

ASSEMBLY TAXATION
March 18, 1975
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would like Section 44 of the bill entirely deleted.

Mr. May then said that the committee would discuss specific major issues at the next meeting. Included in those issues will be: qualifications of commissioners, number of commissioners, appraisers' certification and training requirements, subpoena power for the assessors, ratio study requirements, composition of the county and state boards of equalization, chairman of the Tax Commission not being appointed by the Governor, and the parceling system.

COMMITTEE ACTION

Assembly Bill 411- Mr. Mann moved for a DO PASS, seconded by Mr. Christensen, motion passed unanimously by the members present.

There being no further business, the meeting was adjourned at 10:52.

Respectfully submitted,

Kim Morgan

Kim Morgan, Secretary

PROPOSED AMENDMENTS TO AB 317

201

- 1) c Page 1, line 3, after "chapters" insert 364
- 2) c Page 4, line 9, after commission insert the State Board of Equalization
- 3) Page 5, line 35/36, add section 1 9. One half of the costs of such appraisal shall be paid by the county. In lieu of a cash payment, the county may provide labor, material or services having a value equal to one-half of the appraised cost. 21
- 4) c Page 6, line 15, delete "the" and substitute its local government
- 5) c Page 8, delete lines 35 through 40
- 6) c Page 8, line 41, change "3" to 2
- 7) c Page 8, line 45, after the word "the" insert manuals and
- 8) c Page 10, line 22, after the word "payment" insert of a tax imposed by Title 32, Nevada Revised Statutes, except for chapters 364, 366, and 371,
- 9) c Page 10, line 25, delete "by it"
- 10) a Page 11, line 12, add with appraisal responsibility
- 11) c Page 11, line 47, delete "July 1" and substitute January 1
- 12) c Page 11, line 43, add For each course offered through the department, 1.5 contact hours shall constitute one credit hour. Approved college or university courses may be substituted on a two for one credit hour basis.
- 13) c&a Page 11, add after line 49, The annual training requirement shall be waived for any person: 1) attaining a professional designation or certification recognized by the department, or 2) who has accumulated 120 hours of accepted training. Such persons shall complete 24 hours during every five year period thereafter.
- 14) a Page 12, line ~~11~~⁶⁰, delete language following evidence, and substitute necessary for determining the value of property.
- 15) a Page 12, line 13, delete "purposes"
- 16) c Page 12, line 20, add NRS 361.190 through 361.220 will remain applicable until the county has established and implemented the prescribed parceling system.

- 17) c Page 12, line 21, after shall insert prepare and 202
- 18) c Page 12, line 23, after department delete language and substitute The department may assist any county in preparing the maps require by subsection 1, if it is shown to the satisfaction of the department that the county does not have the ability to prepare such maps. The county
- 19) c Page 12, line 37 add If it is determined that such maps are not properly updated the department may order the board of county commissioners to employ forthwith one or more qualified persons approved by the department who shall prepare the required maps. The payment of all costs incidental thereto shall be a proper charge against the funds of the county notwithstanding such funds were not budgeted according to law.
- 20) a Page 14, line 2, delete "10" and add 30
- 21) c&a Page 19, delete lines 1 through 5
- 22) a Page 19, line 10, delete "~~true~~" + true
- 23) ~~c&a Page 19, line 40, delete "5" and add 10~~
- 24) a Page 2⁴~~3~~, line 34/35, add section. NRS 361.390 is hereby amended to read as follows: On or before the 1st Monday in [February] April, each county assessor shall:
1. Prepare and file with the secretary of the state board of equalization a report showing the segregation of property and the assessment thereof shown on the tax roll for the current year; and
 2. File with or cause to be filed with the secretary of the state board of equalization the tax roll, or a true copy thereof, of his county for such current year as corrected by the county board of equalization.
- 25) c Page 25, line 18, change to read Nevada tax commission or the department
- 26) c Page 26, line 23, after "case" delete language and substitute both the Nevada tax commission and
- 27) c&a Page 107, delete lines 4 and 5.
- 28) Page 106, following line 49 add new section: Those persons with matters pending before the Nevada tax commission, its hearing officers or staff shall retain all prior rights and status with the department of taxation.

AGENDA FOR COMMITTEE ON TAXATION

203

Date March 20, 1975 Time 9:30 Room 316

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A. B. 317

regarding the establishment of a
Tax department and other matters
relating thereto

*Please do not ask for counsel unless necessary.

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MINUTES

ASSEMBLY TAXATION

March 20, 1975

9:30

Members Present: Chairman May
Mr. Christensen
Mr. Demers
Mr. Harmon
Mr. Murphy
Mrs. Ford
Mr. Young

Members Excused: Mr. Mann
Mr. Bennett

Guests Present: See attached list.

The meeting was called to order at 9:45 by Chairman May. He explained that this was the final public hearing that would be set for A. B. 317 in this committee.

ASSEMBLY BILL 317

Mr. Robbins Cahill, speaking as a member of the Tax Commission and as a public citizen, was the first to testify. He said that he didn't feel that the Tax Commission had been the special interest board in any degree that it seems to be in the minds of people. He said that A. B. 317 was going the wrong way, that you need more expertise and not less on the Commission. He suggested that someday we should go toward a full time professional board that most states now have. He said that as a member of the Tax Commission, without the expertise of the other members he would have been more confused than he was due to the technicalities that arose. He said that if the committee did decide to accept expertise on the board and amend the bill he said that he agreed with the Dodge amendment of putting mining, utilities, agriculture and transportation representatives on the commission. He added that the Board of Equalization and the Tax Commission does need separated but that three members on the Board of Equalization is not enough because on a three member board one strong member can easily sway a majority. There is safety in numbers. He also added that with the qualifications of the board, one member might have to disqualify himself for reasons of conflict of interest. Then there would only be two people making major decisions. When asked by the committee, he said that he thought a governor appointed chairman was fine, that the assessors should have full subpoena power, and that the changes in the county boards of equalization were fine.

ASSEMBLY TAXATION

March 20, 1975

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Mr. Howard Winn, as a member of the Tax Commission and as a public citizen, spoke next. He agreed with Mr Cahill that there should be more expertise on the Commission and that Nevada should start toward a full time professional board. He suggested that a working member of the industry be put on the Tax Commission from utilities, banking, agriculture, and farming and ranch land. He said that these people would need to know what is going on in the industry today so that a retired person would not do as well. When asked by Mr. Young if he agreed to the stipulation of 10 years of experience for those members, he said yes. When asked by Mr. Mann if mining should have a member on the Tax Commission, he said that it was not as important as the other four he had mentioned previously.

Mr. Bill Dwyer of the United Taxpayers of Washoe County was the next speaker. He supported the changes proposed in the county board of equalization as far as the qualifications of the members went. He thought that the present Tax Commission system was fine. He also thought that this bill was legislation for the assessors, by the assessors.

Mr. Henry Shelly explained that he was a resident of Washoe County now but that he was just recently moved down from Washington where he had served on the various boards of equalization that are set up in Washington. He had been asked to comment as to the make up of those boards and just generally about the way Washington's tax system worked. He told the committee the following: The county boards of equalization in Washington are made up of five members and I think that number is just right. Each of the five members voted for a chairman who then became a nonvoting member except in a case of a tie. The boards were made up of competent citizens from the town. We used to have an appraiser on our board but he always had the problem of conflict of interest. He said that the board made sure that the assessors were taught assessing properly and that helped in lessening the number of claims. When a claim was filed, the assessors went back and assessed the property from the inside-out, to see if they had made any mistakes. We had a member of the District Attorney's office present at all hearings to help on points of law. If people were not happy with the decision of the county board of equalization or the state board of equalization they then could go to the tax court.

When asked if he thought that expertise was needed on the board he said no he did not. He added that the staff of the Tax Commission was payed to be the experts and that extra experts were not needed.

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March 20, 1975
Page Three

Mr. Jack Downey gave a statement, a copy is attached as ATTACHMENT
1.

Mr. Homer Rodriguez, Carson City Assessor, reported to the committee the feelings of the Assessors Association. The results of a poll taken by Mr. Rodriguez are: out of 17 assessors, 10 are opposed to section 44 of the bill in its entirety. One assessor is opposed to sections 44 through 49. Mr. Rodriguez felt that the qualifications should be on the person filling for office and not on the office. He said that the only qualifications on the persons filing for office are U. S. citizenship, residency in Nevada, and 30 day residency in the county.

Mr. Ernest Newton of the Nevada Taxpayers Association wanted to go on record as opposing sections 44-49 and section 94, subsection 2.

There being no further business, the meeting was adjourned at 10:49.

Respectfully submitted,

Kim Morgan

Kim Morgan, Secretary

MR. CHAIRMAN, DISTINGUISHED MEMBERS OF THE ASSEMBLY
COMMITTEE ON TAXATION:

SECTION 3 - ITEM #2.

THE PROPOSED CHANGES IN A.B. 317 OFFERED BY THE GOVERNOR'S SPECIAL
COMMITTEE CREATES A NUMBER OF PROBLEMS.

WE QUESTION THE FEE AND THE TIME INVOLVED.

WE ARE OFFERED A DEAL WHEREBY THE PEOPLE LOSE THEIR RIGHT TO HAVE THE
SAME REPRESENTATION AS WE NOW HAVE AND THAT HAS SO ABLY SERVED US IN
THE PAST.

FOR OVER 100 YEARS NEVADANS HAVE BEEN ABLE TO RUN THEIR OWN BUSINESSES.
CHANGES SUCH AS THESE ONLY TAKE AWAY ONE MORE SEGMENT OF THE PEOPLE'S
RIGHT TO GOVERN THEMSELVES.

SECTION #4, PAGE 2, NRS.

UP-TO-DATE METHODS ARE COMMENDABLE, BUT TO CHANGE THE NUMBER OF
MEMBERS FROM 9 TO 7 WOULD LIMIT THE REPRESENTATION THROUGHOUT THE
STATE. THE DELETION OF THE REQUIREMENT THAT EACH COMMISSIONER BE VERSED
IN AND POSSESS A PRACTICAL KNOWLEDGE OR EXPERIENCE IN A PARTICULAR FIELD
OF ECONOMIC ACTIVITY.

THE EXPERIENCE OF THE MEMBERS OF THE PAST AND PRESENT COMMITTEE HAS BEEN
VERY IMPORTANT TO OUR STATE'S ECONOMY. WITHOUT A PRACTICAL KNOWLEDGE
OF MINING, REAL ESTATE, TRANSPORTATION, LIVESTOCK, BANKING, GAMING, ETC.,
WE WOULD BE TAXED OUT OF EXISTENCE — WITHOUT THE WELL-ROUNDED
REPRESENTATION WE NOW HAVE.

WHAT'S WRONG WITH A COMMITTEE THAT REPRESENTS MORE THAN ONE SEGMENT OF
GREAT STATE?

A.B. 317 WOULD TAKE THE OPERATION OF THE TAX COMMITTEE OUT OF THE HANDS OF THE PEOPLE AND PUT IT IN THE HANDS AND CONTROL OF A SELECT FEW.

ARE THE MEMBERS OF THIS DISTINGUISHED GROUP WILLING TO TELL THE PEOPLE THEY ARE NOT INTELLIGENT ENOUGH TO INSIST ON GOOD APPOINTMENTS? IT IS DISPLAYING A LACK OF CONFIDENCE IN THE GOVERNOR WHO WAS ELECTED FOR THIS PURPOSE.

SECTION 5 #39.

THE INCREASE FROM 3 TO 4 COMMITTEE MEMBERS FROM ANY ONE COUNTY HAS POLITICAL OVERTONES IN THAT ONE COUNTY OF 17 COULD CONTROL THE COMMISSION. THE COMMISSION COULD BECOME A POLITICAL GRAB BAG.

SECTION 11 #40.

THE APPOINTMENT OF A CHIEF ADMINISTRATIVE OFFICER WOULD DO MORE THAN ADD ANOTHER GROUP TO THE STATE PAYROLL.

THE PASSAGE OF THIS BILL COULD MAKE THE TAX COMMISSION A POTENTIAL RUBBER STAMP GROUP. IS THIS WHAT WE NEED? OR, ARE WE GIVING UP OUR HARD EARNED BIRTHRIGHT TO BE REPRESENTED IN MATTERS AS IMPORTANT AS TAXATION?

THE COMMISSION, AS IT NOW IS, GIVES THE CITIZENS A WELL-ROUNDED SOLUTION TO THE MANY TAX PROBLEMS FACING ALL OF US.

IT IS VERY DOUBTFUL THAT APPOINTMENT OF A SO-CALLED TAX CZAR WOULD DO ANY GOOD.

A NUMBER OF POLLS TAKEN SHOW THAT MOST PEOPLE ARE AGAINST THE PASSAGE OF A.B. 317 TWO TO ONE.

LADIES AND GENTLEMEN, CAN YOU, IN GOOD CONSCIENCE, TAKE AWAY ONE MORE RIGHT TO OUR FREEDOM OF REPRESENTATION?

SECTION 64 - 67.

THE RECONSTRUCTING OF THE COUNTY AND STATE BOARDS OF EQUALIZATION HAS THE SAME OVERTONES AS THE REST OF THE BILL. IN ALL THE HEARINGS, NO ONE CONNECTED WITH THE BILL HAS MENTIONED ANYTHING ABOUT SAVING MONEY. WHY CAUSE THE TAXPAYERS MORE PROBLEMS? CREATE MORE DEPARTMENTS — HAVE MORE BOONDOGLING. HERE AGAIN IS A CASE IN POINT WHERE A VERY IMPORTANT FUNCTION WOULD BE IN THE HANDS OF A SMALL GROUP WITH A STRANGLE HOLD ON THE TAXPAYERS OF THIS GREAT STATE!

SECTION 47.

THERE IS NO QUESTION IN OUR MINDS SOME OF THE ASSESSORS IN OUR STATE COULD IMPROVE THEIR STANDARDS, BUT WHY SHOULD THE CITIZENS OF NEVADA ALLOW THEM TO CREATE A DYNASTY OF SELF PERPETUATION?

WE QUESTION THE ISSUANCE OF A TEMPORARY CERTIFICATE FOR ONE YEAR. IF THE APPRAISERS WANT TO SOLIDIFY THEIR RANKS, WHY NOT SET UP A STRONG CODE OF ETHICS. WHY SHOULD THE TAXPAYERS HAVE TO BE AT THE MERCY OF SOMEONE WHO USES A TEMPORARY LICENSE? WHY SHOULDN'T AN APPRAISER BE REQUIRED TO HAVE A LICENSE BEFORE HE STARTS TO WORK, THE SAME AS AN INSURANCE AGENT, REAL ESTATE SALESMAN, LAWYER, OR DOCTOR? LET THEM PUT THEIR OWN HOUSES IN ORDER, WITHOUT SETTING UP A UTOPIA FOR THEMSELVES AT THE EXPENSE OF THE PEOPLE.

PROFESSIONAL EXPERTISE IS ALL RIGHT IN SOME INSTANCES. WE SHOULD REMEMBER: NOTHING TAKES THE PLACE OF HUMAN UNDERSTANDING. MANY

TIMES THE SO-CALLED PROFESSIONAL DOES NOT HAVE THE WONDERFUL COMMODITY OF GOOD JUDGMENT AND UNDERSTANDING COMBINED. 212

OUR RECOMMENDATION IS THAT THE SALIENT POINTS OF ASSEMBLY BILL 317 BE USED TO STREAMLINE THE DEPARTMENT BUT LEAVE THE MEMBERSHIP AND MANAGEMENT THE SAME AS IT IS NOW, PLUS THE ADOPTION OF SENATOR DODGE'S AMENDMENT.

IN CLOSING, LADIES AND GENTLEMEN, MAY I POINT OUT THE GREAT STATE OF NEVADA IS ONE OF THE LAST BASTIONS OF FREE ENTERPRISE, RUGGED INDIVIDUALISM, INTESTINAL FORTITUDE SO LACKING IN MOST OF OUR COUNTRY TODAY!

LET'S KEEP IT THAT WAY!

DON'T PASS A.B. 317!

THAT'S THE WAY IT IS: MARCH 20, 1975!

Public hearings have already been held. Final action by Committee only
No additional testimony required necessary.

ASSEMBLY

Posted 3/25 4:00 p.m.

AGENDA FOR COMMITTEE ON Taxation

219

Date Thursday, Mar 27 Time 9:30 a.m. Room 316

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A.B. 346

Clarifies statutory language relating to
taxation and transfers of unregistered
vehicles, requires tax sticker for move-
ment of certain slide-in campers and
applies specified fee to certain vehicles.

A.B. 181

Authorizes payment of privilege tax and
registration fees for national guardsmen.

A.B. 182

Exempts certain vehicles from privilege tax
and registration fee.

A.B. 62

Adds definitions and revises procedures and
penalties relating to taxation of mines.

~~A.B. 261~~

A.B. 317

*Please do not ask for counsel unless necessary.

RPA110

MINUTES

ASSEMBLY TAXATION

March 27, 1975

9:30

Members Present: Chairman May
Mr. Mann
Mr. Bennett
Mr. Christensen
Mr. Demers
Mr. Harmon
Mr. Murphy
Mrs. Ford
Mr. Young

Guests Present: Mr. Jim Lien, Nevada Tax Commission
Ms. Micki Blomdal, Nevada Tax Commission
Mr. John Ciardella, DMV

The meeting was called to order at 9:32 by Chairman May.

COMMITTEE ACTION

Assembly Bill 346- After hearing that Mr. Ciardella of the Department of Motor Vehicles had no problems with the bill, the committee moved to amend and DO PASS. The list of amendments is ATTACHMENT 1. Vote was unanimous.

Assembly Bill 182- Mr. Mann moved to Indefinitely Postpone the bill, seconded by Mr. Harmon, passed with 6 aye votes, Mr. Murphy and Mrs. Ford being absent, and Mr. Demers not voting due to conflict of interest.

Assembly Bill 181- Mr. Bennett moved for the adoption of amendment 5802, resolve the conflict, rerefer to Ways and Means, with a recommendation of DO PASS. Motion passed with 6 aye votes, Mr. Murphy being absent, Mr. Demers not voting, and Mrs. Ford voting no.

Mr. Jim Lien then brought it to the attention of the committee that some of the language in amendment 5802 was redundant and said that it should be changed.

There was a motion to rescind the previous action that gave a DO PASS recommendation to A. B. 181 after it was amended. Motion passed unanimously with Mr. Murphy and Mr. Demers not voting due to conflict of interest.

Another motion was made to resolve conflict, amend amendment 5802 and then amend A. B. 181 and then rerefer to Ways and Means with a recommendation of DO PASS. Motion was passed with 6 aye votes, Mrs. Ford voting no, and Mr. Murphy and Mr. Demers not voting.

Assembly Bill 317- Mr. Mann moved to amend and rerefer to committee,

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seconded by Mr. Christensen. Passed unanimously. Amendments are ATTACHMENT 2.

Assembly Bill 62- Mrs. Ford raised a question as to a possible conflict with another bill as to the definition of "mine". Chairman May asked her to look into the matter and report back to the committee with her findings.

There being no further business, the meeting was adjourned at 10:01.

Respectfully submitted,

Kim Morgan

Kim Morgan, Secretary

AMENDMENTS TO A. B. 317

1. Page 1, line 3, after "chapters" insert 364
2. Page 2, section 4 shall read "NRS 360.020 is hereby amended to read as follows:
360.020 1. Four of the commissioners shall respectively have at least 10 years' experience in the following fields:
(a) One, in real property.
(b) One, in the utility business.
(c) One, in the agriculture and livestock business.
(d) One, in finance.
2. The remaining commissioners shall be versed in other areas of property taxation and have had sufficient experience in business generally to bring knowledge and sound judgement to the deliberations of the Nevada tax commission.
3. Page 4, line 4. Delete the words "during the hours the department is open for business." and substitute "which detracts from the full and timely performance of his duties."
4. Page 4, line 9, after commission insert the State Board of Equalization
5. Page 5, between line 35 and 36 add 9. One half of the costs of such appraisal shall be paid by the county. In lieu of a cash payment, the county may provide labor, material or services having a value equal to one-half of the appraisal cost.
6. Page 6, line 15, delete "the" and substitute its local government.
7. Page 8, delete lines 35 through 40.
8. Page 8, line 41, change "3" to 2
9. Page 8, line 45, after the word "the" insert manuals and
10. Page 10, line 22, after the word "payment" insert of a tax imposed by Title 32, Nevada Revised Statutes, except for chapters 364, 366, and 371,
11. Page 10, line 25, delete "by it"
12. Page 11, line 12, add with appraisal responsibility
13. Page 11, line 47, delete "July 1" and substitute January 1
14. Page 11, line 43, add For each course offered through the department, 1.5 contact hours shall constitute one credit hour. Approved college or university courses may be substituted on a two for one credit hour basis.
15. Page 11, add after line 49, The annual training requirement shall be waived for any person: 1) attaining a professional designation or certification recognized by the department, or (2) who has accumulated 120 hours of accepted training. Such persons shall complete 24 hours during every five year period thereafter.

16. Page 12, line 12, delete language following "of", and substitute documentation necessary for determining the value of property.
17. Page 12, line 13, delete "purposes"
18. Page 12, line 20, add NRS 361.190 through 361.220 will remain applicable until the county has established and implemented the prescribed parceling system.
19. Page 12, line 21, after shall insert prepare and
20. Page 12, line 23, after department delete language and substitute The department may assist any county in preparing the maps required by subsection 1, if it is shown to the satisfaction of the department that the county does not have the ability to prepare such maps. The county
21. Page 12, line 37 add If it is determined that such maps are not properly updated the department may order the board of county commissioners to employ forthwith one or more qualified persons approved by the department who shall prepare the required maps. The payment of all costs incidental thereto shall be a proper charge against the funds of the county notwithstanding such funds were not budgeted according to law.
22. Page 14, line 2, delete "10" and add 30
23. Page 19, delete lines 1 through 5
24. Page 19, line 10 delete "true"
25. Page 19, line 40, delete entire line and substitute "wherein the ratio of assessed value to full cash value is less than 30% or more than 37 1/2% within each of the several classes of property of the county.
26. Page 19, line 41, delete "assessed valuation"
27. Page 22, line 50, delete "three" and substitute five
28. Page 23, line 5, add or registered public accountant
29. Page 23, delete lines 6 through 12 and substitute
 - (b) one shall be a property appraiser with a professional designation.
 - (c) one shall be versed in the valuation of centrally assessed properties
 - (d) two shall be versed in business generally
30. Page 23, line 13, delete "two" and substitute three and after "party" add and no more than two may be from the same county
31. Page 23, line 15, delete "one" and substitute two
32. Page 23, after line 17 insert (d) one member for 1 year
33. Page 23, line 21, add no member may serve more than two full

terms consecutively

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34. Page 24, between lines 34 and 35 add a new section.

NRS 361.390 is hereby amended to read as follows:

On or before the 1st Monday in [February] April, each county assessor shall:

1. Prepare and file with the secretary of the state board of equalization a report showing the segregation of property and the assessment thereof shown on the tax roll for the current year; and
2. File with or cause to be filed with the secretary of the state board of equalization the tax roll, or a true copy thereof, of his county for such current year as corrected by the county board of equalization.

35. Page 25, line 18, change to read Nevada tax commission or the department

36. Page 26, line 23, after "case: delete language and substitute both the Nevada tax commission and

37. Page 34, line 27, after "by" insert regulation of

38. Page 34, line 28, delete "at its October meeting for use in the next calendar year."

39. Page 106, following line 49 add new section: Those persons with matters pending before the Nevada tax commission, its hearing officers or staff shall retain all prior rights and status with the department of taxation.

40. Page 107, delete lines 4 and 5

41. Page 107, line 8, delete "and 329"

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MINUTES

ASSEMBLY TAXATION

April 10, 1975

9:30

Members Present: Chairman May
Mr. Bennett
Mr. Christensen
Mr. Demers
Mr. Harmon
Mr. Murphy
Mrs. Ford
Mr. Young

Guests Present: See attached list

The meeting was called to order at 9:38 by Chairman May. The chairman explained to the guests that the committee had a few bills that they would like to clean up and take action on before the meeting had testimony on the other bills that were on the agenda.

COMMITTEE ACTION

Assembly Bill 317 - Motion to rescind the action whereby committee gave an Amend and Rerefer recommendation by Mr. Demers seconded by Mr. Murphy, passed unanimously. Motion to recommend DO PASS AS AMENDED was made by Mr. Demers and Seconded by Mr. Harmon, passed unanimously. Mr. Young was then given permission from the committee to present an amendment on the floor of the Assembly including a change overlooked when the original amendments were drafted. His amendment would do with changing the population figure regarding the County Boards of Equalization.

SENATE BILL 311

Mr. Howard DeMille spoke regarding his comments of the previous meeting regarding the mobility of mobile homes and the dual taxation. Mr. Demers and Mr. Jack Sheehan of the Tax Commission clarified the issue once more for him. He then suggested a change in page 3 line 29 regarding claiming this tax help before death as no one can predict death. He added that there should be a residency clause in the bill.

Mr. John Moschetti, Elko County Assessor, then testified as to the feelings of the assessors about this bill. He said that he took a poll of the assessors and he reported that the majority of the assessors wanted this tax relief to be handled by the Tax Commission instead of by the assessors. He also added that there was going to be some transition problems during the first year of this program and he wondered if there should be a statement in the bill that there were going to be a few differences in the operation of the system

RPA116

service contracts and health care plans begin at the time of birth; and providing other matters properly relating thereto."

Assemblyman Harmon moved the adoption of the amendment.

Remarks by Assemblymen Harmon and Robinson.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 178.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 7655.

Amend section 1, page 1, by deleting line 7 and inserting: "the provisions of NRS 333.250."

Amend section 1, page 1, by deleting line 11, and inserting: "responsible bidder [in conformity with NRS 334.005 to 334.009, inclusive,]".

Amend section 1, page 2, by deleting line 4 and inserting: "[comply with NRS 334.005 to 334.009, inclusive.]":

(a) *If such lowest bids are by bidders resident in Nevada, accept the proposal which, in his discretion, is in the best interests of this state.*

(b) *If such lowest bids are by bidders resident outside Nevada:*

(1) *Accept the proposal of the bidder who will furnish goods or commodities produced or manufactured in this state; or*

(2) *Accept the proposal of the bidder who will furnish goods or commodities supplied by a dealer resident in Nevada."*

Amend the bill as a whole by adding two new sections to be designated sections 2 and 3, following section 1, to read as follows:

"Sec. 2. NRS 334.005, 334.007 and 334.009 are hereby repealed.

Sec. 3. This act shall become effective upon passage and approval."

Amend the title, line 2, by deleting "bidding," and inserting: "bidding; revising the provisions providing preferences for goods produced within the state or supplied by a resident dealer."

Assemblyman Murphy moved the adoption of the amendment.

Remarks by Assemblymen Murphy and Dini.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 317.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 7639.

Amend section 1, page 1, line 3, by inserting "364," after "chapters" and before "366".

Amend sec. 4, page 2, by deleting lines 33 through 38 and inserting:

"1. *Four of the commissioners shall, respectively, have at least 10 years' experience in the following fields:*

(a) *Real property.*

(b) *Utility business.*

(c) *Agriculture and livestock business.*

(d) *Finance.*

2. *The remaining commissioners shall be versed in other areas of property taxation and shall be sufficiently experienced in business generally to be able to bring knowledge and sound judgment to the deliberations of the Nevada tax commission.*"

Amend sec. 11, page 4, by deleting lines 4 and 5 and inserting: "other office of profit [...] which detracts from the full and timely performance of his duties."

Amend sec. 12, page 4, line 9, by inserting ", the state board of equalization" after the closed bracket and before "and".

Amend sec. 15, page 5, by inserting between lines 35 and 36:

"9. *One-half of the cost of such appraisal shall be paid by the county. In lieu of a cash payment, the county may provide labor, material or services having a value equal to one-half of the appraisal cost.*"

Amend sec. 19, page 6, line 15, by inserting open and closed brackets around "the" and inserting: "its local government" after the closed bracket.

Amend sec. 29, page 8, line 35, by inserting open bracket after "2."

Amend sec. 29, page 8, line 41, by inserting closed bracket after "3."

Amend sec. 30, page 8, line 45, by inserting "manuals and" after the closed bracket and before "regulations".

Amend sec. 40, page 10, line 22, by inserting "of a tax imposed by Title 32 of NRS, except for chapters 364, 366 and 371," after "payment" and before "is".

Amend sec. 40, page 10, line 25, by deleting "by it" and inserting: ". [by it]".

Amend sec. 44, page 11, by deleting line 12 and inserting:

"(2) *As a deputy with appraisal responsibility,*".

Amend sec. 48, page 11, line 43, by adding after the period following "department": "*For each course offered through the department, 1½ contact hours shall constitute 1 credit hour. Approved college or university courses may be substituted on a 2 for 1 credit hour basis.*"

Amend sec. 48, page 11, line 47, by deleting "July 1, 1975," and inserting: "*January 1, 1975,*".

Amend sec. 48, page 11, by deleting line 49 and inserting: "*fiscal year ending June 30, 1977. The annual training requirement shall be waived for any person:*

(a) *Attaining a professional designation or certification recognized by the department; or*

(b) *Accumulating 120 hours of accepted training.*

Such persons shall complete 24 hours during every 5-year period thereafter."

Amend sec. 50, page 12, by deleting lines 11 and 12 and inserting: "*duction before him of documentation necessary for determining the value of property.*"

Amend sec. 50, page 12, line 13, by deleting "purposes".

Amend sec. 51, page 12, line 20, by adding after the period following "department": "*The provisions of NRS 361.190 to 361.220, inclusive, shall remain in effect until each county has established and implemented the prescribed parceling system.*"

Amend sec. 51, page 12, line 21, by inserting "prepare and" after "shall" and before "possess".

Amend sec. 51, page 12, by deleting lines 23 and 24 and inserting:

"2. *The department may assist any county in preparing the maps required by subsection 1, if it is shown to the satisfaction of the department that the county does not have the ability to prepare such maps. The county shall reimburse the department for its costs from the.*"

Amend sec. 51, page 12, line 37, by adding after the period following "updated": "*If it is determined that such maps are not properly updated the department may order the board of county commissioners to employ forthwith one or more qualified persons approved by the department to prepare the required maps. The payment of all costs incidental thereto shall be a proper charge against the funds of the county, notwithstanding such funds were not budgeted according to law.*"

Amend sec. 55, page 13, by deleting line 36 and inserting: "each of the following factors for which information is available and shall give such weight to each applicable factor as, in their judgment, is proper:".

Amend sec. 55, page 13, by deleting lines 48 and 49.

Amend sec. 55, page 14, line 2, by inserting open and closed brackets around "10" and inserting: "30".

Amend sec. 56, page 14, line 12, by deleting "31" and inserting: "15".

Amend sec. 63, page 19, by deleting line 1 and inserting: "[The Nevada tax commission shall take into account the".

Amend sec. 63, page 19, line 5, by placing a bracket after the period following "action."

Amend sec. 63, page 19, line 10, by deleting "true".

Amend sec. 63, page 19, lines 40 and 41, by inserting open bracket before "which" and closed bracket after "valuation" and inserting after the closed bracket: "*wherein the ratio of assessed value to full cash value is less than 30 percent or more than 37½ percent within each of the several classes of property*".

Amend sec. 67, page 22, line 50, by deleting "three" and inserting: "five".

Amend sec. 67, page 23, by deleting line 5 and inserting:

"(a) *One shall be a certified public accountant or a registered public accountant.*"

Amend sec. 67, page 23, by deleting lines 6 through 12 and inserting:

"(b) *One shall be a property appraiser with a professional designation.*

(c) *One shall be versed in the valuation of centrally assessed properties.*

(d) *Two shall be versed in business generally.*"

Amend sec. 67, page 23, by deleting line 13 and inserting:

"3. *Only three of the members may be of the same political party and no more than two may be from the same county.*"

Amend sec. 67, page 23, line 15, by deleting "One member" and inserting: "Two members".

Amend sec. 67, page 23, inserting between lines 17 and 18:

"(d) *One member for 1 year.*"

Amend sec. 67, page 23, line 21, by adding after the period following "governor": "*No member may serve more than two full terms consecutively.*"

Amend the bill as a whole by adding a new section designated section 69.5, following section 69, to read as follows:

"Sec. 69.5. NRS 361.390 is hereby amended to read as follows:

361.390 On or before the 1st Monday in [February,] *April*, each county assessor shall:

1. Prepare and file with the secretary of the state board of equalization a report showing the segregation of property and the assessment thereof shown on the tax roll for the current year; and

2. File with or cause to be filed with the secretary of the state board of equalization the tax roll, or a true copy thereof, of his county for such current year as corrected by the county board of equalization."

Amend sec. 71, page 25, by deleting line 18 and inserting:

"2. The Nevada tax commission *or the department*, in that name and in".

Amend sec. 73, page 26, by deleting line 23 and inserting: "the taxes were paid, and, in a proper case, *both* the Nevada tax commission *and the*".

Amend sec. 96, page 34, by deleting lines 27 and 28 and inserting: "*tion of the original cost plus interest at a rate to be determined by regulation of the tax commission. The*".

Amend sec. 103, page 37, by deleting lines 7 through 9 and inserting: "100 to 362.240, inclusive, shall pay a penalty of not more than 10 percent of the amount of the tax due or \$5,000, whichever is less. If any".

Amend sec. 103, page 37, by deleting lines 13 through 15 and inserting: "royalty payments from all data and information obtainable, and the amount of the tax due shall be computed on the basis of the amount due so ascertained and certified."

Amend sec. 103, page 37, by deleting line 16 and inserting:

"2. The [secretary of the Nevada tax commission] *executive director* shall determine".

Amend sec. 103, page 37, by inserting between lines 19 and 20:

"3. Any person, association or corporation operating a mine or mines in this state or any recipient of royalty payments may appeal the imposition of penalty and interest to the Nevada tax commission by filing a notice of appeal within 30 days after the decision of the [secretary.] *executive director*."

Amend sec. 115, page 40, line 45, by inserting: "1." before "Upon".

Amend sec. 115, page 41, by deleting lines 1 and 2 and inserting: "commission] *executive director of the department of taxation* shall, after consideration of the tax structure of".

Amend sec. 115, page 41, by deleting lines 4 through 8 and inserting: "ical subdivision to repay the requested short-term financing, either approve or disapprove the resolution in writing to the governing board. No such resolution is effective until approved by the [secretary of the Nevada tax commission.] *executive director of the department of taxation*. The written approval of the [secretary of the Nevada tax commission] *executive director of the department of taxation* shall be recorded in the minutes of the governing board."

Amend sec. 115, page 41, by inserting between lines 8 and 9, the following:

"2. If the [secretary of the Nevada tax commission] *executive director of the department of taxation* does not approve the short-term financing resolution, the governing board of the political subdivision may appeal the [secretary's] *executive director's* decision to the Nevada tax commission."

Amend sec. 116, page 41, by deleting line 26 and inserting: "of the [secretary of the Nevada tax commission] *executive director of the department of taxation* is or will not be".

Amend sec. 121, page 42, line 43, by deleting "at least" and inserting: "not more than 14 nor less than".

Amend sec. 122, page 44, by deleting lines 1 through 4 and inserting: "of the governing body and a copy thereof, together with an affidavit of proof of publication of the notice of the public hearing, shall be transmitted to the Nevada tax commission. If a tentative budget is adopted by default as provided in subsection 2, the clerk of the governing body shall certify the budget and transmit to the Nevada tax commission a copy of the budget, together with an affidavit of proof of the notice of the public hearing, if such notice was published. Certified copies of the final budget shall be distributed as determined by the [Nevada tax commission.] *department of taxation*."

Amend sec. 126, page 45, by deleting line 10 and inserting: "fund, the governing board shall, by majority vote of all members of the governing board, adopt a resolution".

Amend sec. 126, page 45, line 16, by deleting "20" and inserting: "10".

Amend sec. 126, page 45, by deleting line 19 and inserting: "erning board shall adopt, by majority vote of all members of the governing board, a resolution providing therefor".

Amend sec. 129, page 46, line 42, by deleting "cause" and inserting colon after "shall".

Amend sec. 129, page 46, by deleting lines 43 through 47 and inserting:

"1. Cause to be established and maintained adequate property and equipment records and, where appropriate, adequate inventory controls. Any local government created after July 1, 1975, shall establish such records and controls within 1 year after its creation unless the [Nevada tax commission] *department of taxation* grants an extension of time.

2. Require that all such property, equipment and inventory records clearly indicate specific ownership.

3. Designate, by entry in the minutes of the governing body, the officer, employee or officers or employees responsible for the maintenance of property and equipment records and, where appropriate, inventory records, and notify the [Nevada tax commission] *department of taxation* of such designation."

Amend sec. 329, page 107, by deleting lines 4 and 5 and inserting:

"Sec. 329. Those persons with matters pending before the Nevada tax commission or before its hearing officers or staff shall retain all prior rights and status with the department of taxation."

Amend sec. 330, page 107, line 8, by deleting: "108, 111 and 329" and inserting: "108 and 111".

Amend sec. 330, page 107, by deleting lines 10 and 11 and inserting:
"3. Sections 55, 56, 103, 121, 122 and 129 of this act shall become effective at 12:01 a.m. on July 1, 1975.

4. All other sections of this act shall become effective on July 1, 1975."

Assemblyman Demers moved the adoption of the amendment.

Remarks by Assemblyman Demers.

Amendment adopted.

The following amendment was proposed by Assemblyman Young:

Amendment No. 7730.

Amend sec. 64, page 20, line 42, by deleting "100,000" and inserting:
"10,000".

Amend sec. 64, page 20, line 44, by deleting "100,000," and inserting:
"10,000,".

Assemblyman Demers moved the adoption of the amendment.

Remarks by Assemblymen Demers and Young.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Assembly Bill No. 359.

Bill read second time, ordered engrossed, and to third reading.

Assembly Bill No. 384.

Bill read second time.

The following amendments were proposed by the Committee on Government Affairs:

Amendment No. 7630.

Amend sec. 53, page 27, by deleting lines 25 through 41 and inserting:
"Sec. 53. (There is no section 53.)"

Amend sec. 74, page 36, by deleting lines 3 through 19 and inserting:
"Sec. 74. (There is no section 74.)"

Amend sec. 88, pages 42 and 43, by deleting lines 41 through 50 on page 42 and deleting lines 1 through 10 on page 43 and inserting:

"Sec. 88. (There is no section 88.)"

Amendment No. 7638.

Amend the bill as a whole by adding a new section to be designated as section 1.5, which shall immediately follow section 1, to read as follows:

"Sec. 1.5. NRS 244.483 is hereby amended to read as follows:

244.483 1. On the date and at the place fixed for the hearing, any and all property owners interested in such street beautification project may, by written complaints, protests or objections, present their views in respect to the proposed project to the board of county commissioners, or present them orally, and the board may adjourn the hearing from time to time.

2. After the hearing has been concluded, after all written complaints, protests and objections have been read and considered, and after all persons desiring to be heard in person have been heard, the board shall consider the arguments, if any, and any other relevant material put forth [

3. Thereafter, if] , and shall by resolution or ordinance, as the board may determine, pass upon the merits of each such complaint, protest or objection.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 317

ASSEMBLY BILL NO. 317—COMMITTEE ON TAXATION

FEBRUARY 24, 1975

Referred to Committee on Taxation

SUMMARY—Establishes department of taxation and modifies composition and functions of Nevada tax commission and state and county boards of equalization. Fiscal Note: Yes. (BDR 32-1026)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to revenue and taxation; establishing the department of taxation; providing for its organization, powers, duties and functions; modifying the composition, powers, duties and functions of the state and county boards of equalization; providing for appraisal and assessment of property connected with certain mining, reduction, smelting and milling operations; providing for a parceling system of land description; providing certification and training requirements for certain appraisers; providing a civil penalty; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

SECTION 1. Chapter 360 of NRS is hereby amended by adding thereto a new section which shall read as follows:

As used in this Title, except as otherwise provided in chapters 364, 366 and 371 of NRS and unless the context requires otherwise:

1. "Department" means the department of taxation.
2. "Executive director" means the executive director of the department of taxation.

SEC. 2. 1. Notwithstanding the provisions of any law to the contrary, the terms of each person holding office as a member of the Nevada tax commission on June 30, 1975, shall expire at 12:01 a.m. on July 1, 1975. The governor shall appoint seven persons to the commission to serve staggered terms commencing at 12:01 a.m. on July 1, 1975, as provided in paragraphs (a) to (d), inclusive, of subsection 2 of NRS 360.030.

2. Any member of the commission whose term expires under this section shall be eligible for reappointment, if qualified under NRS 360.020 as amended by section 4 of this act.

SEC. 3. NRS 360.010 is hereby amended to read as follows:

360.010 1. There is hereby created a commission to be designated and known as the Nevada tax commission.

Amend the title of the bill, line 1, by deleting "Highway 17" and inserting: "Routes 17 and 80".

Assemblyman May moved the adoption of the amendment.

Remarks by Assemblyman May.

Amendment adopted.

