall give 30 days’ notice to interested persons by first-class mail.

(b) In a proceeding to resolve an appeal or other complaint before the Board pursuant to NRS 361.360, 361.400 or 361.403, *or section 1 of this act*, it shall give 10 days’ notice to interested persons by registered or certified mail or by personal service.



1 ➤ A notice provided pursuant to this subsection must state the time
2 when and place where the person may appear and submit proof
3 concerning the valuation of the property. A person waives the notice
4 requirement if he or she personally appears before the Board and is
5 notified of the proposed increase in valuation.

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

7 361.405 1. The Secretary of the State Board of Equalization
8 forthwith shall certify any change made by the Board in the assessed
9 valuation of any property in whole or in part to the county auditor of
10 the county where the property is assessed, and whenever the
11 valuation of any property is raised:

12 (a) In a proceeding to resolve an appeal or other complaint
13 before the Board pursuant to NRS 361.360, 361.400 or 361.403, *or*
14 *section 1 of this act*, the Secretary of the Board shall forward by
15 certified mail to the property owner or owners affected, notice of the
16 increased valuation.

17 (b) Pursuant to paragraph (b) of subsection 1 of NRS 361.395,
18 the Secretary of the Board shall forward by first-class mail to the
19 property owner or owners affected, notice of the increased
20 valuation.

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

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

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

32 (c) Certify the results to the board of county commissioners and
33 the Department.

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

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



- 1 statement or make a tax refund, as directed by the State Board of
- 2 Equalization.
- 3 **Sec. 5.** This act becomes effective on July 1, 2015.

