

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:**

1 A taxpayer who desires to appeal the valuation of his or her property to a  
2 county board of equalization must file the appeal on or before January 15. (NRS  
3 361.340) **Section 1** of this bill extends that deadline to the next business day if  
4 January 15 falls on a Saturday, Sunday or legal holiday.  
5 The State Board of Equalization hears appeals from the actions of the county  
6 boards of equalization and is required to equalize property valuations in the State  
7 by reviewing the tax rolls of the various counties and raising or lowering assessed  
8 property values, if appropriate, to ensure a uniform and equal rate of assessment  
9 and taxation in this State. (NRS 361.395, 361.400) Existing law requires the State  
10 Board to conclude the business of equalization on or before April 15 on cases that  
11 in its opinion have a substantial effect on tax revenues, while cases having a less  
12 substantive effect on tax revenues may be heard at additional meetings before  
13 October 1. (NRS 361.380) **Section 3** of this bill instead requires that if a proposed  
14 equalization affects local governmental entities in more than one county and is  
15 likely to have a substantial effect on tax revenues, the State Board must notify each  
16 affected local governmental entity of the proposed equalization on or before  
17 April 30. In addition, **sections 2 and 3** of this bill extend the deadline for cases  
18 which have a less substantive effect, or those arising from decisions made in



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19 individual cases, to November 1. **Section 3** also requires the State Board to post a  
20 schedule of its meetings concerning such equalization on the Department of  
21 Taxation's Internet website in addition to publishing notice of meetings to be held  
22 in locations other than Carson City in a newspaper in the county where the  
23 meetings are to be held.

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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  
3 board of equalization of each county consists of:  
4     (a) Five members, only two of whom may be elected public  
5 officers, in counties having a population of 15,000 or more; and  
6     (b) Three members, only one of whom may be an elected public  
7 officer, in counties having a population of less than 15,000.  
8     2. The board of county commissioners may by resolution  
9 provide for an additional panel of like composition to be added to  
10 the board of equalization to serve for a designated fiscal year. The  
11 board of county commissioners may also appoint alternate members  
12 to either panel.  
13     3. A district attorney, county treasurer or county assessor or  
14 any of their deputies or employees may not be appointed to the  
15 county board of equalization.  
16     4. The chair of the board of county commissioners shall  
17 nominate persons to serve on the county board of equalization who  
18 are sufficiently experienced in business generally to be able to bring  
19 knowledge and sound judgment to the deliberations of the board or  
20 who are elected public officers. The nominees must be appointed  
21 upon a majority vote of the board of county commissioners. The  
22 chair of the board of county commissioners shall designate one of  
23 the appointees to serve as chair of the county board of equalization.  
24     5. Except as otherwise provided in this subsection, the term of  
25 each member is 4 years and any vacancy must be filled by  
26 appointment for the unexpired term. The term of any elected public  
27 officer expires upon the expiration of the term of his or her elected  
28 office.  
29     6. The county clerk or his or her designated deputy is the clerk  
30 of each panel of the county board of equalization.  
31     7. Any member of the county board of equalization may be  
32 removed by the board of county commissioners if, in its opinion, the  
33 member is guilty of malfeasance in office or neglect of duty.  
34     8. The members of the county board of equalization are entitled  
35 to receive per diem allowance and travel expenses as provided for  
36 state officers and employees. The board of county commissioners of



1 any county may by resolution provide for compensation to members  
2 of the board of equalization in its county who are not elected public  
3 officers as it deems adequate for time actually spent on the work of  
4 the board of equalization. In no event may the rate of compensation  
5 established by a board of county commissioners exceed \$125 per  
6 day.

7 9. A majority of the members of the county board of  
8 equalization constitutes a quorum, and a majority of the board  
9 determines the action of the board.

10 10. A county board of equalization shall comply with any  
11 applicable regulation adopted by the Nevada Tax Commission.