Bill ordered reprinted, re-engrossed, and to third reading.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Concurrent Committee on Judiciary, to which was referred Assembly Bill No. 130, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ROBERT BARENGO, *Chairman*

Mr. Speaker:

Your Committee on Judiciary, to which was referred Assembly Joint Resolution No. 23, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

ROBERT BARENGO, *Chairman*

Mr. Speaker:

Your Committee on Government Affairs, to which was referred Assembly Bill No. 550, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JOSEPH E. DINI, JR., *Chairman*

Mr. Speaker:

Your Committee on Ways and Means, to which was referred Senate Bill No. 208, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

DONALD R. MELLO, *Chairman*

MOTIONS, RESOLUTIONS, AND NOTICES

Assemblyman Dini moved that Assembly Bill No. 161 be taken from the General File and re-referred to the Committee on Ways and Means.

Remarks by Assemblyman Dini.

Motion carried.

In compliance with a notice given on a previous day, Assemblyman Demers moved that the vote whereby Assembly Bill No. 416 was passed be reconsidered.

Remarks by Assemblyman Demers.

Motion carried.

Assemblyman May moved that Assembly Bill No. 317 be taken from the Chief Clerk's desk and placed at the top of the General File.

Remarks by Assemblyman May.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 317.

Bill read third time.

The following amendment was proposed by Assemblyman May:

Amendment No. 7815.

Amend sec. 274, page 90, by deleting line 8 and inserting: "shall pay a penalty of not more than 10 percent of the tax or amount of the tax, as determined by the [tax commission,] *department*, in".

Assemblyman May moved the adoption of the amendment.
Remarks by Assemblyman May.

Amendment adopted.

Assemblyman May moved that rules be suspended, that the reprinting of Assembly Bill No. 317 be dispensed with, and that the Chief Clerk be authorized to insert the amendment adopted by the Assembly.

Motion carried unanimously.

Mr. Speaker announced that if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 11:29 a.m.

ASSEMBLY IN SESSION

At 11:37 a.m.

Mr. Speaker presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Remarks by Assemblyman Demers.

Roll call on Assembly Bill No. 317:

YEAS—39.

NAYS—Weise.

Assembly Bill No. 317 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered re-engrossed and transmitted to the Senate.

Assembly Bill No. 219.

Bill read third time.

Remarks by Assemblymen Ford, Jacobsen, Getto, and Jeffrey.

Roll call on Assembly Bill No. 219:

YEAS—39.

NAYS—Jacobsen.

Assembly Bill No. 219 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

INTRODUCTION, FIRST READING, AND REFERENCE

By Assemblymen Barengo, Bremner, and Wittenberg:

Assembly Bill No. 659—An Act relating to small loans; providing for consumer price index adjustments; changing the authorized charges for loans; permitting real estate as security for loans; and providing other matters properly relating thereto.

Assemblyman Barengo moved that the bill be referred to the Committee on Commerce.

Motion carried.

By Assemblymen Murphy, Barengo, Benkovich, Heaney, Christensen, Coulter, and Weise:

Assembly Bill No. 660—An Act to repeal an act entitled "An Act prohibiting interments in a portion of Hillside Cemetery in Reno, Nevada; requiring the City of Reno to disinter all human remains buried in such portion of the cemetery and to reinter the same elsewhere, making certain

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SENATE TAXATION COMMITTEE
MINUTES OF MEETING
APRIL 28, 1975

The meeting was called to order at 3:10 p.m.

Senator B. Mahlon Brown was in the Chair.

PRESENT: Senator B. Mahlon Brown, Chairman
 Senator William Raggio
 Senator Thomas C. Wilson
 Senator Helen Herr
 Senator Mel D. Close

AB 317: ESTABLISHES DEPARTMENT OF TAXATION AND MODIFIES COMPOSITION
 AND FUNCTIONS OF NEVADA TAX COMMISSION AND STATE AND COUNTY
 BOARDS OF EQUALIZATION.

Dr. Glen Atkinson with the University of Nevada, Reno discussed the provisions of this bill with the committee, explaining that it is the result of an Assessment and Tax Equity Committee study. It deals primarily with the property tax for the state and its relationship to the assessors, the ratio study and net proceeds of mines. Each change was taken individually with brief explanation given on each revision:

Page 2 First major change is the change in composition of the Tax Commission. The Assembly felt it was beneficial to have someone on the commission that has some knowledge about the four categories they have included;

Page 3 line 50: the Department of Taxation is hereby created is really not a major change. The Department of Taxation is nothing more than the staff of the Taxation Commission.

Page 4 and 5 says that the Tax Commission is still the Head of the Department. All decisions are still on the Tax Commission; they are trying to retain all powers but will give them no more.

Page 11, Section 44 sets up qualifications for assessors. Many states are going to appointed County Assessors and they are trying to avoid that. Sets up guidelines and qualifications - considerable discussion followed on the amount of classroom study and schooling provided for personnel.

Page 12, line 10, Section 50 gives County Assessor the power to issue subpoenas to require the production before him of documents etc., as they contain inventory data needed for their purposes.

Page 12, line 36 provides for parceling system and mapping.

Page 18 and 19 considerable discussion held on the provisions for ratio study of assessed to market value.

Page 20 & 21 having to do with composition of the Board of Equalization. Must include the terms of office providing for staggered terms with exception of public officials who shall serve until the termination of their term of office.

Page 24, lines 8 & 9 - meeting of the State Board of Equalization may be held some other place other than Carson City. This is to help the residents of the Southern part of the state in appearing before the board.

IT WAS DETERMINED to eliminate the necessity for having public official bonds for the board members inasmuch as they would not be responsible for handling cash or expenditure of monies.

Page 34, Section 2 - discussion held on 'net proceeds' from mines.

Page 35 - Clarification of depreciation regulations for mines.

Page 38 - line 20

Discussion held on penalty provision on Page 37, Section 104 - they are going to the percent penalty assessment for false filing.

Dr. Atkinson explained those are the major revisions in the bill. Those persons testifying in opposition to the bill were:

Mr. Ernest Newton - Nevada Taxpayers Association, stated this bill is an effort to solve a problem that doesn't exist. He would suggest eliminating everything in the bill with the exceptions of Sections: 50, 60, 61, 62, 64, 67 and 74. He explained Sections 60 thru 71 splits out the board of equalization; Section 73 is a bad section, he doesn't see any point in changing from the way the provisions are now. The only thing that would happen is you would be adding a department and changing some syn tax. The first paragraph of Section 71 should be retained and the rest of Section 71 should go. He feels the electorate has the final say as to how to run the Assessors office - if they are not doing their job, they will not be reelected.

He suggested this bill receive a real good look to see if it is worth its cost. He does not understand what the purpose of the ratio study is; suggested it to be an exercise in futility.

He would be happy to see everything in the bill wiped out with the exceptions of Sections 50, 60 and 71.

Bill Byrne, Deputy Assessor for the County of Clark, spoke in opposition to various provisions in the bill. He has prepared a report and this was distributed to the committee members and attached hereto. His main concerns are the qualification and provision for study made available to assessors and their staff members as well as provisions for examinations to be done by the Department of Taxation. He explained the same people that would be taking the tests would also be responsible for their administration and this is not fair. National organizations should be utilized for testing.

PAGE THREE

Section 63 on the Ratio Study - there were provisions in the first reprint of the bill that have now been removed and his office would like to see these provisions retained. The ratio study should show the actual value today of property being assessed. He also expressed the necessity for all County Assessors to be using the same formula in assessment work. Should follow the formula established by Mr. Sheehan and his staff.

Mr. Clayton Buntin, State Tax Commission, spoke primarily on the ratio study, explaining the ratio study is not peculiar to the State of Nevada; every state in the country uses it. It is a check and balance on a county-wide basis. We don't care what happened five years ago, what they want to know is what the value is today. The only way it can be viable is to have these statics available to the assessors.

Homer Rodriguez, Carson City Assessor, addressed himself to the provision in Section 44, Page 11 having to do with certification of the assessor. does not recognize those individuals who have gone beyond the certificate issued through the State. Why doesn't Nevada recognize the professional designations? They way this bill is written, individuals holding the professional certifications would still be required to take the tests provided through the State Agency.

Mr. Lien explained the type of instructions they have provided for assessors. He did agree with Mr. Byrne for improvement in the methods by which examinations are given and felt that having a national organization administer the examinations would be more equitable.

Mr. Paul Gemmill, Nevada State Mining Association, testified he has received complaints from small mining companies, who particularly object to the provisions for centralized assessment. He called attention to Page 34, lines 4 thru 8, where there is centralized assessment on all major equipment mills etc. He feels it appears to be singling out mining where you aren't doing the same thing for other types of industry. He suggested he talk about "operating" plants being on the centralized assessment but those that are operating periodically should have some flexibility. In response to Senator Raggio's question on using the "uniform" approach, Mr. Gemmill explained that would be very difficult to assess. He explained the large mining operators see no objections to any part of the bill, however, with the smaller operators they do feel the bill is discriminatory.

Mr. Louis Bergstrom, representing the Nevada Cattlemen's Association, testified they have no quarrel with the bill. I would suggest that we replace the provision for a representative from the finance category with one in mining, as they feel this is more essential on the Tax Commission. He stated he really doesn't believe this is going to solve any problems.

There was no action taken. Suggested changes will be prepared by Mr. Lien and brought to the next meeting to be held April 30, 1975 at Noon.

There being no further business, the meeting adjourned.

PAGE TWO

Mr. Daykin feels this explanation should appear on the ballot statewide as it would be too confusing to try to have a two different explanations.

Senator Echols stated he would rather see the explanation read: "Shall the Sales and Use Tax Act of 1955 be amended to exempt certain food and health care products and increase the rate from 2 to 2 1/4 percent?"

Considerable discussion followed centering around the proper wording of the ballot language. It was felt by some members that the wording suggested might be misleading to the voters who will interpret that to mean they are decreasing their taxes from 3 - 3 1/2 down to 2 1/4%. Mr. Daykin felt, however, we would run a greater risk of losing the voters if we mentioned the 4%. He stated we are clearly warning them, but it will be necessary for them to read the complete explanation.

Senator Close suggested we include that: "the taxes are increased from 3 to 3 1/2 in counties having no city-county taxes and from 3 1/2 to 4% in counties having that tax". This could be inserted between sentences within the explanation.

Mr. Daykin was requested to draft the amendment incorporating the two suggestions made during the discussion.

Senator Gojack advised the committee that she had received offers of assistance from various sources on getting the proposal explained to the voters. She suggested perhaps some sort of a brochure similar to that used for the Greenbelt Amendment, containing all the information necessary for clarification of the measure.

Senator Echols - Amend and "Do Pass"
Senator Wilson - 2nd
Motion carried unanimously

AB 317: ESTABLISHES DEPARTMENT OF TAXATION AND MODIFIES COMPOSITION AND FUNCTIONS OF NEVADA TAX COMMISSION AND STATE AND COUNTY BOARDS OF EQUALIZATION.

Considerable discussion was held centering on the subject of the ratio study, beginning pages 18 and 19 of the bill. Testifying on various aspects of the bill were Bill Byrne, Deputy Assessor for the County of Clark and Mr. James Lien of the Nevada Tax Commission.

Amendments drafted by the Tax Commission, after the last discussion, were submitted and the revisions were discussed individually. (Copy attached.)

It was decided that one additional meeting should be held on this measure. There was no action taken.

SENATE TAXATION COMMITTEE
MINUTES OF MEETING
MAY 2, 1975

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The meeting was called to order at 3:00 pm

Senator B. Mahlon Brown was in the Chair.

PRESENT: Senator B. Mahlon Brown, Chairman
Senator Thomas Wilson
Senator William Raggio
Senator Mel Close
Senator Helen Herr
Senator Gene Echols

AB 317: ESTABLISHES DEPARTMENT OF TAXATION AND MODIFIES COMPOSITION
AND FUNCTIONS OF NEVADA TAX COMMISSION AND STATE AND COUNTY
BOARDS OF EQUALIZATION.

Discussion opened on the ratio study, in particular provisions on
Page 19, lines 28 thru 33.

Senator Raggio explained that what we are trying to find out is exactly where we are at any given time. You can't always be at the 35% of the full cash value. By taking discounts we never find true ratios between counties. Mr. John Sheehan of the Nevada Tax Commission stated he understands the problems of the County Assessors; we have lived for many years without concept of discounting and doesn't know if this is the proper way to go. He suggested the best way to comprise this is to change the word "shall" to "may" on line 29 of Page 19. This suggestion seemed agreeable to the Assessors who were present.

Discussions were held on Section 44, where Assessor would have to pass a test to be eligible for a second term. There was considerable comment on the fact that if an individual is elected and holds office for one term, he must then have certain qualifications in order to run for a second term, whereas there are no such qualifications required for any individual to come in and file for office for a first term. This does create an inequity in many instances. It was agreed that they do want to obtain some degree of expertise, but uncertain just what requirements would be the best way to obtain it.

Testifying during the discussions were the following Assessor's:
Bill Lloyd, Lincoln County; Bernie Merlino, Nye County and Homer Rodriguez, Carson City.

Senator Close asked about clarification of 'credit' hours during classroom study; he would rather the provision be for 100 hours or whatever the requirement. Mr. Lien agreed this would be no problem and will make that change.

Page 23, line 42 set down the time frame on when the board appointments would begin - add "beginning July, 1975".

Page 24, lines 3 thru 6, strike requirements for public officials bond.

SENATE TAXATION COMMITTEE
MINUTES OF MEETING
May 2, 1975

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Page 35, delete on line 18, "plus interest at a rate to be determined by", and insert "in a manner to be recaptured by".

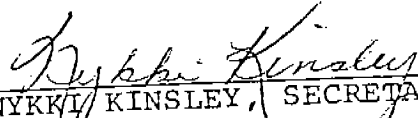
Discussion was held on methods of examining individuals for Assessor's office personnel. It was determined that the best method would be to set up some type of board composed of, perhaps, three members of the tax commission and three members from Assessor's offices. This group would then 'contract' for the services of an outside firm for administration of examines, etc. This language will be drafted into the bill.

General discussion around various provisions of the bill was held.


Senator Herr - Amend and "Do Pass"
Senator Close - 2nd
Motion carried unanimously

There being no further business, the meeting was adjourned.

RESPECTFULLY SUBMITTED:


NYKKI KINSLEY, SECRETARY

APPROVED BY:


B. MAHLON BROWN, CHAIRMAN

Assembly Bill No. 219.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 8665.

Amend sec. 7, page 2, by deleting lines 38 through 41 and inserting:

"tive or professional capacities;

(f) Employees covered by collective bargaining agreements which provide otherwise for overtime;"

Amend sec. 7, page 2, line 49, by deleting "and".

Amend sec. 7, page 3, by deleting line 3 and inserting: *"after; and*

(n) Any salesman, parts man or mechanic primarily engaged in selling or servicing automobiles, trucks or farm equipment."

Amend sec. 8, page 3, by deleting line 19 and inserting: *"visions of a collective bargaining agreement."*

Senator Echols moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 317.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 8554.

Amend sec. 76, page 28, by deleting lines 32 and 33 and inserting: "The chairman shall convene the meeting no later than April 14 of each year."

Amend sec. 76, page 28, line 35, by deleting "records" and inserting: "records, pursuant to regulations of the [Nevada tax commission.] department."

Amend sec. 76, page 28, line 36, after the period, by inserting: "The costs of taking and preparing the record of the proceedings, including the costs of transcribing and summarizing tape recordings, shall be borne by the county and participating incorporated cities in proportion to the final tax rate as certified by the [Nevada tax commission.] department."

Amend sec. 76, page 29, by deleting lines 11 and 12 and inserting: "rates set for local governments concerned. If the"

Amend sec. 76, page 29, by deleting lines 14 through 16 and inserting: "mous, the county clerk shall transmit all records of the proceedings to the commission within 5 days after the meeting."

Amend sec. 76, page 29, line 20, by deleting "summary" and inserting: "record"

Amend sec. 78, page 29, by deleting lines 45 through 47 and inserting: "the purchaser of the mobile home"

Amend sec. 78, page 29, line 48, by deleting "482.397,"

Amend sec. 80, page 31, by deleting lines 12 through 14 and inserting: "sections 2 to 15, inclusive, of [this act,] *Senate Bill 311 of the 58th session of the Nevada legislature*, and a "claimant" is a person who files such an application. When two individuals of a house-

Amend sec. 81, page 31, by deleting lines 20 through 24 and inserting: "Sec. 81. (Deleted by amendment.)"

Amend sec. 82, page 31, by deleting lines 25 through 29 and inserting: "Sec. 82. (Deleted by amendment.)"

Amend Sec. 83, page 31, by deleting lines 30 through 34 and inserting: "Sec. 83. (Deleted by amendment.)"

Amend sec. 85, page 31, by deleting line 41 and inserting:

"361.853 1. Moneys to pay for assistance granted to senior citizens under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act] *Senate Bill 311 of the 58th session of the Nevada legislature*"

Amend sec. 85, page 31, line 42, by deleting "361.877, inclusive,"

Amend sec. 85, page 31, by deleting lines 44 through 50 and inserting: "transferred to an account in the general fund to be known as the senior citizens' property tax assistance account."

Amend sec. 85, page 32, by deleting lines 1 through 12 and inserting:

"2. The [secretary of the commission] *executive director* may, from time to time, obtain from the state controller a statement of the balance in the senior citizens' property tax assistance account. The [secretary] *executive director* shall provide for full refunds of all just claims, provided that the total amount of such claims does not exceed the balance in the account. The [secretary] *executive director* shall proportionately reduce each claim when the total amount of all claims exceeds the balance in the account. Moneys for the administration of NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act] *Senate Bill 311 of the 58th session of the Nevada legislature* shall be provided by legislative appropriation and transfer to the senior citizens' property tax assistance account. From this account the sum of \$2 shall be allowed to each county assessor for each homeowner's claim filed and \$2 to the [commission] *department* for each home renter's claim forwarded to it."

Amend sec. 86, page 32, by deleting lines 13 through 23 and inserting: "Sec. 86. (Deleted by amendment.)"

Amend sec. 88, page 32, by deleting lines 31 through 38 and inserting: "Sec. 88. (Deleted by amendment.)"

Amend sec. 89, page 32, line 43, by deleting the period after "inclusive" and inserting: ", and sections 2 to 15, inclusive, of [this act,] *Senate Bill 311 of the 58th session of the Nevada legislature*."

Amend sec. 91, page 33, by deleting lines 10 through 15 and inserting: "361.870 1. Any claimant aggrieved by a county assessor's decision which denies assistance claimed under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act] *Senate Bill 311 of the 58th session of the Nevada legislature* may have a review of the denial before the [secretary of the commission] *executive director* if within 30 days after the claimant receives notice of the denial he submits a written petition for review to the [commission.] *department*."

2. Any claimant aggrieved by the denial in whole or in part of relief claimed under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act,] *Senate Bill 311 of the 58th session of the Nevada legislature*, or by any other final action or review of the [secretary of the Nevada tax commission,] *executive director*, is entitled to judicial review thereof. Proceedings for such review must be instituted within 30 days after the claimant has received notice of such final action."

Amend sec. 92, page 33, line 18, by deleting the period after "inclusive" and inserting: ", and sections 2 to 15, inclusive, of [this act.] *Senate Bill 311 of the 58th session of the Nevada legislature.*"

Amend sec. 92, page 33, line 42, by deleting the period after "inclusive" and inserting: ", and sections 2 to 15, inclusive, of [this act.] *Senate Bill 311 of the 58th session of the Nevada legislature.*"

Amend sec. 93, page 33, line 45, by inserting after word "inclusive," and before word "are" the following: "and sections 2 to 15, inclusive, of [this act.] *Senate Bill 311 of the 58th session of the Nevada legislature.*"

Amend sec. 102, page 37, by deleting lines 20 through 22 and inserting:

"362.200 1. The [Nevada tax commission] *department* may [at any time] examine the records of any person, partnership, association or corporation operating or receiving royalties from any mine in this state. Such records shall be subject to examination at all times by the [Nevada tax commission] *department* or its duly authorized agents and shall remain available for such examination for a period of 3 years from the date of any entry therein.

2. If any person, partnership, association or corporation operating a mine whose gross yield as reported to the [Nevada tax commission] *department* for any semiannual reporting period during the 3 years immediately preceding the examination was \$50,000 or more keeps his books and records pertaining to such operation or royalties elsewhere than within the State of Nevada for examination as provided in subsection 1, the person, partnership, association or corporation shall pay an amount per day equal to the amount set by law for out-of-state travel for each day or fraction thereof during which an examiner is actually engaged in examining the books, plus the actual expenses of that examiner during the time he is absent from Carson City, Nevada, for the purpose of making such examination, but such time shall not exceed 1 day going to and 1 day coming from the place of examination. No more than one such examination shall be charged against a person, partnership, association or corporation in any 1 fiscal year.

3. The [Nevada tax commission] *department*."

Amend sec. 102, page 37, by deleting lines 25 and 26 and inserting: "of mines. Such hearings may be held at such place or places as the [Nevada]".

Amend sec. 102, page 37, line 34, by deleting "3." and inserting: "4."

Amend sec. 102, page 37, line 38, by deleting "4." and inserting: "5."

Amend sec. 125, page 45, line 47, before "Within" by inserting: "1."

Amend sec. 125, page 46, line 7, by deleting "1." and inserting: "(a)".

Amend sec. 125, page 46, line 8, by deleting "2." and inserting: "(b)".

Amend sec. 125, page 46, by deleting line 9 and inserting: "tion;

(c) With any employee organization upon the written request of the employee organization recognized by such local government; and"

Amend sec. 125, page 46, line 10, by deleting "3." and inserting: "(d)".

Amend sec. 125, page 46, after line 11, by inserting:

"2. The governing board of each local government employer shall also supply, upon request by any organization entitled to request a report

pursuant to paragraph (c) of subsection 1, a copy of each preliminary budget report or other fiscal report pertaining to the financial status of the local government, as such reports are prepared for use and consideration by the local government in the preparation of the budget or its amendments. The contents of such reports shall be superseded as to the period covered by any final budget or amendment thereof."

Amend sec. 128, page 47, by deleting line 3 and inserting: "and the audit report submitted to the governing body as provided in subsection 4 not later than 5".

Amend sec. 128, page 47, by deleting line 35 and inserting: "held not more than 15 days after the report is submitted. Immediately there-".

Amend sec. 330, page 108, line 37, by deleting "103, 121, 122" and inserting: "76, 78, 85, 102, 103, 121, 122, 125".

Senator Brown moved the adoption of the amendment.

Remarks by Senator Brown.

Amendment adopted.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 8546.

Amend sec. 15, page 5, by deleting lines 41 and 42 and inserting: "county assessor when such assessor considers such assistance necessary. *One-half of the cost of such appraisal shall be paid by the county.*"

Amend sec. 44, page 11, by deleting lines 19 through 26 and inserting:

"1. Except as otherwise provided in subsection 2, a person shall not be appointed as a deputy county assessor with appraisal responsibility unless he holds a valid appraiser's certificate issued by the department of taxation as provided in section 46 of this act.

2. Any person per-"

Amend sec. 46, page 11, by deleting lines 36 through 39 and inserting:

"2. There is established a certification advisory board consisting of six members, three of whom shall be chosen by majority vote of the several county assessors from persons who hold a professional designation as property appraisers and three of whom shall be appointed by the Nevada tax commission. This board shall recommend to the department appropriate subjects in which appraisers are to be examined who are applicants for certification.

3. The department may contract for the development and administration of the appropriate examinations. An appraiser's certificate shall be issued to an applicant only if he has passed the appropriate examination."

Amend sec. 44, page 11, line 40, by deleting "3." and inserting: "4."

Amend sec. 48, page 12, by deleting lines 4 through 8 and inserting: "complete in each fiscal year at least 36 contract hours of appropriate training conducted or approved by the department. College or university courses may be substituted upon approval by the department of an application for such substitution."

Amend sec. 48, page 12, line 9, by deleting "credit" and inserting: "approved".

Amend sec. 48, page 12, line 10, by deleting "24 credit" and inserting: "36 contract".

Amend sec. 48, page 12, line 12, by deleting "*credit*" and inserting: "*approved*".

Amend sec. 48, page 12, line 18, by deleting "*120*" and inserting: "*180 contract*".

Amend sec. 48, page 12, line 19, by deleting "*24*" and inserting: "*36 contract*".

Amend sec. 49, page 12, line 26, by deleting "*credit*" and inserting: "*approved contract*".

Amend sec. 63, page 19, by deleting line 29 and inserting: "The [Nevada tax commission shall] *department* may take into account the interval between".

Amend sec. 63, page 19, line 33, by deleting closed bracket.

Amend sec. 64, page 21, by deleting lines 29 and 30 and inserting: "*nate persons to serve on the county board of equalization who are sufficiently experienced in business generally to be able to bring knowledge and sound judgment to the deliberations of the board or who are elected public*".

Amend sec. 64, page 21, by inserting between lines 34 and 35:

"3. Except as otherwise provided in this subsection, the term of each member is 4 years and any vacancy shall be filled by appointment for the unexpired term. The term of any elected public officer expires upon the expiration of the term of his elected office. The first terms beginning July 1, 1975, shall be as follows:

(a) For boards consisting of five members:

- (1) Two members, 4 years.
- (2) Two members, 3 years.
- (3) One member, 2 years.

(b) For boards consisting of three members:

- (1) One member, 4 years.
- (2) One member, 3 years.
- (3) One member, 2 years."

Amend sec. 64, page 21, line 35, by deleting "3." and inserting: "4."

Amend sec. 64, page 21, line 37, by deleting "4." and inserting: "5."

Amend sec. 64, page 21, line 40, by deleting "5." and inserting: "6."

Amend sec. 64, page 21, line 42, by deleting "6." and inserting: "7."

Amend sec. 64, page 21, line 45, by deleting "7." and inserting: "8."

Amend sec. 64, page 22, line 10, by deleting "8." and inserting: "9."

Amend sec. 67, page 23, line 42, by inserting: "*beginning July 1, 1975,*" after "*terms*".

Amend sec. 67, page 24, by deleting lines 3 through 6.

Amend sec. 67, page 24, line 7, by deleting "6." and inserting: "5."

Amend sec. 67, page 24, line 10, by deleting "7." and inserting: "6."

Amend sec. 67, page 24, line 14, by deleting "8." and inserting: "7."

Amend sec. 67, page 24, line 18, by deleting "9." and inserting: "8."

Amend sec. 96, page 35, by deleting line 18 and inserting: "*tion of the original cost in a manner to be prescribed by*".

Amend sec. 328, page 108, line 27, by inserting "360.040" after "NRS".

Senator Brown moved the adoption of the amendment.

Remarks by Senator Brown.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 358.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 8667.

Amend section 1, page 1, line 11, by deleting "before" and inserting: "[before] *within 10 days following*".

Amend section 1, page 1, line 13, by deleting "6" and inserting: "4".

Amend section 1, page 1, line 15, by deleting "before" and inserting: "[before] *within 10 days following*".

Amend section 1, page 1, line 16, by deleting "8" and inserting: "5".

Amend section 1, page 1, line 19, by deleting "before" and inserting: "[before] *within 10 days following*".

Amend section 1, page 1, line 20, by deleting "10" and inserting: "6".

Amend section 1, page 1, line 23, by deleting "before" and inserting: "[before] *within 10 days following*".

Amend section 1, page 1, line 24, by deleting "12" and inserting: "7".

Amend the title of the bill, line 2, by changing the period to a semicolon and inserting: "providing a grace period before penalties attach; and providing other matters properly relating thereto."

Senator Brown moved the adoption of the amendment.

Remarks by Senator Brown.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 547.

Bill read second time and ordered to third reading.

Senate Joint Resolution No. 18.

Resolution read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 8668.

Amend the resolution, page 1, line 16, by deleting "*is grossly unfair*" and inserting: "*or is unreasonable*".

Senator Hilbrecht moved the adoption of the amendment.

Remarks by Senator Hilbrecht.

Amendment adopted.

Resolution ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS, AND NOTICES

By Senator Raggio:

Senate Concurrent Resolution No. 50—Memorializing the late Judge Emile Justin Gezelin.

WHEREAS, Washoe County and the State of Nevada have lost a wise and diligent legal servant with the death of Judge Emile Justin Gezelin; and

WHEREAS, Judge Gezelin was born in San Francisco in 1915 and spent most of his life in Nevada until his sudden and unfortunate demise on August 1, 1973; and

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 317

ASSEMBLY BILL NO. 317—COMMITTEE ON TAXATION

FEBRUARY 24, 1975

Referred to Committee on Taxation

SUMMARY—Establishes department of taxation and modifies composition and functions of Nevada tax commission and state and county boards of equalization. Fiscal Note: Yes. (BDR 32-1026)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to revenue and taxation; establishing the department of taxation; providing for its organization, powers, duties and functions; modifying the composition, powers, duties and functions of the state and county boards of equalization; providing for appraisal and assessment of property connected with certain mining, reduction, smelting and milling operations; providing for a parceling system of land description; providing certification and training requirements for certain appraisers; providing a civil penalty; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

- 1 SECTION 1. Chapter 360 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:
3 *As used in this Title, except as otherwise provided in chapters 364, 366*
4 *and 371 of NRS and unless the context requires otherwise:*
5 1. "Department" means the department of taxation.
6 2. "Executive director" means the executive director of the depart-
7 ment of taxation.
8 SEC. 2. 1. Notwithstanding the provisions of any law to the contrary,
9 the terms of each person holding office as a member of the Nevada tax
10 commission on June 30, 1975, shall expire at 12:01 a.m. on July 1, 1975.
11 The governor shall appoint seven persons to the commission to serve stag-
12 gered terms commencing at 12:01 a.m. on July 1, 1975, as provided in
13 paragraphs (a) to (d), inclusive, of subsection 2 of NRS 360.030.
14 2. Any member of the commission whose term expires under this sec-
15 tion shall be eligible for reappointment, if qualified under NRS 360.020
16 as amended by section 4 of this act.
17 SEC. 3. NRS 360.010 is hereby amended to read as follows:
18 360.010 1. There is hereby created a commission to be designated
19 and known as the Nevada tax commission.

actual study or training, or both, by the student. The files of the institution shall be open to the state board of education for the purpose of determining that a degree is issued to a student on the basis of merit. The affidavit required by this subsection shall be filed quarterly."

Senator Schofield moved the adoption of the amendment.

Remarks by Senators Schofield, Foote and Bryan.

Amendment lost.

Roll call on Assembly Bill No. 54:

YEAS—18.

NAYS—Monroe, Neal—2.

Assembly Bill No. 54 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 317.

Bill read third time.

Remarks by Senators Brown and Neal.

Roll call on Assembly Bill No. 317:

YEAS—20.

NAYS—None.

Assembly Bill No. 317 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 358.

Bill read third time.

Roll call on Assembly Bill No. 358:

YEAS—19.

NAYS—Neal.

Assembly Bill No. 358 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 428.

Bill read third time.

Remarks by Senators Echols and Neal.

Roll call on Assembly Bill No. 428:

YEAS—20.

NAYS—None.

Assembly Bill No. 428 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 496.

Bill read third time.

Roll call on Assembly Bill No. 496:

YEAS—20.

NAYS—None.

Assembly Bill No. 496 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

THE ONE HUNDRED AND EIGHTEENTH DAY

CARSON CITY (Saturday), May 17, 1975

Assembly called to order at 8:46 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Father John McShane.

Pledge of allegiance to the Flag.

Assemblyman Dini moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Commerce, to which was referred Senate Bill No. 492, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

ROBERT E. ROBINSON, *Chairman**Mr. Speaker:*

Your Committee on Commerce, to which was referred Senate Bill No. 372, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

ROBERT E. ROBINSON, *Chairman**Mr. Speaker:*

The first Committee on Conference concerning Assembly Bill No. 317, consisting of the undersigned members, has met, and reports that:

It has agreed to recommend that the amendment of the Senate be concurred in. It has agreed to recommend that the bill be further amended as set forth in Amendments Nos. 295C and 296C, which are attached to and hereby made a part of this report.

PAUL W. MAY
DANIEL F. DEMERS
ROY YOUNG

RICHARD H. BRYAN
JACK L. SCHOFIED
CLIFTON YOUNG

*Assembly Committee on Conference**Senate Committee on Conference*

Amendment No. 295C.

Amend sec. 48, page 12, line 6, by deleting "contract" and inserting: "contact".

Amend sec. 48, page 12, line 11, by deleting "contract" and inserting: "contact".

Amend sec. 48, page 12, line 19, by deleting "contract" and inserting: "contact".

Amend sec. 48, page 12, line 20, by deleting "contract" and inserting: "contact".

Amend sec. 49, page 12, line 27, by deleting "contract" and inserting: "contact".

Amend sec. 76, page 29, line 23, by deleting "commission" and inserting: "[commission] department".

Amend sec. 114, page 41, by deleting lines 28 through 43 and inserting:

"Sec. 114. (Deleted by amendment.)"

Amend the bill as a whole by adding a new section designated section 329.5, following section 329, to read as follows:

"Sec. 329.5. Section 1 of chapter 430, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. NRS 488.075 is hereby amended to read as follows:

488.075 1. The owner of each motorboat requiring numbering by this state shall file an application for number and for a certificate of ownership with the department on forms approved by it accompanied by proof of payment of Nevada sales or use tax as evidenced by proof of sale by a Nevada dealer or by a certificate of use tax paid issued by the department of taxation, or by proof of exemption from such taxes as provided in NRS 372.320, and by such evidence of ownership as the department may require. The department shall not issue a number, a certificate of number or a certificate of ownership until such evidence is presented to it.

2. The application shall be signed by the owner of the motorboat and shall be accompanied by a fee of [\$3] \$5 for the certificate of number and a fee of [\$3] \$5 for the certificate of ownership. All fees received by the department under the provisions of this chapter shall be deposited in the fish and game fund and shall be expended only for the administration and enforcement of the provisions of this chapter. Upon receipt of the application in approved form, the department shall:

(a) Enter the same upon the records of its office and issue to the applicant a certificate of number stating the number awarded to the motorboat, a certificate of ownership stating the same information and the name and address of the registered owner and the legal owner.

(b) Immediately give written notice to the county assessor of the county wherein such motorboat is situated, which notice shall contain the name and address of the owner and identifying information concerning such motorboat.

3. The owner shall paint on or attach to each side of the bow of the motorboat the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. The number shall be maintained in legible condition. If an agency of the United States Government has in force an overall system of identification numbering for motorboats within the United States, the regulations of the department as to size, color and type of number shall be in conformity therewith.

4. The certificate of number shall be pocket size and shall be available at all times for inspection on the motorboat for which issued whenever such motorboat is in operation.

5. The department shall provide by regulation for the issuance of numbers to manufacturers and dealers which may be used interchangeably upon motorboats operated by such manufacturers and dealers in connection with the demonstration, sale or exchange of such motorboats. The fee for each such number shall be [\$3.] \$5."

Amend the bill as a whole by adding eight new sections designated sections 330, 330.1, 330.2, 330.3, 330.4, 330.5, 330.6, and 330.7, respectively, following section 329.5, to read as follows:

"Sec. 330. Section 3 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 3. 1. A claim may be filed with the assessor of the county in which the claimant's home is located.

2. The claim shall be made under oath or affirmation and filed in such form and content, and accompanied by such proof, as the [commission] department may prescribe pursuant to NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of this act.

3. The county assessor shall furnish the appropriate form or forms to each claimant.

Sec. 330.1. Section 7 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 7. 1. After the county auditor extends the secured tax roll, he shall adjust the roll to show the percentage discounts, the dollar allowances and the amounts of tax, if any, remaining due as a result of homeowners' claims granted under subsection 1 of NRS 361.833.

2. By not later than June 1 of the assessment year, the county auditor shall deliver the extended tax roll, so adjusted, to the ex officio tax receiver of the county and shall also send the [commission] department a statement itemizing the adjustments.

Sec. 330.2. Section 8 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 8. 1. The ex officio tax receiver of the county shall make such corresponding adjustments to the individual property tax bills, prepared from the secured tax rolls, as are necessary to notify the homeowners of the allowances granted them under subsection 1 of NRS 361.833.

2. After June 1, but not later than June 15, of each assessment year, the ex officio tax receiver shall send a demand to the [commission] department for reimbursement of his county in the aggregate amount of such homeowners' allowances granted for that year.

Sec. 330.3. Section 9 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 9. 1. After granting the claim of a homeowner whose home is placed upon the unsecured roll, the county assessor shall determine the amount of assistance to be allowed the claimant under subsection 2 of NRS 361.833 and shall credit the claimant's individual property tax account accordingly.

2. The county assessor shall send the [commission] department a statement itemizing the allowances furnished to each claimant for each assessment year and shall demand reimbursement of the county in the aggregate amount of the allowances.

Sec. 330.4. Section 10 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 10. Upon receiving a home renter's claim, the county assessor shall forward it to the [commission.] department.

Sec. 330.5. Section 11 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 11. 1. Upon verification and audit of each statement from a county concerning homeowners' claims granted for an assessment year, the [commission] department shall authorize reimbursement [of] to the county by the state.

2. The reimbursement shall be paid out of the funds appropriated to the senior citizens' property tax assistance account, in the same manner as other moneys in the state treasury are disbursed.

3. The reimbursement due on a statement submitted under subsection 2 of section 7 of this act shall be authorized by the [commission] department not later than July 31 next following the assessment year for which the allowances were granted. Warrants for such reimbursement shall be issued to the ex officio tax receiver of the county not later than August 15 of each such year.

4. The reimbursement due on a statement submitted under subsection 2 of section 9 of this act shall be authorized promptly by the [commission.] department. Warrants for such reimbursement shall be issued to the county ex officio tax receiver.

5. If, prior to issuing a county's reimbursement, the [commission] department disallows through audit any claim a county assessor has allowed, the [commission] department shall adjust the county's reimbursement accordingly. In the event the [commission] department has already reimbursed the county for its statement of claims, the [commission] department shall make a demand on the county for the return of that amount of overpayment. If the county fails to return the overpayment within a reasonable time after demand, the [commission] department may bring a civil action to recover such overpayment or, in the alternative, may withhold the amount of the overpayment from subsequent reimbursements.

6. If the [commission] department determines that audits of claims are needed for the purpose of determining if a county assessor accurately processed claims and calculated discounts, and if [commission] department personnel are not capable of auditing a sufficient number of the claims, then the [commission] department may expend not more than \$20,000 of the moneys in the senior citizens' property tax assistance account for the purpose of contracting with qualified individuals to assist in conducting such audit.

Sec. 330.6. Section 12 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 12. Upon verification and audit of each home renter's claim for an assessment year, and not later than November 15 next following that year, the [commission] department shall authorize the claim to be paid by the state from the funds appropriated to the senior citizens' property tax assistance account, in the same manner as other moneys in the state treasury are disbursed. Warrants for the amounts determined to be due on the home renters' claims shall be issued directly to the individual claimants.

Sec. 330.7. Section 14 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 14. Any grant of assistance under an improper claim may be revoked by the county assessor or [commission] department within 2 years

after the filing of the claim. When a grant is revoked, the claimant shall make restitution to the state or county for any assistance he has received under the improper claim, and the state or the county shall take all proper action to collect the amount of the assistance as a debt."

Amend the bill as a whole by adding a new section designated section 331, following section 330.7, to read as follows:

"Sec. 331. Section 1 of chapter 264, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. NRS 361.077 is hereby amended to read as follows:

361.077 1. All property, both real and personal, owned by any individual, group of individuals, partnership, firm, company, corporation, association, trust, estate or other legal entity is exempt from taxation to the extent that such property is used as:

(a) A facility, device or method for the control of air or water pollution; or

(b) Part of a permanently installed irrigation system of pipes or concrete-lined ditches and headgates to increase efficiency and conservation in the use of water, when such water is to be used for irrigation and agricultural purposes on land devoted to agricultural purposes by the owner of such pipes or concrete-lined ditches.

2. As used in this section, "facility, device or method for the control of air or water pollution" means any land, structure, building, installation, excavation, machinery, equipment or device or any addition to, reconstruction, replacement, or improvement of land or an existing structure, building, installation, excavation, machinery, equipment or device used, constructed, acquired or installed after January 1, 1965, if the primary purpose of such use, construction, acquisition or installation is compliance with law or standards required by any environmental protection agency, authorized by and acting under the authority of the United States or the State of Nevada or any of its political subdivisions, for the prevention, control or reduction of air or water pollution.

3. As used in this section, "facility, device or method for the control of air or water pollution" does not include:

(a) Air conditioners, septic tanks or other facilities for human waste, nor any property installed, constructed or used for the moving of sewage to the collection facilities of a public or quasi-public sewage system.

(b) Any facility or device having a value of less than \$1,000 at the time of its construction, installation or first use.

(c) Any facility or device which produces a net profit to the owner or operator thereof from the recovery and sale or use of a tangible product or byproduct, nor does it include a facility or device which, when installed and operating, results in a net reduction of operating costs.

4. The [Nevada tax commission] department shall prepare and publish a report each fiscal year showing:

(a) The assessed value of properties within each county which are exempt from taxation under this section;

(b) The loss in tax revenues to the state general fund and to each local taxing entity from the exemption; and

(c) Such other information as the [tax commission] department may

deem relevant to indicate the impact of the tax dollar loss on the state and on local taxing entities.

Each county assessor shall provide the [tax commission] *department* with the data it needs to complete the report required by this section."

Amend the bill as a whole by adding a new section designated section 332, following section 331, to read as follows:

"Sec. 332. Section 105 of Assembly Bill 384 of the 58th session of the Nevada legislature is hereby amended to read as follows:

Sec. 105. NRS 540.590 is hereby amended to read as follows:

540.590 A debt or liability incurred in excess of the provisions of this chapter shall be absolutely void, except:

1. That for the purpose of organization or for the purpose of this chapter the board of supervisors may, before the collection of the first annual taxes, cause warrants of the district to issue, bearing interest not exceeding 9 percent per annum.

2. In any case where money has been theretofore loaned to the district and actually expended by the board of supervisors for the benefit of the district.

3. That in cases of great necessity the board of supervisors may apply [to the Nevada tax commission] as provided in chapter 354 of NRS for permission to obtain short-term financing to meet such [necessity, and the Nevada tax commission may give its permission as therein provided.] *necessity*. The limit of the loan for such purpose shall be an amount equivalent to an average of \$1.50 per acre throughout the district."

Amend the bill as a whole by adding a new section designated section 333, following section 332, to read as follows:

"Sec. 333. Section 1 of chapter 316, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. Chapter 369 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. The legislature hereby declares:

(a) That it is a privilege to engage in the business of selling intoxicating liquor at the wholesale or retail level in this state;

(b) That the legislature finds it necessary to impose certain restrictions on the exercise of such privilege; and

(c) That it is the policy of this state to preclude the acquisition or control of any retail liquor store by a wholesale liquor dealer.

2. As used in this section, unless the context requires otherwise:

(a) "Delinquent payment" means the failure of a retail liquor store to make payment to a wholesale dealer for liquor on or before the 15th day of the month following delivery by the wholesale dealer.

(b) "Payment" means the full legal discharge of the debt by the wholesale dealer's receipt of cash or its equivalent, including ordinary and recognized means for discharge of indebtedness excepting notes, pledges or other promises to pay at a future date. A postdated check, a check not promptly deposited for collection or a check dishonored on presentation for payment does not constitute payment.

(c) "Payment in cash" means the full legal discharge of the debt by delivery of cash, money order, certified check or a cashier's or similar bank officer's check.

3. A wholesale dealer shall not:

(a) Loan any money or other thing of value to a retail liquor store.

(b) Invest money, directly or indirectly, in a retail liquor store.

(c) Furnish or provide any premises, building, bar or equipment to a retail liquor store.

(d) Participate, directly or indirectly, in the operation of the business of a retail liquor store.

(e) Sell liquor to a retail liquor store except for payment on or before delivery or on terms requiring payment by the retail liquor store before or on the 10th day of the month following delivery of such liquor to it by the wholesale dealer.

(f) Sell liquor to a retail liquor store which is delinquent in payment to such wholesale dealer except for payment in cash on or before delivery.

4. On the 15th day of the month following the delivery of liquor and on the 15th day of each month thereafter, the wholesale dealer shall charge a retail liquor store which is delinquent a service charge of 1.5 percent of the amount of the unpaid balance.

5. The [tax commission] *department* may impose the following penalties on a wholesale dealer who violates any of the provisions of this section within any 24-month period:

(a) For the first violation a penalty of not more than \$500.

(b) For the second violation a penalty of not more than \$1,000.

(c) For the third and any subsequent violation a penalty of not more than \$5,000 or by license suspension, or by both such penalty and suspension.

6. The [tax commission] *department* may, upon its own motion, and shall, upon the verified written complaint of any wholesale dealer, investigate the possible violation of any of the provisions of this section by any wholesale dealer. The [tax commission] *department* shall follow the provisions of chapter 233B of NRS in the enforcement of this section."

Amend sec. 330, page 108, line 29, by deleting "330" and inserting: "334".

Amend sec. 330, page 108, line 33, by deleting "and 129" and inserting: ", 129 and 133".

Amend sec. 330, page 108, by inserting between lines 34 and 35:

"4. Section 331 of this act shall become effective at 12:02 a.m. on July 1, 1975."

Amend sec. 330, page 108, line 35, by deleting "4." and inserting: "5."

Amendment No. 296C.

Amend sec. 62, page 18, by deleting line 16 and inserting: "stock in the state.

(b) Classify all mobile homes in the state on the basis of those factors which most closely determine their service lives and fix and establish their valuation for assessment purposes. The definition of "mobile home" in NRS 361.561 applies to this paragraph."

Amend sec. 62, page 18, line 17, by deleting "(b)" and inserting: "(c)".

Amend sec. 78, page 30, line 2, before "Upon" by inserting: "1."

Amend sec. 78, page 30, line 5, by deleting "1." and inserting: "(a)".

Amend sec. 78, page 30, line 9, by deleting "2." and inserting: "(b)".

Amend sec. 78, page 30, after line 12, by inserting:

"2. The county assessor shall issue each year to the owner of a camper-shell not subject to taxation under the provisions of this chapter a tax plate or sticker similar to that provided in paragraph (b) of subsection 1, which the owner shall affix to the camper-shell in the manner prescribed by the [Nevada tax commission.] department."

Amend sec. 330, page 108, line 33, after "56," by inserting: "62,".

Amend sec. 330, page 108, in the line inserted between lines 34 and 35, by deleting "Section" and inserting: "Sections 78 and".

Assemblyman May moved that the Assembly adopt the report of the first Committee on Conference concerning Assembly Bill No. 317.

Remarks by Assemblyman May.

Motion carried.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 16, 1975

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bills Nos. 320, 541, 578, 601, 603, 617, 704, 713, 749, 750, 759, 778, 791.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bills Nos. 634, 662, 700, 707, 724, 737, 753, 480, 678, 227, 628, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bills Nos. 265, 472, 516, 543, 608, 664, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day passed Assembly Joint Resolutions Nos. 2, 4, 22, 43.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Joint Resolution No. 15, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bill No. 501.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 225, 612, 615.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Joint Resolution No. 26.

Also, I have the honor to inform your honorable body that the Senate on this day adopted Senate Concurrent Resolution No. 59.

Also, I have the honor to inform your honorable body that the Senate on this day adopted the report of the second Committee on Conference concerning Assembly Bill No. 29 and requests a third conference, and appointed Senators Lamb, Hilbrecht, and Dodge as a third Committee on Conference to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 29.

JUDY AHLSTROM

Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS, AND NOTICES

By Assemblyman Polish:

Assembly Concurrent Resolution No. 85—Memorializing the late Eli Evasovic, former county clerk of White Pine County.

Assemblyman Polish moved the adoption of the resolution.

Remarks by Assemblyman Polish.

Resolution adopted unanimously.

license to the real estate division, address a communication to the last-known residence address of such real estate salesman, which communication shall advise the real estate salesman that his license has been delivered or mailed to the real estate division. A copy of such communication to the real estate salesman shall accompany the license when delivered or mailed to the real estate division.

2. It [shall be] is unlawful for any real estate salesman to perform any of the acts contemplated by this chapter, either directly or indirectly, under authority of the license [from and] on or after the date of receipt of the license from the broker or owner-developer by the real estate division and until the license is transferred or a new license is issued.

3. A license shall not be transferred nor a new license issued to such real estate salesman until he has returned his former pocket card to the division or satisfactorily accounted for it.

SEC. 11. NRS 645.660 is hereby amended to read as follows:

645.660 1. Any unlawful act or violation of any of the provisions of this chapter by any licensee [shall not be] is not cause for the suspension or revocation of a license of any person associated with such licensee, unless it appears to the satisfaction of the commission that the associate had guilty knowledge thereof. A course of dealing shown to have been persistently and consistently followed by any licensee [shall constitute] constitutes prima facie evidence of such knowledge upon the part of the associate.

2. If it so appears that a registered owner-developer had such guilty knowledge of any such unlawful act or violation on the part of a real estate salesman employed by him, in the course of such salesman's employment, the commission may suspend or revoke his registration.

SEC. 12. NRS 645.830 is hereby amended to read as follows:

645.830 The following fees shall be charged by and paid to the real estate division:

| | |
|--|------|
| For each real estate broker's examination..... | \$40 |
| For each original real estate broker's, broker-salesman's or corporate officer's license..... | 40 |
| For each renewal real estate broker's, broker-salesman's or corporate officer's license, for 1 year or fraction thereof.... | 40 |
| For each licensed real estate broker's or salesman's original license or renewal, in addition to the renewal fee, for the real estate education, research and recovery fund..... | 10 |
| For each real estate salesman's examination..... | 40 |
| For each original real estate salesman's license..... | 25 |
| For each renewal real estate salesman's license, for 1 year or fraction thereof..... | 25 |
| For each branch office broker's license, for 1 year or fraction thereof..... | 25 |
| For each original registration of an owner-developer..... | 40 |
| For each annual renewal of registration of an owner-developer..... | 40 |
| For each enlargement of the area of an owner-developer's registration..... | 15 |
| For each change of name or address..... | 10 |

| | |
|---|------|
| For each transfer of real estate salesman's license on change of association..... | \$10 |
| For each duplicate license or pocket card where the original license or pocket card is lost or destroyed, and affidavit made thereof..... | 10 |
| For each reinstatement of a real estate broker's or salesman's license..... | 10 |
| For each reinstatement of a real estate broker's or salesman's license when a licensee fails to give written notice to the commission within 30 days of a change of name, address or broker with whom he is associated..... | 20 |
| For each change of status from broker to broker-salesman, or the reverse..... | 10 |
| For each certificate issued to an out-of-state broker licensee for 1 year or fraction thereof..... | 40 |

SEC. 13. NRS 645.843 is hereby amended to read as follows:

645.843 [Upon] 1. Except as otherwise provided in subsection 2, upon issuance or renewal of every real estate broker's and real estate salesman's license, every licensed broker and salesman shall pay in addition to the original or renewal fee, a fee of \$15. Such additional fee shall be paid into the state treasury and credited to the fund, and shall be used solely for the purposes provided in NRS 645.841 to 645.8494, inclusive.

2. A salesman who renews his license while employed by an owner-developer is not required to pay into the fund.

SEC. 14. 1. Section 7 of this act shall become effective at 12:02 a.m. on July 1, 1975.

2. Sections 6, 8, 9, 10, 11 and 12 of this act shall become effective at 12:01 a.m. on July 1, 1975.

Assembly Bill No. 317—Committee on Taxation

CHAPTER 748

AN ACT relating to revenue and taxation; establishing the department of taxation; providing for its organization, powers, duties and functions; modifying the composition, powers, duties and functions of the state and county boards of equalization; providing for appraisal and assessment of property connected with certain mining, reduction, smelting and milling operations; providing for a parceling system of land description; providing certification and training requirements for certain appraisers; providing a civil penalty; and providing other matters properly relating thereto.

[Approved May 27, 1975]

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

360.00 SECTION 1. Chapter 360 of NRS is hereby amended by adding thereto a new section which shall read as follows:

As used in this Title, except as otherwise provided in chapters 364, 366 and 371 of NRS and unless the context requires otherwise:

1. "Department" means the department of taxation.
2. "Executive director" means the executive director of the department of taxation.

SEC. 2. 1. Notwithstanding the provisions of any law to the contrary, the terms of each person holding office as a member of the Nevada tax commission on June 30, 1975, shall expire at 12:01 a.m. on July 1, 1975. The governor shall appoint seven persons to the commission to serve staggered terms commencing at 12:01 a.m. on July 1, 1975, as provided in paragraphs (a) to (d), inclusive, of subsection 2 of NRS 360.030.

2. Any member of the commission whose term expires under this section shall be eligible for reappointment, if qualified under NRS 360.020 as amended by section 4 of this act.

SEC. 3. NRS 360.010 is hereby amended to read as follows:

360.010 1. There is hereby created a commission to be designated and known as the Nevada tax commission.

2. The Nevada tax commission shall consist of **[nine]** seven commissioners appointed by the governor.

3. The governor shall designate **[the commissioner]** one of the commissioners to serve as chairman of the commission.

4. The governor shall be an ex officio, nonvoting member of the commission. He shall receive no compensation for his services as such ex officio member.

SEC. 4. NRS 360.020 is hereby amended to read as follows:

360.020 **[1.]** The commissioners shall respectively possess the following qualifications:

(a) One shall be versed in and possess a practical knowledge or experience in utilities.

(b) One shall be versed in and possess a practical knowledge and experience in the classification of land and the value thereof.

(c) One shall be versed in and possess a practical knowledge and experience in livestock and the value thereof.

(d) One shall be versed in and possess a practical knowledge and experience in the mining industry.

(e) One shall be versed in and possess a practical knowledge and experience in business other than any of the businesses specified in paragraphs (a) to (d), inclusive, and (f) to (h), inclusive, of this subsection.

(f) One shall be versed in and possess a practical knowledge and experience in banking.

(g) One shall be versed in and possess a practical knowledge and experience in transportation.

(h) One shall be versed in and possess a practical knowledge and experience in the resort hotel or gaming industry.

(i) One shall be a taxpayer of the state and shall represent the public at large. He shall not be engaged in or affiliated with any of the businesses, industries or professions specified in paragraphs (a) to (h), inclusive, of this subsection.

2. Each of the commissioners at the time of his appointment shall be actively engaged in the type of interest in categories which he is chosen to represent on the commission.

1. Four of the commissioners shall, respectively, have at least 10 years' experience in the following fields:

- (a) Real property.
- (b) Utility business.
- (c) Agriculture and livestock business.
- (d) Finance.

2. The remaining commissioners shall be versed in other areas of property taxation and shall be sufficiently experienced in business generally to be able to bring knowledge and sound judgment to the deliberations of the Nevada tax commission.

SEC. 5. NRS 360.030 is hereby amended to read as follows:

360.030 1. Not more than **[three]** four of the **[nine]** seven commissioners shall be appointed from any one county in this state, and not more than **[five]** four members of the Nevada tax commission shall be of the same political party.

2. **[Appointments]** The first appointments to the commission **[,** except those to fill unexpired terms,**]** shall be for terms beginning July 1, 1975, as follows:

- (a) Two commissioners for 4 years.
- (b) Two commissioners for 3 years.
- (c) Two commissioners for 2 years.
- (d) **[Three commissioners]** One commissioner for 1 year.

Thereafter, all commissioners shall be appointed for terms of 4 years **[,** except when appointed to fill unexpired terms.

3. Appointments to fill vacancies on the commission shall be for the unexpired term of the commissioner to be replaced, and shall be made by the governor.

4. Any commissioner may be removed by the governor if, in his opinion, such commissioner is guilty of malfeasance in office or neglect of duty.

SEC. 6. NRS 360.060 is hereby amended to read as follows:

360.060 The commissioners and such expert assistants as may be employed shall be entitled to receive **[from the state their actual and necessary expenses while traveling on the business of the Nevada tax commission.]** the per diem allowance and travel expenses as provided by law.

SEC. 7. NRS 360.080 is hereby amended to read as follows:

360.080 1. **[Five]** Four members shall constitute a quorum for the transaction of business.

2. The chairman and each of the commissioners **[shall]** have a vote upon all matters which **[shall]** come before the Nevada tax commission.

SEC. 8. NRS 360.090 is hereby amended to read as follows:

360.090 The members of the Nevada tax commission shall have power to prescribe **[rules and]** regulations for **[its own government and governing the procedure and order of business of all regular and special sessions.]** carrying on the business of the tax commission and of the department.

SEC. 9. NRS 360.100 is hereby amended to read as follows:

360.100 The **[Nevada tax commission]** department shall:

1. Make and publish an annual report for each fiscal year, showing its transactions and proceedings **[and the transactions and proceedings of the state board of equalization]** for such year.

2. Furnish to the governor, from time to time when requested by him, statements showing the assessed value of the taxable property within or taxable by the State of Nevada and its political subdivisions. [as established by the state board of equalization for each fiscal year.]

SEC. 10. NRS 360.110 is hereby amended to read as follows:

360.110 All forms, blanks, envelopes, letterheads, circulars and reports required [to be printed] by the [Nevada tax commission] department shall be printed by the state printing and records division of the department of general services under the general provisions of chapter 344 of NRS.

SEC. 11. NRS 360.120 is hereby amended to read as follows:

360.120 1. [A chief clerk and statistician shall be employed by the Nevada tax commission. He shall be the secretary of the Nevada tax commission and shall be in charge of the office of the commission.] *The department of taxation is hereby created.*

2. *The head of the department is the Nevada tax commission. The chief administrative officer of the department is the executive director who shall be appointed by the governor.*

[2.] 3. For his services, the [secretary of the Nevada tax commission] executive director shall receive an annual salary in an amount determined pursuant to the provisions of NRS 284.182.

[3.] 4. The [secretary of the Nevada tax commission] executive director shall devote his entire time and attention to the business of his office and shall not pursue any other business or occupation or hold any other office of profit [.] *which detracts from the full and timely performance of his duties.*

SEC. 12. NRS 360.130 is hereby amended to read as follows:

360.130 1. The [secretary] executive director shall:

(a) Keep full and correct records of all transactions and proceedings of the Nevada tax commission [.] *, the state board of equalization and the department.*

(b) Perform such other duties as may be required.

2. The Nevada tax commission shall have the power to authorize the [secretary] executive director or any other officer of the department to hold hearings or make investigations, and upon any such hearing the [secretary] executive director or officer shall have the authority to examine books, compel the attendance of witnesses, administer oaths and conduct investigations.

SEC. 13. NRS 360.140 is hereby amended to read as follows:

360.140 1. [With the approval and consent of the Nevada tax commission, the secretary] *The executive director shall organize the work of the department in such a way as to secure maximum efficiency in the conduct of the department and make possible a definite placing of responsibility. To this end, the executive director may establish such organizational units within the department as he deems necessary.*

2. *The executive director may employ such clerical or expert assistance as may be required.*

[2.] 3. Persons employed by the [secretary] department may be assigned to stations, offices or locations selected by the [secretary] executive director both within the state and in other states where in the judgment of the [secretary] executive director it is necessary to maintain

personnel to protect, investigate and collect revenues to which the state is entitled.

[3.] 4. Any person assigned to a station, office or location as provided in subsection [2] 3 shall be entitled to receive per diem allowance only when the business of the [commission] department takes him away from the particular station, office or location to which he is assigned.

360.245 SEC. 14. Chapter 360 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. *All decisions of the executive director or other officer of the department made pursuant to subsection 2 of NRS 360.130 shall be final unless appealed to the tax commission as provided by law. Any natural person, partnership, corporation, association or other business or legal entity may so appeal by filing a notice of appeal with the department within 15 days after receipt of the decision.*

2. *The Nevada tax commission, as head of the department, may review all other decisions made by the executive director and may reverse, affirm or modify them.*

SEC. 15. NRS 360.180 is hereby amended to read as follows:

360.180 The [Nevada tax commission may require the division of assessment standards to:] *department may:*

1. Assist the county assessors in appraising property within their respective counties which the ratio study shows to be assessed at more or less than 35 percent of its full cash value.

2. Consult with and assist county assessors to develop and maintain standard assessment procedures to be applied and used in all of the counties of the state, to the end that assessments of property by county assessors shall be equal in each of the several counties of this state.

3. Visit a selective cross-section of assessable properties within the various counties in cooperation with the county assessor and examine these properties and compare them with the tax roll and assist the various county assessors in correcting any inequalities found to exist with factors of equal value and actual assessed value considered, and place upon the rolls any property found to be omitted from the tax roll.

4. Carry on a continuing study, the object of which is the equalization of property values between counties.

5. Carry on a program of in-service training for county assessors of the several counties of the state, and [once during] each year hold classes of instruction in assessing procedure for the purpose of bringing each county assessor and his authorized personnel the newest methods, procedures and practices in assessing property. Expenses of attending such classes shall be a proper and allowable charge by the board of county commissioners in each county.

6. Continually supervise assessment procedures which are carried on in the several counties of the State of Nevada and advise county assessors in the application of such procedures. The [Nevada tax commission] department shall make a complete written report to each session of the legislature, which shall include all reports of its activities and findings and all recommendations which it has made to the several county assessors, and the extent to which such recommendations have been followed.

7. Carry on a continuing program to maintain and study the assessment of public utilities and all other property assessed by the [Nevada

tax commission] department to the end that such assessment shall be equalized with the property assessable by county assessors.

8. Conduct appraisals at the request of and in conjunction with any county assessor when such assessor considers such assistance necessary. *One-half of the cost of such appraisal shall be paid by the county. In lieu of a cash payment, the county may provide labor, material or services having a value equal to one-half of the appraisal cost.*

SEC. 16. NRS 360.195 is hereby amended to read as follows:

360.195 Where any tax is collected by the [Nevada tax commission] department of taxation for apportionment in whole or in part to any political subdivision where the basis of such apportionment is the population of such political subdivision as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, the transition from one such census to the next shall be made on July 1 of the year following the year in which such census is taken. Every payment prior to such date shall be based upon the earlier census and every payment after such date shall be based upon the later census.

SEC. 17. NRS 360.200 is hereby amended to read as follows:

360.200 In addition to the specific powers enumerated in this chapter, the [Nevada tax commission] department shall have the power to exercise general supervision and control over the entire revenue system of the state [.] including the administration of the provisions of chapter 397, Statutes of Nevada 1955, as amended (NRS chapter 372).

SEC. 18. NRS 360.210 is hereby amended to read as follows:

360.210 The [Nevada tax commission] department has the original power of [appraisal or] appraisal and assessment of all property mentioned in NRS 361.320.

SEC. 19. NRS 360.220 is hereby amended to read as follows:

360.220 The [Nevada tax commission] department shall have the power to require governing bodies of local governments, as defined in NRS 354.474, to submit a budget estimate of the local government expenses and income for the current year, and for the budget year, and a compilation of the actual local government expenses and income for the last completed year, in such detail and form as may be required by the [Nevada tax commission] department, after hearing the advice and recommendations of [the] its local government advisory committee.

SEC. 20. NRS 360.230 is hereby amended to read as follows:

360.230 The [Nevada tax commission] department shall have the power:

1. To make diligent investigation with reference to any class or kind of property believed to be escaping just taxation. In pursuance thereof, the [Nevada tax commission or any commissioner] department may examine the books and accounts of any person, copartnership or corporation doing business in the state, when such examination is deemed necessary to a proper determination of the valuation of any property subject to taxation, or the determination of any licenses for the conduct of any business, or the determination of the net proceeds of any mine.

2. To require county assessors, county boards of equalization, county auditors or county treasurers to place upon the roll any property found to be escaping taxation.

SEC. 21. NRS 360.240 is hereby amended to read as follows:

360.240 1. The [Nevada tax commission] department shall have the power to summon witnesses to appear and testify on any subject material to [the determination of property valuations, licenses or the net proceeds of mines.] its responsibilities under this Title. No property owner and no officer, director, superintendent, manager or agent of any company or corporation, whose property is wholly in one county, shall be required to appear, without his consent, at a place other than the county seat or at the nearest town to his place of residence or the principal place of business of such company or corporation.

2. Such summons may be served by personal service by [any member of the Nevada tax commission] the executive director or his agent or by the sheriff of the county, who shall certify to such service without compensation therefor.

3. Any member of the Nevada tax commission, the executive director or any officer of the department designated by them may administer oaths to witnesses.

SEC. 22. NRS 360.250 is hereby amended to read as follows:

360.250 The Nevada tax commission shall have the power:

1. To confer with, advise and direct county assessors, sheriffs as ex officio collectors of licenses [., county boards of equalization,] and all other county officers having to do with the preparation of the assessment roll or collection of taxes or other revenues as to their duties.

2. To establish and prescribe general and uniform rules and regulations governing the assessment of property by the county assessors of the various counties, not in conflict with law.

3. To prescribe the form and manner in which assessment rolls or tax lists shall be kept by county assessors.

4. To prescribe the form of the statements of property owners in making returns of their property.

5. To require county assessors, sheriffs as ex officio collectors of licenses [., and the clerks of the county boards of equalization,] and all other county officers having to do with the preparation of the assessment roll or collection of taxes or other revenues, to furnish such information in relation to assessments, licenses or the equalization of property valuations, and in such form as the Nevada tax commission may demand.

SEC. 23. NRS 360.270 is hereby amended to read as follows:

360.270 The enumeration of the powers in NRS 360.200 to 360.260, inclusive, shall not be considered as excluding the exercise of any necessary and proper power and authority of the Nevada tax commission [.] or the department.

SEC. 24. NRS 360.273 is hereby amended to read as follows:

360.273 The Nevada tax commission and the state board of finance may authorize the [secretary of the Nevada tax commission] executive director to open accounts in banks, as that term is used in NRS 356.010, in any town or city in the State of Nevada in the name of [“Nevada tax commission:”] “department of taxation: sales and use tax account,” and to deposit in such accounts funds and moneys derived from collections of sales and use taxes, penalties and interest, cash bonds and sales tax permit fees for the purpose of providing a depository for such funds and moneys until any checks which comprise a part thereof are cleared before the

funds and moneys are transmitted to the state treasurer as provided in NRS 372.780.

SEC. 25. NRS 360.275 is hereby amended to read as follows:

360.275 No transfers or withdrawals shall be made from the accounts unless the funds or moneys transferred or withdrawn are made payable to the state treasurer, and all transfers or withdrawals shall bear the signature of the [secretary of the Nevada tax commission] *executive director* or his authorized representative and shall be countersigned by the state treasurer.

SEC. 26. NRS 360.276 is hereby amended to read as follows:

360.276 Every representative and employee of the [Nevada tax commission] *department* who collects sales and use taxes or penalties and interest on such taxes, or who obtains cash bonds or permit fees, shall deposit all funds and moneys so collected or obtained in the nearest or most convenient bank in which the [secretary of the Nevada tax commission] *executive director* has opened an account. All deposits shall be made by the representative or employee on the same day on which he receives the funds and moneys unless he receives them at so late an hour that he is unable to deposit them before the close of the regular hours of business of the bank and the bank has no facilities for night deposits, in which case he shall make the deposit promptly at the beginning of the next day on which the bank is open for business.

SEC. 27. NRS 360.277 is hereby amended to read as follows:

360.277 The [secretary of the Nevada tax commission] *executive director* shall designate personnel in the [offices of the general administration of the Nevada tax commission] *department* to administer the funds and moneys deposited in any accounts opened by the [secretary,] *executive director*, to make timely transfers or withdrawals from such accounts to the state treasurer in the manner and subject to the restrictions provided in NRS 360.275, and to maintain in such accounts sufficient funds to assure payment of any checks which may have been deposited therein.

SEC. 28. NRS 360.278 is hereby amended to read as follows:

360.278 [1.] The [Nevada tax commission] *department* and the state board of finance may enter into contracts for armored car service or engage such service where necessary in order to transport to the designated banks any [funds and] moneys collected in the offices of the [Nevada tax commission.] *department*.

[2.] The authority to enter into such contracts or to engage such services may be delegated to the secretary of the Nevada tax commission.]

SEC. 29. NRS 360.279 is hereby amended to read as follows:

360.279 1. Three years after the service of notice upon any person who has deposited security with the [Nevada tax commission] *department* pursuant to the provisions of NRS 372.510 that all sales tax and use tax liability has been extinguished or satisfied and that his account has been closed and his security is eligible for return, the [commission] *department* may, upon the failure of such person to claim such security, direct the state treasurer to:

(a) Transfer all or any part of such security to the general fund in the state treasury, if such security is in the form of a cash deposit; or

(b) Sell the security in the manner prescribed in NRS 372.510 and deposit the proceeds thereof in the general fund of the state treasury, if such security is in the form of a United States bearer bond.

2. [If any such account has been closed upon the extinguishment or satisfaction of such tax liability for a period of 3 years or more prior to April 1, 1965, and any such security therefor remains unclaimed, the commission may, after serving a 30-day notice on the person so depositing, direct the state treasurer to proceed in the manner prescribed in subsection 1.

3.] Notice mentioned in this section shall be given as provided in NRS 372.425.

SEC. 30. NRS 360.280 is hereby amended to read as follows:

360.280 1. All county assessors shall:

(a) Adopt and put in practice the [rules and] *manuals and regulations* established and prescribed by the Nevada tax commission governing the assessment of property.

(b) Keep assessment rolls or tax lists in the form and manner prescribed by the [Nevada tax commission.] *department*.

(c) Use and require property owners to use the blank statement forms prescribed by the [Nevada tax commission] *department* for making property returns.

(d) *Maintain a complete set of maps to accurately describe and illustrate all parcels of land as provided in chapter 361 of NRS.*

2. Boards of county commissioners shall supply books, blanks and statements in the prescribed form for the use of county assessors.

SEC. 31. NRS 360.300 is hereby amended to read as follows:

360.300 If the [tax commission] *department* is not satisfied with the return or returns of any tax or amount of tax required to be paid to the state by any person, in accordance with the applicable provisions of this Title as administered by the [tax commission,] *department*, it may compute and determine the amount required to be paid upon the basis of the facts contained in the return or upon the basis of any information within its possession or that may come into its possession. One or more deficiency determinations may be made of the amount due for one or for more than one period.

SEC. 32. NRS 360.320 is hereby amended to read as follows:

360.320 In making a determination the [tax commission] *department* may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on underpayments.

SEC. 33. NRS 360.330 is hereby amended to read as follows:

360.330 If any part of the deficiency for which a deficiency determination is made is due to negligence or intentional disregard of any applicable provisions of this Title, or the authorized rules and regulations of the [tax commission,] *department*, a penalty of 5 percent of the amount of the determination shall be added thereto.

SEC. 34. NRS 360.340 is hereby amended to read as follows:

360.340 If any part of the deficiency for which a deficiency determination is made is due to fraud or an intent to evade the provisions of

this Title, or the authorized [rules and] regulations of the [tax commission,] department, a penalty of 25 percent of the amount of the determination shall be added thereto.

SEC. 35. NRS 360.350 is hereby amended to read as follows:

360.350 1. The [tax commission] department shall give the taxpayer written notice of its determination.

2. The notice may be served personally or by mail; if by mail, the notice shall be addressed to the taxpayer at his address as it appears in the records of the [tax commission,] department.

3. In the case of service by mail of any notice required, the service is complete at the time of deposit in the United States post office.

SEC. 36. NRS 360.370 is hereby amended to read as follows:

360.370 1. If a petition for redetermination is filed within the 30-day period, the [tax commission] department shall reconsider the determination and, if the person has so requested in his petition, grant the person an oral hearing and give him 10 days' notice of the time and place of the hearing.

2. The [tax commission] department may continue the hearing from time to time as may be necessary.

SEC. 37. NRS 360.380 is hereby amended to read as follows:

360.380 The [tax commission] department may decrease or increase the amount of the determination before it becomes final, but the amount may be increased only if a claim for the increase is asserted by the [tax commission] department at or before the hearing.

SEC. 38. NRS 360.390 is hereby amended to read as follows:

360.390 The order of the [tax commission] department upon a petition for redetermination becomes final 30 days after service upon the petitioner of notice thereof.

SEC. 39. NRS 360.400 is hereby amended to read as follows:

360.400 All determinations made by the [tax commission] department under the authority of NRS 360.300 to 360.410, inclusive, are due and payable at the time they become final, except that the [tax commission] department may grant an extension of up to 15 days for good cause if the taxpayer makes a written application to the tax commission prior to the time such determination becomes final. A penalty of 5 percent of the amount of the determination, exclusive of interest, shall be added thereto if any determination is not paid when due. Interest shall accrue from the time when the determination becomes due and payable.

SEC. 40. NRS 360.410 is hereby amended to read as follows:

360.410 1. If the [tax commission] department finds that a person's failure to make a timely return or payment of a tax imposed by Title 32 of NRS, except for chapters 364, 366 and 371, is due to circumstances beyond his control and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect, the [tax commission] department may relieve such person of all or part of any penalty imposed. [by it.]

2. Any person seeking relief from such penalty shall file with the [tax commission] department a statement under oath setting forth the facts upon which he bases his claim for relief.

SEC. 41. NRS 360.420 is hereby amended to read as follows:

360.420 If any amount required to be paid to the state or remitted to the [Nevada tax commission] department under the provisions of this Title is not paid when due, the [Nevada tax commission] department may, within 3 years after the amount is due, file in the office of the clerk of any court of competent jurisdiction a certificate specifying the amount required to be paid, interest and penalties due, the name and address of the person liable for the payment, as it appears on the records of the [Nevada tax commission,] department, the [Nevada tax commission's] department's compliance with the applicable provisions of this Title in relation to the determination of the amount required to be paid, and a request that judgment be entered against the person in the amount required to be paid, including interest and penalties, as set forth in the certificate.

SEC. 42. NRS 360.440 is hereby amended to read as follows:

360.440 Execution shall issue upon the judgment upon request of the [Nevada tax commission] department in the same manner as execution may issue upon other judgments, and sales shall be held under such execution, as provided in chapter 21 of NRS.

SEC. 43. NRS 360.470 is hereby amended to read as follows:

360.470 The remedies of the state provided for in NRS 360.420 to 360.470, inclusive, are intended to supplement existing remedies applicable to specific taxes provided for in this Title. Nothing contained in NRS 360.420 to 360.470, inclusive, shall be deemed to limit or repeal additional requirements imposed upon the [Nevada tax commission] department by statute, or otherwise by law.

150.065 SEC. 44. Chapter 250 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. Except as otherwise provided in subsection 2, a person shall not be appointed as a deputy county assessor with appraisal responsibility unless he holds a valid appraiser's certificate issued by the department of taxation as provided in section 46 of this act.

2. Any person performing the duties of an appraiser for property tax purposes as a county employee may continue to perform such duties without a valid appraiser's certificate until July 1, 1978.

SEC. 45. Chapter 361 of NRS is hereby amended by adding thereto the provisions set forth as sections 46 to 51, inclusive, of this act.

361.221 SEC. 46. 1. A person shall not perform the duties of an appraiser for property tax purposes as an employee of the state or any of its political subdivisions unless he holds a valid appraiser's certificate issued by the department.

2. There is established a certification advisory board consisting of six members, three of whom shall be chosen by majority vote of the several county assessors from persons who hold a professional designation as property appraisers and three of whom shall be appointed by the Nevada tax commission. This board shall recommend to the department appropriate subjects in which appraisers are to be examined who are applicants for certification.

3. The department may contract for the development and administration of the appropriate examinations. An appraiser's certificate shall be issued to an applicant only if he has passed the appropriate examination.

4. Notwithstanding the provisions of subsection 1 and except as otherwise provided in section 44 of this act, any person performing the duties of an appraiser for property tax purposes may continue to perform such duties without a valid appraiser's certificate until:

(a) January 1, 1977, if a state employee.

(b) July 1, 1978, if a county employee.

361.222 SEC. 47. The department may issue a temporary appraiser's certificate to a person who is newly employed by the state or any of its political subdivisions and who applies to take the appraiser's certificate examination. The temporary certificate shall expire 1 year after the date of issue or when the results of the applicant's examination are determined, whichever occurs first. A temporary certificate shall not be renewed.

361.223 SEC. 48. 1. Every person who holds an appraiser's certificate shall complete in each fiscal year at least 36 contact hours of appropriate training conducted or approved by the department. College or university courses may be substituted upon approval by the department of an application for such substitution.

2. Any approved hours of training accumulated in any 1 fiscal year in excess of the 36 contact hour minimum shall be carried forward and applied against the training requirements of the following 3 years. Any approved hours accumulated between January 1, 1975, and June 30, 1976, shall be carried forward and applied against the training time required in the fiscal year ending June 30, 1977. The annual training requirement shall be waived for any person:

(a) Attaining a professional designation or certification recognized by the department; or

(b) Accumulating 180 contact hours of accepted training.

Such persons shall complete 36 contact hours during every 5-year period thereafter.

61.224 SEC. 49. On or before July 15 of each fiscal year, the department shall ascertain whether every person holding a valid appraiser's certificate has met the minimum training requirements for the preceding fiscal year as provided in section 48 of this act. The department may suspend or revoke the certificate of any person who fails to complete or have carried forward the minimum number of approved contact hours for that year. The department may not suspend or revoke the certificate unless the person has been given a hearing by the department and 20 days' advance written notice of the hearing.

61.263 SEC. 50. The county assessor may issue subpoenas to require the production before him of documentation necessary for determining the value of property. The county assessor may have the subpoena served, and upon application to any court of competent jurisdiction in this state, enforced, in the manner provided by law for the service and enforcement of subpoenas in a civil action.

61.189 SEC. 51. 1. Not later than July 1, 1979, and thereafter:

(a) All land in this state shall be legally described for tax purposes by parcel number in accordance with the parceling system prescribed by the department. The provisions of NRS 361.190 to 361.220, inclusive, shall remain in effect until each county has established and implemented the prescribed parceling system.

(b) Each county shall prepare and possess a complete set of maps drawn in accordance with such parceling system for all land in the county.

2. The department may assist any county in preparing the maps required by subsection 1, if it is shown to the satisfaction of the department that the county does not have the ability to prepare such maps. The county shall reimburse the department for its costs from the county general fund. The department may employ such services as are needed to carry out the provisions of this section.

3. The county assessor shall insure that the parcels of land on such maps are numbered in the manner prescribed by the department. The county assessor shall continually update the maps to reflect transfers, conveyances, acquisitions or any other transaction or event that change the boundaries of any parcel and shall renumber the parcels or prepare new map pages for any portion of the maps to show combinations or divisions of parcels in the manner prescribed by the department. The maps shall readily disclose precisely what land is covered by any particular parcel number in the current fiscal year.

4. The department may review such maps annually to insure that they are being properly updated. If it is determined that such maps are not properly updated the department may order the board of county commissioners to employ forthwith one or more qualified persons approved by the department to prepare the required maps. The payment of all costs incidental thereto shall be a proper charge against the funds of the county, notwithstanding such funds were not budgeted according to law.

5. Such maps shall at all times be available in the office of the county assessor. All such maps shall be retained by the county assessor as a permanent public record.

6. Land shall not be described in any deed or conveyance by reference to any such map unless the map is filed for record in the office of the county recorder of the county in which the land is located.

SEC. 52. NRS 361.035 is hereby amended to read as follows:

361.035 1. "Real estate" or "real property" means: [and includes:]

(a) All houses, buildings, fences, ditches, structures, erections, railroads, toll roads and bridges, or other improvements built or erected upon any land, whether such land is private property or property of the state or of the United States, or of any municipal or other corporation, or of any county, city or town in this state.

(b) The ownership of, or claim to, or possession of, or right of possession to any lands within this state.

(c) The claim by or the possession of any person, firm, corporation, association or company to any land.

2. The property described in subsection 1 shall be listed under the head of "real estate."

3. When an agreement has been entered into, whether in writing or not, or when there is sufficient reason to believe that an agreement has been entered into, for the dismantling, moving or carrying away or wrecking of the property described in subsection 1, or where such property shall undergo any change whereby it shall be depreciated in value or entirely lost to the county, such property shall be classified as personal property, and not real estate.

4. For the purposes of this chapter, "real estate" or "real property" shall not include leasehold or other possessory interests in land owned by the Federal Government on which land the Federal Government is paying taxes to the State of Nevada or is, pursuant to contractual obligation, paying any sum in lieu of taxes to the State of Nevada.

SEC. 53. NRS 361.170 is hereby amended to read as follows:

361.170 Any person, copartnership, association or corporation making claim to no situs status on any property under NRS 361.160 to 361.185, inclusive, shall do so in the form and manner prescribed by the [Nevada tax commission.] department. All such claims shall be accompanied by a certification of the warehouse company as to the status on its books of the property involved.

SEC. 54. NRS 361.175 is hereby amended to read as follows:

361.175 If any such property is reconsigned to a final destination in the State of Nevada, the warehouseman shall file a monthly report with the county assessor of the county in which the warehouse is located, in the form and manner prescribed by the [Nevada tax commission.] department. All such property so reconsigned shall be assessed and taxed.

SEC. 55. NRS 361.227 is hereby amended to read as follows:

361.227 1. [In] Any person determining the full cash value of real property [the county assessor, county board of equalization and the state board of equalization] shall compute such full cash value by using each of the following factors for which information is available and shall give such weight to each applicable factor as, in their judgment, is proper:

(a) The estimate of the value of the vacant land, plus any improvements made and minus any depreciation computed according to the estimated life of such improvements.

(b) The market value of the property, as evidenced by:

(1) Comparable sales in the vicinity;

(2) The price at which the property was sold to the present owner; and

(3) The value of the property for the use to which it was actually put during the fiscal year of assessment.

(c) The value of the property estimated by capitalization of the fair economic income expectancy.

2. The county assessor shall, upon request of the owner, furnish within [10] 30 days to any owner of property a statement of the value computed from each of the factors used and the items used in each such computation.

3. In determining the full cash value of a merchant's or dealer's stock in trade, the county assessor shall use the average value over the 12 months immediately preceding the date of assessment. For this purpose, the county assessor may require from such merchant or dealer a verified report of the value of his stock in trade at any time or reasonable number of times during the year.

SEC. 56. NRS 361.260 is hereby amended to read as follows:

361.260 1. Between July 1 and December 15 in each year, the county assessor, except when otherwise required by special enactment, shall ascertain by diligent inquiry and examination all real and personal property in his county subject to taxation, and also the names of all persons, corporations, associations, companies or firms owning the same. He

shall then determine the full cash value of all such property and he shall then list and assess the same at 35 percent of its full cash value to the person, firm, corporation, association or company owning it.