12 11. The county board of equalization of each county shall hold  
13 such number of meetings as may be necessary to care for the  
14 business of equalization presented to it. Every appeal to the county  
15 board of equalization must be filed not later than January 15. *If*  
16 *January 15 falls on a Saturday, Sunday or legal holiday, the*  
17 *appeal may be filed on the next business day.* Each county board  
18 shall cause to be published, in a newspaper of general circulation  
19 published in that county, a schedule of dates, times and places of the  
20 board meetings at least 5 days before the first meeting. The county  
21 board of equalization shall conclude the business of equalization on  
22 or before the last day of February of each year except as to matters  
23 remanded by the State Board of Equalization. The State Board of  
24 Equalization may establish procedures for the county boards,  
25 including setting the period for hearing appeals and for setting aside  
26 time to allow the county board to review and make final  
27 determinations. The district attorney or his or her deputy shall be  
28 present at all meetings of the county board of equalization to explain  
29 the law and the board's authority.

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

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

33 361.360 1. Any taxpayer aggrieved at the action of the  
34 county board of equalization in equalizing, or failing to equalize, the  
35 value of his or her property, or property of others, or a county  
36 assessor, may file an appeal with the State Board of Equalization on  
37 or before March 10 and present to the State Board of Equalization  
38 the matters complained of at one of its sessions. If March 10 falls on  
39 a Saturday, Sunday or legal holiday, the appeal may be filed on the  
40 next business day.

41 2. All such appeals must be presented upon the same facts and  
42 evidence as were submitted to the county board of equalization in  
43 the first instance, unless there is discovered new evidence pertaining  
44 to the matter which could not, by due diligence, have been  
45 discovered before the final adjournment of the county board of



1 equalization. The new evidence must be submitted in writing to the  
2 State Board of Equalization and served upon the county assessor not  
3 less than 7 days before the hearing.

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

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

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

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

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

29 6. If the State Board of Equalization determines that the record  
30 of a case on appeal from the county board of equalization is  
31 inadequate because of an act or omission of the county assessor, the  
32 district attorney or the county board of equalization, the State Board  
33 of Equalization may remand the case to the county board of  
34 equalization with directions to develop an adequate record within 30  
35 days after the remand. The directions must indicate specifically the  
36 inadequacies to be remedied. If the State Board of Equalization  
37 determines that the record returned from the county board of  
38 equalization after remand is still inadequate, the State Board of  
39 Equalization may hold a hearing anew on the appellant's complaint  
40 or it may, if necessary, contract with an appropriate person to hear  
41 the matter, develop an adequate record in the case and submit  
42 recommendations to the State Board. The cost of the contract and all  
43 costs, including attorney's fees, to the State or the appellant  
44 necessary to remedy the inadequate record on appeal are a charge  
45 against the county.



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

2       361.380 1. Except as otherwise provided in subsection 3,  
3 annually, the State Board of Equalization shall convene on the  
4 fourth Monday in March in Carson City, Nevada, and shall hold  
5 such number of meetings as may be necessary to care for the  
6 business of equalization presented to it. ~~[The]~~ *If a proposed*  
7 *equalization affects local governmental entities in more than one*  
8 *county and the equalization, in the opinion of the State Board of*  
9 *Equalization, is likely to have a substantial effect on tax revenues,*  
10 the State Board of Equalization shall ~~[conclude the business]~~ *notify*  
11 *each affected local governmental entity of the proposed*  
12 *equalization on* ~~[ceases that in its opinion have a substantial effect on~~  
13 ~~tax revenues on]~~ or before April ~~[15. Cases having less than a~~  
14 ~~substantial effect on tax revenues]~~ *30. Cases* may be heard at  
15 additional meetings which may be held at any time and place in the  
16 state before ~~[October]~~ *November* 1.

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

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

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

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

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

43       (a) Enter all such changes and the value of any construction  
44 work in progress and net proceeds of minerals which were certified



1 to him or her by the Department, on the assessment roll before the  
2 delivery thereof to the tax receiver.

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

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

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

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

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