2. In arriving at the value of all public utilities of an intracounty nature, the intangible or franchise element shall be considered as an addition to the physical value and a portion of the full cash value.

3. In addition to the inquiry and examination required in subsection 1, the county assessor shall appraise property using standards approved by the [Nevada tax commission.] department and reappraise all property at least once every 5 years thereafter using the same standards. Such appraisals and reappraisals at 5-year intervals shall be accepted as the examination required under subsection 1, for the intervening 4 years.

SEC. 57. NRS 361.267 is hereby amended to read as follows:

361.267 1. Any association, firm, partnership, corporation or individual who furnishes storage for personal property shall, on or before August 1 of each year, submit a written report, verified by the person in charge of such property, to the county assessor of the county where such property is stored, containing accurate and complete information concerning all personal property held in storage on July 1 of such year, including the names and residence addresses of the owners thereof.

2. The report shall be made in the form prescribed by the [Nevada tax commission.] department.

3. The [Nevada tax commission.] department, its designated representative or the county assessor may investigate and inspect such property, and no person may refuse to permit such investigation or inspection.

4. Any violation of this section is a misdemeanor.

SEC. 58. NRS 361.305 is hereby amended to read as follows:

361.305 The county assessor shall also make a map or plat of the various blocks within any incorporated city or town, and shall mark thereon the various subdivisions, as they are assessed. [In each subdivision he shall mark the names of persons to whom it is assessed.] Each parcel in a subdivision shall be further identified by a parcel number in accordance with the parceling system prescribed by the department.

SEC. 59. NRS 361.310 is hereby amended to read as follows:

361.310 1. On or before January 1 of each year, the county assessor of each of the several counties shall complete his tax list or assessment roll, and shall take and subscribe to an affidavit written therein to the effect that he has made diligent inquiry and examination to ascertain all the property within the county subject to taxation, and required to be assessed by him, and that he has assessed the same on the assessment roll equally and uniformly, according to the best of his judgment, information and belief, at 35 percent of its full cash value. A copy of such affidavit shall be filed immediately by the assessor with the [Nevada tax commission.] department. The failure to take or subscribe to such affidavit shall not in any manner affect the validity of any assessment contained in the assessment roll.

2. The county assessor may close his roll as to changes in ownership of property on December 1 of each year or on any other date which may be approved by the board of county commissioners.

SEC. 60. NRS 361.315 is hereby amended to read as follows:

361.315 1. Except as otherwise provided in subsection [4.] 3,

annually, a regular session of the Nevada tax commission shall be held at Carson City, Nevada, beginning on the 1st Monday in October [at 10 a.m.] and continuing from day to day until the business of the particular session is completed, at which valuations shall be established by the Nevada tax commission on the several kinds and classes of property mentioned in NRS 361.320.

2. [After the adjournment of the state board of equalization, the Nevada tax commission may hold such sessions as are deemed necessary for the purposes mentioned in NRS 361.325.

3.] The publication in the statutes of the foregoing time, place and purpose of each regular session of the Nevada tax commission shall be deemed notice of such sessions, or if it so elects the Nevada tax commission may cause published notices of such regular sessions to be made in the press, or may notify parties in interest by letter or otherwise.

[4.] 3. The Nevada tax commission may designate some place other than Carson City, Nevada, [or some time other than 10 a.m., or both,] for the regular session specified in subsection 1. If such other place [or time] is so designated, notice thereof shall 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 regular session is to be held.

[5. All sessions shall be public and all persons shall have the right to appear in person or by their agents and attorneys, and, subject to exceptions and qualifications contained in this chapter, submit evidence, both oral and documentary. It shall be lawful, in lieu of personal appearance or appearance by agent or attorney of any claimant before the Nevada tax commission, for such claimant to cause to be filed with the Nevada tax commission a statement in writing, signed by the claimant, setting forth such claimant's claim or claims with respect to the valuation of property of such claimant or the property of others.]

4. *All sessions shall be public and any person is entitled to appear in person or by his agent or attorney. Evidence may be submitted, except as otherwise provided in this chapter. In lieu of an appearance, the person may file with the department a written statement containing his claim and any evidence thereon with respect to the valuation of his property or the property of others.*

SEC. 61. NRS 361.320 is hereby amended to read as follows:

361.320 1. At the regular session of the Nevada tax commission commencing on the 1st Monday in October of each year, the Nevada tax commission shall establish the valuation for assessment purposes of any property of an interstate and intercounty nature, which shall in any event include the property of all interstate or intercounty railroad, sleeping car, private car, street railway, traction, telegraph, water, telephone, air transport, electric light and power companies, together with their franchises, and the property and franchises of all railway express companies operating on any common or contract carrier in this state. Such valuation shall not include the value of vehicles as defined in NRS 371.020.

2. Except as otherwise provided in subsections 3 and 4, the foregoing shall be assessed as follows: The Nevada tax commission shall establish and fix the valuation of the franchise, if any, and all physical property used directly in the operation of any such business of any such company in this state, as a collective unit; and if operating in more than one county,

on establishing such unit valuation for the collective property, the Nevada tax commission shall then proceed to determine the total aggregate mileage operated within the state and within the several counties thereof, and apportion the same upon a mile-unit valuation basis, and the number of miles so apportioned to any county shall be subject to assessment in that county according to the mile-unit valuation so established by the Nevada tax commission.

3. Where 75 percent or more of the physical property of an electric light and power company is devoted to the generation or transmission of electricity for use outside the State of Nevada and such physical property also includes three or more operating units which are not interconnected at any point within the State of Nevada, the Nevada tax commission shall successively:

(a) Determine separately the valuation of each operating unit, using the valuation criteria provided in subsection 2.

(b) Apportion 15 percent of the valuation of each operating unit which generates electricity predominantly for use outside Nevada to each other operating unit within the State of Nevada.

(c) Apportion the valuation of each operating unit, adjusted as required by paragraph (b) upon a mile-unit basis among the counties in which such operating unit is located.

4. Where 75 percent or more of the physical property of an electric light and power company is devoted to the generation or transmission of electricity for use outside the State of Nevada and such physical property also includes two but not more than two operating units which are not interconnected at any point within the State of Nevada, the Nevada tax commission shall successively:

(a) Determine separately the valuation of each operating unit, using the valuation criteria provided in subsection 2.

(b) Apportion 20 percent of the valuation of each operating unit which generates electricity predominantly for use outside Nevada to each other operating unit within the State of Nevada.

(c) Apportion the valuation of each operating unit, adjusted as required by paragraph (b) upon a mile-unit basis among the counties in which such operating unit is located.

5. The Nevada tax commission shall [prepare and] adopt formulas, and cause the same to be incorporated in its records, providing the method or methods pursued in fixing and establishing the full cash value of all franchises and property assessed by it. Such formulas shall be adopted and may be changed from time to time upon its own motion or when made necessary by judicial decisions, but such formulas shall in any event show all the elements of value considered by the Nevada tax commission in arriving at and fixing the value for any class of property assessed by it.

6. The word "company" shall be construed to mean and include any person or persons, company, corporation or association engaged in the business described.

7. In case of the omission by the Nevada tax commission to establish a valuation for assessment purposes upon the property mentioned in this section, the county assessors of any counties wherein such property is situated shall assess the same.

8. All other property shall be assessed by the county assessors, except as provided in NRS 362.100 and except that the valuation of land, livestock and mobile homes shall be established for assessment purposes by the Nevada tax commission as provided in NRS 361.325.

9. On or before the 1st Monday in December the [Nevada tax commission] department shall transmit to the several county assessors the assessed valuation found [by it] on such classes of property as are enumerated in this section, together with the apportionment of each county of such assessment. The several county assessors shall enter on the roll all such assessments transmitted to them by the [Nevada tax commission] department.

SEC. 62. NRS 361.325 is hereby amended to read as follows:

361.325 1. [The Nevada tax commission may continue in session from day to day after the session of the state board of equalization for the purpose of considering the tax affairs of the state.

2. After the adjournment of the state board of equalization and on [On or before the 1st Monday in June of each year, the Nevada tax commission shall:

(a) Fix and establish the valuation for assessment purposes of all livestock in the state.

(b) Classify all mobile homes in the state on the basis of those factors which most closely determine their service lives and fix and establish their valuation for assessment purposes. The definition of "mobile home" in NRS 361.561 applies to this paragraph.

(c) Classify land and fix and establish the valuation thereof for assessment purposes. The classification of agricultural land shall be made on the basis of crop or forage production, either in tons of crops per acre or other unit, or animal unit months of forage. An animal unit month is the amount of forage which is necessary for the complete sustenance of one animal unit for a period of 1 month. One animal unit is defined as one cow and calf, or its equivalent, and the amount of forage necessary to sustain one animal unit for 1 month is defined as meaning 900 pounds of dry weight forage per month.

[3.] 2. The valuation of livestock, mobile homes and land so fixed and established shall be for the next succeeding year and shall be subject to equalization by the state board of equalization. [at the February meeting thereof for such year.

4.] 3. The Nevada tax commission shall [have the power to] cause to be placed on the assessment roll of any county property found to be escaping taxation coming to its knowledge after the adjournment of the state board of equalization. Such property shall be placed upon the assessment roll prior to the delivery thereof to the ex officio tax receiver. If such property cannot be placed upon the assessment roll of the proper county within the proper time, it shall thereafter be placed upon the tax roll for the next ensuing year, in addition to the assessment for the current year, if any, and taxes thereon shall be collected for the prior year in the same amount as though collected upon the prior year's assessment roll.

[5.] 4. The Nevada tax commission shall not raise or lower any valuations established [at the session of] by the state board of equalization unless, by the addition to any assessment roll of property found to be

escaping taxation, it [shall be found necessary so to do.] is necessary to do so.

[6.] 5. Nothing in this section [shall be construed as providing] provides an appeal from the acts of the state board of equalization to the Nevada tax commission.

SEC. 63. NRS 361.333 is hereby amended to read as follows:

361.333 1. [The legislature finds that:

(a) Taxation of property is an important element of school district local financing; and

(b) An exterior equalization force is required, notwithstanding apparent obedience to the legislative mandate declared in NRS 361.225, to effect some measure of uniformity in the quality of educational programs in the public schools.

2.] Not later than May 1 of each year, the [Nevada tax commission] department shall:

(a) Determine [for each county each year the average ratio, expressed as a percentage, of assessed valuation of property to the full cash value of property by means of a sampling of the assessment practices or other proper method.] the ratio of the assessed value of each type or class of property for which the county assessor has the responsibility of assessing in each county to:

(1) The assessed value of comparable property in the remaining counties.

(2) The full cash value of such type or class of property within that county.

(b) Publish and certify to the county assessors and the boards of county commissioners of the counties of this state: [the]

(1) The average ratio of assessed valuation to the full cash value of property in each county and the state.

[(c) Publish and certify to the county assessors and the boards of county commissioners of the counties the]

(2) The adjusted average ratio of assessed valuation to the full cash value of property in each county.

The [Nevada tax commission shall] department may take into account the interval between the current determination and the last assessment of property by the county assessor, and it may appropriately discount or otherwise adjust the full cash valuation determined by it or take any other appropriate action.

2. The ratio study shall be conducted on nine counties in one year and eight counties in the next year with the same combination of counties being tested in alternate years.

3. The formulas and standard procedures used by the department in conducting the ratio study shall include a random sampling of property and sales and the use of the mean, median, standard deviation and any other statistical criteria that will indicate an accurate ratio of full cash value to assessed value and an accurate measure of assessment equality. The formulas and standard procedures shall become the mandatory formulas and procedures to be used by the county assessors.

[3.] 4. During the month of May [1967, and during the month of May] of each year, [thereafter,] the Nevada tax commission shall meet

with the board of county commissioners and the county assessor of each county. [In Carson City, Nevada.] The board of county commissioners and the county assessor shall:

(a) Present evidence to the Nevada tax commission of the steps taken to insure that all property subject to taxation within the county has been assessed at 35 percent of its full cash value as required by law.

(b) Demonstrate to the Nevada tax commission that any adjustments in assessments ordered in the preceding year as a result of the appraisal procedure provided in paragraph (c) of subsection [4] 5 have been complied with.

[4.] 5. At the conclusion of each meeting with the board of county commissioners and the county assessor, the Nevada tax commission shall:

(a) If it finds that all property subject to taxation within the county has been assessed at 35 percent of its full cash value, take no further action.

(b) If it finds that any class of property, as designated in the segregation of the tax roll filed with the secretary of the state board of equalization pursuant to NRS 361.390, is assessed at less or more than 35 percent of its full cash value, and if the board of county commissioners approves, order a specified percentage increase or decrease in the assessed valuation of such class on the succeeding tax list and assessment roll.

(c) If it finds the existence of underassessment or overassessment [which in the aggregate amounts to more than 5 percent of the total assessed valuation] wherein the ratio of assessed value to full cash value is less than 30 percent or more than 37½ percent within each of the several classes of property of the county, or if the board of county commissioners does not agree to an increase or decrease in assessed value as provided in paragraph (b), order the board of county commissioners to employ forthwith one or more qualified appraisers approved by the [Nevada tax commission] department. The payment of such appraisers' fees shall be a proper charge against the funds of the county notwithstanding that the amount of such fees has not been budgeted in accordance with law. The appraisers shall determine whether or not the county assessor has assessed all real and personal property in the county subject to taxation at 35 percent of its full cash value as required by law. The appraisers may cooperate with the [division of assessment standards of the Nevada tax commission] department in making their determination if so agreed by the appraisers and the [division,] department, and shall cooperate with the [division] department in preparing a report to the Nevada tax commission. The report to the Nevada tax commission shall be made on or before October 1 following the date of the order. If the report indicates that any real or personal property in the county subject to taxation has not been assessed at 35 percent of its full cash value, a copy of the report shall be transmitted to the board of county commissioners by the [Nevada tax commission] department prior to November 1. The board of county commissioners shall then order the county assessor to raise or lower the assessment of such property to 35 percent of its full cash value on the succeeding tax list and assessment roll.

[5.] 6. The Nevada tax commission may promulgate regulations reasonably necessary to carry out the provisions of this section.

[6.] 7. Any county assessor who refuses to increase or decrease the

assessment of any property pursuant to an order of the Nevada tax commission or the board of county commissioners as provided in this section is guilty of malfeasance in office.

Sec. 64. NRS 361.340 is hereby amended to read as follows:

361.340 1. The board of equalization of each county shall consist of:

(a) [The board of county commissioners.

(b) One member of the board of trustees of the county school district to be selected by the board of trustees.

(c) One member of a city council or like officer of each incorporated city in the county to be appointed by the city council of such city. If there be no incorporated city within the county, the board of county commissioners shall appoint a taxpayer, residing within an unincorporated city, town or village in the county, who is not a member of the board of county commissioners.

The clerk of the board of county commissioners shall be the clerk of the county board of equalization.

2. In Carson City the board of equalization shall consist of:

(a) The board of supervisors.

(b) One member of the board of trustees of the city school district to be selected by the board of trustees.

(c) One taxpayer residing in the city who is not a member of the board of supervisors, and shall be considered as a county board of equalization. The city clerk shall be the clerk of the board of equalization. Five members, only two of which may be elected public officers, in counties having a population of 10,000 or more; and

(b) Three members, only one of which may be an elected public officer, in counties having a population of less than 10,000, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce.

2. The chairman of the board of county commissioners shall nominate persons to serve on the county board of equalization who are sufficiently experienced in business generally to be able to bring knowledge and sound judgment to the deliberations of the board or who are elected public officers. Such nominees shall be appointed upon a majority vote of the board of county commissioners. The chairman of such board shall designate one of the appointees to serve as chairman of the county board of equalization.

3. Except as otherwise provided in this subsection, the term of each member is 4 years and any vacancy shall be filled by appointment for the unexpired term. The term of any elected public officer expires upon the expiration of the term of his elected office. The first terms beginning July 1, 1975, shall be as follows:

(a) For boards consisting of five members:

(1) Two members, 4 years.

(2) Two members, 3 years.

(3) One member, 2 years.

(b) For boards consisting of three members:

(1) One member, 4 years.

(2) One member, 3 years.

(3) One member, 2 years.

4. *The county clerk shall be the clerk of the county board of equalization.*

5. *Any member of the county board of equalization may be removed by the board of county commissioners if, in its opinion, such member is guilty of malfeasance in office or neglect of duty.*

6. *The members of the county board of equalization are entitled to receive per diem allowance and travel expenses as provided by law.*

[3.] 7. A majority of the members of the county board of equalization shall be sufficient to constitute a quorum, and a majority of the board shall determine the action of the board.

[4.] 8. The county board of equalization of each county shall meet during the month of January of each year, and shall hold such number of meetings during that month as may be necessary to care for the business of equalization presented to it, and in any event shall meet at least once each week during the time provided by this section. The county board of equalization shall conclude the business of equalization on or before the 25th day of January of each year. The [Nevada tax commission] *state board of equalization* shall have power to 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 deputy shall be present at all meetings of the county [boards] *board of equalization* to explain [legal provisions and the authority of the county boards.] *the law and the board's authority.*

[5.] 9. The county assessor [or the assessor of Carson City] shall attend all meetings of the county board of equalization. [without additional compensation.]

SEC. 65. NRS 361.355 is hereby amended to read as follows:

361.355 1. Any person, firm, company, association or corporation, claiming overvaluation or excessive valuation of its property in the state, whether assessed by the Nevada tax commission or by the county assessor or assessors, by reason of undervaluation for taxation purposes of the property of any other person, firm, company, association or corporation within any county of the state or by reason of any such property not being so assessed, shall appear before the county board of equalization of the county or counties wherein such undervalued or nonassessed property may be and make complaint concerning the same and submit proof thereon. [In any event, the] *The complaint and proof shall show the name of the owner or owners, the location, the description, and the full cash value of the property claimed to be undervalued or nonassessed.*

2. The county board of equalization forthwith shall examine such proof and all data and evidence submitted by the complainant, together with any evidence submitted thereon by the county assessor or any other person. If [it shall be determined by] *the county board of equalization determines that the complainant has just cause for making such complaint it shall immediately make such increase in valuation of the property complained of as shall conform to its full cash value, or cause such property to be placed on the assessment roll at its full cash value, as the case may be, and make proper equalization thereof.*

3. Except as provided in subsection 4, any such person, firm, company, association or corporation [claiming overvaluation or excessive

valuation of its property, for the reason or reasons as provided in this section,] failing to make a complaint [thereof] and submit proof [thereon] to the county board of equalization of each county wherein it is claimed property is undervalued or nonassessed [.] *as provided in this section, shall not thereafter be permitted to make complaint of or offer proof concerning such undervalued or nonassessed property to the state board of equalization.*

4. If the fact that there is such undervalued or nonassessed property in any county has become known to the complainant after the final adjournment of the county board of equalization of that county for that year, the complainant may make its complaint *by the 4th Monday of February to the state board of equalization* and submit its proof as provided in this section at [the February] *a session of the state board of equalization, upon complainant proving to the satisfaction of the state board of equalization it had no knowledge of such undervalued or non-assessed property prior to the final adjournment of the county board of equalization. The state board of equalization shall proceed in the matter in like manner as provided in this section for a county board of equalization in such case, and cause its order thereon to be certified to the county auditor with direction therein to change the assessment roll accordingly.*

SEC. 66. NRS 361.360 is hereby amended to read as follows:

361.360 1. Any taxpayer being aggrieved at the action of the county board of equalization in equalizing, or failing to equalize, the value of his property, or property of others, or a county assessor, may appeal to the state board of equalization [at its February session,] *by the 4th Monday of February and present to the state board of equalization the matters complained of [.] at one of its sessions.*

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

SEC. 67. NRS 361.375 is hereby amended to read as follows:

361.375 1. [The state board of equalization shall be composed of the members of the Nevada tax commission.

2. The chairman of the Nevada tax commission shall be the chairman of the board, and the secretary of the Nevada tax commission shall be the secretary of the board.

3. Each member of the Nevada tax commission (except the governor as an ex officio member) shall have a vote upon the board, and in all cases a majority vote of the entire membership of the board shall govern. Five members shall constitute a quorum for the transaction of business.] *The state board of equalization shall consist of five members appointed by the governor. The governor shall designate one of the members to serve as chairman of the board.*

2. *The board members shall respectively possess the following qualifications:*

(a) *One shall be a certified public accountant or a registered public accountant.*

(b) *One shall be a property appraiser with a professional designation.*

(c) One shall be versed in the valuation of centrally assessed properties.

(d) Two shall be versed in business generally.

3. Only three of the members may be of the same political party and no more than two may be from the same county.

4. The first appointments to the board shall be for terms beginning July 1, 1975, as follows:

(a) Two members for 4 years.

(b) One member for 3 years.

(c) One member for 2 years.

(d) One member for 1 year.

Thereafter, all members shall be appointed for terms of 4 years, except when appointed to fill unexpired terms. Appointments to fill vacancies on the board shall be for the unexpired term of the board member to be replaced, and shall be made by the governor. No member may serve more than two full terms consecutively.

5. Any member of the board may be removed by the governor if, in his opinion, such member is guilty of malfeasance in office or neglect of duty.

6. Each board member shall receive as compensation \$40 for each day actually employed on the work of the board. The board members are entitled to receive the per diem allowance and travel expenses as provided by law.

7. A majority of the members of the board shall be sufficient to constitute a quorum, and a majority of the board shall determine the action of the board. The board may make regulations governing the conduct of its business.

8. The staff requirements of the state board of equalization shall be provided by the department and the executive director shall serve as the secretary of the board.

SEC. 68. 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 1st Monday in February 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. All protests to the state board of equalization shall be made on or before the 4th Monday of February. [and the state board of equalization shall conclude the business of equalization on or before the 4th day of March in each year.] The state board of equalization shall conclude the business of equalization on cases that in its opinion have a substantial effect on tax revenues on or before March 4. Cases having less than a substantial effect on tax revenues may be heard at additional meetings which may be held at any time and place in the state prior to October 1.

2. The publication in the statutes of the foregoing time, place and purpose of each regular session of the state board of equalization shall be deemed 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 shall 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.

SEC. 69. NRS 361.385 is hereby amended to read as follows:

361.385 1. [All sessions shall be public and all persons shall have the right to appear in person or by their agents or attorneys and, subject to exceptions and qualifications contained in this chapter, submit evidence, both oral and documentary. It shall be lawful, in lieu of personal appearance or appearance by agent or attorney of any claimant before the state board of equalization, for such claimant to cause to be filed with the state board of equalization a statement in writing, signed by the claimant, setting forth such claimant's claim or claims with respect to the valuation of property of such claimant or the property of others.] All sessions shall be public and any person is entitled to appear in person or by his agent or attorney. Evidence may be submitted, except as otherwise provided in this chapter. In lieu of an appearance, the person may file with the state board of equalization a written statement containing his claim and any evidence thereon with respect to the valuation of his property or the property of others.

2. Nothing contained in this section [shall be construed as relieving] relieves such claimant or any board, commission or officer from complying with all the requirements of law relative to the manner and form of appealing from the action of county boards of equalization, and submitting such proof as may be required by the state board of equalization.

SEC. 69.5. NRS 361.390 is hereby amended to read as follows:

361.390 On or before the 1st Monday in [February,] April, each county assessor shall:

1. Prepare and file with the secretary of the state board of equalization a report showing the segregation of property and the assessment thereof shown on the tax roll for the current year; and

2. File with or cause to be filed with the secretary of the state board of equalization the tax roll, or a true copy thereof, of his county for such current year as corrected by the county board of equalization.

SEC. 70. 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 [piece or class of] property in whole or in part [made by the state board of equalization] to the county auditor of the county wherein such property is assessed, and whenever the valuation of any [piece or class of property shall have been] property is raised, the secretary of the state board of equalization shall forward by certified mail to the property owner or owners affected, [thereby due] notice of such increased valuation.

2. As soon as [all] changes resulting from cases having a substantial effect on tax revenues have been certified to him by the secretary of the state board of equalization, the county auditor shall:

(a) Enter all such changes on the assessment roll prior to the delivery thereof to the [ex officio] 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 [Nevada tax commission] department on or before March 15 of each year.

3. As soon as changes resulting from cases having less than a substantial effect on tax revenue have been certified to him 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. 71. NRS 361.410 is hereby amended to read as follows:

361.410 1. No taxpayer shall be deprived of any remedy or redress in a court of law relating to the payment of taxes, but all such actions shall be for redress from the findings of the state board of equalization, and no action shall be instituted upon the act of a county assessor or of a county board of equalization or the Nevada tax commission until the state board of equalization has denied complainant relief. Nothing herein shall be deemed to prevent a proceeding in mandamus to compel the placing of nonassessed property on the assessment roll.

2. The Nevada tax commission or the department, in that name and in proper cases, may sue and be sued, and the attorney general shall prosecute and defend the same, but the burden of proof shall be upon the complainant to show by clear and satisfactory evidence that any valuation established by the Nevada tax commission or the department or equalized by the state board of equalization is unjust and inequitable.

SEC. 72. NRS 361.415 is hereby amended to read as follows:

361.415 1. Any property owner whose taxes are less than \$300, and who has paid the first installment of such taxes in full, may, on filing with the county treasurer a certificate of the [secretary of the Nevada tax commission] executive director that he has made complaint or applied to the Nevada tax commission for redress from any increased valuation of his property, pay the next installment of such taxes in two separate payments, one payment in the sum which, when added to the first installment, shall represent the amount of taxes payable if computed on the valuation of the preceding tax year plus the taxes on any improvements added since such preceding levy, and the other for the balance required to make up the full amount levied for the current year. The county treasurer shall receipt for the latter as a special deposit, to be held by such county treasurer undischarged until the Nevada tax commission shall, by its findings, grant or refuse redress from such increased valuation, and the property owner, in such case, shall not be liable for any penalty under the provisions of this chapter concerning delinquencies.

2. If the Nevada tax commission, by its findings, reduces the assessment valuation of such property, the county treasurer, on order of the Nevada tax commission, shall refund from such special deposit an amount corresponding to such reduction, and shall transfer the remainder to the public revenues.

3. If the Nevada tax commission shall not reduce the valuation of the property, then the county treasurer shall transfer the entire special deposit to the public revenues.

4. Any person proceeding under this section being aggrieved by the findings and order of the Nevada tax commission may appeal therefrom to the district court of the proper county, the appeal being taken in the same manner and within the same time as appeals from justices' courts to district courts in civil actions, and such cases shall there be tried de novo. If such person prevails in the district court, the district court may

allow a reasonable amount of interest, not exceeding 6 percent per annum, on the amount of the special deposit ordered repaid to the taxpayer from the date of the deposit thereof with the county treasurer.

5. An appeal may be taken from the judgment of the district court to the supreme court by either party to the action.

SEC. 73. NRS 361.420 is hereby amended to read as follows:

361.420 1. Any property owner whose taxes exceed the sum of \$300 and are in excess of the amount which such owner claims justly to be due may pay each installment of taxes as it becomes due under protest in writing, which protest shall be in triplicate and filed with the county treasurer at the time of the payment of the installment of taxes. The county treasurer forthwith shall forward one copy of the protest to the attorney general and one copy to the state controller.

2. The property owner, having protested the payment of taxes as provided in subsection 1, may commence a suit in any court of competent jurisdiction in the State of Nevada against the state and county in which the taxes were paid, and, in a proper case, both the Nevada tax commission and the department may be joined as a defendant for a recovery of the difference between the amount of taxes paid and the amount which such owner claims justly to be due, and such owner may complain upon any of the grounds contained in subsection 4.

3. Every action commenced under and by virtue of the provisions of this section shall be commenced within 3 months from the date of the payment of the last installment of taxes, and if not so commenced shall be forever barred. If the tax complained of shall be paid in full and under the written protest provided for in this section, at the time of the payment of the first installment of taxes, suit for the recovery of the difference between the amount paid and the amount claimed to be justly due shall be commenced within 3 months of the date of payment thereof, and if not so commenced shall be forever barred.

4. In any suit brought under the provisions of this section, the person assessed may complain or defend upon any of the following grounds:

(a) That the taxes have been paid before the suit; [or]

(b) That the property is exempt from taxation under the provisions of the revenue or tax laws of the state, specifying in detail the claim of exemption; [or]

(c) That the person assessed was not the owner and had no right, title or interest in the property assessed at the time of assessment; [or]

(d) That the property is situate in and has been duly assessed in another county, and the taxes thereon paid; [or]

(e) That there was fraud in the assessment or that the assessment is out of proportion to and above the actual cash value of the property assessed; [or]

(f) That the assessment is out of proportion to and above the valuation fixed by the Nevada tax commission for the year in which the taxes were levied and the property assessed; or

(g) That the assessment complained of is discriminatory in that it is not in accordance with a uniform and equal rate of assessment and taxation, but is at a higher rate of the full cash value of the property so assessed than that at which the other property in the state is assessed.

5. In all cases mentioned in this section, where the complaint is based

upon any grounds mentioned in subsection 4, the entire assessment shall not be declared void, but shall only be void as to the excess in valuation.

6. In any judgment recovered by the taxpayer under this section, the court may provide for interest thereon not to exceed 6 percent per annum from and after the date of payment of the tax complained of.

SEC. 74. NRS 361.430 is hereby amended to read as follows:

361.430 In every action brought under the provisions of NRS 361.415 and 361.420, the burden of proof shall be upon the plaintiff to show by clear and satisfactory evidence that any valuation established [or equalized] by the Nevada tax commission [the state board of equalization, the county assessor or the county board of equalization] or the county assessor or equalized by the county board of equalization or the state board of equalization is unjust and inequitable.

SEC. 75. NRS 361.445 is hereby amended to read as follows:

361.445 The assessment made by the county assessor and by the [Nevada tax commission,] department, as equalized according to law, shall be the only basis for property taxation by any city, town, school district, road district or other district in that county.

SEC. 76. NRS 361.455 is hereby amended to read as follows:

361.455 1. Subsequent to the approval of the final budgets for the various local governments as defined in NRS 354.474 and their submission to the [Nevada tax commission,] department, for examination and approval, the Nevada tax commission shall certify to the board of county commissioners of each of the several counties the combined tax rate necessary to produce the amount of revenue required by the approved budgets, and shall certify such combined rate, to each of the boards of county commissioners.

2. Immediately upon adoption of the final budgets, if the combined tax rate together with the established state tax rate exceeds the constitutional tax rate limit, the chairman of the board of county commissioners in each county concerned shall call a meeting of the governing boards of each of the local governments within such county for the purpose of establishing a combined tax rate that conforms to the constitutional limitations. The chairman shall convene the meeting no later than April 14 of each year.

3. The governing boards of the local governments shall meet in public session and the county clerk shall keep appropriate records, pursuant to regulations of the [Nevada tax commission,] department, of all proceedings. The costs of taking and preparing the record of the proceedings, including the costs of transcribing and summarizing tape recordings, shall be borne by the county and participating incorporated cities in proportion to the final tax rate as certified by the [Nevada tax commission,] department. The chairman of the board of county commissioners or his designee shall preside at such meeting. The governing boards shall explore areas of mutual concern so as to agree upon a combined tax rate that does not exceed the constitutional limit. That portion of the proposed tax rate of the county school district for the operation and maintenance of public schools composed of the mandatory tax levy specified in paragraph (a) of subsection 2 of NRS 387.195 and the recommended tax levy to be made pursuant to paragraph (b) of subsection 2 of NRS 387.195 may not be

reduced by action of the governing boards in order to establish a combined tax rate conforming to constitutional limitations; but that portion of the proposed tax rate of the county school district specified for debt service requirements pursuant to paragraph (c) of subsection 2 of NRS 387.195 is subject to a rate adjustment by action of the governing boards pursuant to this section.

4. The governing boards shall determine final decisions by a unanimous vote of all entities present and qualified to vote, as defined in this subsection. No ballot may be cast on behalf of any governing board unless a majority of such individual board is present. A majority vote of all members of each governing board is necessary to determine the ballot cast for that entity. All ballots must be cast not later than the day following the day the meeting is convened. The district attorney shall be the legal advisor for such proceedings.

5. The county clerk shall immediately thereafter advise the [Nevada tax commission] department of the results of the ballots cast and the tax rates set for local governments concerned. If the ballots for the entities present at the meeting in such county are not unanimous, the county clerk shall transmit all records of the proceedings to the [commission] department within 5 days after the meeting.

6. If a unanimous vote is not obtained and the combined rate in any county together with the established state tax rate exceeds the constitutional tax rate limit, the [Nevada tax commission] department shall examine the record of the discussions and the budgets of all local governments concerned. On May 1 or, if May 1 falls on a Saturday or Sunday, on the Monday next following, the Nevada tax commission shall meet to set the tax rates for the next succeeding year for all local governments so examined. In setting such tax rates for the next succeeding year the Nevada tax commission shall not reduce that portion of the proposed tax rate of the county school district for the operation and maintenance of public schools composed of the mandatory tax levy specified in paragraph (a) of subsection 2 of NRS 387.195 and the recommended tax levy to be made pursuant to paragraph (b) of subsection 2 of NRS 387.195.

7. Any local government affected by a rate adjustment, made in accordance with the provisions of this section, which necessitates a budget revision shall file a copy of its revised budget by June 30 next after the approval and certification of the rate by the Nevada tax commission.

8. A copy of the certificate of the Nevada tax commission sent to the board of county commissioners shall be forwarded to the county auditor.

SEC. 77. NRS 361.495 is hereby amended to read as follows:

361.495 Within 10 days after the report described in NRS 361.490, the county treasurer shall transmit by mail or otherwise to the state controller and the department a statement in such form as the state controller may require of all the particular kind of property delinquent, and the total amount of delinquent tax.

SEC. 78. NRS 361.5643 is hereby amended to read as follows:

361.5643 1. Upon compliance by the purchaser of a slide-in camper or the purchaser of the mobile home with the provisions of NRS 361.562, 361.563 or 361.5642 the county assessor shall:

(a) Deliver forthwith to the purchaser of a mobile home, as well as annually thereafter upon payment of the tax, a sticker which shall be of a design and affixed in such manner as shall be prescribed by the [Nevada tax commission;] department;

(b) Deliver forthwith to the purchaser of a slide-in camper, as well as annually thereafter upon payment of the tax, a tax plate or a sticker which shall be of a design and affixed in such manner as shall be prescribed by the [Nevada tax commission;] department.

2. The county assessor shall issue each year to the owner of a camper-shell not subject to taxation under the provisions of this chapter a tax plate or sticker similar to that provided in paragraph (b) of subsection 1, which the owner shall affix to the camper-shell in the manner prescribed by the [Nevada tax commission;] department.

SEC. 79. NRS 361.565 is hereby amended to read as follows:

361.565 1. Within 20 days after the 1st Monday in March of each year, in all cases where the tax is delinquent, the tax receiver of the county shall give notice in the manner and form provided in this section.

2. Such notice shall be published in the newspaper which publishes the list of taxpayers pursuant to NRS 361.300 at least once a week from the date thereof for 4 consecutive weeks, being four insertions. If there is no newspaper in the county, such notice shall be posted in at least five conspicuous places within the county.

3. The cost of publication in each case shall be charged to the delinquent taxpayer, and shall, in no case, be a charge against the state or county. Such publication shall be made at not more than legal rates.

4. When the delinquent property consists of unimproved real estate assessed at a sum not exceeding \$25, the notice shall be given by posting a copy of the same in three conspicuous places within the county without publishing the same in a newspaper.

5. Such notice shall state:

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

(b) The description of the property on which such taxes are a lien.

(c) The amount of the taxes due on the property and the penalties and costs as provided by law.

(d) That if the amount is not paid by the taxpayer or his successor in interest the tax receiver will, on the 4th Monday in April of the current year at 1:30 p.m. of that day, issue to the county treasurer, as trustee for the state and county, a certificate authorizing him to hold the property, subject to redemption within 2 years after date thereof, by payment of the taxes and accruing taxes, penalties and costs, together with interest at the rate of 10 percent per annum from date due until paid as provided by law and that such redemption may be made in accordance with the provisions of chapter 21 of NRS in regard to real property sold under execution.

6. Such notice shall be mailed in the following manner:

(a) At the same time that the tax receiver shall first publish the notice or post the same, as the case may be, he shall send a copy of the notice by first class mail, in the case of each respective property as taxed, to the owner or owners thereof, and also to the person or persons listed as the taxpayer or taxpayers thereon on the tax rolls, at their last-known addresses, if such names and addresses are known. Upon mailing the

original notice of delinquency, the tax receiver shall issue his personal affidavit to the board of county commissioners affirming that due notice had been mailed in respect to each parcel. The affidavit shall recite the number of letters mailed, the number of letters returned, and the number of letters finally determined to be undeliverable. Detailed records shall be maintained by the tax receiver in support of his affidavit, in such content as the [Nevada tax commission;] department may prescribe, until the period of redemption has expired.

(b) A second copy shall be sent by certified mail, not less than 60 days before the expiration of the period of redemption as stated in the notice.

(c) The cost of each such mailing shall be charged to the delinquent taxpayer at the rate of \$1 each.

SEC. 80. NRS 361.810 is hereby amended to read as follows:

361.810 "Claim" means an application for senior citizens' property tax assistance made pursuant to NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act,] *Senate Bill 311 of the 58th session of the Nevada legislature*, and a "claimant" is a person who files such an application. When two individuals of a household are able to meet the qualifications for a claimant, they may determine between them as to who the claimant shall be. If they are unable to agree, the matter shall be referred to the [secretary of the Nevada tax commission;] executive director and his decision shall be final. In no event should there be more than one claim filed for any home.

SEC. 81. (Deleted by amendment.)

SEC. 82. (Deleted by amendment.)

SEC. 83. (Deleted by amendment.)

SEC. 84. NRS 361.845 is hereby amended to read as follows:

361.845 No claim shall be accepted by the [Nevada tax commission;] department if the claimant or the claimant's spouse owns real property in the State of Nevada, other than that claimed as a home, having an assessed value in excess of \$30,000.

SEC. 85. NRS 361.853 is hereby amended to read as follows:

361.853 1. Moneys to pay for assistance granted to senior citizens under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act] *Senate Bill 311 of the 58th session of the Nevada legislature* shall be provided by legislative appropriation from the general fund in the state treasury. The moneys so appropriated shall be transferred to an account in the general fund to be known as the senior citizens' property tax assistance account.

2. The [secretary of the commission;] executive director may, from time to time, obtain from the state controller a statement of the balance in the senior citizens' property tax assistance account. The [secretary;] executive director shall provide for full refunds of all just claims, provided that the total amount of such claims does not exceed the balance in the account. The [secretary;] executive director shall proportionately reduce each claim when the total amount of all claims exceeds the balance in the account. Moneys for the administration of NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act] *Senate Bill 311 of the 58th session of the Nevada legislature* shall be provided by legislative appropriation and transfer to the senior citizens' property tax assistance account. From this account the sum of \$2 shall be allowed to each county

assessor for each homeowner's claim filed and \$2 to the [commission] department for each home renter's claim forwarded to it.

SEC. 86. (Deleted by amendment.)

SEC. 87. NRS 361.860 is hereby amended to read as follows:

361.860 Only one member of each household may file a claim for an assessment year. If more than one member is eligible to claim, any one of the eligible members may file the claim with the written consent of the others. If such consent is not obtainable, the claim may be filed only if criteria regulating such a circumstance have been prescribed by the [commission.] department.

SEC. 88. (Deleted by amendment.)

SEC. 89. NRS 361.865 is hereby amended to read as follows:

361.865 A claim shall be disallowed if the [secretary of the Nevada tax commission] executive director finds that the claimant received title to his home primarily for the purpose of obtaining benefits under the provisions of NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature. If such a claimant has received a refund and if he does not repay it together with a 10 percent penalty to the state, the refund amount and penalty shall be assessed against the property claimed as his home.

SEC. 90. NRS 361.867 is hereby amended to read as follows:

361.867 The [secretary of the Nevada tax commission] executive director may deny in total any claim which he finds to be excessive or which was filed with fraudulent intent. If such a claim has been paid and if afterward denied, the amount of the claim together with a 10 percent penalty shall be repaid by the claimant to the [Nevada tax commission.] department. If the amount of such refund and penalty is not repaid, the same shall be assessed against the property claimed by the claimant as a home. The claimant in such case and any person who assisted in the preparation or filing of such claim, or who, with fraudulent intent, supplied information upon which such excessive claim was prepared, are guilty of a misdemeanor.

SEC. 91. NRS 361.870 is hereby amended to read as follows:

361.870 1. Any claimant aggrieved by a county assessor's decision which denies assistance claimed under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature may have a review of the denial before the [secretary of the commission] executive director if within 30 days after the claimant receives notice of the denial he submits a written petition for review to the [commission.] department.

2. Any claimant aggrieved by the denial in whole or in part of relief claimed under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature, or by any other final action or review of the [secretary of the Nevada tax commission,] executive director, is entitled to judicial review thereof. Proceedings for such review must be instituted within 30 days after the claimant has received notice of such final action.

SEC. 92. NRS 361.873 is hereby amended to read as follows:

361.873 1. The [commission] department is responsible for the overall administration of NRS 361.800 to 361.877, inclusive, and sections

2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature.

2. The [commission] department may:

(a) Specify by regulation any other kind of income for the purpose of NRS 361.823.

(b) Prescribe the content and form of claims.

(c) Designate the kind of proof to be required for substantiation of claims.

(d) Establish criteria for determining when a claim may be filed by one eligible person without the consent of all others eligible in the same household for the same assessment year.

(e) Prescribe that a claimant's ownership of his home must be shown of record.

(f) Provide by regulation that a vendee in possession of his home under an installment sale contract and responsible for paying the property taxes on the home is eligible to claim assistance as a homeowner.

(g) Limit the computation of benefits to the nearest dollar and limit issuance of warrants to \$5 or over.

(h) Verify and audit any claims, statements or other records made pursuant to this act.

(i) Adopt and promulgate regulations to safeguard the confidentiality of information supplied by claimants.

(j) Provide by regulation for a limited extension of time to file a claim in cases of hardship.

(k) Adopt and promulgate such other regulations as may be required to effectuate the purposes of NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature.

SEC. 93. NRS 361.875 is hereby amended to read as follows:

361.875 All functions of the [commission] department under NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of [this act.] Senate Bill 311 of the 58th session of the Nevada legislature are subject to the Nevada Administrative Procedure Act (chapter 233B of NRS).

SEC. 94. NRS 362.100 is hereby amended to read as follows:

362.100 The [Nevada tax commission is hereby empowered and authorized to investigate] department shall:

1. Investigate and determine the net proceeds of all operating mines and [to] assess [the same] them as provided in NRS 362.100 to 362.240, inclusive.

2. Appraise and assess all reduction, smelting and milling works, plants and facilities, whether or not associated with a mine, and all supplies, machinery, equipment, apparatus, facilities, buildings, structures and other improvements used in connection with any mining, reduction, smelting or milling operation as provided in chapter 361 of NRS.

SEC. 95. NRS 362.110 is hereby amended to read as follows:

362.110 1. Every person, corporation or association operating any mine in this state containing gold, silver, copper, zinc, lead or other valuable mineral or mineral deposit, whether metallic or nonmetallic, and every recipient of royalty payments in connection therewith:

(a) Shall, semiannually during July and January of each year, except as provided in paragraph (b), file with the [Nevada tax commission] department a statement showing the gross yield and claimed net proceeds from each mine owned, worked or operated by such person, corporation or association during the 6-month period immediately preceding the 1st day of the month in which the statement is so required to be made.

(b) May have up to 15 additional days to file such statement, if beforehand he makes written application to the [commission] department and the [commission] department finds good cause for such extension.

2. Such statement shall:

(a) Show the claimed deductions from the gross yield in the detail set forth in NRS 362.120. Such deductions shall be limited to the costs incurred during the 6-month period covered by the statement.

(b) Be in the form which shall be prescribed by the [Nevada tax commission.] department.

(c) Be verified by the manager, superintendent, secretary or treasurer of the corporation, or by the owner of the mine, or, if the owner is an individual, by someone authorized in his behalf.

3. Each recipient of royalty payments as described in subsection 1 shall annually file with the [Nevada tax commission] department a list showing each of the lessees responsible for taxes due in connection with the mine or mines included in the statement filed pursuant to subsections 1 and 2 of this section.

SEC. 96. NRS 362.120 is hereby amended to read as follows:

362.120 1. The [Nevada tax commission] department shall, from the statement and from all obtainable data, evidence and reports, compute in dollars and cents the gross yield and net proceeds of each semiannual period.

2. The net proceeds shall be ascertained and determined by subtracting from the gross yield the following deductions for costs incurred during such 6-month period, and none other:

(a) The actual cost of extracting the ore from the mines.

(b) The actual cost of transporting the product of the mine to the place or places of reduction, refining and sale.

(c) The actual cost of reduction, refining and sale.

(d) The actual cost of marketing and delivering the product and the conversion of the same into money.

(e) The actual cost of maintenance and repairs of:

(1) All mine machinery, equipment, apparatus and facilities.

(2) All milling, smelting and reduction works, plants and facilities.

(3) All transportation facilities and equipment except such as are under the jurisdiction of the public service commission of Nevada as public utilities.

(f) The actual cost of fire insurance on the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e) of this subsection.

(g) Depreciation [at the rate of not less than 6 percent nor more than 10 percent per annum of the assessed valuation] of the original capitalized cost of the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e) of this subsection. [The percentage of

depreciation shall be determined for each mine by the Nevada tax commission, and in making such determination the Nevada tax commission shall give due weight to the character of the mine and equipment and its probable life.] *The annual depreciation charge shall consist of amortization of the original cost in a manner to be prescribed by regulation of the tax commission. The probable life of the property represented by the original cost shall be considered in computing the depreciation charge.*

(h) All moneys expended for premiums for industrial insurance, and the actual cost of hospital and medical attention and accident benefits and group insurance for all employees.

(i) All moneys paid as contributions under the unemployment compensation law of the State of Nevada, as contained in chapter 612 of NRS, and all moneys paid as contributions under the Social Security Act of the Federal Government, and all moneys paid to either the State of Nevada or the Federal Government under any amendment to either or both of the statutes mentioned in this paragraph.

(j) The actual cost of development work in or about the mine or upon a group of mines when operated as a unit.

(k) All moneys paid as royalties by a lessee or sublessee of a mine, or by both, shall constitute a deductible item for such lessee or sublessee in determining the net proceeds of such lessee or sublessee or both; but the royalties so deducted by the lessee or sublessee shall constitute part of the gross yield of the mine for the purpose of determining the net proceeds upon which a tax shall be levied against the person, corporation, association or partnership to which the royalty has been paid.

3. Every person, corporation or firm acquiring property in the State of Nevada for the purpose of engaging in mining and who incurs any of the expenses mentioned in subsection 2 shall report such expenses and the recipient of any royalty payments to the [Nevada tax commission] department on forms provided by the [commission.] department.

4. The several deductions mentioned in subsection 2 shall not include any expenditures for salaries, or any portion thereof, of any person not actually engaged in:

(a) The working of the mine; [or]

(b) The operating of the mill, smelter or reduction works; [or]

(c) The operating of the transportation facilities or equipment; [or]

(d) Superintending the management of any thereof; or

(e) The State of Nevada, in office, clerical or engineering work necessary or proper in connection with any such operations.

SEC. 97. NRS 362.130 is hereby amended to read as follows:

362.130 1. When the [Nevada tax commission shall have determined] department determines the net proceeds of any mine or mines, [it] the Nevada tax commission shall prepare its certificate of the amount of the net proceeds thereof in triplicate and shall file one copy thereof with the [secretary of the Nevada tax commission,] department, one copy with the county assessor of the county in which the mine or mines are located, and shall send the third copy to the person, corporation or association which is the owner of the mine, operator of the mine, or recipient of the royalty payment, as the case may be.

2. Upon the filing of the copy of such certificate with the county

assessor and with the [secretary of the Nevada tax commission,] department, the assessment shall be deemed to be made in the amount fixed by the certificate of the Nevada tax commission, and taxes thereon at the rate established shall be immediately due and payable. Such certificate of assessment shall be filed [by the Nevada tax commission with its secretary, and with the county assessor, and mailed to the taxpayer] and mailed not later than the 15th day of April and the 15th day of October immediately following respectively the months of January and July during which such statements must be filed.

SEC. 98. NRS 362.160 is hereby amended to read as follows:

362.160 If the amount of the tax is not paid within 30 days after the filing of the certificate of assessment with the [secretary of the Nevada tax commission] executive director and the county assessor, the same shall be thereupon delinquent and shall be collected as other delinquent taxes are collected by law, together with the penalties provided for the collection of delinquent taxes.

SEC. 99. NRS 362.175 is hereby amended to read as follows:

362.175 1. If at any time, in the opinion of the county assessor, it becomes impossible or impractical to collect any tax assessed on the proceeds of a mine other than a patented mine, the county assessor may apply to the board of county commissioners and the district attorney to have the amount of such tax and the name of the person against whom such tax is assessed removed from the tax records of such assessor.

2. If the board of county commissioners and the district attorney approve such application, such application shall be forwarded to the department who shall submit it to the Nevada tax commission for their approval or disapproval. If the Nevada tax commission approves such application, the county assessor may remove such name and amount from his tax records.

SEC. 100. NRS 362.180 is hereby amended to read as follows:

362.180 1. In any suit arising concerning the assessment and taxation of the proceeds of mines, the burden of proof shall be upon the owner of such mine, mining claim or patented mine, to show if he so alleges or contends that the assessment [so fixed] certified by the Nevada tax commission is unjust, improper or otherwise invalid.

2. Every mine owner shall be entitled to the benefit of the provisions of NRS 361.415 to 361.435, inclusive, insofar as the same may be applicable.

SEC. 101. NRS 362.190 is hereby amended to read as follows:

362.190 Whenever the gross proceeds received by any mine operator from the operation of any mine [shall be] are less than \$20,000 for any calendar year, such operator may make the deductions provided for in NRS 362.120 upon an annual basis. However, such operator shall file semiannual statements and if the gross proceeds for the first semiannual period ending July 1 [shall be] are less than \$10,000 no assessment shall be [made] certified by the Nevada tax commission until after the filing of the second semiannual statement in January. If it then appears that the combined gross yield of the mine was less than the sum of \$20,000 during the year covered by the January and preceding July statements, the [Nevada tax commission] department shall then compute and [assess] the tax commission certify the net proceeds of such mine on an annual

basis by subtracting from the gross yield for the entire year the deductions specified in NRS 362.120 for the entire year.

SEC. 102. NRS 362.200 is hereby amended to read as follows:

362.200 1. The [Nevada tax commission] department may [at any time] examine the records of any person, partnership, association or corporation operating or receiving royalties from any mine in this state. Such records shall be subject to examination at all times by the [Nevada tax commission] department or its duly authorized agents and shall remain available for such examination for a period of 3 years from the date of any entry therein.

2. If any person, partnership, association or corporation operating a mine whose gross yield as reported to the [Nevada tax commission] department for any semiannual reporting period during the 3 years immediately preceding the examination was \$50,000 or more keeps his books and records pertaining to such operation or royalties elsewhere than within the State of Nevada for examination as provided in subsection 1, the person, partnership, association or corporation shall pay an amount per day equal to the amount set by law for out-of-state travel for each day or fraction thereof during which an examiner is actually engaged in examining the books, plus the actual expenses of that examiner during the time he is absent from Carson City, Nevada, for the purpose of making such examination, but such time shall not exceed 1 day going to and 1 day coming from the place of examination. No more than one such examination shall be charged against a person, partnership, association or corporation in any 1 fiscal year.

3. The [Nevada tax commission] department may hold hearings and summon and subpoena witnesses to appear and testify upon any subject material to the determination of the net proceeds of mines. Such hearings may be held at such place or places as the [Nevada tax commission] department shall designate, after not less than 10 days' notice of the time and place of such hearing given in writing to the owner or operator of the mine. Such owner or operator shall be entitled, on request made to the [secretary of the Nevada tax commission,] executive director, to the issuance of the [commission's] department's subpoena requiring witnesses in behalf of such owner or operator to appear and testify at such hearing.

4. The failure of a witness to obey the subpoena of the [Nevada tax commission] department shall subject such witness to the same penalties as are [or may be] prescribed by law for failure to obey a subpoena of a district court.

[5. Any member of the Nevada tax commission may administer oaths to witnesses.]

SEC. 103. NRS 362.230 is hereby amended to read as follows:

362.230 1. Every person, association or corporation operating any mine or mines in this state, and every recipient of royalty payments in connection therewith, who fails to file with the [Nevada tax commission] department the statements provided for in NRS 362.100 to 362.240, inclusive, during the time and in the manner provided for in NRS 362.100 to 362.240, inclusive, shall pay a penalty of not more than 10 percent of the amount of the tax due or \$5,000, whichever is less. If any such person, association or corporation fails to file such statement, the

department may ascertain and the Nevada tax commission [may ascertain and] certify the net proceeds of such mine or mines or the value of such royalty payments from all data and information obtainable, and the amount of the tax due shall be computed on the basis of the amount due so ascertained and certified.

2. The [secretary of the Nevada tax commission] executive director shall determine the amount of such penalty. This penalty becomes a debt due the State of Nevada and, upon collection, shall be deposited in the [general fund in the] state treasury [.] to the credit of the state general fund.

3. Any person, association or corporation operating a mine or mines in this state or any recipient of royalty payments may appeal the imposition of penalty and interest to the Nevada tax commission by filing a notice of appeal within 30 days after the decision of the [secretary.] executive director.

SEC. 104. NRS 362.240 is hereby amended to read as follows:

362.240 [If any person required by NRS 362.100 to 362.240, inclusive, to make or file any statement, or to verify the same under oath, shall willfully make such statement false in any material respect, or shall willfully verify under oath any statement false in any material respect, such person shall be deemed guilty of perjury, and upon conviction thereof shall be punished as provided by law.] Any person who verifies under oath to the truthfulness of a statement required by NRS 362.100 to 362.240, inclusive, that is false in any material respect shall be liable to a penalty of not more than 15 percent of the tax as determined by the executive director after reasonable notice and hearing.

SEC. 105. NRS 234.250 is hereby amended to read as follows:

234.250 1. Notwithstanding any other provision of law, each local government, as defined in NRS 354.474, shall file a copy of its official plat with:

(a) The county recorder and the county assessor of each county in which its territory or any part thereof is situated.

(b) The [Nevada tax commission.] department of taxation.

2. All changes in boundaries made subsequent to the original filing and recording of such plat shall be recorded and filed immediately with the offices with which copies of the original plat were filed.

3. Until a local government complies with the requirements of subsections 1 and 2 it shall not levy or receive any ad valorem or other tax or any other mandatory assessment.

4. This section applies to all local governments receiving and expending funds on behalf of the public, regardless of their designation.

SEC. 106. NRS 239.100 is hereby amended to read as follows:

239.100 1. The records enumerated in subsection 2 which belong to or are situated in:

(a) Any school district within the state; or

(b) The office of the several county officers,

may be lawfully destroyed in the manner and in accordance with the time schedules provided in this section.

2. The following may be destroyed after audit by a public accountant as provided in NRS 354.624, and after the expiration of the time indicated:

(a) After 5 years. Sheriff's requisition of licenses and duplicates; duplicate and triplicate bank checks; all old claims against the county except those not affected by limitation; all old warrants superseded by checks.

(b) After 10 years. All county, city and school bonds which have been redeemed and retired.

3. Before destroying the records enumerated in subsection 2, the county auditor shall first obtain the permission of the board of county commissioners and the [Nevada tax commission.] department of taxation.

SEC. 107. NRS 244.474 is hereby amended to read as follows:

244.474 "Tract" means any tract, lot or other parcel of land for assessment purposes, whether platted or unplatted, regardless of lot or land lines. Lots, plots, blocks and other subdivisions may be designated in accordance with any recorded plat thereof; and all lands, platted and unplatted, shall be designated by a definite description. For all purposes of NRS 244.446 to 244.537, inclusive, and any law amendatory thereof or supplemental thereto, any tract which is assessable property in an improvement district may be legally described pursuant to [NRS 361.190 to 361.220, inclusive, as from time to time amended.] section 51 of this act.

SEC. 108. NRS 244.859 is hereby amended to read as follows:

244.859 "Tract" means any tract, lot or other parcel of land for assessment purposes, whether platted or unplatted, regardless of lot or land lines. Lots, plots, blocks and other subdivisions may be designated in accordance with any recorded plat thereof; and all lands, platted and unplatted, shall be designated by a definite description. For all purposes of the County Improvements Law and any law amendatory thereof or supplemental thereto, any tract which is assessable property in an improvement district may be legally described pursuant to [NRS 361.190 to 361.220, inclusive, as from time to time amended.] section 51 of this act.

SEC. 109. NRS 267.125 is hereby amended to read as follows:

267.125 1. The governing body of a city having the type of commission form of government described in paragraph (b) of subsection 1 of NRS 267.010, which has acquired by the provisions of any federal or any other law real property within its corporate boundaries, and which has adopted a policy, by its charter, of leasing or selling such real property, or portions thereof, in a manner that will result in the maximum benefit accruing to the city from such leases and sales, may, by ordinance, with the approval of the [Nevada tax commission.] department of taxation, create a land improvement fund, which fund shall not be subject to the provisions of chapter 354 of NRS.

2. The land improvement fund may be composed of:

(a) Moneys transferred from any capital improvement fund existing pursuant to the provisions of the charter when so authorized by the registered voters of the city at an election.

(b) Moneys contributed from the general fund of the city by action of the governing body, which contributions need not be repaid to the general fund of the city.

(c) Such portion of the proceeds received by the city from the lease

and sale of the real property as may be provided for by the charter or by city ordinance.

(d) Any other moneys the deposit of which in the land improvement fund is budgeted for by the governing body or authorized by the registered voters of the city.

3. Moneys in the land improvement fund may be expended for:

(a) Preparation of real property for sale or lease and costs incidental thereto.

(b) Acquisition and construction of improvements on such real property prior to its sale or lease.

SEC. 110. NRS 268.600 is hereby amended to read as follows:

268.600 Whenever the corporate limits of any city are extended in accordance with the provisions of NRS 268.570 to 268.608, inclusive, the governing body of such city shall cause an accurate map or plat of the annexed territory, prepared under the supervision of a competent surveyor or engineer, together with a certified copy of the annexation ordinance in respect thereof, to be recorded in the office of the county recorder of the county in which such territory is situated, which recording shall be done prior to the effective date of the annexation as specified in the annexation ordinance. A duplicate copy of such map or plat and such annexation ordinance shall be filed with the [Nevada tax commission.] *department of taxation.*

SEC. 111. NRS 271.235 is hereby amended to read as follows:

271.235 "Tract" means any tract, lot or other parcel of land for assessment purposes, whether platted or unplatted, regardless of lot or land lines. Lots, plots, blocks and other subdivisions may be designated in accordance with any recorded plat thereof; and all lands, platted and unplatted, shall be designated by a definite description. For all purposes of the Consolidated Local Improvements Law and any law amendatory thereof or supplemental thereto, any tract which is assessable property in an improvement district may be legally described pursuant to [NRS 361.-190 to 361.220, inclusive, as from time to time amended.] *section 51 of this act.*

SEC. 112. NRS 280.190 is hereby amended to read as follows:

280.190 The police commission shall:

1. Cause to be prepared and approve an annual operating budget for the department.

2. Submit such budget to the governing bodies of the participating political subdivisions prior to February 1 for funding for the following fiscal year.

3. Cause to be prepared the funding apportionment plan provided for in NRS 280.200 and submit such plan to the governing bodies of the participating political subdivisions and the [Nevada tax commission] *department of taxation* for approval. The Nevada tax commission has the final right of approval for such plan and shall act as an arbitrator if the local governing bodies cannot agree on the funding apportionment.

4. Cause a new funding apportionment plan to be prepared:

(a) Every 10 years upon ascertaining the results of the national decennial census taken by the Bureau of the Census of the United States Department of Commerce;

(b) If the law enforcement agencies of additional cities are merged into an existing department; and

(c) At intervals of not less than 4 years upon request by a majority vote of each of a majority of the governing bodies of the participating political subdivisions. If only one city is participating in a department, the police commission shall prepare a new plan under the provisions of this paragraph only upon request by a majority vote of each of the governing bodies of the participating political subdivisions.

SEC. 113. NRS 344.140 is hereby amended to read as follows:

344.140 All officers, boards, commissioners, trustees, superintendents, regents and directors required by law to make reports to the governor or to the legislature, except the state controller, the state treasurer, the [Nevada tax commission,] *department of taxation*, the commissioner of insurance, the board of control of the agricultural experiment station, and the commissioners on uniform state laws, shall send the original drafts of their reports to the superintendent, who shall order such a number of each of the reports, or part or parts of each of the reports, printed as in his judgment will meet the requirements of law. The superintendent shall especially see that no matter be printed in more than one report, unless of great public interest.

SEC. 114. (Deleted by amendment.)

SEC. 115. NRS 354.430 is hereby amended to read as follows:

354.430 1. Upon the adoption of a short-term financing resolution, as provided in NRS 354.618, by a local government as defined in NRS 354.474, a certified copy thereof shall be forwarded to the [secretary of the Nevada tax commission.] *executive director of the department of taxation.* As soon as is practicable, the [secretary of the Nevada tax commission] *executive director of the department of taxation* shall, after consideration of the tax structure of the political subdivisions concerned and the probable ability of the political subdivision to repay the requested short-term financing, either approve or disapprove the resolution in writing to the governing board. No such resolution is effective until approved by the [secretary of the Nevada tax commission.] *executive director of the department of taxation.* The written approval of the [secretary of the Nevada tax commission] *executive director of the department of taxation* shall be recorded in the minutes of the governing board.

2. If the [secretary of the Nevada tax commission] *executive director of the department of taxation* does not approve the short-term financing resolution, the governing board of the political subdivision may appeal the [secretary's] *executive director's* decision to the Nevada tax commission.

SEC. 116. NRS 354.450 is hereby amended to read as follows:

354.450 1. After short-term financing has been authorized as provided in NRS 354.430 and if, in the judgment of the governing board of the political subdivision, the fiscal affairs of the political subdivision can be carried on without impairment and there is sufficient money in the general fund or a surplus in any other fund, with the exception of the bond interest and redemption fund, of the political subdivision, the governing board is authorized to transfer from the general fund or from the surplus appearing in any fund, with the exception of the bond interest and

redemption fund, money sufficient to meet the purpose of the short-term financing.

2. When such a transfer is made, the governing board of the political subdivision shall comply with the provisions of NRS 354.460, and when the special tax is thereafter collected the amount so collected shall be placed immediately in the fund from which the loan was made.

3. In cases where the fund from which the loan was made, at the time of the transfer of funds therefrom, contains a surplus that in the judgment of the [secretary of the Nevada tax commission] *executive director of the department of taxation* is or will not be needed for the purposes of the fund in the ordinary course of events, then the special tax need not be levied, collected and placed in the fund from which the loan was made, but such transfer shall be deemed refunded for all purposes of NRS 354.430 to 354.460, inclusive.

4. Interest accounts come within the jurisdiction of the Nevada tax commission and may be approved or disapproved, in whole or in part, by it.

SEC. 117. NRS 354.475 is hereby amended to read as follows:

354.475 1. All special districts subject to the provisions of the Local Government Budget Act with annual total expenditures of less than \$30,000 may petition the [Nevada tax commission] *department of taxation* for exemption from the requirements of the Local Government Budget Act for the filing of certain budget documents, quarterly reports and audit reports. Such districts may further petition to return to a cash method of accounting. The minimum required of such districts will be the filing with the [tax commission] *department of taxation* of an annual budget on or before March 15 of each year. Such petitions must be received by the [tax commission] *department of taxation* prior to December 31 to be effective for the succeeding fiscal year or, in a case of an annual audit exemption, to be effective for the current fiscal year. A board of county commissioners may request the [tax commission] *department of taxation* to have an audit conducted of such an exempt district.

2. Such districts shall be exempt from all publication requirements of the Local Government Budget Act, except that the [tax commission] *department of taxation* by regulation shall require an annual publication of a notice of budget adoption and filing. The [tax commission] *department of taxation* shall adopt regulations necessary to promulgate this section pursuant to NRS 354.594.

SEC. 118. NRS 354.524 is hereby amended to read as follows:

354.524 "Final budget" means the budget that has been adopted by a local governing body or adopted by default as defined by NRS 354.470 to 354.626, inclusive, and approved by the [Nevada tax commission] *department of taxation* for the ensuing fiscal year.

SEC. 119. NRS 354.578 is hereby amended to read as follows:

354.578 "~~Tentative budget~~" means the budget that is prepared ~~initially published~~ and recorded by each local government for an ensuing fiscal year prior to its approval by the [Nevada tax commission] *department of taxation* and such other supervisory bodies as are charged by law with the examination of tentative budgets, and prior to its subsequent adoption.

SEC. 120. NRS 354.594 is hereby amended to read as follows:

354.594 The [Nevada tax commission] *department of taxation* shall determine and advise local government officers of regulations, procedures and report forms for compliance with NRS 354.470 to 354.626, inclusive. It shall make such determinations after hearing the advice and recommendations of an 11-member advisory committee composed of three persons appointed by the Nevada [Municipal Association,] *League of Cities*, three persons appointed by the Nevada Association of County Commissioners, three persons appointed by the Nevada School Trustees Association and two persons appointed by the Nevada state board of accountancy. Each appointment shall be for a term of 3 years.

SEC. 121. NRS 354.596 is hereby amended to read as follows:

354.596 1. On or before February 20 of each year, the officer charged by law shall prepare, or the governing body shall cause to be prepared, on appropriate forms prescribed by the [Nevada tax commission] *department of taxation* for the use of local governments, a tentative budget for the ensuing fiscal year. The tentative budget shall be filed for public record and inspection in the office of:

- (a) The clerk or secretary of the governing body; and
- (b) The county clerk.

2. At the time of filing the tentative budget, the governing body shall give notice of the time and place of a public hearing on the tentative budget and shall cause a notice of such hearing to be published once in a newspaper of general circulation within the area of the local government not more than 14 nor less than 7 days prior to the date set for such hearing. The notice of public hearing shall state:

- (a) The time and place of the public hearing.
- (b) That a tentative budget has been prepared in such detail and on appropriate forms as prescribed by the [Nevada tax commission.] *department of taxation*.
- (c) The places where copies of the tentative budget are on file and available for public inspection.

3. Budget hearings shall be held:

- (a) For county budgets, on the 4th Monday in March;
- (b) For cities, on the 4th Tuesday in March;
- (c) For school districts, on the 4th Wednesday in March; and
- (d) For all other local governments, on the 4th Thursday in March, except that the board of county commissioners may consolidate the hearing on all local government budgets administered by the board of county commissioners with the county budget hearing.

4. On or before February 20, a copy of the tentative budget and notice of public hearing shall be submitted:

- (a) To the [Nevada tax commission,] *department of taxation*; and also
- (b) In the case of school districts, to the state department of education.

5. The [Nevada tax commission] *department of taxation* shall examine the submitted documents for compliance with law and with appropriate regulations and shall submit to the governing body at least 3 days prior to the public hearing a written certificate of compliance or a written notice of lack of compliance. The written notice shall indicate the manner

in which the submitted documents fail to comply with law or appropriate regulations. The notice or certificate shall be read at the public hearing.

6. Whenever the governing body receives from the [Nevada tax commission] *department of taxation* a notice of lack of compliance, the governing body shall forthwith proceed to amend the tentative budget to effect compliance with the law and with the appropriate regulation.

SEC. 122. NRS 354.598 is hereby amended to read as follows:

354.598 1. At the time and place advertised for public hearing, or at any time and place to which such public hearing is from time to time adjourned, the governing body shall hold a public hearing on the tentative budget, at which time interested persons shall be given an opportunity to be heard.

2. At the public hearing, the governing body shall indicate changes, if any, to be made in the tentative budget, and shall adopt a final budget by the favorable votes of a majority of all members of the governing body. The final budget shall be adopted on or before April 10 of each year. Should the governing body fail to adopt a final budget that complies with the requirements of law and the regulations of the [Nevada tax commission] *department of taxation* on or before the required date, the budget adopted and approved by the [Nevada tax commission] *department of taxation* for the current year, adjusted as to content and rate in such manner as the [Nevada tax commission] *department of taxation* may consider necessary, shall automatically become the budget for the ensuing fiscal year. When a budget has been so adopted by default, the governing body may not reconsider such budget without the express approval of the [Nevada tax commission] *department of taxation*. If such a default budget creates a combined ad valorem tax rate in excess of the constitutional limit, the Nevada tax commission shall adjust such budget as provided in NRS 361.455.

3. The final budget shall be certified by a majority of all members of the governing body and a copy thereof, together with an affidavit of proof of publication of the notice of the public hearing, shall be transmitted to the Nevada tax commission. If a tentative budget is adopted by default as provided in subsection 2, the clerk of the governing body shall certify the budget and transmit to the Nevada tax commission a copy of the budget, together with an affidavit of proof of the notice of the public hearing, if such notice was published. Certified copies of the final budget shall be distributed as determined by the [Nevada tax commission] *department of taxation*.

4. Upon the adoption of the final budget or the amendment of the budget in accordance with NRS 354.606, the several amounts stated therein as proposed expenditures shall be and become appropriated for the purposes indicated in the budget.

5. No governing body shall adopt any budget which appropriates for any fund any amount in excess of the budget resources of that fund.

SEC. 123. NRS 354.599 is hereby amended to read as follows:

354.599 1. In any year in which the legislature by law increases the revenues of a local government, and such increase was not included or anticipated in the local government's final budget as adopted pursuant to NRS 354.598, the governing body of any such local government may,

prior to July 15 of the budget year, file an amended budget with the [Nevada tax commission] *department of taxation* increasing its anticipated revenues and expenditures over that contained in its final budget to the extent of the actual increase of revenues made available by such legislative action.

2. In any year in which the legislature enacts a law requiring an increase in expenditures of a local government, which expenditures were not anticipated or included in its final budget as adopted pursuant to NRS 354.598, the governing body of any such local government may, prior to July 15 of the budget year, file an amended budget with the [Nevada tax commission] *department of taxation* providing for an increase in expenditures over that contained in its final budget to the extent of the actual amount made necessary by the legislative action.

3. Such amended budget, as approved by the [Nevada tax commission] *department of taxation*, shall be the budget of such local government for the current fiscal year.

SEC. 124. NRS 354.600 is hereby amended to read as follows:

354.600 1. Each budget shall include detailed estimates of budget resources for the budget year classified by funds and sources in a manner and on forms prescribed by the [Nevada tax commission] *department of taxation*.

2. Each budget shall include detailed estimates of expenditures for the budget year classified in a manner and on forms prescribed by the [Nevada tax commission] *department of taxation*.

SEC. 125. NRS 354.602 is hereby amended to read as follows:

354.602 1. Within 45 days after September 30, December 31, March 31 and within 90 days after June 30 of each year, the governing board of each local government shall cause to be published a report in the form prescribed by the [Nevada tax commission] *department of taxation* showing, for each item of detailed estimate required by NRS 354.600, the amount estimated and the amount actually received or expended. Any approved budget augmentation or short-term financing received shall be included and briefly explained in a footnote. A copy of such report shall be filed immediately:

- (a) With the [Nevada tax commission] *department of taxation*;
- (b) In the case of school districts, with the state department of education;
- (c) With any employee organization upon the written request of the employee organization recognized by such local government; and
- (d) In the office of the clerk or secretary of the governing body, as a public record available for inspection by any interested person.

2. The governing board of each local government employer shall also supply, upon request by any organization entitled to request a report pursuant to paragraph (c) of subsection 1, a copy of each preliminary budget report or other fiscal report pertaining to the financial status of the local government, as such reports are prepared for use and consideration by the local government in the preparation of the budget or its amendments. The contents of such reports shall be superseded as to the period covered by any final budget or amendment thereof.

SEC. 126. NRS 354.615 is hereby amended to read as follows:

354.615 If resources actually available during a budget period exceed those estimated, a local government may institute a budget augmentation proceeding in the manner provided below:

1. If it is desired to augment the appropriations of an appropriation fund, the governing board shall, by majority vote of all members of the governing board, adopt a resolution reciting the appropriations to be augmented, and the nature of the unbudgeted resources intended to implement the augmentation.

2. Before the adoption of such resolution, the governing board shall publish notice of its intention to act thereon in a newspaper of general circulation in the county for at least one publication. No vote may be taken upon such budget augmentation resolution until 10 days after the publication of the notice.

3. If it is desired to augment the budget of any other fund, the governing board shall adopt, by majority vote of all members of the governing board, a resolution providing therefor at a regular meeting of the board.

4. A budget augmentation shall become effective upon delivery to the [Nevada tax commission] department of taxation of a certified copy of the resolution providing therefor.

SEC. 127. NRS 354.622 is hereby amended to read as follows:

354.622 1. Until June 30, 1972, the business of every local government, except those enumerated in subsection 2, shall be transacted upon a cash, accrual or modified accrual basis as defined in NRS 354.470 to 354.626, inclusive, at the option of the local governing body, with the approval of the [Nevada tax commission.] department of taxation. Change from one system of accounting to another shall require the approval of the [Nevada tax commission.] department of taxation.

2. Business of those districts organized pursuant to NRS 318.140 and 318.144 shall be transacted upon an accrual basis as defined in NRS 354.470 to 354.626, inclusive.

3. After June 30, 1972, the business of every local government, except those enumerated in subsection 2 shall be transacted upon an accrual or modified accrual basis as the [Nevada tax commission] department of taxation may by regulation prescribe.

SEC. 128. NRS 354.624 is hereby amended to read as follows:

354.624 1. Each local government shall provide for an annual audit of all funds, accounts and separate bank accounts, established under NRS 354.603, of that local government, and may provide for more frequent audits as it deems necessary. Each annual audit shall be concluded and the audit report submitted to the governing body as provided in subsection 4 not later than 5 months from the close of the fiscal year for which the audit is conducted. An extension of this time may be granted by the [Nevada tax commission] department of taxation to any local government which makes application for such extension. If the local government fails to provide for an audit in accordance with the provisions of this section, the [Nevada tax commission] department of taxation shall cause such audit to be made at the expense of the local government. All audits shall be made by a public accountant certified or registered or by a partnership registered under the provisions of chapter 628 of NRS.

2. The governing body may, without requiring competitive bids, designate such accountant or firm annually. The accountant or firm shall be designated not later than 3 months prior to the close of the fiscal year for which the audit is to be made.

3. Each annual audit shall cover the business of the local government during the full fiscal year. It shall be a comprehensive audit of the affairs of the local government, including comment on the balance sheets, accounts, results of operations, compliance with statutes and regulations, recommendations for improvements, and any other comments deemed pertinent by the auditor, and including his expression of opinion as to the adequacy of the financial presentation. The form of the financial statements shall be prescribed by the [Nevada tax commission.] department of taxation, and the chart of accounts shall be as nearly as possible the same as that used in the preparation and publication of the annual budget. The audit shall compare operations of the local government with the approved budget. Included shall be a statement from the auditor that previously noted deficiencies in operations and previously made recommendations for improvements contained in previous audit reports have been acted upon by adoption as recommended, adoption with modifications, or rejection.

4. The recommendation and the summary of the narrative comments of the audit report shall be read in full at a meeting of the governing body held not more than 15 days after the report is submitted. Immediately thereafter, the entire audit report shall be filed as a public record with:

- (a) The clerk or secretary of the governing body;
- (b) The county clerk;
- (c) The [Nevada tax commission.] department of taxation;
- (d) In the case of school districts, the state department of education;

and

- (e) In the case of general improvement districts subject to the jurisdiction of the public service commission of Nevada pursuant to NRS 318.140 and 318.144, to the commission.

5. The governing body shall act upon the audit recommendations by setting forth in its minutes its intention to adopt the recommendations, to adopt them with modifications or to reject them for reasons shown in the minutes. Such action shall be taken within 6 months following receipt of the audit.

SEC. 129. NRS 354.625 is hereby amended to read as follows:

354.625 The governing body of every local government shall:

1. Cause to be established and maintained adequate property and equipment records and, where appropriate, adequate inventory controls. Any local government created after July 1, 1975, shall establish such records and controls within 1 year after its creation unless the [Nevada tax commission] department of taxation grants an extension of time.

2. Require that all such property, equipment and inventory records clearly indicate specific ownership.

3. Designate, by entry in the minutes of the governing body, the officer, employee or officers or employees responsible for the maintenance of property and equipment records and, where appropriate, inventory records, and notify the [Nevada tax commission] department of taxation of such designation.

SEC. 130. NRS 356.200 is hereby amended to read as follows:

356.200 1. With unanimous consent of their bondsmen, county officers, other than county treasurers, may deposit county funds received in their respective offices in any bank located in the county.

2. Whenever the written consent of any bondsman or bondsmen to such deposit has not been obtained, such bondsman or bondsmen shall, upon giving notice as required by law, be released from all responsibility on the bond of such officer.

3. Such accounts shall be kept in the name of the county in such manner as the board of county commissioners may prescribe.

4. The balances in such banks, as certified by the proper officer thereof, and by oath of the county treasurer, may be counted as cash.

5. All moneys deposited in any depository bank by such county officer may be drawn out by such officer on check payable only to the county treasurer or his order, but every county assessor may also withdraw money received in payment of motor vehicle license fees by check payable to the department of motor vehicles, and may also withdraw money received in payment of motor vehicle use taxes by check payable to the [Nevada tax commission.] department of taxation.

6. The county officer shall keep a check register which shall show the amount of county money on deposit and shall list every check drawn upon the depository bank, numbering such checks consecutively.

7. Not later than the 1st Monday of each month, the county officer maintaining such deposit shall draw upon the deposit for the full amount of county funds deposited therein during the preceding month, such withdrawal to be by check payable to the county treasurer, and shall thereupon deliver such check to the county treasurer.

8. This section does not apply to any deposit made by the clerk of any court pursuant to NRS 355.210.

SEC. 131. NRS 365.100 is hereby amended to read as follows:

365.100 Except as otherwise provided, the [tax commission] department is charged with the administration and enforcement of this chapter.

SEC. 132. NRS 365.110 is hereby amended to read as follows:

365.110 The [tax commission] department shall have power to make all necessary rules and regulations and prescribe all necessary forms or other requirements for the purpose of making the administration of this chapter effective.

SEC. 133. NRS 365.120 is hereby amended to read as follows:

365.120 The [tax commission] department may appoint auditors, accountants, inspectors, clerks and such other assistants or agents as it may deem necessary to enforce its powers and perform its duties under this chapter. Such employees shall be in the classified service of the State of Nevada and shall be appointed pursuant to the provisions of chapter 284 of NRS.

SEC. 134. NRS 365.130 is hereby amended to read as follows:

365.130 1. The [tax commission] department shall have power, by itself or by its duly authorized agents, to make any audit, examination or inquiry of and concerning the records, stocks, facilities, equipment and transactions of dealers, retailers of petroleum products and carriers thereof, and such other investigations as it may deem necessary in carrying out the provisions of this chapter.

2. If any investigation discloses that any report or any payment has been incorrect, the [tax commission] department may make such changes in subsequent reports and payments as may be necessary to correct the error so disclosed.

SEC. 135. NRS 365.140 is hereby amended to read as follows:

365.140 The [tax commission] department shall, upon request duly received from the officials to whom are entrusted the enforcement of the motor vehicle fuel tax laws of any other state, provided such other state furnishes like information to this state, forward to such officer any information which it may have in its possession relative to the manufacture, receipt, sale, use, transportation or shipment by any person of motor vehicle fuel.

SEC. 136. NRS 365.150 is hereby amended to read as follows:

365.150 Funds to augment the administration of the provisions of this chapter shall be provided by direct legislative appropriation to the [tax commission] department from the state highway fund and the combined gas tax fund.

SEC. 137. NRS 365.160 is hereby amended to read as follows:

365.160 County sheriffs and all other peace officers and traffic officers of this state shall, without further compensation, assist in the enforcement of this chapter, and they shall make arrests for this purpose when requested by the [tax commission] department or its duly authorized agents.

SEC. 138. NRS 365.170 is hereby amended to read as follows:

365.170 1. In addition to any other taxes provided by law, every dealer shall, not later than the 25th day of each calendar month:

(a) Render to the [tax commission] department a statement of all motor vehicle fuel sold, distributed or used by him in the State of Nevada, as well as all motor vehicle fuel sold, distributed, or used in this state by a purchaser thereof upon which sale, distribution or use the dealer has assumed liability for the tax thereon under NRS 365.020, during the preceding calendar month; and

(b) Pay an excise tax of 4.5 cents per gallon on all motor vehicle fuel so sold, distributed or used, in the manner and within the time prescribed in this chapter.

2. The [tax commission] department for good cause may extend for not to exceed 30 days the time for making any report or return required under this chapter. The extension may be granted at any time if:

(a) A request therefor has been filed with the [tax commission] department within or prior to the period for which the extension may be granted; and

(b) A remittance of the estimated tax is made when due. Any dealer to whom an extension is granted shall pay, in addition to any delinquent tax due, interest at the rate of one-half of 1 percent per month, or fraction thereof, from the date on which the tax would have been due without the extension to the date of payment.

3. Any report, return, remittance to cover a payment or claim for credit or refund required by this chapter which is transmitted through the United States mail shall be deemed filed or received by the [tax commission] department on the date shown by the post office cancellation mark stamped upon the envelope containing it, or on the date it was

mailed if proof satisfactory to the [tax commission] department establishes that such document or remittance was timely deposited in the United States mail properly addressed to the [tax commission.] department.

SEC. 139. NRS 365.180 is hereby amended to read as follows:

365.180 1. In addition to any other tax provided for in this chapter, there is hereby levied an excise tax of one-half cent per gallon on motor vehicle fuel.

2. This tax shall be accounted for by each dealer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer. He shall receipt the dealer therefor.

SEC. 140. NRS 365.185 is hereby amended to read as follows:

365.185 1. In addition to any other tax provided for in this chapter, there shall be levied an excise tax on gasoline.

2. This tax shall be imposed and shall increase up to a total of 4 cents per gallon, if the tax collected by the Federal Government pursuant to the provisions of 26 U.S.C. § 4081, is diminished or discontinued in whole or in part. The amount of the tax so imposed by this state shall be equal to the amount by which the federal tax is reduced.

3. This tax shall be accounted for by each dealer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer.

SEC. 141. NRS 365.190 is hereby amended to read as follows:

365.190 1. Subject to the provisions of subsection 3, in addition to any other tax provided for in this chapter, there is hereby levied an excise tax of 1 cent per gallon on motor vehicle fuel.

2. This tax shall be accounted for by each dealer as to the county in which it is sold to the retailer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer. He shall receipt the dealer therefor.

3. The provisions of this section shall be deemed to be optional. The board of county commissioners of any county may decline to accept the 1 cent per gallon tax by adoption of a resolution passed prior to July 1, 1947, and which shall be reconsidered and passed once each year within 60 days prior to July 1 of each year as long as the board of county commissioners desires so to act. Upon the adoption of such a resolution no tax shall be collected.

SEC. 142. NRS 365.200 is hereby amended to read as follows:

365.200 1. In addition to any other taxes provided for by this chapter, every person who shall use any inflammable or combustible liquid or other material other than motor vehicle fuel as defined in NRS 365.060 to operate a motor vehicle on the highways of this state, except special fuel as defined in NRS 366.060, shall pay an excise tax as provided by NRS 365.170, 365.180 and 365.190 for each gallon thereof so used, and shall render monthly statements and make monthly payments at the times and in the manner prescribed for dealers in this chapter.

2. Any owner or operator of a motor vehicle who shall import motor vehicle fuel or other fuel or material, except special fuel as defined in

NRS 366.060, into this state, from another state or from federal proprietary lands or reservations, in the fuel tank or tanks of any such motor vehicle in a quantity exceeding 25 gallons shall, upon demand of the [tax commission] department or its duly authorized agent, pay to the [tax commission] department on such excess motor vehicle fuel the excise tax required to be paid by dealers.

3. Nothing in this chapter shall be construed to require more than one payment of any excise tax upon or in respect to the same fuel.

SEC. 143. NRS 365.220 is hereby amended to read as follows:

365.220 The provisions of this chapter requiring the payment of excise taxes shall not apply to any of the following:

1. Motor vehicle fuel so long as it remains in interstate or foreign commerce.

2. Motor vehicle fuel exported from this state by a dealer.

3. Motor vehicle fuel sold to the United States Government for official use of the United States Armed Forces.

4. Motor vehicle fuel distributed, or delivered on the order of the owner, to a dealer who has furnished bond and security in the amount prescribed in NRS 365.290 and who has established to the satisfaction of the [tax commission] department that the bond is sufficient security to assure payment of all excise taxes as they may become due to the state from him under this chapter. Every dealer claiming exemption shall report the distributions to the [tax commission] department in such detail as the [tax commission] department may require; otherwise, the exemption granted in this subsection shall be void and all fuel shall be considered distributed in this state subject fully to the provisions of this chapter.

SEC. 144. NRS 365.230 is hereby amended to read as follows:

365.230 1. The provisions of this chapter requiring the payment of excise taxes shall not apply to motor vehicle fuel sold by a dealer in individual quantities of 500 gallons or less for export to another state or country by the purchaser other than in the supply tank of a motor vehicle, provided such dealer is licensed in the state of destination to collect and remit the applicable destination state taxes thereon.

2. In support of any exemption from taxes on account of sales of motor vehicle fuel in individual quantities of 500 gallons or less for export by the purchaser, the dealer shall retain in his files for at least 3 years an export certificate executed by the purchaser in such form and containing such information as shall be prescribed by the [tax commission.] department. This certificate shall be prima facie evidence of the exportation of the motor vehicle fuel to which it applies only if accepted by the dealer in good faith. However, should the purchaser not export any part of the motor vehicle fuel covered by the certificate he shall be required to remit to the [tax commission] department immediately thereafter the applicable amount in taxes due on such part not exported. Upon failure to do so such purchaser shall be subject to all penalties in this chapter for delinquency in payment of taxes.

SEC. 145. NRS 365.240 is hereby amended to read as follows:

365.240 1. Every dealer shall report such exports and sales to the [tax commission] department at such times, on such forms and in such detail as the [tax commission] department may require.

2. Every dealer shall mark clearly upon each invoice rendered for

sales upon which no excise tax is required under NRS 365.220 and 365.230 "Ex Nevada Motor Vehicle Fuel Tax."

SEC. 146. NRS 365.280 is hereby amended to read as follows:

365.280 1. [After April 1, 1935, before] *Before* becoming a dealer, every person shall apply to the [tax commission,] department, on forms to be prescribed and furnished by the [tax commission,] department, for a license authorizing the applicant to engage in business as a dealer.

2. The fee for each license issued shall be \$5, which shall be paid to the [tax commission,] department. All such fees shall be delivered by the [tax commission,] department to the state treasurer and shall be credited by him to the state highway fund.

SEC. 147. NRS 365.290 is hereby amended to read as follows:

365.290 1. Before granting any license the [tax commission,] department shall require the applicant to file with the [tax commission,] department a bond duly executed by the applicant as principal and by a corporation qualified under the laws of this state as surety, payable to the State of Nevada, conditioned upon faithful performance of all the requirements of this chapter and upon the punctual payment of all excise taxes, penalties and other obligations of the applicant as a dealer.

2. The total amount of the bond or bonds required of any dealer shall be fixed by the [tax commission,] department at twice the estimated maximum monthly tax, determined in such manner as the [tax commission,] department shall deem proper, and may be increased or reduced accordingly by the [tax commission,] department at any time subject to the limitations prescribed in this chapter; but the total amount of the bond or bonds of any dealer shall never be less than \$1,000 nor more than \$10,000. When cash or a certificate of deposit or investment certificate is used, the amount required shall be rounded off to the next larger integral multiple of \$100, within the same upper limit.

3. No recovery on any bond, nor the execution of any new bond, nor the revocation, cancellation or suspension of any license shall affect the validity of any bond.

4. In lieu of any bond or bonds, a dealer may deposit with the state treasurer, under such terms and conditions as the [tax commission,] department may prescribe, a like amount of lawful money of the United States or bonds of the United States or the State of Nevada of an actual market value not less than the amount fixed by the [tax commission,] department as provided in subsection 2.

SEC. 148. NRS 365.300 is hereby amended to read as follows:

365.300 Upon approval of the application the [tax commission,] department shall issue to the dealer a nonassignable license with a duplicate copy for each place of business of the dealer in this state. The license shall continue in force until canceled, suspended or revoked.

SEC. 149. NRS 365.310 is hereby amended to read as follows:

365.310 1. The [tax commission,] department shall have power to suspend, cancel or revoke the license of any dealer refusing or neglecting to comply with the provisions of this chapter.

2. If a dealer becomes delinquent in the payment of excise taxes as prescribed by this chapter to the extent that his liability exceeds the total amount of bond furnished by the dealer, the [tax commission,] department shall suspend his license immediately.

3. Before revoking or canceling any license issued under this chapter, the [tax commission,] department shall send a notice by registered or certified mail to the dealer at his last-known address. The notice shall order the dealer to show cause why his license should not be revoked by appearing before the [tax commission,] department at Carson City, Nevada, or such other place in this state as may be designated by the [tax commission,] department, at a time not less than 10 days after the mailing of the notice. The [tax commission,] department shall allow the dealer an opportunity to be heard in pursuance of such notice, and thereafter the [tax commission,] department shall have full power to revoke or cancel his license.

SEC. 150. NRS 365.330 is hereby amended to read as follows:

365.330 1. The excise taxes prescribed in this chapter shall be paid on or before the 25th day of each calendar month to the [tax commission,] department. The [tax commission,] department shall deliver all such taxes to the state treasurer, who shall receipt the dealer or user therefor.

2. From the tax found to be due upon any statement duly and punctually rendered, the dealer or user shall be allowed to deduct 2 percent thereof to cover the dealer's or user's costs of collection of the tax and of compliance with this chapter and the dealer's or user's handling losses occasioned by evaporation, spillage or other similar causes.

SEC. 151. NRS 365.340 is hereby amended to read as follows:

365.340 1. If the amount of any excise tax for any month is not paid to the state on or before the 25th day of the next month thereafter as prescribed by this chapter, it shall become delinquent at the close of business on that day, and a penalty of 1 percent of such excise tax shall be added thereto for delinquency together with interest at the rate of 1 percent per month or fraction thereof until paid; but in no case shall the penalty be less than \$10 nor more than \$300.

2. If such tax is not received on or before the close of business on the last day of the month in which payment is due, a penalty of 5 percent shall be added thereto in addition to the penalty and interest provided for in subsection 1. The dealer or user may have up to 15 additional days to make such payment, if he makes application to the [commission,] department and the [commission,] department finds good cause for such extension.

3. The proceeds from any such penalty assessments so levied shall be allocated proportionately to the state highway fund and the county gas tax funds by the [tax commission,] department.

SEC. 152. NRS 365.350 is hereby amended to read as follows:

365.350 1. At the request of the [tax commission,] department, the attorney general or the district attorney of any county shall collect any delinquent tax with penalties and interest. To that end the attorney general or the district attorney forthwith shall commence and prosecute to final determination an action in the name of the State of Nevada in any court of competent jurisdiction.

2. In any action on a bond filed by a dealer, recovery may be had against the surety without exhausting or seeking a remedy against the dealer.

SEC. 153. NRS 365.360 is hereby amended to read as follows:

365.360 In any action commenced and prosecuted under the provisions of NRS 365.350 the certificate of the [tax commission] department shall be prima facie evidence of the amount of the tax and penalty and of the obligation therefor of the person named in such certificate.

SEC. 154. NRS 365.370 is hereby amended to read as follows:

365.370 Any person who shall export any motor vehicle fuel from this state, or who shall sell any such fuel to the United States Government for official use of the United States Armed Forces, or who shall buy and use any such fuel for purposes other than in and for the propulsion of motor vehicles, and who shall have paid any tax on such fuel levied or directed to be paid as provided by this chapter, either directly by the collection of such tax by the vendor from such consumer or indirectly by the addition of the amount of such tax to the price of such fuel, shall be reimbursed and repaid the amount of such tax so paid by him except as follows:

1. Refund claims shall be paid by prescribed classes in accordance with the [tax commission's rules and] department's regulations.

2. The minimum claim for refund shall be based on at least 200 gallons purchased and used in a 6-month period.

3. From the amount of gasoline tax refund due shall be deducted an amount equal to 2 percent of the refund, which shall be deposited in the state highway fund.

4. No refund of motor vehicle fuel taxes shall be made for off-highway use of motor vehicle fuel consumed in watercraft in this state for recreational purposes.

SEC. 155. NRS 365.380 is hereby amended to read as follows:

365.380 1. A claimant for refund shall present to the [tax commission] department a refund claim form accompanied by the original invoices showing the purchase. The refund forms shall state the total amount of such fuel so purchased and used by the consumer otherwise than for the propulsion of motor vehicles and the manner and the equipment in which the claimant has used the same.

2. A claimant for refund of tax on motor vehicle fuel purchased and exported from this state shall execute and furnish to the [tax commission] department a certificate of exportation on such form as may be prescribed by the [tax commission.] department.

3. An invoice to qualify for refund shall contain at least:

(a) The number of gallons of motor vehicle fuel purchased;

(b) The price per gallon;

(c) The total purchase price of the motor vehicle fuel; and

(d) Such other information as may be prescribed by the [tax commission.] department.

4. The signature on the refund claim form shall subject the claimant to the charge of perjury for false statements contained on the refund application.

5. Daily records shall be maintained and preserved for a period of 3 years for audit purposes of all motor vehicle fuel used. The record shall set forth:

(a) The piece of equipment being supplied with the fuel;

(b) The number of gallons of fuel used in each fill; and

(c) The purpose for which the piece of equipment will be used.

The gasoline fills shall be further classified as to on- or off-highway use.

6. When a motor vehicle with auxiliary equipment consumes motor vehicle fuel and there is no auxiliary motor or separate tank for such motor, a refund of 20 percent of the tax paid on the fuel used in such vehicle may be claimed without the necessity of furnishing proof of the amount of fuel consumed in the operation of the auxiliary equipment. Where claims for refund exceed 20 percent the [tax commission] department shall, by rule and regulation, establish uniform refund provisions for the respective classes of users.

7. No person may be granted a refund of motor vehicle fuel taxes for off-highway use when such consumption takes place on highways constructed and maintained by public funds, on federal proprietary lands or reservations where the claimant has no ownership or control over such land or highways, except when such person is under a contractual relationship with the Federal Government or one of its agencies and is engaged in the performance of his duties pursuant to such relationship. Employment of an individual by the Federal Government or any of its agencies does not constitute a contractual relationship for the purpose of this subsection.

8. When in the opinion of the [tax commission] department it would be beneficial to the state for a refund claimant to become a licensed dealer, such claimant may, at the option of the [tax commission,] department, be required to become a licensed dealer rather than a refund claimant unless such claimant chooses to claim refunds at the tax rate, less 2 percent.

SEC. 156. NRS 365.390 is hereby amended to read as follows:

365.390 Upon the presentation of such affidavits, invoices, written statements, tax exemption certificates or exportation certificates, the [tax commission] department shall cause to be repaid to the claimant from the taxes collected under this chapter an amount equal to the taxes so paid by the claimant.

SEC. 157. NRS 365.400 is hereby amended to read as follows:

365.400 In the event of the loss of an original invoice, the person claiming a refund may submit in lieu thereof a duplicate copy of the invoice, which shall be retained by the [tax commission] department until the expiration of the period specified for filing of refund applications. No payment of refund based upon a duplicate invoice shall be made until after the expiration of such statutory period.

SEC. 158. NRS 365.410 is hereby amended to read as follows:

365.410 In order to establish the validity of any claim the [tax commission] department may, upon demand, examine the books and records of the claimant for such purpose. The failure of the claimant to accede to such demand constitutes a waiver of all rights to the refund claimed on account of the transactions questioned.

SEC. 159. NRS 365.420 is hereby amended to read as follows:

365.420 All applications for refund based upon exportation of motor

vehicle fuel from this state shall be filed with the [tax commission] department within 3 months from the date of exportation. All other applications, together with the necessary supporting evidence, shall be filed with the [tax commission] department within 6 months from the date of purchase. All rights to refunds shall be forfeited if applications are not filed with the [tax commission] department within the times herein prescribed.

SEC. 160. NRS 365.430 is hereby amended to read as follows:

365.430 1. All claims for refunds under this chapter shall be paid from the combined gas tax fund upon claims presented by the [tax commission,] department, approved by the state board of examiners, and allowed and paid as other claims against the state are allowed and paid.

2. Any refunds to be made of the taxes provided for in NRS 365.180 and 365.190 shall be paid in the manner provided in this chapter and deducted from the amount of any later payment to the county or counties in which the taxes were collected.

SEC. 161. NRS 365.440 is hereby amended to read as follows:

365.440 In lieu of the collection and refund of the tax on motor vehicle fuel used by a dealer in such a manner as would entitle a purchaser to claim refund under the provisions of this chapter, or in lieu of the refund of any prior erroneous payment of tax on motor vehicle fuel to the [tax commission,] department made by a dealer, credit may be given the dealer upon his tax return and assessment.

SEC. 162. NRS 365.445 is hereby amended to read as follows:

365.445 1. For the purposes of this section, "bulk purchases" means purchases in excess of 50 gallons of motor vehicle fuel which are not placed directly into the tanks of motor vehicles.

2. Any person determined by the [tax commission,] department to be a bona fide farmer or rancher, not engaged in other activities which would distort his highway usage, may claim a refund only on the basis of 80 percent of his bulk purchases, without the necessity of maintaining records of use.

3. Any farmer or rancher desiring to claim a refund under the provisions of this section must first secure a permit from the [tax commission,] department, and such a permit shall bind the permittee to file claims for refunds under the provisions of this section until a request has been made for a change of basis for filing, which request has been approved by the [tax commission,] department.

4. The [tax commission,] department is empowered to issue reasonable rules and regulations to carry out the purposes of this section.

SEC. 163. NRS 365.450 is hereby amended to read as follows:

365.450 No injunction or writ of mandate or other legal or equitable process shall ever issue in any suit, action or proceeding in any court against this state or any officer thereof to prevent or enjoin the collection under this chapter of any excise tax assessed by the [tax commission,] department.

SEC. 164. NRS 365.460 is hereby amended to read as follows:

365.460 After payment of any excise tax under protest duly verified, served on the [tax commission,] department, and setting forth the grounds of objection to the legality of the excise tax, the dealer paying the excise tax may bring an action against the state treasurer in the

district court in and for Carson City for the recovery of the excise tax so paid under protest.

SEC. 165. NRS 365.480 is hereby amended to read as follows:

365.480 1. If judgment is rendered for the plaintiff, the amount of the judgment shall first be credited on any excise taxes due from the plaintiff under this chapter, and the balance of the judgment shall be refunded to the plaintiff.

2. In any judgment, interest shall be allowed at the rate of 6 percent per annum upon the amount of the excise tax found to have been collected illegally from the date of payment thereof to the date of allowance of credit on account of such judgment or to a date preceding the date of the refund warrant by not more than 30 days, such date to be determined by the [tax commission,] department.

SEC. 166. NRS 365.500 is hereby amended to read as follows:

365.500 1. Every dealer shall cause to be kept a true record, in such form as may be prescribed or approved by the [tax commission,] department, of all stocks of motor vehicle fuel and of other inflammable or combustible liquids, and of all manufacture, refining, compounding, blending, purchases, receipts, transportations, use, sales and distribution thereof.

2. Such records shall be subject to inspection at all times within business hours by the [tax commission,] department or its duly authorized agents, and shall remain so available for inspection for a period of 3 years from the date of any entry therein.

3. Should any dealer wish to keep proper books and records pertaining to business done in Nevada elsewhere than within the State of Nevada for inspection as provided in this section, he shall pay a fee for such examination in an amount per day equal to the amount set by law for out-of-state travel for each day or fraction thereof during which the examiner is actually engaged in examining the dealer's books, plus the actual expenses of the examiner during the time that the examiner is absent from Carson City, Nevada, for the purpose of making such examination; but such time shall not exceed 1 day going to and 1 day coming from the place where the examination is to be made in addition to the number of days or fractions thereof the examiner is actually engaged in auditing the dealer's books. Not more than two such examinations shall be charged against any dealer in any year.

4. Any moneys received shall be deposited by the [tax commission,] department to the credit of the fund from which the expenditures for the examination were paid.

5. Upon the demand of the [tax commission,] department or at such times as the tax commission may prescribe by regulation, every dealer shall furnish a statement showing the contents of the records to such extent, in such detail and in such form as the [tax commission,] department may require.

SEC. 167. NRS 365.510 is hereby amended to read as follows:

365.510 1. Every retailer shall maintain and keep within the state for a period of 3 years a true record of motor vehicle fuel received, of the price thereof and the name of the person supplying the same, together with delivery tickets, invoices and such other records as the [tax commission,] department may require.

2. Such records shall be subject to inspection by the [tax commission] department or its duly authorized agents at all times within business hours.

SEC. 168. NRS 365.520 is hereby amended to read as follows:

365.520 1. Every carrier, whether common, contract or private, except a dealer licensed under this chapter or a wholesale distributor transporting the products of a dealer licensed under this chapter, transporting motor vehicle fuel as defined in NRS 365.060 in interstate commerce to or from any point within the State of Nevada shall report to the [tax commission] department all deliveries so made.

2. Such report shall cover the period of each calendar month and shall be filed within 25 days after the end of such month. The report shall show:

(a) The name and address of every consignor and consignee and of every person other than the designated consignee to whom delivery has actually been made.

(b) The date of every delivery.

(c) The amount of every delivery in gallons.

(d) Such other information as the [tax commission] department may require.

3. The [tax commission] department or its duly authorized agents may examine the books and records of any carrier during business hours to determine if the provisions of this section have been or are being complied with.

SEC. 169. NRS 365.530 is hereby amended to read as follows:

365.530 1. Every person transporting on any highway of the State of Nevada motor vehicle fuel or other inflammable or combustible liquids in an amount of 25 gallons or more must have in his possession at all times during such transportation an invoice, bill of sale or other document showing the name and address of the seller or consignor and of the buyer or consignee, if any, of the product so transported. He shall produce and exhibit the same to any sheriff, deputy sheriff, police officer or authorized agent of the [tax commission] department upon request or demand.

2. Any person engaged in transporting motor vehicle fuel or other inflammable or combustible liquids by tank truck or tank truck and trailer to be delivered to a dealer or any reseller of such products or to persons known to the trade as commercial consumers shall be required only to have in his possession adequate evidence showing the amount of the motor vehicle fuel or other inflammable or combustible liquids loaded in his conveyance at the time the conveyance left its loading point, and the name and address of the dealer who has assumed or is charged with the responsibility for the payment of the tax due thereon, if any. The date of delivery thereto must be furnished the [tax commission] department upon request.

SEC. 170. NRS 365.535 is hereby amended to read as follows:

365.535 1. [By applying the formula contained in subsection 2, the legislature finds as a fact that of the total amount of excise taxes paid for the calendar year ending December 31, 1970, on all motor vehicle fuel sold, distributed or used in this state not less than \$244,545 represents

the excise taxes paid on all motor vehicle fuel used in watercraft for recreational purposes.] It is declared to be the policy of the State of Nevada to apply the motor vehicle fuel tax paid on fuel [so used during the calendar year ending December 31, 1970, and] used in watercraft for recreational purposes during each calendar year, [thereafter,] which is hereby declared to be not refundable to the consumer, for the improvement of boating and other outdoor recreational facilities associated with boating and for the payment of the costs incurred, in part, for the administration and enforcement of the provisions of chapter 488 of NRS (Nevada Boat Act).

2. [During the fiscal year commencing July 1, 1972, and annually thereafter the] The amount of excise taxes paid on all motor vehicle fuel used in watercraft for recreational purposes shall be determined annually by the [tax commission] department by use of the following formula:

(a) Multiplying the total boats with motors registered the previous calendar year, pursuant to provisions of chapter 488 of NRS, times 220.76 gallons average fuel purchased per boat; and

(b) Adding 566,771 gallons of fuel purchased by out-of-state boaters as determined through a study conducted during 1969-1970 by the division of agricultural and resource economics, Max C. Fleischmann college of agriculture, University of Nevada, Reno; and

(c) Multiplying the total gallons determined by adding the total obtained under paragraph (a) to the figure in paragraph (b) times the excise tax rates levied under the provisions of NRS 365.170 to 365.190, inclusive, less the percentage of such rate authorized to be deducted by the dealer pursuant to NRS 365.330.

3. The Nevada department of fish and game shall submit annually to the [tax commission,] department, on or before April 1, the number of boats with motors registered in the previous calendar year. On or before June 1, the [tax commission,] department, using such data, shall compute the amount of excise taxes paid on all motor vehicle fuel used in watercraft for recreational purposes based on the formula set forth in subsection 2, and shall certify the apportionment and distribution ratio as defined in subsection 4, in writing, to the Nevada department of fish and game and to the division of state parks of the state department of conservation and natural resources for the next fiscal year.

4. [Beginning with the fiscal year commencing July 1, 1971, and in] In each fiscal year, [thereafter,] the state treasurer shall, upon receipt of the tax moneys from the [tax commission] department collected pursuant to the provisions of NRS 365.170 to 365.190, inclusive:

(a) Allocate 30 percent of the remittances and deposits made pursuant to subsections 1 and 2 to the Nevada department of fish and game for deposit and use as provided in subsection 2 of NRS 501.356. All moneys so received by the department shall be expended only for the administration and enforcement of the provisions of chapter 488 of NRS and for the improvement of boating facilities and other outdoor recreational facilities associated with boating on state-owned wildlife management areas. Any of these funds declared by the Nevada department of fish and

game to be in excess of their immediate requirements for these purposes may, in accordance with subsection 5 of NRS 501.181, be transferred to the credit of the division of state parks of the state department of conservation and natural resources for their use in accordance with the provisions of paragraph (b).

(b) Deposit in the general fund in the state treasury to the credit of the division of state parks of the state department of conservation and natural resources 70 percent of the remittances and deposits made pursuant to subsections 1 and 2. All moneys so deposited to the credit of the division of state parks of the state department of conservation and natural resources shall be expended only as authorized by the legislature for the improvement of boating facilities and other outdoor recreational facilities associated with boating.

5. Remittances and deposits required to be made by the state treasurer pursuant to the provisions of subsection 4 may be made quarterly or oftener if convenient to the state treasurer.

SEC. 171. NRS 365.540 is hereby amended to read as follows:

365.540 1. The money collected as prescribed by NRS 365.170 and 365.185, after the remittances and deposits have first been made pursuant to the provisions of NRS 365.535, shall be placed to the credit of the state highway fund by the state treasurer.

2. The money collected as prescribed by NRS 365.180 and 365.190, after the remittances and deposits have first been made pursuant to the provisions of NRS 365.535, shall be allocated by the [tax commission] department to the counties as prescribed in NRS 365.550 and 365.560.

3. The money collected as prescribed by NRS 365.200 shall be allocated by the [tax commission] department as prescribed by NRS 365.550 and 365.560.

SEC. 172. NRS 365.550 is hereby amended to read as follows:

365.550 1. The receipts of the tax as levied in NRS 365.180 shall be allocated monthly by the [tax commission] department to the counties upon the following formula:

- (a) One-fourth in proportion to total area.
- (b) One-fourth in proportion to population, according to the latest available federal census.
- (c) One-fourth in proportion to road mileage and street mileage (non-federal aid primary roads).
- (d) One-fourth in proportion to vehicle miles of travel on roads (non-federal aid primary roads).

2. The amount due the counties under the formula shall be remitted monthly. The state controller shall draw his warrants payable to the county treasurer of each of the several counties, and the state treasurer shall pay the same out of the proceeds of the tax levied in NRS 365.180.

3. Moneys received by the counties by reason of the provisions of this section shall be used exclusively for the service and redemption of revenue bonds issued pursuant to chapter 373 of NRS, for the construction, maintenance and repair of county roads, and for the purchase of equipment for such work, under the direction of the boards of county commissioners of the several counties, and shall not be used to defray expenses of administration.

4. The formula computations shall be made as of July 1 of each year by the [tax commission] department, based on estimates which shall be furnished by the department of highways. The determination so made by the [tax commission] department shall be conclusive.

SEC. 173. NRS 365.560 is hereby amended to read as follows:

365.560 1. The receipts of the tax as levied in NRS 365.190 shall be allocated monthly by the [tax commission] department to the counties in which the tax payment originates. [All receipts of such tax originating in Carson City shall be allocated monthly to Carson City.]

2. Such receipts shall be apportioned between the county, towns with town boards as organized under NRS 269.016 to 269.019, inclusive, and incorporated cities within the county from the general road fund of the county in the same ratio as the assessed valuation of property within the boundaries of such towns or incorporated cities within the county bears to the total assessed valuation of property within the county, including property within the towns or incorporated cities.

3. All such money so apportioned to a county [or Carson City] shall be expended by the county [or Carson City] solely for the service and redemption of revenue bonds issued pursuant to chapter 373 of NRS, for the construction, maintenance and repair of the public highways of the county [or Carson City] and for the purchase of equipment for such work, and shall not be used to defray the expenses of administration.

4. All such money so apportioned to towns or incorporated cities shall be expended only upon the streets, alleys and public highways of such town or city, other than state highways, under the direction and control of the governing body of the town or city.

SEC. 174. NRS 365.570 is hereby amended to read as follows:

365.570 1. It is unlawful for any person:

- (a) To refuse or neglect to make any statement, report or return required by the provisions of this chapter;
- (b) Knowingly to make, or aid or assist any other person in making, a false statement in a report to the [tax commission] department or in connection with an application for refund of any tax;
- (c) Knowingly to collect or attempt to collect or cause to be repaid to him or to any person, either directly or indirectly, any refund of any tax without being entitled to the same;
- (d) To engage in business in this state as a dealer or to act as a carrier of motor vehicle fuel or special fuel or other inflammable or combustible liquids without being the holder of an uncanceled license authorizing him to engage in such business or to act in such capacity;
- (e) To sell any motor vehicle fuel upon which the tax imposed by this chapter shall not be paid, purchased by or consigned to him by any person other than a duly licensed dealer; or
- (f) To act as an agent to sell any motor vehicle fuel, obtained in any manner, upon which the tax imposed by this chapter shall not be paid.

2. Each day or part thereof during which any person shall engage in business as a dealer without being the holder of an uncanceled license shall constitute a separate offense within the meaning of this section.

3. Any person violating any of the provisions of this section is guilty of a misdemeanor.

SEC. 175. NRS 365.590 is hereby amended to read as follows:

365.590 The [tax commission] department is authorized to have paid out of the state highway fund all expenses incurred in the prosecution before any court of this state of any person charged with the violation of any of the provisions of this chapter.

SEC. 176. NRS 367.050 is hereby amended to read as follows:

367.050 1. On or before August 1 of each year, each bank which is located or has a branch located in this state shall report to the [Nevada tax commission,] department, upon forms which shall be prescribed by the [commission:] department:

(a) The quarterly amounts of its cash, demand deposits, time deposits and total deposits for the preceding fiscal year; and

(b) A list showing the total deposits in its principal office and in each of its branches at the close of the last business day of the preceding fiscal year, segregated according to the county in which such office and each branch is situated.

2. On or before September 1 of each year, each county assessor shall transmit to the [Nevada tax commission] department a list showing the full cash value of each parcel of real property in his county which is assessed to a bank for the current fiscal year.

3. The [Nevada tax commission] department shall annually, at its regular meeting beginning on the 1st Monday in October, determine:

(a) The aggregate taxable capital of each bank which is located or has a branch located in this state; and

(b) The proportion of such aggregate taxable capital which is required to be assessed in each county of the state.

4. On or before the 1st Monday in December, the [Nevada tax commission] department shall transmit to each county assessor the amount of the aggregate taxable capital of each bank which is required to be assessed in his county, and each assessor shall adopt as the full cash value of the shares of stock of each such bank the amounts so shown.

SEC. 177. NRS 369.150 is hereby amended to read as follows:

369.150 1. The [tax commission] department is charged with the duty of administering the provisions of this chapter.

2. The [tax commission] department shall:

(a) Prescribe and cause to be printed and issued free of charge all forms for applications and reports.

(b) Issue free of charge all certificates and permits.

(c) Adopt and enforce all rules, regulations and standards necessary or convenient to carry out the provisions of this chapter.

SEC. 178. NRS 369.170 is hereby amended to read as follows:

369.170 1. All revenues required to be paid to the state under this chapter shall be paid to the [tax commission] department in the form of remittances payable to the [Nevada tax commission.] department. The [tax commission] department shall transmit the payment to the state treasurer to be deposited in the state treasury to the credit of the liquor tax fund. The [tax commission] department shall in transmitting each payment indicate the amount, if any, which is derived from the tax on liquor containing more than 22 percent of alcohol by volume.

2. Upon order of the state controller, the money in the liquor tax fund shall be drawn therefrom for refunds under this chapter, and except as otherwise provided in NRS 369.173, all money in the fund shall be transferred to the general fund in the state treasury on or before the last day of each calendar month.

SEC. 179. NRS 369.175 is hereby amended to read as follows:

369.175 This chapter shall not apply to common carriers, while engaged in interstate commerce, which sell or furnish liquor on their trains, buses or airplanes. Common carriers, while engaged in interstate commerce, which sell or furnish liquor on their trains, buses or airplanes, may purchase liquor from licensed Nevada wholesale dealers subject to rules and regulations of the [tax commission.] department. A refund or credit for the excise tax paid on such liquor shall be allowed the wholesale dealer.

SEC. 180. NRS 369.190 is hereby amended to read as follows:

369.190 1. An application for any of the licenses described in NRS 369.180 shall be made to the board of county commissioners of the county in which the applicant maintains his principal place of business.

2. Each application shall:

(a) Be made on such form as the [tax commission] department shall prescribe.

(b) Include the name and address of the applicant. If the applicant is:

(1) A partnership, the application shall include the names and addresses of all partners.

(2) A corporation, association or other organization, the application shall include the names and addresses of the president, vice president, secretary and managing officer or officers.

(3) A person carrying on or transacting business in this state under an assumed or fictitious name, the person making the application shall attach thereto:

(I) A certified copy of the certificate required by NRS 602.010.

(II) A certificate signed by an officer of the corporation or by each person interested in, or conducting or carrying on such business, or intending so to do, and acknowledged before some officer authorized to take acknowledgments of conveyances of real property, indicating the name of the authorized representative whose signature may be required on the license under the provisions of this chapter.

(c) Specify the location, by street and number, of the premises for which the license is sought.

(d) Be accompanied by the annual license fee required for the particular license for which application is made.

3. Each applicant for an importer's license or for a wholesale wine or liquor dealer's license or for a wholesale beer dealer's license shall agree to establish and maintain a place of business in the State of Nevada, in good faith actually to carry on a bona fide wholesale business, and must keep on hand therein at all times liquor of a wholesale value of at least \$1,000.

4. The board of county commissioners shall examine all applications filed with it, and in addition thereto shall require satisfactory evidence that the applicant is a person of good moral character.

SEC. 181. NRS 369.200 is hereby amended to read as follows:

369.200 1. The board of county commissioners shall approve or disapprove applications. If an application is disapproved by the board of county commissioners, the board forthwith shall return the license fee accompanying the application to the applicant. If the board of county commissioners approves an application, the board shall forward it to the [tax commission,] department, together with the board's written approval thereof and the license fee accompanying the application.

2. Upon receipt thereof the [tax commission] department shall review the application and approval, and, if no further objections are presented or known, shall issue the appropriate license to the applicant.

3. In its discretion, the [tax commission] department may grant an applicant whose application has been disapproved a new hearing before the [tax commission] department if it shall be made to appear to the [tax commission] department that the decision of the board of county commissioners was arbitrary, unreasonable or unjust.

SEC. 182. NRS 369.220 is hereby amended to read as follows:

369.220 Each license shall:

1. Be signed by the licensee or the authorized representative of the licensee.

2. Be posted in a conspicuous place in the premises for which it was issued.

3. Be nontransferable, except that upon prior written notice to the [tax commission] department the location of the premises for which it was issued may be changed.

SEC. 183. NRS 369.230 is hereby amended to read as follows:

369.230 The board of county commissioners may, upon its own motion, and shall, upon the verified complaint in writing of any person, investigate the action of any licensee under this chapter, and shall have power to recommend the temporary suspension or permanent revocation of a license for any one of the following acts or omissions:

1. Misrepresentation of a material fact by the applicant in obtaining a license under this chapter; or

2. If the licensee violates or causes or permits to be violated any of the provisions of this chapter; or

3. If the licensee commits any act which would be sufficient ground for the denial of an application for a license under this chapter; or

4. If the licensee sells liquor to a wholesaler or retailer who is not a holder of a proper license or permit at such time; or

5. If the licensee fails to pay the excise tax or any penalty in connection therewith, in whole or in part, imposed by law, or violates any [rule or] regulation of the [tax commission] department respecting the same.

SEC. 184. NRS 369.240 is hereby amended to read as follows:

369.240 1. Upon the filing with the board of county commissioners of the county in which a licensee maintains his principal place of business of a verified complaint charging the licensee with the commission, within 1 year prior to the date of filing the complaint, of any act which is cause for suspension or revocation of a license, the board of county commissioners forthwith shall issue a citation directing the licensee, within 10 days after service thereof upon him, to appear by filing with the board of

county commissioners his verified answer to the complaint showing cause, if any he has, why his license should not be suspended or revoked. Service of the citation with a copy of the complaint shall be made upon the licensee as provided by the Nevada Rules of Civil Procedure for the service of process in civil actions.

2. Failure of the licensee to answer within the time specified shall be deemed an admission by him of the commission of the act or acts charged in the complaint. Thereupon, the board of county commissioners shall give written notice of the failure of the licensee to answer to the [tax commission. The tax commission] department. The department forthwith shall suspend or revoke the license, as the case may be, and shall give notice of such suspension or revocation by mailing a true copy thereof, by United States registered or certified mail in a sealed envelope with postage thereon fully prepaid, addressed to the licensee at his latest address of record in the office of the [tax commission.] department.

SEC. 185. NRS 369.260 is hereby amended to read as follows:

369.260 1. Upon the hearing, the board of county commissioners shall hear all relevant and competent evidence offered by the complainant and by the licensee.

2. After the hearing is concluded and the matter submitted, the board of county commissioners shall, within 10 days after such submission, render its decision in writing recommending the suspension or revocation of the license, or dismissing the complaint, with a statement of the board's reasons therefor.

3. The board of county commissioners shall give to the complainant and to the licensee, or their respective attorneys, notice of such recommendation, by mail, in the same manner as prescribed in this chapter for the giving of notice of hearing.

4. A copy of the decision of the board of county commissioners recommending the suspension or revocation of a license shall be transmitted forthwith by the board to the [tax commission.] department. Thereupon, the [tax commission] department shall cause the license to be suspended or revoked and shall give notice thereof in the same manner as provided in NRS 369.240.

SEC. 186. NRS 369.270 is hereby amended to read as follows:

369.270 1. Notwithstanding any other provision of this chapter, before suspending or revoking any license, the [tax commission,] department, in its discretion, may:

(a) If the licensee has not appeared pursuant to the provisions of NRS 369.240, permit him to appear before the board of county commissioners and make a showing on his behalf if it [shall be] is made to appear to the [tax commission] department that the licensee's neglect to appear before the board of county commissioners was excusable.

(b) If a hearing was had, grant the licensee a new hearing before the [tax commission] department if it shall be made to appear to the [tax commission] department that the decision of the board of county commissioners was arbitrary, unreasonable or unjust.

2. After any new hearing before the [tax commission, the tax commission] department, the department shall enter a final order revoking or refusing to revoke the license affected.

SEC. 187. NRS 369.280 is hereby amended to read as follows:

369.280 1. Notwithstanding any other provision of this chapter, the board of county commissioners shall have the right to suspend or revoke summarily any license in cases appearing to it to be of an aggravated and flagrant violation of law.

2. On request, in all such cases, the [tax commission] department shall conduct a hearing covering the proceedings and evidence, if any, before the board of county commissioners, and any additional evidence offered by the board of county commissioners or the licensee.

3. The hearing before the [tax commission] department shall be had on reasonable notice of time, place and subject matter to the licensee and the board of county commissioners, and the [tax commission] department shall decide the matter without delay by either confirming, modifying or setting aside the action of the board of county commissioners.

4. If the [tax commission] department finds that a licensee is violating any of the provisions of this chapter, the [commission] department may issue a summary suspension of the violator's license. The [commission] department shall notify the board of county commissioners of such suspension. Within 10 days after such notice the [tax commission] department shall conduct a public hearing in the matter in the appropriate county. The board of county commissioners may appear before the [tax commission] department at the hearing.

SEC. 188. NRS 369.290 is hereby amended to read as follows:

369.290 Upon a subsequent written recommendation of the board of county commissioners setting forth that the licensee has shown proper cause in the opinion of the board of county commissioners, the [tax commission] department may renew any license canceled as provided in this chapter.

SEC. 189. NRS 369.310 is hereby amended to read as follows:

369.310 1. All license fees are due and payable on July 1 of each year. If not paid by July 15 of each year the license may be canceled by the [tax commission] department. Between July 15 and July 31 of each year, the fee may be paid with a penalty of 5 percent added to such fee. If the fee and penalty are not paid by July 31 of each year, the license shall be canceled automatically.

2. If any license is issued at any time during the year other than by July 15, the fee shall be for that proportionate part of the year that the license will be in effect, which in any event shall be for not less than one quarter of a year.

3. No license shall be dated other than on the 1st day of the month in which it is granted.

SEC. 190. NRS 369.335 is hereby amended to read as follows:

369.335 1. No tax shall be imposed upon the sale of beer by licensed wholesale dealers to the following instrumentalities of the Armed Forces of the United States, organized under Army, Air Force or Navy regulations, and located upon territory within the geographical boundaries of the State of Nevada:

(a) Army, Navy or Air Force exchanges.

(b) Officers', noncommissioned officers' and enlisted men's clubs or messes.

2. If any wholesale dealer pays the tax on beer sold to one of the instrumentalities of the Armed Forces of the United States enumerated in subsection 1 after July 1, 1963, the taxpayer may obtain a credit or refund with respect to the tax so paid in the manner provided by the [tax commission] department.

SEC. 191. NRS 369.340 is hereby amended to read as follows:

369.340 It is hereby declared to be the intent of this chapter that no excise tax shall be imposed on liquor sold to permissible persons, and the [tax commission] department, in computing the excise tax to be paid on liquor, shall make rules for refunds or credits to be allowed to any importer making a satisfactory showing of such sales.

SEC. 192. NRS 369.350 is hereby amended to read as follows:

369.350 1. Each licensed importer shall furnish a bond to the State of Nevada conditioned for the payment of all excise taxes due or to become due from him under the provisions of this chapter. Each bond shall be in a principal sum equal to the greatest excise tax paid by the importer in any quarter of the preceding year, or if such standard is not available, then in a sum required from a licensee operating under conditions deemed comparable by the [tax commission] department. In no case shall a bond be for an amount less than \$1,000. When cash or a certificate of deposit or investment certificate is used, the amount required shall be rounded off to the next larger integral multiple of \$100.

2. The bond or undertaking shall be acceptable to and approved by the [tax commission] department, and a deposit of cash or negotiable United States Government bonds may be accepted in lieu of an undertaking. The [tax commission] department shall deposit all such United States Government bonds and cash deposits with the state treasurer as custodian thereof.

3. Notwithstanding any other provision of this section, upon application and a satisfactory showing therefor, the [tax commission] department may, from time to time, increase or decrease the amount of the required bond, having consideration for the amount of importations made by the importer.

4. Notwithstanding any other provision of this section, the [tax commission] department may waive the requirement of a bond pursuant to this section whenever a licensed importer has maintained a satisfactory record of payment of excise taxes for a period of not less than 5 consecutive years.

SEC. 193. NRS 369.360 is hereby amended to read as follows:

369.360 The [tax commission] department shall make all necessary and convenient rules:

1. Prescribing the form of reports and claims made by taxpayers.

2. Prescribing the time for making such reports and settlements thereon.

3. Respecting permissible persons as well as other importers.

SEC. 194. NRS 369.370 is hereby amended to read as follows:

369.370 1. For the privilege of importing, possessing, storing or selling liquors, all licensed importers and manufacturers of liquor in this state shall pay the excise tax imposed and established by this chapter.

2. If, after such tax is paid on any such liquor, satisfactory evidence is presented to the [tax commission] department that such imports have

been actually exported and sold outside this state not in conflict with the law of the place of sale, the [tax commission] department shall direct that a refund or credit of the tax so paid shall be made to the taxpayer. The taxpayer shall report all such exports and report all such imports, and pay the tax on such imports monthly, on forms and subject to regulations prescribed by the [tax commission] department.

3. The excise tax imposed by this chapter is due and payable on or before the 20th day of the following month. If all such taxes are paid on or before the 15th day of the following month, a discount in the amount of 3 percent of the tax shall be allowed to the taxpayer. If such tax is not paid when due there shall be added thereto a penalty of 5 percent, together with interest thereon at the rate of 1 percent per month, or any fraction thereof, from the date due until paid. The [tax commission] department may, for good cause, extend for not more than 15 days after the due date the time for paying the tax if a request for such an extension of time is received by the [tax commission] department on or before the due date. If such extension is granted, interest shall accrue from the original due date.

4. The [tax commission] department shall allow refunds or credits on any shipments lost, stolen or damaged in transit, or damaged or spoiled on the premises, and may require all claims in connection therewith to be sworn to and make ratable tax adjustments, credits or refunds in the premises to effectuate the purposes of this chapter.

SEC. 195. NRS 369.400 is hereby amended to read as follows:

369.400 1. At all times each importer shall keep on hand at a fixed place of business in Nevada liquor of a wholesale value of at least \$1,000.

2. All importers, except permissible persons, shall keep a record of all serial numbers, identifying numbers or marks of all cases or containers of liquor imported by them.

3. Each importer shall keep in a fixed place of business in Nevada, in such form as may be recommended by the [tax commission] department, a record of all liquor received into the State of Nevada, together with copies of invoices and a monthly inventory of all liquor on hand on the last day of each month, if requested so to do by the [tax commission] department.

4. All such liquor, papers and records shall be exhibited at any time during business hours, on demand, to the [tax commission] department or its agents. Any person preventing or interfering with such inspection shall be guilty of a misdemeanor.

SEC. 196. NRS 369.420 is hereby amended to read as follows:

369.420 Any shipment of liquor which cannot be received or accepted by the consignee for any reason in law may be seized by the [tax commission] department or its agents and held subject to the order of the shipper for its return at the shipper's expense. If it is not recovered by the shipper it shall be sold at public auction to any qualified importer in this state. The proceeds of such sale shall be remitted to the shipper, less any costs or outlays chargeable, or a lien, upon the shipment.

SEC. 197. NRS 369.430 is hereby amended to read as follows:

369.430 1. By regulation, the [tax commission] department shall prescribe the form of application for and the form of certificate of compliance which shall be printed and distributed to exporters of liquor into this state to assist them in legally exporting liquor into this state.

2. Any intending importer may not legally receive or accept any such shipment except from a holder of a certificate of compliance.

3. The [tax commission] department shall grant a certificate of compliance to any out-of-state vendor of liquors who shall undertake in writing:

(a) To furnish the [tax commission] department on or before the 10th day of each month a report under oath showing the quantity and type of liquor sold and shipped by such vendor to each licensed importer of liquor in Nevada during the preceding month; and

(b) That he and all his agents and all agencies controlled by him will comply faithfully with all laws of this state and all [rules] regulations of the [tax commission] department respecting the exporting of liquor into this state.

4. If any holder of a certificate of compliance [shall fail] fails to keep any undertaking or condition made or imposed in connection therewith, the [tax commission] department may suspend such certificate and conduct a hearing, giving the holder thereof a reasonable opportunity to appear and be heard on the question of vacating the suspension order or order finally revoking the certificate.

5. No fee shall be charged for any certificate of compliance, but such certificate shall be renewed annually, subject to the conditions of the original certificate, on or before July 1 of each year.

SEC. 198. NRS 369.440 is hereby amended to read as follows:

369.440 By regulation, the [tax commission] department shall prescribe the form of and conditions for obtaining a permissible person's certificate, which shall be printed and distributed on request to any person or representative of any institution, school, hospital, or church desiring to import liquor for industrial, medical, scientific or sacramental purposes.

SEC. 199. NRS 369.450 is hereby amended to read as follows:

369.450 1. The [tax commission] department shall make [rules] regulations and provide forms for distribution free of charge to all persons qualified as importers of liquor, to be filled out by exporters and carriers of liquor consigned to points in this state as evidence for consideration respecting the legality of such transactions.

2. Every common carrier by special permit shall have with his or its agent or servant in immediate charge, or in the records of the carrier, of every shipment of liquor into this state, a statement or freight bill showing:

(a) The names of consignor, consignee and carrier.

(b) The date when and place where the shipment was received.

(c) The destination.

(d) The number identifying the railroad car, truck or other conveyance used.

(e) The quantity and kind of liquor in the shipment, as the case may be, according to the designation of kind and quantity of liquor appearing on the statement or freight bill.

3. The [tax commission] department may make rules requiring the carrier to cause the consignee to sign a statement or a postcard, which statement or postcard shall be furnished by the [tax commission] department to the carrier without expense, for receipt of each such shipment before the carrier permits the consignee to remove any such shipment from the point of destination or possession of the carrier, and to cause the carrier to forward such statement or postcard to the [tax commission] department after having been so signed by the consignee.

4. No liquor shall be imported into this state except by common carrier, contract carrier regularly operating as such, or a carrier having a special permit so to do in the case of each shipment.

5. By special permit, the [tax commission] department may authorize the transportation of liquor within this state by means of a conveyance owned and operated by a licensed importer, or a conveyance owned and operated by another, not being a common carrier or a regularly operating contract carrier. As a condition of such permit the [tax commission] department may require that a sign be carried on such conveyance in letters at least 3 inches high, stating that such conveyance is carrying wholesale liquor by special permit. Such carriers by special permit shall be governed by the same rules respecting reports and deliveries of import liquors as in the case of common carriers and regularly operating contract carriers.

SEC. 200. NRS 369.460 is hereby amended to read as follows:

369.460 1. Any person violating any of the provisions of NRS 369.450 or any of the [rules] regulations made by the [tax commission] department in respect thereto shall, on conviction, be punished as for a misdemeanor.

2. In addition, any shipment of liquor transported into or within Nevada by an unauthorized carrier shall be confiscated and sold at auction to the highest bidder among the licensed importers in this state. If there is no such bidder, the liquor shall be either destroyed or disposed of as the [tax commission] department may see fit. The proceeds of all such sales shall be classed as revenues derived from this chapter.

SEC. 201. NRS 369.480 is hereby amended to read as follows:

369.480 1. At all times each wholesale dealer shall keep on hand at a fixed place of business in Nevada liquor of a wholesale value of at least \$1,000.

2. Each wholesale dealer shall keep in a fixed place of business in Nevada, in such form as may be recommended by the [tax commission] department, a record of all liquor received into the State of Nevada, together with copies of invoices and a monthly inventory of all liquor on hand on the last day of each month, if requested so to do by the [tax commission] department.

3. All such liquor, papers and records shall be exhibited at any time during business hours, on demand, to the [tax commission] department or its agents. Any person preventing or interfering with such inspection [shall be] is guilty of a misdemeanor.

SEC. 202. NRS 369.490 is hereby amended to read as follows:

369.490 1. Except as provided in subsection 2, no person shall directly or indirectly, himself or by his clerk, agent or employee, offer, keep or possess for sale, furnish or sell, or solicit the purchase or sale of any liquor in this state, or transport or import or cause to be transported or imported any liquor in or into this state for delivery, storage, use or sale therein, unless such person has complied fully with the provisions of this chapter and is a holder of an appropriate, valid license, permit or certificate issued by the [tax commission.] department.

2. The provisions of this chapter do not apply to a person entering this state with a quantity of alcoholic beverage for household or personal use which is exempt from federal import duty; nor do the provisions of this chapter apply to a person who imports 1 gallon or less of alcoholic beverage per month from another state for his own household or personal use.

SEC. 203. NRS 369.510 is hereby amended to read as follows:

369.510 1. In any investigation, proceeding or hearing which, under the provisions of this chapter, the board of county commissioners is empowered to institute, conduct or hold, the board of county commissioners shall have the power to administer oaths, certify to official acts, and issue subpoenas for the attendance of witnesses and the production of books, papers and records.

2. In like proceedings before it, the [tax commission] department shall have the same powers as those enumerated in subsection 1.

SEC. 204. NRS 369.520 is hereby amended to read as follows:

369.520 All persons obtaining liquor under any license or permit and all retail liquor dealers shall preserve for inspection and audit by the [tax commission] department and its agents, for a period of 4 years, all invoices and lists of liquors purchased or received, specifying:

1. Kind and quantity of liquor.
2. Names of persons from whom received.
3. Place and date.

SEC. 205. NRS 369.530 is hereby amended to read as follows:

369.530 1. In order to obtain evidence of any violation of this chapter, the [tax commission.] department, its agents, and all peace officers and revenue-collecting officers of this state shall have the right of visitation and inspection of any vehicle or place where they may have reason to believe liquor is stored, warehoused or kept for sale, or which might be in transit on or in other than common, contract or permitted carriers. Such visitation and inspection shall be conducted during business hours and no domicile shall be searched except by virtue of a search warrant.

2. Whenever a vehicle other than a common or contract carrier is stopped, the operator shall be required to exhibit his permit of conveyance, and if he has none he shall be dealt with according to law or the [rules and] regulations of the [tax commission.] department.

SEC. 206. NRS 369.550 is hereby amended to read as follows:

369.550 Except as otherwise expressly provided in this chapter, any person violating any of the provisions of this chapter or knowingly violating any lawful [rule] regulation of the [tax commission] department

made for the enforcement of its provisions shall be punished, upon conviction thereof, as for a misdemeanor.

SEC. 207. NRS 370.060 is hereby amended to read as follows:

370.060 The [tax commission] department is empowered to make all necessary rules and regulations for the administration and enforcement of this chapter.

SEC. 208. NRS 370.065 is hereby amended to read as follows:

370.065 In order to obtain evidence of any violation of this chapter, the [tax commission] department, its agents, and all peace officers and revenue-collecting officers of this state shall have the right of visitation and inspection of any place where they may have reason to believe unstamped cigarettes are stored, warehoused or kept for sale. Such visitation and inspection shall be conducted during business hours.

SEC. 209. NRS 370.080 is hereby amended to read as follows:

370.080 A person shall not engage in business as a wholesale dealer of cigarettes in the State of Nevada unless he first secures a wholesale cigarette dealer's license from the [tax commission] department.

SEC. 210. NRS 370.100 is hereby amended to read as follows:

370.100 An application for a wholesale cigarette dealer's license shall:

1. Be made to the [tax commission] department on such form as the [tax commission] department shall prescribe.

2. Include the name and address of the applicant. If the applicant is a partnership, the application shall include the names and addresses of all partners. If the applicant is a corporation, association or other organization, the application shall include the names and addresses of the president, vice president, secretary and managing officer or officers.

3. Specify the location, by street and number, of the premises for which the license is sought.

4. Be accompanied by the required license fee.

5. Be accompanied by a certified copy of the certificate required by NRS 602.010.

SEC. 211. NRS 370.110 is hereby amended to read as follows:

370.110 Upon receiving payment therefor, the [tax commission] department is authorized to issue a wholesale cigarette dealer's license to any qualified person in the State of Nevada.

SEC. 212. NRS 370.130 is hereby amended to read as follows:

370.130 Each wholesale cigarette dealer's license shall:

1. Be signed by the licensee or the authorized representative of the licensee.

2. Be posted in a conspicuous place in the premises for which it was issued.

3. Be nontransferable, except that upon prior written notice to the [tax commission] department the location of the premises for which it was issued may be changed.

SEC. 213. NRS 370.155 is hereby amended to read as follows:

370.155 1. Except as otherwise provided in this section, each licensed wholesale cigarette dealer shall furnish a bond to the State of Nevada conditioned for the payment of all excise taxes due or to become due from him under the provisions of this chapter. Each bond shall be

in a principal sum equal to the greatest excise tax paid by the wholesale cigarette dealer in any quarter of the preceding year, or if such standard is not available, then in a sum required from a licensee operating under conditions deemed comparable by the [tax commission] department. In no case shall a bond be for an amount less than \$1,000. When cash or a certificate of deposit or investment certificate is used, the amount so fixed shall be rounded off to the next larger integral multiple of \$100.

2. The bond or undertaking shall be acceptable to and approved by the [tax commission] department, and a deposit of cash or negotiable United States Government bonds may be accepted in lieu of an undertaking. The [tax commission] department shall deposit all such United States Government bonds and cash deposits with the state treasurer as custodian thereof.

3. Notwithstanding any other provision of this section:

(a) Upon application and a satisfactory showing therefor, the [tax commission] department may, from time to time, increase or decrease the amount of the required bond, having consideration for the amount of excise tax paid by the wholesale cigarette dealer.

(b) The [tax commission] department may waive the requirement of a bond pursuant to this section whenever a licensed wholesale cigarette dealer has maintained a satisfactory record of payment of excise taxes for a period of not less than 5 consecutive years. [The provisions of this paragraph shall apply to all licensees whether or not they were licensed prior to or after July 1, 1961.]

SEC. 214. NRS 370.170 is hereby amended to read as follows:

370.170 Except as otherwise provided in this chapter, no person shall give, sell or offer to give or sell any cigarettes in the State of Nevada unless there is affixed to each of the packages, packets or containers an adhesive Nevada cigarette revenue stamp or a similar stamp affixed by a metered stamping machine approved by and registered with the [tax commission] department in the following denominations: On packages containing 20 cigarettes or less, 10 cents per package; and on packages containing over 20 cigarettes, 10 cents additional for each 20 cigarettes or fraction thereof contained in any such package.

SEC. 215. NRS 370.180 is hereby amended to read as follows:

370.180 1. The [tax commission] department shall:

(a) Design a suitable stamp or stamps for the purpose of this chapter.

(b) From time to time, have as many revenue stamps printed as may be required.

2. The use of a metered stamping machine approved by and registered with the [tax commission] department shall be subject to such [rules and] regulations as prescribed by the [tax commission] department.

SEC. 216. NRS 370.190 is hereby amended to read as follows:

370.190 1. The [tax commission] department is authorized, upon receiving payment therefor, to sell Nevada cigarette revenue stamps only to a licensed wholesale dealer as defined in NRS 370.055.

2. By [rule or] regulation, the [tax commission] department may provide for payment of the tax by manufacturers without the use of

stamps on gifts or samples sent into Nevada when plainly marked "Tax Paid."

SEC. 217. NRS 370.200 is hereby amended to read as follows:

370.200 1. The [tax commission] department is authorized to appoint the sheriff of any county and officers of incorporated cities to act as its agents in the sale of Nevada cigarette revenue stamps.

2. The sheriff and city officers shall:

(a) Serve as such agent without additional compensation; and

(b) On or before the last day of the month following the month in which the sale of cigarette stamps occurred, make a return of all receipts collected from sales of cigarette revenue stamps to the [tax commission,] department, accompanied by a remittance payable to the order of the [Nevada tax commission.] department.

SEC. 218. NRS 370.220 is hereby amended to read as follows:

370.220 In the sale of any cigarette revenue stamps or any metered machine settings to a licensed wholesale cigarette dealer, the [tax commission] department and its agents are authorized and directed to allow the purchaser a discount of 4 percent for the services rendered by the licensed wholesale cigarette dealer in affixing cigarette revenue stamps or metered machine impressions to the cigarette packages.

SEC. 219. NRS 370.230 is hereby amended to read as follows:

370.230 Upon the written authorization of the state board of examiners, any spoiled or unusable stamps in the possession of the [tax commission] department shall be destroyed. The written authorization of the state board of examiners shall set forth the number, denomination and face value of the stamps.

SEC. 220. NRS 370.240 is hereby amended to read as follows:

370.240 1. Each wholesale cigarette dealer licensed under this chapter shall report to the [tax commission:] department:

(a) The inventory of all cigarettes in his possession or control at the close of business on the last day of each month.

(b) The total value of all cigarette revenue stamps affixed by him upon cigarette packages sold in or shipped into the state by him during the preceding month.

2. The report shall be made by the 15th day of the month following such shipments upon forms to be provided by the [tax commission.] department.

3. The dealer may have up to 15 additional days to file such report, if beforehand he makes written application to the [commission] department and the [commission] department finds good cause for such extension.

SEC. 221. NRS 370.250 is hereby amended to read as follows:

370.250 1. If any wholesale dealer in cigarettes upon which a tax is required to be paid fails to make a report to the [tax commission] department or its agents on or before the date due, the [tax commission] department may suspend his license or permit until the report is received and found to be correct.

2. The [tax commission] department may temporarily suspend or permanently revoke the licenses of any wholesale cigarette dealer for

violating, or causing or permitting to be violated, any of the provisions of this chapter.

SEC. 222. 370.255 is hereby amended to read as follows:

370.255 Each wholesale cigarette dealer licensed under this chapter shall maintain records of all cigarettes received, sold or distributed by him. Each such dealer shall also obtain and keep receipts, freight bills, invoices and other documents necessary to substantiate such records. Such records and documents shall be kept at such dealer's place of business in Nevada for not less than 4 years unless the [tax commission] department authorizes, in writing, their earlier removal or destruction.

SEC. 223. NRS 370.257 is hereby amended to read as follows:

370.257 The [tax commission] department may audit the records of each wholesale dealer licensed under this chapter to determine that the dealer has complied with the provisions of this chapter.

SEC. 224. NRS 370.260 is hereby amended to read as follows:

370.260 1. All taxes and license fees imposed by this chapter, less any refunds granted as provided by law, shall be paid to the [tax commission] department in the form of remittances payable to the [Nevada tax commission.] department.

2. The [tax commission] department shall:

(a) As compensation to the state for the costs of collecting the taxes and license fees, transmit on a monthly basis such sum as the legislature shall specify from the remittances made to it pursuant to subsection 1 during the preceding month to the state treasurer, who shall deposit the same to the credit of the [tax commission.] department. Such deposited moneys shall be expended by the [tax commission] department in accordance with its work program established pursuant to law.

(b) Transmit the balance of such payments each month to the state treasurer to be deposited in the state treasury to the credit of the cigarette tax fund.

(c) Report to the state controller monthly the amount of collections.

3. The money in the cigarette tax fund is hereby appropriated to Carson City and to each of the counties in proportion to their respective populations as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce; the amount in such fund which was collected during the preceding month shall be apportioned and distributed by the state treasurer as follows:

(a) In counties having a population of 5,000 or more:

(1) If there are no incorporated cities within the county, the entire amount shall go into the county treasury.

(2) If there is one incorporated city within the county the money shall be apportioned between the city and the county on the basis of the population of such city and the population of such county excluding the population of such city, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce.

(3) If there are two or more incorporated cities within the county, the entire amount shall be apportioned among such cities in proportion to their respective populations as determined by the last preceding national

census of the Bureau of the Census of the United States Department of Commerce.

(b) In counties having a population of less than 5,000:

(1) If there are no incorporated cities or unincorporated towns within the county, the entire amount shall go into the county treasury.

(2) If there is one incorporated city or one unincorporated town within the county the money shall be apportioned between the city or town and the county on the basis of the population of such city or town and the population of such county excluding the population of such city or town, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, regardless of the form of government of such city or town at the time such census was conducted.

(3) If there are two or more incorporated cities or unincorporated towns or an incorporated city and an unincorporated town within the county, the entire amount shall be apportioned among such cities or towns in proportion to their respective populations as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, regardless of the form of government of such city or town at the time such census was conducted.

(c) In Carson City the entire amount shall go into the city treasury.

4. For the purposes of this section, "unincorporated town" means only those towns governed by town boards organized pursuant to NRS 269.016 to 269.019, inclusive.

SEC. 225. NRS 370.265 is hereby amended to read as follows:

370.265 Remittances due the [tax commission] department by any licensed wholesale cigarette dealer for stamps purchased during any calendar month shall be due and payable to the [tax commission] department not later than the 10th day of the following calendar month. Any wholesaler who fails to pay his excise tax due on or before the 10th day of the month shall pay a penalty of 5 percent of the tax in addition to the tax, with interest at the rate of 1 percent per month or fraction thereof from the date on which the tax becomes due and payable to the state until the date of payment.

SEC. 226. NRS 370.270 is hereby amended to read as follows:

370.270 1. Every retail dealer making a sale or sales to a customer shall, at the time of such sale, see that each package, packet or container has the Nevada cigarette revenue stamp or metered stamping machine indicia properly affixed to each package, packet or container.

2. Every cigarette vending machine operator placing cigarettes in his coin-operated cigarette vending machines for sale to the ultimate consumers shall at the time of placing such cigarettes in his machine see that each package, packet or container has the Nevada cigarette revenue stamp or metered stamping machine indicia properly affixed to each package, packet or container.

3. No unstamped packages, packets or containers of cigarettes can lawfully be accepted or held in the possession of a retail cigarette dealer, a cigarette vending machine operator or any other person except a licensed Nevada wholesale dealer. For the purposes of this subsection, "held in possession" means:

(a) In the direct or physical possession of the person; or

(b) In the constructive possession of the person when cigarettes are being transported or held for him or for his designee by another person. Constructive possession is deemed to occur at the location of the cigarettes being so transported or held.

4. It is unlawful for any person other than a licensed wholesale cigarette dealer to have in his possession any package, packet or container of cigarettes which do not bear cigarette revenue stamps in accordance with NRS 370.170 and 370.180, unless otherwise provided in this chapter.

5. Any cigarettes found in the possession of any person except a licensed Nevada wholesale dealer which do not bear indicia of Nevada excise tax stamping shall be seized by the [tax commission] department or any of its agents, and caused to be stamped by a licensed cigarette wholesaler, or confiscated and sold by the [tax commission] department or its agents to the highest bidder among the licensed wholesale dealers in this state after due notice to all licensed Nevada wholesale dealers by mail to the respective addresses contained in [tax commission] department records. If there is no such bidder, or in the opinion of the [tax commission] department the quantity of the cigarettes is insufficient or for any other reason such disposition would be impractical, the cigarettes shall be destroyed or disposed of as the [tax commission] department may see fit. The proceeds of all such sales shall be classed as revenues derived under the provisions of this chapter.

6. Any cigarette vending machine in which such cigarettes are found may be so seized and sold to the highest bidder.

SEC. 227. NRS 370.280 is hereby amended to read as follows:

370.280 1. Upon proof satisfactory to the [tax commission,] department, refunds shall be allowed for the face value of the cigarette revenue stamp tax paid, less any discount previously allowed on any such tax so paid, upon cigarettes that are sold to:

(a) The United States Government for Army, Air Force, Navy or Marine Corps purposes and are shipped to a point within this state to a place which has been lawfully ceded to the United States Government for Army, Air Force, Navy or Marine Corps purposes; or

(b) Veterans' hospitals for distribution or sale to disabled service or ex-service men interned therein, but not to civilians or civilian employees.

2. Upon proof satisfactory to the [tax commission,] department, refunds shall be allowed to licensed wholesale cigarette dealers, or to manufacturers or their representatives, for the face value of the cigarette revenue stamp tax paid, less any discount previously allowed on any such tax so paid, upon cigarettes destroyed after March 26, 1959, because such cigarettes had become stale. Applications for refunds shall be submitted in an amount of not less than \$15 and shall be accompanied by an affidavit of the applicant setting forth:

(a) The number of packages of cigarettes destroyed for which refund is claimed;

(b) The date or dates on which such cigarettes were destroyed and the place where destroyed;

(c) That the cigarettes were actually destroyed because they had become stale;

(d) By whom such cigarettes were destroyed; and

(e) Such other information as the [tax commission] department may require.

3. Upon proof satisfactory to the [tax commission] department, refunds may be allowed to licensed wholesale cigarette dealers for the face value of the cigarette metered machine stamp tax paid, less any discount previously allowed on any such tax so paid, upon:

(a) The balance of unused stamps on the descending register of a cigarette meter machine destroyed by fire, if the cigarette meter counting positions can be determined by the manufacturer of the meter stamping machine;

(b) Cigarettes which were stamped on their carton covers because of stamping machine failure to open the carton and stamp the cigarette packs; or

(c) Cigarettes which were not stamped but were registered on the machine as being stamped because of failure of the meter counters.

4. Any refund shall be paid as other claims against the state are paid.

SEC. 228. NRS 370.290 is hereby amended to read as follows:

370.290 1. A wholesale dealer shall not export cigarettes unless they bear revenue stamps in accordance with NRS 370.170 and 370.180 to any out-of-state destination other than by a licensed common or contract carrier.

2. No cigarette revenue stamp tax is required on any cigarettes exported from Nevada by a wholesale dealer to a person authorized by the state of destination to possess untaxed or unstamped cigarettes. Each wholesale dealer may set aside such portion of his stock of cigarettes as is not intended to be sold or given away in this state and it will not be necessary to affix Nevada cigarette revenue stamps or metered machine impressions.

3. Every wholesale dealer shall, at the time of shipping or delivering any unstamped cigarettes to a point outside of this state, make a duplicate invoice and transmit such duplicate invoice to the [tax commission] department, at Carson City, not later than the 15th day of the following month.

4. Within 30 days after any wholesale dealer ships any unstamped cigarettes to any destination outside Nevada, the dealer shall send to the state of destination a written notice of the fact of such shipment and whatever other information is required by such state.

5. If a wholesale dealer fails to comply with the requirements of this section, the [tax commission] department may suspend or revoke his license or permit, as provided in subsection 2 of NRS 370.250.

SEC. 229. NRS 370.301 is hereby amended to read as follows:

370.301 1. If any unstamped cigarettes are consigned to or purchased by any person in this state, such purchaser or consignee must be a person authorized by this chapter to possess unstamped cigarettes.

2. If invoices or delivery tickets for unstamped cigarettes are lacking, if the name or address of the consignee or purchaser is falsified or if the purchaser or consignee is not authorized by this chapter to possess unstamped cigarettes, the cigarettes transported shall be subject to seizure and sale under the provisions of NRS 370.270.

3. Transportation of cigarettes through this state from a point outside this state to a point in some other state is not a violation of this section if the person transporting the cigarettes has in his possession adequate invoices or delivery tickets which give the true name and address of the out-of-state seller or consignor and the out-of-state purchaser or consignee.

4. In any case where the [tax commission] department, its duly authorized agent or any peace officer of the state has knowledge or reasonable grounds to believe that any vehicle is transporting cigarettes in violation of this section, the [tax commission] department, agent or peace officer may stop the vehicle and inspect it for unstamped cigarettes.

SEC. 230. NRS 370.345 is hereby amended to read as follows:

370.345 The [tax commission] department, its agents, sheriffs within their respective counties and all other peace officers of the State of Nevada shall seize any contraband cigarettes found or located in the State of Nevada.

SEC. 231. NRS 370.360 is hereby amended to read as follows:

370.360 Every person using or consuming cigarettes subject to taxation on the use thereof under the provisions of NRS 370.350 shall pay such tax and make such reports thereon to the [tax commission] department under such [rules and] regulations as may be prescribed by the [tax commission] department.

SEC. 232. NRS 370.370 is hereby amended to read as follows:

370.370 If the tax provided for in NRS 370.350 is not paid within such time as may be limited for payment thereof by the [rules and] regulations prescribed by the [tax commission] department, the tax shall become delinquent and a penalty of 25 percent shall be added thereto, together with interest at the rate of 1 percent per month until paid.

SEC. 233. NRS 373.070 is hereby amended to read as follows:

373.070 Any motor vehicle fuel tax ordinance enacted under this chapter shall include provisions in substance as follows:

1. A provision imposing an additional excise tax of 1 cent per gallon or 2 cents per gallon, as the board may determine at any time or from time to time, on all motor vehicle fuel sold in the county, which tax shall be in addition to other motor vehicle fuel taxes imposed under the provisions of chapter 365 of NRS.

2. Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that the name of the county as taxing agency shall be substituted for that of the state and that an additional dealer's license shall not be required.

3. A provision that all amendments to chapter 365 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, shall automatically become a part of the motor vehicle fuel tax ordinance of the county.

4. A provision that the county shall contract prior to the effective date of the county motor vehicle fuel tax ordinance with the [Nevada tax commission] department to perform all functions incident to the administration or operation of the motor vehicle fuel tax ordinance of the county.

SEC. 234. NRS 373.075 is hereby amended to read as follows:

373.075 Any ordinance amending the motor fuel tax ordinance shall include a provision in substance that the county shall amend the contract made under subsection 4 of NRS 373.070 by a contract made between the county and the state acting by and through the [Nevada tax commission] department prior to the effective date of such amendatory ordinance, unless the county determines with the written concurrence of the commission that no such amendment of the contract is necessary or desirable.

SEC. 235. NRS 373.080 is hereby amended to read as follows:

373.080 All motor vehicle fuel taxes collected during any month by the [Nevada tax commission] department pursuant to contract with any county shall be transmitted each month by the [Nevada tax commission] department to such county and the [Nevada tax commission] department shall charge the county for the [Nevada tax commission's] department's services specified in this section and in NRS 373.070 such amount as will reimburse the [Nevada tax commission] department for the cost to it of rendering the services.

SEC. 236. NRS 373.100 is hereby amended to read as follows:

373.100 The [Nevada tax commission] department may redistribute any tax, penalty and interest distributed to a county other than the county entitled thereto, but no such redistribution may be made as to amounts originally distributed more than 6 months prior to the date on which the [Nevada tax commission] department obtains knowledge of the improper distribution.

SEC. 237. NRS 373.140 is hereby amended to read as follows:

373.140 1. After the enactment of an ordinance as authorized in NRS 373.030, all street and highway construction projects in the county which are proposed to be financed from the county motor vehicle fuel tax shall be first submitted to the regional street and highway commission.

2. Where the project is within the area covered by the streets and highways plan described in NRS 373.030, the commission shall evaluate it in terms of:

- (a) The priorities established by the plan;
- (b) The relation of the proposed construction to other projects already constructed or authorized;
- (c) The relative need for the project in comparison with others proposed; and
- (d) The funds available.

If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of the county motor vehicle fuel tax authorized by this chapter (except to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities, or other obligations incurred hereunder, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160) and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.130. If the board authorizes the project the responsibilities for letting construction and

other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project shall be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by the streets and highways plan described in NRS 373.030.

3. Where the project is outside the area covered by the plan, the commission shall evaluate it in terms of:

- (a) Its relation to the streets and highways plan;
- (b) The relation of the proposed construction to other projects constructed or authorized;
- (c) The relative need for the proposed construction in relation to others proposed by the same city or town; and
- (d) The availability of funds.

If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.

4. In counties having a population of less than 100,000, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, the commission shall:

- (a) Certify the adoption of the plan;
- (b) Submit a copy of the plan to the [Nevada tax commission] department; and
- (c) Certify its compliance with subsections 2 and 3 in the adoption of the plan.

SEC. 238. NRS 373.143 is hereby amended to read as follows:

373.143 In counties having a population of less than 100,000, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, the commission shall submit an annual report to the [Nevada tax commission] department for the fiscal year showing the amount of receipts from the county motor vehicle fuel tax and the nature of the expenditures for each project.

SEC. 239. NRS 374.030 is hereby amended to read as follows:

374.030 1. "Gross receipts" means the total amount of the sale or lease or rental price, as the case may be, of the retail sales of retailers, valued in money, whether received in money or otherwise, without any deduction on account of any of the following:

- (a) The cost of the property sold. However, in accordance with such rules and regulations as the [tax commission] department may prescribe, a deduction may be taken if the retailer has purchased property for some other purpose than resale, has reimbursed his vendor for tax which the vendor is required to pay to the county or has paid the use tax with respect to the property, and has resold the property prior to making any use of the property other than retention, demonstration or display while holding it for sale in the regular course of business. If such a deduction is taken by the retailer, no refund or credit will be allowed to his vendor with respect to the sale of the property.

- (b) The cost of the materials used, labor or service cost, interest paid, losses or any other expense.

(c) The cost of transportation of the property prior to its sale to the purchaser.

2. The total amount of the sale or lease or rental price includes all of the following:

(a) Any services that are a part of the sale.

(b) All receipts, cash, credits and property of any kind.

(c) Any amount for which credit is allowed by the seller to the purchaser.

3. "Gross receipts" does not include any of the following:

(a) Cash discounts allowed and taken on sales.

(b) Sale price of property returned by customers when the full sale price is refunded either in cash or credit; but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price greater than the amount charged for the property that is returned.

(c) The price received for labor or services used in installing or applying the property sold.

(d) The amount of any tax (not including, however, any manufacturers' or importers' excise tax) imposed by the United States upon or with respect to retail sales, whether imposed upon the retailer or the consumer.

4. For purposes of the sales tax, if the retailers establish to the satisfaction of the [tax commission] department that the sales tax has been added to the total amount of the sale price and has not been absorbed by them, the total amount of the sale price shall be deemed to be the amount received exclusive of the tax imposed.

SEC. 240. NRS 374.060 is hereby amended to read as follows:

374.060 1. "Retailer" includes:

(a) Every seller who makes any retail sale or sales of tangible personal property, and every person engaged in the business of making retail sales at auction of tangible personal property owned by the person or others.

(b) Every person engaged in the business of making sales for storage, use or other consumption or in the business of making sales at auction of tangible personal property owned by the person or others for storage, use or other consumption.

(c) Every person making more than two retail sales of tangible personal property during any 12-month period, including sales made in the capacity of assignee for the benefit of creditors, or receiver or trustee in bankruptcy.

2. When the [tax commission] department determines that it is necessary for the efficient administration of this chapter to regard any salesmen, representatives, peddlers or canvassers as the agents of the dealers, distributors, supervisors or employers under whom they operate or from whom they obtain the tangible personal property sold by them, irrespective of whether they are making sales on their own behalf or on behalf of such dealers, distributors, supervisors or employers, the [tax commission] department may so regard them and may regard the dealers, distributors, supervisors or employers as retailers for purposes of this chapter.

3. A licensed optometrist or physician and surgeon is a consumer of, and shall not be considered, a retailer within the provisions of this chapter, with respect to the ophthalmic materials used or furnished by him in the performance of his professional services in the diagnosis, treatment or correction of conditions of the human eye, including the adaptation of lenses or frames for the aid thereof.

SEC. 241. NRS 374.065 is hereby amended to read as follows:

374.065 1. "Sale" means and includes any transfer of title or possession, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for a consideration.

2. "Transfer of possession," "lease," or "rental" includes only transactions found by the [tax commission] department to be in lieu of a transfer of title, exchange or barter.

3. "Sale" includes:

(a) The producing, fabricating, processing, printing or imprinting of tangible personal property for a consideration for consumers who furnish, either directly or indirectly, the materials used in the producing, fabricating, processing, printing or imprinting.

(b) The furnishing and distributing of tangible personal property for a consideration by social clubs and fraternal organizations to their members or others.

(c) The furnishing, preparing, or serving for a consideration of food, meals or drinks.

(d) A transaction whereby the possession of property is transferred but the seller retains the title as security for the payment of the price.

(e) A transfer for a consideration of the title or possession of tangible personal property which has been produced, fabricated or printed to the special order of the customer, or of any publication.

SEC. 242. NRS 374.125 is hereby amended to read as follows:

374.125 The [tax commission] department may by regulation provide that the amount collected by the retailer from the consumer in reimbursement of the tax be displayed separately from the list price, the price advertised in the premises, the marked price, or other price on the sales check or other proof of sale.

SEC. 243. NRS 374.130 is hereby amended to read as follows:

374.130 1. Every person desiring to engage in or conduct business as a seller within a county shall file with the [tax commission] department an application for a permit for each place of business.

2. Every application for a permit shall:

(a) Be made upon a form prescribed by the [tax commission] department.

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business.

(c) Set forth such other information as the [tax commission] department may require.

3. The application shall be signed by the owner if he is a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some

person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his authority.

SEC. 244. NRS 374.135 is hereby amended to read as follows:

374.135 At the time of making an application, the applicant shall pay to the [tax commission] department a permit fee of \$1 for each permit.

SEC. 245. NRS 374.140 is hereby amended to read as follows:

374.140 After compliance with NRS 374.130, 374.135 and 374.515 by the applicant, the [tax commission] department shall grant and issue to each applicant a separate permit for each place of business within the county. A permit shall not be assignable, and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

SEC. 246. NRS 374.145 is hereby amended to read as follows:

374.145 A seller whose permit has been previously suspended or revoked shall pay the [tax commission] department a fee of \$1 for the renewal or issuance of a permit.

SEC. 247. NRS 374.150 is hereby amended to read as follows:

374.150 1. Whenever any person fails to comply with any provision of this chapter relating to the sales tax or any [rule or] regulation of the [tax commission] department relating to the sales tax prescribed and adopted under this chapter, the [tax commission] department, upon hearing, after giving the person 10 days' notice in writing specifying the time and place of hearing and requiring him to show cause why his permit or permits should not be revoked, may revoke or suspend any one or more of the permits held by the person.

2. The [tax commission] department shall give to the person written notice of the suspension or revocation of any of his permits.

3. The notices may be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.

4. The [tax commission] department shall not issue a new permit after the revocation of a permit unless it is satisfied that the former holder of the permit will comply with the provisions of this chapter relating to the sales tax and the regulations of the [tax commission] department.

5. If a permit is revoked, the [tax commission] department may seal and padlock the place of business for which the permit was issued.

SEC. 248. NRS 374.155 is hereby amended to read as follows:

374.155 1. A person who engages in business as a seller in a county without a permit or permits or after a permit has been suspended, and each officer of any corporation which so engages in business, is guilty of a misdemeanor.

2. If, after notice to the seller, served personally or by mail, the seller continues to engage in business without a permit, or after a permit has been suspended or revoked, the [tax commission] department may seal and padlock any place of business of the seller. If notice under this subsection is served by mail, it shall be addressed to the seller at his address as it appears in the records of the [tax commission] department.

SEC. 249. NRS 374.170 is hereby amended to read as follows:

374.170 1. The certificate shall:

(a) Be signed by and bear the name and address of the purchaser.

(b) Indicate the number of the permit issued to the purchaser.

(c) Indicate the general character of the tangible personal property sold by the purchaser in the regular course of business.

2. The certificate shall be substantially in such form as the [tax commission] department may prescribe.

SEC. 250. NRS 374.195 is hereby amended to read as follows:

374.195 Every person storing, using or otherwise consuming in a county tangible personal property purchased from a retailer is liable for the tax. His liability is not extinguished until the tax has been paid to the county, except that a receipt from a retailer maintaining a place of business in the county or from a retailer who is authorized by the [tax commission] department under such [rules and] regulations as it may prescribe, to collect the tax and who is, for the purposes of this chapter relating to the use tax, regarded as a retailer maintaining a place of business in the county, given to the purchaser pursuant to NRS 374.200 is sufficient to relieve the purchaser from further liability for the tax to which the receipt refers.

SEC. 251. NRS 374.200 is hereby amended to read as follows:

374.200 Every retailer maintaining a place of business in a county and making sales of tangible personal property for storage, use or other consumption in the county, not exempted under NRS 374.265 to 374.355, inclusive, shall, at the time of making the sales or, if the storage, use or other consumption of the tangible personal property is not then taxable hereunder, at the time the storage, use or other consumption becomes taxable, collect the tax from the purchaser and give to the purchaser a receipt therefor in the manner and form prescribed by the [tax commission] department.

SEC. 252. NRS 374.225 is hereby amended to read as follows:

374.225 Every retailer selling tangible personal property for storage, use or other consumption in a county shall register with the [tax commission] department and give:

1. The name and address of all agents operating in the county.

2. The location of all distribution or sales houses or offices or other places of business in the county.

3. Such other information as the [tax commission] department may require.

SEC. 253. NRS 374.240 is hereby amended to read as follows:

374.240 1. The certificate shall:

(a) Be signed and bear the name and address of the purchaser.

(b) Indicate the number of the permit issued to the purchaser.

(c) Indicate the general character of the tangible personal property sold by the purchaser in the regular course of business.

2. The certificate shall be substantially in such form as the [tax commission] department may prescribe.

SEC. 254. NRS 374.260 is hereby amended to read as follows:

374.260 1. On and after July 1, 1967, it shall be further presumed that tangible personal property delivered outside this state to a purchaser known by the retailer to be a resident of the county was purchased from a retailer for storage, use or other consumption in the county and stored, used or otherwise consumed in the county.

2. This presumption may be controverted by:

(a) A statement in writing, signed by the purchaser or his authorized representative, and retained by the vendor, that the property was purchased for use at a designated point or points outside this state.

(b) Other evidence satisfactory to the [tax commission] department that the property was not purchased for storage, use or other consumption in this state.

SEC. 255. NRS 374.360 is hereby amended to read as follows:

374.360 The taxes imposed by this chapter are due and payable to the [tax commission] department quarterly on or before the last day of the month next succeeding each quarterly period.

SEC. 256. NRS 374.365 is hereby amended to read as follows:

374.365 1. On or before the last day of the month following each quarterly period of 3 months, a return for the preceding quarterly period shall be filed with the [tax commission] department in such form as the [tax commission] department may prescribe.

2. For purposes of the sales tax a return shall be filed by every seller. For purposes of the use tax a return shall be filed by every retailer maintaining a place of business in the county and by every person purchasing tangible personal property, the storage, use or other consumption of which is subject to the use tax, who has not paid the use tax due to a retailer required to collect the tax.

3. Returns shall be signed by the person required to file the return or by his duly authorized agent but need not be verified by oath.

SEC. 257. NRS 374.370 is hereby amended to read as follows:

374.370 1. For the purposes of the sales tax, the return shall show the gross receipts of the seller during the preceding reporting period. For purposes of the use tax, in case of a return filed by a retailer, the return shall show the total sales price of the property sold by him, the storage, use or consumption of which property became subject to the use tax during the preceding reporting period.

2. In case of a return filed by a purchaser, the return shall show the total sales price of the property purchased by him, the storage, use or consumption of which became subject to the use tax during the preceding reporting period.

3. The return shall also show the amount of the taxes for the period covered by the return and such other information as the [tax commission] department deems necessary for the proper administration of this chapter.

SEC. 258. NRS 374.380 is hereby amended to read as follows:

374.380 The person required to file the return shall deliver the return together with a remittance of the amount of the tax due to the [office of the tax commission.] department.

SEC. 259. NRS 374.385 is hereby amended to read as follows:

374.385 The [tax commission.] department, if it deems it necessary in order to insure payment to or facilitate the collection by the county of the amount of taxes, may require returns and payment of the amount of taxes for quarterly periods other than calendar quarters, depending upon the principal place of business of the seller, retailer or purchaser as the case may be, or for other than quarterly periods.

SEC. 260. NRS 374.390 is hereby amended to read as follows:

374.390 For the purposes of the sales tax, gross receipts from rentals or leases of tangible personal property shall be reported and the tax paid in accordance with such [rules and] regulations as the [tax commission] department may prescribe.

SEC. 261. NRS 374.395 is hereby amended to read as follows:

374.395 The [tax commission.] department, if it deems it necessary to insure the collection of the taxes, may provide by [rule and] regulation for the collection of the taxes by the affixing and canceling of revenue stamps and may prescribe the form and method of the affixing and canceling.

SEC. 262. NRS 374.400 is hereby amended to read as follows:

374.400 1. The [tax commission] department for good cause may extend for not to exceed 1 month the time for making any return or paying any amount required to be paid under this chapter.

2. Any person to whom an extension is granted and who pays the tax within the period for which the extension is granted shall pay, in addition to the tax, interest at the rate of 6 percent per annum from the date on which the tax would have been due without the extension until the date of payment.

SEC. 263. NRS 374.405 is hereby amended to read as follows:

374.405 1. If the [tax commission] department is not satisfied with the return or returns of the tax or the amount of tax required to be paid to the county by any person, it may compute and determine the amount required to be paid upon the basis of the facts contained in the return or returns or upon the basis of any information within its possession or that may come into its possession. One or more deficiency determinations may be made of the amount due for one or for more than one period.

2. When a business is discontinued, a determination may be made at any time thereafter within the periods specified in NRS 374.435 as to liability arising out of that business, irrespective of whether the determination is issued prior to the due date of the liability as otherwise specified in this chapter.

SEC. 264. NRS 374.415 is hereby amended to read as follows:

374.415 1. In making a determination the [tax commission] department may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

2. The interest on underpayments and overpayments shall be computed in the manner set forth in NRS 374.510 and 374.665.

SEC. 265. NRS 374.430 is hereby amended to read as follows:

374.430 1. The [tax commission] department shall give to the retailer or person storing, using or consuming tangible personal property written notice of its determination.

2. The notice may be served personally or by mail; if by mail, the notice shall be addressed to the retailer or person storing, using or consuming tangible personal property at his address as it appears in the records of the [tax commission.] department.

3. In case of service by mail of any notice required by this chapter, the service is complete at the time of deposit in the United States post office.

SEC. 266. NRS 374.440 is hereby amended to read as follows:

374.440 1. If any person fails to make a return, the [tax commission] department shall make an estimate of the amount of the gross receipts of the person, or, as the case may be, of the amount of the total sales price of tangible personal property sold or purchased by the person, the storage, use or other consumption of which in the county is subject to the use tax. The estimate shall be made for the period or periods in respect to which the person failed to make a return and shall be based upon any information which is in the [tax commission's] department's possession or may come into its possession. Upon the basis of this estimate, the [tax commission] department shall compute and determine the amount required to be paid to the county, adding to the sum thus arrived at a penalty equal to 10 percent thereof. One or more determinations may be made for one or for more than one period.

2. When a business is discontinued, a determination may be made at any time thereafter within the periods specified in NRS 374.435 as to liability arising out of that business, irrespective of whether the determination is issued prior to the due date of the liability as otherwise specified in this chapter.

SEC. 267. NRS 374.445 is hereby amended to read as follows:

374.445 1. In making a determination, the [tax commission] department may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

2. The interest on underpayments and overpayments shall be computed in the manner set forth in NRS 374.510 and 374.665.

SEC. 268. NRS 374.460 is hereby amended to read as follows:

374.460 Promptly after making its determination the [tax commission] department shall give to the person written notice of the estimate, determination and penalty, the notice to be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.

SEC. 269. NRS 374.475 is hereby amended to read as follows:

374.475 The person against whom a jeopardy determination is made may petition for the redetermination thereof pursuant to NRS 374.480 to 374.510, inclusive. He shall, however, file the petition for redetermination with the [tax commission] department within 10 days after the service upon him of notice of determination. The person shall also within the 10-day period deposit with the [tax commission] department such security as it may deem necessary to insure compliance with this chapter. The security may be sold by the [tax commission] department in the manner prescribed by NRS 374.515.

SEC. 270. NRS 374.485 is hereby amended to read as follows:

374.485 1. If a petition for redetermination is filed within the 30-day period, the [tax commission] department shall reconsider the determination and, if the person has so requested in his petition, shall

grant the person an oral hearing and shall give him 10 days' notice of the time and place of the hearing.

2. The [tax commission] department may continue the hearing from time to time as may be necessary.

SEC. 271. NRS 374.490 is hereby amended to read as follows:

374.490 The [tax commission] department may decrease or increase the amount of the determination before it becomes final, but the amount may be increased only if a claim for the increase is asserted by the [tax commission] department at or before the hearing.

SEC. 272. NRS 374.495 is hereby amended to read as follows:

374.495 The order or decision of the [tax commission] department upon a petition for redetermination becomes final 30 days after service upon the petitioner of notice thereof.

SEC. 273. NRS 374.500 is hereby amended to read as follows:

374.500 All determinations made by the [tax commission] department under NRS 374.405 to 374.460, inclusive, are due and payable at the time they become final. If they are not paid when due and payable, a penalty of 10 percent of the amount of the determination, exclusive of interest and penalties, shall be added thereto.

SEC. 274. NRS 374.510 is hereby amended to read as follows:

374.510 Any person who fails to pay any tax to the county or any amount of tax required to be collected and paid to the county, except amounts of determinations made by the [tax commission] department under NRS 374.405 to 374.460, inclusive, within the time required shall pay a penalty of not more than 10 percent of the tax or amount of the tax, as determined by the [tax commission] department, in addition to the tax or amount of tax, plus interest at the rate of one-half of 1 percent per month, or fraction thereof, from the date on which the tax or the amount of tax required to be collected became due and payable to the county until the date of payment.

SEC. 275. NRS 374.515 is hereby amended to read as follows:

374.515 1. The [tax commission] department, whenever it deems it necessary to insure compliance with this chapter, may require any person subject thereto to place with it such security as the [tax commission] department may determine. The amount of the security shall be fixed by the [tax commission] department but, except as noted below, shall not be greater than twice the estimated average liability of persons filing returns for quarterly periods or three times the estimated average liability of persons required to file returns for monthly periods, determined in such manner as the [tax commission] department deems proper, or \$5,000, whichever amount is the lesser.

2. In case of persons habitually delinquent in their obligations under this chapter, the amount of the security shall not be greater than three times the average liability of persons filing returns for quarterly periods or five times the average liability of persons required to file returns for monthly periods, or \$5,000, whichever amount is the lesser.

3. The limitations herein provided apply regardless of the type of security placed with the [tax commission] department.

4. The amount of the security may be increased or decreased by the [tax commission] department subject to the limitations herein provided.

5. The [tax commission] department may sell the security at public auction if it becomes necessary so to do in order to recover any tax or any amount required to be collected, interest or penalty due. Notice of the sale may be served upon the person who placed the security personally or by mail; if by mail, service shall be made in the manner prescribed for service of a notice of a deficiency determination and shall be addressed to the person at his address as it appears in the records of the [tax commission.] department. Security in the form of a bearer bond issued by the United States or the State of Nevada which has a prevailing market price may, however, be sold by the [tax commission] department at a private sale at a price not lower than the prevailing market price thereof.

6. Upon any sale any surplus above the amounts due shall be returned to the person who placed the security.

SEC. 276. NRS 374.520 is hereby amended to read as follows:

374.520 1. If any person is delinquent in the payment of the amount required to be paid by him or in the event a determination has been made against him which remains unpaid, the [tax commission] department may, not later than 3 years after the payment became delinquent, or within 3 years after the last recording of an abstract under NRS 374.560, or of a certificate under NRS 374.575, give notice thereof personally or by registered or certified mail to all persons, including any officer or department of the state or any political subdivision or agency of the state, having in their possession or under their control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or such person. In the case of any state officer, department or agency, the notice shall be given to such officer, department or agency prior to the time it presents the claim of the delinquent taxpayer to the state controller.

2. After receiving the notice, the persons so notified shall neither transfer nor make any other disposition of the credits, other personal property, or debts in their possession or under their control at the time they received the notice until the [tax commission] department consents to a transfer or disposition, or until 60 days elapse after the receipt of the notice, whichever period expires earlier.

3. All persons so notified shall, within 10 days after receipt of the notice, advise the [tax commission] department of all such credits, other personal property, or debts in their possession, under their control, or owing by them.

4. If such notice seeks to prevent the transfer or other disposition of a deposit in a bank or other credits or personal property in the possession or under the control of a bank, the notice to be effective shall be delivered or mailed to the branch or office of such bank at which such deposit is carried or at which such credits or personal property is held.

5. If, during the effective period of the notice to withhold, any person so notified makes any transfer or disposition of the property or debts required to be withheld hereunder, to the extent of the value of the property or the amount of the debts thus transferred or paid, he shall be liable to the county for any indebtedness due under this chapter from the person with respect to whose obligation the notice was given if solely by reason

of such transfer or disposition the county is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

SEC. 277. NRS 374.525 is hereby amended to read as follows:

374.525 At any time within 3 years after any tax or any amount of tax required to be collected becomes due and payable, and at any time within 3 years after the delinquency of any tax or any amount of tax required to be collected, or within 3 years after the last recording of an abstract under NRS 374.560, or of a certificate under NRS 374.575, the [tax commission] department may bring an action in the courts of this state, or any other state, or of the United States, in the name of the county to which the tax is due and payable to collect the amount delinquent together with penalties and interest.

SEC. 278. NRS 374.540 is hereby amended to read as follows:

374.540 In the action a certificate by the [tax commission] department showing the delinquency shall be prima facie evidence of the determination of the tax or the amount of the tax, of the delinquency of the amounts set forth, and of the compliance by the [tax commission] department with all the provisions of this chapter in relation to the computation and determination of the amount.

SEC. 279. NRS 374.550 is hereby amended to read as follows:

374.550 If any amount required to be paid to a county under this chapter is not paid when due, the [tax commission] department may, within 3 years after the amount is due, file in the office of the county clerk of such county a certificate specifying the amount required to be paid, interest and penalty due, the name and address as it appears on the records of the [tax commission] department of the person liable, the compliance of the [tax commission] department with this chapter in relation to the determination of the amount required to be paid, and a request that judgment be entered against the person in the amount required to be paid, together with interest and penalty as set forth in the certificate.

SEC. 280. NRS 374.565 is hereby amended to read as follows:

374.565 Execution shall issue upon the judgment upon request of the [tax commission] department in the same manner as execution may issue upon other judgments, and sales shall be held under such execution as prescribed in NRS.

SEC. 281. NRS 374.575 is hereby amended to read as follows:

374.575 1. If any amount required to be paid to a county under this chapter is not paid when due, the [tax commission] department may, within 3 years after the amount is due, file for record in the office of the county recorder of such county or of any other county a certificate specifying the amount, interest and penalty due, the name and address as it appears on the records of the [tax commission] department of the person liable for the same, and the fact that the [tax commission] department has complied with all provisions of this chapter in the determination of the amount required to be paid.

2. From the time of the filing for record, the amount required to be paid, together with interest and penalty, constitutes a lien upon all real property in the county owned by the person or afterwards and before the lien expires acquired by him. The lien has the force, effect and

priority of a judgment lien and shall continue for 5 years from the time of the filing of the certificate unless sooner released or otherwise discharged.

3. The lien may, within 5 years from the date of the filing of the certificate or within 5 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any such county, and from the time of such filing, the lien shall be extended to the real property in such county for 5 years, unless sooner released or otherwise discharged.

SEC. 282. NRS 374.580 is hereby amended to read as follows:

374.580 The [tax commission] department may at any time release all or any portion of the property subject to any lien provided for in this chapter from the lien or subordinate the lien to other liens and encumbrances if it determines that the amount, interest and penalties are secured sufficiently by a lien on other property or that the release or subordination of the lien will not jeopardize the collection of the amount, interest and penalties.

SEC. 283. NRS 374.585 is hereby amended to read as follows:

374.585 A certificate by the [tax commission] department to the effect that any property has been released from the lien, or that the lien has been subordinated to other liens and encumbrances, shall be conclusive evidence that the property has been released, or that the lien has been subordinated as provided in the certificate.

SEC. 284. NRS 374.590 is hereby amended to read as follows:

374.590 1. At any time within 3 years after any person is delinquent in the payment of any amount herein required to be paid, or within 3 years after the last recording of an abstract under NRS 374.560, or of a certificate under NRS 374.575 the [tax commission] department or its authorized representative may issue a warrant for the enforcement of any liens and for the collection of any amount required to be paid to a county under this chapter.

2. The warrant shall be directed to any sheriff or constable and shall have the same effect as a writ of execution.

3. The warrant shall be levied and sale made pursuant to it in the same manner and with the same effect as a levy of and a sale pursuant to a writ of execution.

SEC. 285. NRS 374.595 is hereby amended to read as follows:

374.595 The [tax commission] department may pay or advance to the sheriff or constable the same fees, commissions and expenses for his services as are provided by law for similar services pursuant to a writ of execution. The [tax commission] department, and not the court, shall approve the fees for publication in a newspaper.

SEC. 286. NRS 374.605 is hereby amended to read as follows:

374.605 1. At any time within 3 years after any person is delinquent in the payment of any amount, the [tax commission] department forthwith may collect the amount in the following manner: The [tax commission] department shall seize any property, real or personal, of the person and sell the property, or a sufficient part of it, at public auction to pay the amount due, together with any interest or penalties imposed for the delinquency and any costs incurred on account of the seizure and sale.

2. Any seizure made to collect a sales tax due shall be only of the property of the retailer not exempt from execution under the provisions of NRS.

SEC. 287. NRS 374.615 is hereby amended to read as follows:

374.615 1. At the sale the [tax commission] department shall sell the property in accordance with law and the notice and shall deliver to the purchaser a bill of sale for the personal property and a deed for any real property sold. The bill of sale or deed vests the interests or title of the person liable for the amount in the purchaser.

2. The unsold portion of any property seized may be left at the place of sale at the risk of the person liable for the amount.

SEC. 288. NRS 374.620 is hereby amended to read as follows:

374.620 1. If, upon the sale, the moneys received exceed the total of all amounts, including interest, penalties and costs due the county, the [tax commission] department shall return the excess to the person liable for the amounts and obtain his receipt.

2. If any person having an interest in or lien upon the property files with the [tax commission] department, prior to the sale, notice of his interest or lien, the [tax commission] department shall withhold any excess, pending a determination of the rights of the respective parties thereto by a court of competent jurisdiction.

3. If for any reason the receipt of the person liable for the amount is not available, the [tax commission] department shall deposit the excess moneys with the county treasurer, as trustee for the owner, subject to the order of the person liable for the amount, his heirs, successors or assigns.

SEC. 289. NRS 374.625 is hereby amended to read as follows:

374.625 If any retailer liable for any amount under this chapter sells out his business or stock of goods, or quits the business, his successors or assigns shall withhold sufficient of the purchase price to cover such amount until the former owner produces a receipt from the [tax commission] department showing that it has been paid or a certificate stating that no amount is due.

SEC. 290. NRS 374.630 is hereby amended to read as follows:

374.630 1. If the purchaser of a business or stock of goods fails to withhold the purchase price as required, he becomes personally liable for the payment of the amount required to be withheld by him to the extent of the purchase price, valued in money. Within 60 days after receiving a written request from the purchaser for a certificate, or within 60 days from the date the former owner's records are made available for audit, whichever period expires the later, but in any event not later than 90 days after receiving the request, the [tax commission] department shall either issue the certificate or mail notice to the purchaser at his address as it appears on the records of the [tax commission] department, of the amount that must be paid as a condition of issuing the certificate.

2. Failure of the [tax commission] department to mail the notice will release the purchaser from any further obligation to withhold the purchase price as above provided.

3. The time within which the obligation of a successor may be enforced shall start to run at the time the retailer sells out his business or stock of goods or at the time that the determination against the retailer becomes final, whichever event occurs the later.

SEC. 291. NRS 374.635 is hereby amended to read as follows:

374.635 1. If the [tax commission] department determines that any amount, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the [tax commission] department shall set forth that fact in the records of the [tax commission] department and shall certify to the board of county commissioners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom paid. If approved by the board of county commissioners, the excess amount collected or paid shall be credited on any amounts then due and payable from the person under this chapter, and the balance shall be refunded to the person, or his successors, administrators or executors.

2. Any overpayment of the use tax by a purchaser to a retailer who is required to collect the tax and who gives the purchaser a receipt therefor pursuant to NRS 374.190 to 374.260, inclusive, shall be credited or refunded by the county.

SEC. 292. NRS 374.640 is hereby amended to read as follows:

374.640 1. No refund shall be allowed unless a claim therefor is filed with the [tax commission] department within 3 years from the last day of the month following the close of the quarterly period for which the overpayment was made, or, with respect to determinations made under NRS 374.405 to 374.460, inclusive, within 6 months after the determinations become final, or within 6 months from the date of overpayment, whichever period expires the later.

2. No credit shall be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the [tax commission] department within such period, or unless the credit relates to a period for which a waiver is given pursuant to NRS 374.435.

SEC. 293. NRS 374.660 is hereby amended to read as follows:

374.660 Within 30 days after disallowing any claim in whole or in part, the [tax commission] department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.

SEC. 294. NRS 374.665 is hereby amended to read as follows:

374.665 1. Interest shall be paid upon any overpayment of any amount of tax at the rate of one-half of 1 percent per month from the last day of the calendar month following the quarterly period for which the overpayment was made; but no refund or credit shall be made of any interest imposed upon the person making the overpayment with respect to the amount being refunded or credited.

2. The interest shall be paid as follows:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the [tax commission] department that a claim may be filed or the date upon which the claim is certified to the board of county commissioners, whichever date is the earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or amount against which the credit is applied.

SEC. 295. NRS 374.670 is hereby amended to read as follows:

374.670 If the [tax commission] department determines that any overpayment has been made intentionally or by reason of carelessness, it shall not allow any interest thereon.

SEC. 296. NRS 374.685 is hereby amended to read as follows:

374.685 1. Within 90 days after the mailing of the notice of the [tax commission's] department's action upon a claim filed pursuant to this chapter, the claimant may bring an action against the [tax commission] department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

2. Failure to bring action within the time specified constitutes a waiver of any demand against the county on account of alleged overpayments.

SEC. 297. NRS 374.690 is hereby amended to read as follows:

374.690 If the [tax commission] department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may, prior to the mailing of notice by the [tax commission] department of its action on the claim, consider the claim disallowed and bring an action against the [tax commission] department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

SEC. 298. NRS 374.700 is hereby amended to read as follows:

374.700 In any judgment, interest shall be allowed at the rate of 6 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days, the date to be determined by the [tax commission.] department.

SEC. 299. NRS 374.705 is hereby amended to read as follows:

374.705 A judgment shall not be rendered in favor of the plaintiff in any action brought against the [tax commission] department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.

SEC. 300. NRS 374.710 is hereby amended to read as follows:

374.710 The [tax commission] department may recover any refund or part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in the county to which the refund is owed, in the name of such county.

SEC. 301. NRS 374.720 is hereby amended to read as follows:

374.720 1. If any amount in excess of \$25 has been illegally determined, either by the person filing the return or by the [tax commission,] department, the [tax commission] department shall certify this fact to the board of county commissioners, and such board shall authorize the cancellation of the amount upon the records of the [tax commission.] department.

2. If an amount not exceeding \$25 has been illegally determined, either by the person filing a return or by the [tax commission,] department, the [tax commission,] department, without certifying this fact to

such board, shall authorize the cancellation of the amount upon the records of the [tax commission.] department.

SEC. 302. NRS 374.725 is hereby amended to read as follows:

374.725 1. The [tax commission] department shall enforce the provisions of this chapter and may prescribe, adopt and enforce [rules and] regulations relating to the administration and enforcement of this chapter.

2. The [tax commission] department may prescribe the extent to which any ruling or regulation shall be applied without retroactive effect.

SEC. 303. NRS 374.735 is hereby amended to read as follows:

374.735 The [tax commission] department may employ accountants, auditors, investigators, assistants and clerks necessary for the efficient administration of this chapter, and may delegate authority to its representatives to conduct hearings, prescribe regulations or perform any other duties imposed by this chapter.

SEC. 304. NRS 374.740 is hereby amended to read as follows:

374.740 1. Every seller, every retailer, and every person storing, using or otherwise consuming in a county tangible personal property purchased from a retailer shall keep such records, receipts, invoices and other pertinent papers in such form as the [tax commission] department may require.

2. Every such seller, retailer or person who files the returns required under this chapter shall keep such records for not less than 4 years from the making of such records unless the [tax commission] department in writing sooner authorizes their destruction.

3. Every such seller, retailer or person who fails to file the returns required under this chapter shall keep such records for not less than 8 years from the making of such records unless the [tax commission] department in writing sooner authorizes their destruction.

SEC. 305. NRS 374.745 is hereby amended to read as follows:

374.745 The [tax commission,] department, or any person authorized in writing by it, may examine the books, papers, records and equipment of any person selling tangible personal property and any person liable for the use tax and may investigate the character of the business of the person in order to verify the accuracy of any return made, or, if no return is made by the person, to ascertain and determine the amount required to be paid.

SEC. 306. NRS 374.750 is hereby amended to read as follows:

374.750 In administration of the use tax, the [tax commission] department may require the filing of reports by any person or class of persons having in his or their possession or custody information relating to sales of tangible personal property, the storage, use or other consumption of which is subject to the tax. The report shall:

1. Be filed when the [tax commission] department requires.

2. Set forth the names and addresses of purchasers of the tangible personal property, the sales price of the property, the date of sale, and such other information as the [tax commission] department may require.

SEC. 307. NRS 374.755 is hereby amended to read as follows:

374.755 1. It [shall be] is a misdemeanor for any member of the Nevada tax commission or official or employee of the [tax commission] department to make known in any manner whatever the business affairs,

operations or information obtained by an investigation of records and equipment of any retailer or any other person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof, or any book containing any abstract or particulars thereof to be seen or examined by any person not connected with the [tax commission.] department.

2. The governor may, however, by general or special order, authorize examination of the records maintained by the [tax commission] department under this chapter by other state officers, by tax officers of another state, by the Federal Government, if a reciprocal arrangement exists, or by any other person. The information so obtained pursuant to the order of the governor shall not be made public except to the extent and in the manner that the order may authorize that it be made public.

3. Successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested, may be given information as to the items included in the measure and amounts of any unpaid tax or amounts of tax required to be collected, interest and penalties.

SEC. 308. NRS 374.760 is hereby amended to read as follows:

374.760 Any retailer or other person who fails or refuses to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the [tax commission,] department, or who renders a false or fraudulent return, [shall be] is guilty of a misdemeanor and subject to a fine of not exceeding \$500 for each offense.

SEC. 309. NRS 374.785 is hereby amended to read as follows:

374.785 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to counties under this chapter shall be paid to the [tax commission] department in the form of remittances payable to the [Nevada tax commission.] department.

2. The [tax commission] department shall transmit the payments to the state treasurer to be deposited in the state treasury to the credit of the local school support tax fund hereby created.

3. The state controller, acting upon the collection data furnished by the [secretary of the tax commission,] department, shall, each month, from the local school support tax fund:

(a) Transfer 1 percent of all fees, taxes, interest and penalties collected in each county during the preceding month to the general fund in the state treasury as compensation to the state for the costs of collecting the tax for the counties.

(b) Determine for each county treasurer the amount of money equal to the fees, taxes, interest and penalties collected in the county pursuant to this chapter during the preceding month less the amount transferred to the general fund of the state pursuant to paragraph (a) of this subsection.

(c) Transfer the total amount of taxes collected pursuant to this chapter during the preceding month from out-of-state businesses not maintaining a fixed place of business within this state to the state distributive school fund.

(d) Remit the amount owed to each county by remitting such moneys to the credit of the county school district fund.

SEC. 310. NRS 374.790 is hereby amended to read as follows:

374.790 The remedies of a county provided for in this chapter are cumulative, and no action taken by the [tax commission,] department, the attorney general or a district attorney constitutes an election by the county to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.

SEC. 311. NRS 374.795 is hereby amended to read as follows:

374.795 In all proceedings under this chapter the [tax commission] department may act for and on behalf of the counties of the State of Nevada.

SEC. 312. NRS 375.080 is hereby amended to read as follows:

375.080 The [Nevada tax commission] department may prescribe such [rules and] regulations as it may deem necessary to carry out the purposes of this chapter.

SEC. 313. NRS 377.020 is hereby amended to read as follows:

377.020 As used in this chapter, unless the context requires otherwise:

1. "City" means an incorporated city or incorporated town.
2. "County" includes Carson City.

[3. "Tax commission" means the Nevada tax commission.]

SEC. 314. NRS 377.040 is hereby amended to read as follows:

377.040 Any city-county relief tax ordinance enacted under this chapter shall include provisions in substance as follows:

1. A provision imposing a tax upon retailers at the rate of one-half of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in a county.

2. Provisions substantially identical to those of the Local School Support Tax Law, insofar as applicable.

3. A provision that all amendments to the provisions of the Local School Support Tax Law subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, shall automatically become a part of the city-county relief tax ordinance of the county.

4. A provision that the county shall contract prior to the effective date of the city-county relief tax ordinance with the [tax commission] department to perform all functions incident to the administration or operation of the city-county relief tax.

SEC. 315. NRS 377.050 is hereby amended to read as follows:

377.050 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to counties under this chapter shall be paid to the [tax commission] department in the form of remittances made payable to the [Nevada tax commission.] department.

2. The [tax commission] department shall transmit the payments to the state treasurer to be deposited in the state treasury to the credit of the city-county relief tax fund hereby created.

3. The state controller, acting upon the collection data furnished by the [secretary of the tax commission,] department, shall monthly:

(a) Transfer from the city-county relief tax fund 1 percent of all fees, taxes, interests and penalties collected in each county during the preceding month to the general fund in the state treasury as compensation to the state for the cost of collecting the tax for the counties.

(b) Determine for each county an amount of money equal to the sum of:

(1) Any fees, taxes, interest and penalties collected in that county pursuant to this chapter during the preceding month, less the amount transferred to the general fund of the state pursuant to paragraph (a) of this subsection; and

(2) That proportion of the total amount of taxes collected pursuant to this chapter during the preceding month from out-of-state businesses not maintaining a fixed place of business within this state which the population of that county bears to the total population of all counties which have in effect a city-county relief tax ordinance.

(c) Remit the amount determined for each county in the following manner:

(1) If there is one incorporated city in the county, apportion such moneys between the city and the county general fund in proportion to the respective populations of the city and the unincorporated area of the county.

(2) If there are two or more cities in the county, apportion all such moneys among the cities in proportion to their respective populations.

(3) If there are no incorporated cities in the county, remit the entire amount to the county treasurer for deposit in the county general fund.

4. The provisions of subsection 3 do not apply to Carson City, where the treasurer shall deposit the entire amount determined to the city and received from the state controller in the general fund.

5. Population shall be determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce.

SEC. 316. NRS 377.060 is hereby amended to read as follows:

377.060 The [tax commission] department may redistribute any tax, penalty and interest distributed to a county entitled thereto, but no such redistribution may be made as to amounts originally distributed more than 6 months prior to the date on which the [tax commission] department obtains knowledge of the improper distribution.

SEC. 317. NRS 377.070 is hereby amended to read as follows:

377.070 In any proceeding under any ordinance enacted pursuant to this chapter, the [tax commission] department may act for and on behalf of the county which has enacted that ordinance.

SEC. 318. NRS 387.124 is hereby amended to read as follows:

387.124 1. On or before August 1, November 1, February 1 and May 1 of each year, the state controller shall render to the superintendent of public instruction a statement of the moneys in the state treasury subject to distribution to the several school districts of the state as provided in this section.

2. Immediately after the state controller has made his quarterly report, the state board of education shall apportion the state distributive school fund among the several county school districts in the following manner:

(a) Basic support of each school district shall be computed by:

(1) Multiplying the basic support guarantee per pupil established in NRS 387.122 by the sum of:

(I) Six-tenths the count of pupils enrolled in the kindergarten department on the last day of the first school month of the school year.

(II) The count of pupils enrolled in grades 1 to 12, inclusive, on the last day of the first school month of the school year.

(III) The count of handicapped minors receiving special education pursuant to the provisions of NRS 388.440 to 388.520, inclusive, on the last day of the first school month of the school year.

(IV) The count of children detained in detention homes and juvenile forestry camps receiving instruction pursuant to the provisions of NRS 388.550 to 388.580, inclusive, on the last day of the first school month of the school year.

(V) One-fourth the average daily attendance—highest 3 months of part-time pupils enrolled in classes and taking courses necessary to receive a high school diploma.

(2) Multiplying the number of special education program units maintained and operated by the amount per program established in NRS 387.122.

(3) Adding the amounts computed in subparagraphs (1) and (2) of this paragraph.

(b) The availability of local funds shall be determined, which local funds shall be the sum of:

(1) The amount computed by multiplying .007 times the assessed valuation of the school district as certified by the [Nevada tax commission] department of taxation for the concurrent school year; and

(2) The proceeds of the local school support tax imposed by chapter 374 of NRS. The [Nevada tax commission] department of taxation shall furnish an estimate of such proceeds to the state board of education on or before July 15 for the fiscal year then begun, and the state board of education shall adjust the final apportionment of the concurrent school year to reflect any difference between such estimate and actual receipts.

(c) Apportionment computed on a yearly basis shall consist of the difference between the basic support as computed in paragraph (a) of this subsection and the local funds available as computed in paragraph (b) of this subsection, but no apportionment shall be less than 10 percent of basic support.

(d) Apportionment shall be paid quarterly at the times provided in subsection 1, each quarterly payment to consist of approximately one-fourth of the yearly apportionment as computed in paragraph (c) of this subsection. The first quarterly apportionment based on an estimated number of pupils and special education program units and succeeding quarterly apportionments shall be subject to adjustment from time to time as the need therefor may appear. A final apportionment shall be computed as soon as practicable following the close of the school year, but not later than August 1. The final computation shall be based upon the actual counts of pupils and programs specified to be made for that school year pursuant to paragraph (a) of this subsection, and within limits specified in NRS 387.122, except that for any year when the total enrollment of pupils and children described in paragraphs (a), (b), (c) and (d) of subsection 1 of NRS 387.123 is greater on the last day of

any school month after the second school month and such increase in enrollment shows at least a 3 percent gain, then basic support as computed from first month enrollment will be increased 2 percent; furthermore, if such increase in enrollment shows at least a 6 percent gain, then basic support as computed from first month enrollment will be increased an additional 2 percent. If the final computation of apportionment for any school district exceeds the actual amount paid to such school district during the school year, the additional amount due shall be paid before September 1. If the final computation of apportionment for any school district is less than the actual amount paid to such school district during the school year, the amount of overpayment shall be deducted from the next apportionment payable to such school district. If the amount of overpayment is greater than the next apportionment payable, the difference shall be repaid to the state distributive school fund by the school district before September 1.

(e) For any year when the average daily attendance—highest 3 months of a school district in any category is less than the average daily attendance—highest 3 months in such category during the prior year, and such lesser average daily attendance—highest 3 months was not anticipated at the time estimates were made by the superintendent of the county school district in June of the preceding school year, the superintendent of public instruction may authorize additional apportionments in amounts such that the total of all apportionments for the year do not exceed the total apportionment for the year that would be computed by substituting the average daily attendance—highest 3 months of the prior year in the category so affected for the average daily attendance—highest 3 months of the current year in the category so affected. As a condition precedent to such authorization, the superintendent of the county school district shall deliver to the superintendent of public instruction a request setting forth the reasons why the additional apportionment is necessary to the financial support of the school district, and the superintendent of public instruction shall review such request. As used in this paragraph, "category" means any one of the groups of persons separately described in paragraphs (a), (b), (c) and (d) of subsection 1 of NRS 387.123.

(f) The board of trustees of any school district in this state whose estimated receipts from all sources provided by this chapter and chapter 374 of NRS, including any additional apportionment made pursuant to paragraph (e) are less for any fiscal year because of reduced average daily attendance or reduced local income, or both, than the total estimated receipts from such sources in the final approved budget for such fiscal year, and which cannot therefore provide a minimum program of education and meet its contract obligations, may apply for emergency financial assistance from the state distributive school fund and may be granted such assistance upon compliance with the following conditions and procedures:

(1) The tax levy for the applying district shall be the maximum of \$1.50 for operating costs as authorized by law, not including any special tax authorized by the provisions of NRS 387.290.

(2) Such application shall be made to the state board of education in such form as shall be prescribed by the superintendent of public

instruction, and in accordance with guidelines for evaluating needs for emergency financial assistance as established by the state board of education.

(3) Before acting on any such application, the state board of education and state board of examiners, jointly, shall determine the difference between the total amount of money appropriated and authorized for expenditure during the current biennium from the state distributive school fund and the total amount of money estimated to be payable from such fund during the biennium pursuant to paragraphs (c) and (e), and shall make no distribution in excess of such difference.

(4) The state board of education shall review each application and shall by resolution find the least amount of additional money, if any, which it deems necessary to enable the board of trustees of the applying school district to provide a minimum educational program and meet its irreducible contract obligations. In making such determination, the state board of education shall consider also the amount available in the distributive school fund and the anticipated amount of future applications, so that no deserving school district will be wholly denied relief.

(5) If the state board of education finds that emergency assistance should be granted to an applying school district, it shall transmit its resolution finding such amount to the state board of examiners, along with a report of its then-current estimate of the total requirements to be paid from the state distributive school fund during the then-current fiscal year.

(6) The state board of examiners shall independently review each resolution so transmitted by the state board of education, may require the submission of such additional justification as it deems necessary, and shall find by resolution the amount of emergency assistance, if any, to be granted. The board may defer, and subsequently grant or deny, any part of a request.

(7) The state board of examiners shall transmit one copy of its finding to the state board of education and one copy to the state controller. Upon receipt of a claim pursuant to a grant of emergency assistance, such claim shall be paid from the state distributive school fund as other claims against the state are paid.

(8) Money received by a school district pursuant to a grant of relief may be expended only in accordance with the approved budget of such school district for the fiscal year for which such grant is made. No formal action to incorporate the money so received in the approved budget is required, but such receipts shall be reported as other receipts are reported and explained in a footnote as emergency loans are explained.

(9) The state board of education shall transmit to the legislature a report of each and every grant of emergency assistance paid pursuant to this paragraph.

3. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees shall be credited with attendance during that period.

SEC. 319. NRS 409.100 is hereby amended to read as follows:

409.100 1. The advance right-of-way acquisition and management agency is hereby created to supervise the administration of the provisions

of this chapter. The agency shall consist of the secretary of state, the chief of the budget division of the department of administration, the state highway engineer, the director of the department of commerce and the executive director of the [division of assessment standards of the Nevada tax commission.] *department of taxation.*

2. The agency, with the approval of a majority of its members, may acquire by purchase or condemnation any real or personal property which the engineer deems necessary for improvements or future needs of the state highway system.

3. The engineer may act as agent for the agency to acquire such property in the name of the agency.

SEC. 320. NRS 450.240 is hereby amended to read as follows:

450.240 1. In all counties where a tax for the establishment and maintenance of a public hospital has been authorized, or is hereafter authorized, by a majority of the voters voting for a bond issue in accordance with law, the supervision, management, government and control of the county hospital shall vest in and be exercised by the board of hospital trustees for the county public hospital, and the institution shall thereafter be operated by the board of hospital trustees.

2. In all such counties, the supervision of the county isolation hospital, county home for the indigent sick, county workhouse for indigents, and the county poor farm, or any of them, may, at the discretion of the board of county commissioners, be vested in and exercised by the board of hospital trustees, and such institution or institutions may thereafter be operated by the board of hospital trustees.

3. Annually, upon the request of the board of hospital trustees, the board of county commissioners may levy a tax for the maintenance and operation of the county public hospital or other institutions named in subsection 2.

4. The resolution adopted by the board of county commissioners imposing a tax levy for a county public hospital shall state:

(a) The portion of the levy which is necessary to retire hospital bonds and any other outstanding hospital securities, and to pay interest thereon;

(b) The portion of the levy which is necessary to pay for the care of indigent patients; and

(c) The portion of the levy which is necessary to pay for the cost of new equipment, replacement of old equipment and other improvements to the hospital not covered by specific bond issues or other securities and not included in the cost of care of indigent patients as provided in paragraph (b). The cost shall be prorated to the county in accordance with the number of patient days of care of county patients.

5. The board of county commissioners may not levy a tax for the care of indigents in the county public hospital as a hospital expense unless the levy and its justification are included in the hospital fund budget as submitted to the [Nevada tax commission] *department of taxation* as provided by law.

SEC. 321. NRS 481.180 is hereby amended to read as follows:

481.180 The duties of the personnel of the Nevada highway patrol are:

1. To police the public highways of this state, and to enforce and to

aid in enforcing thereon all the traffic laws of the State of Nevada. They have the powers of peace officers:

- (a) When enforcing traffic laws; and
- (b) With respect to all other laws of this state when:
 - (1) In the apprehension or pursuit of an offender or suspected offender;
 - (2) Making arrests for crimes committed in their presence or upon or adjacent to the highways of this state; or
 - (3) Making arrests pursuant to a warrant in the officer's possession or communicated to him.
2. To investigate accidents on all primary and secondary highways within the State of Nevada resulting in personal injury, property damage or death, and to gather evidence for the purpose of prosecuting the person or persons guilty of any violation of the law contributing to the happening of such accident.
3. To act as field agents and inspectors in the enforcement of the motor vehicle registration law (chapter 482 of NRS).
4. To act as field agents, inspectors and instructors in carrying out the provisions of the operators' licensing law (chapter 483 of NRS).
5. To act as field agents and inspectors of the department of motor vehicles in the enforcement of the motor vehicle carrier law (chapter 706 of NRS).
6. To act as field agents and inspectors of the [Nevada tax commission] department of taxation in the enforcement of the laws of this state relating to the imposition and collection of taxes on gasoline used in and for motor vehicles on the public highways of this state (chapter 365 of NRS).
7. To act as field agents and inspectors of the [Nevada tax commission] department of motor vehicles in the enforcement of chapter 366 of NRS relating to the imposition and collection of taxes on special fuels used in and for motor vehicles on the public highways of this state.
8. To act as field agents and inspectors in the enforcement of the laws relating to motor vehicle safety responsibility, motorcycles and garages, repair shops and parking area keepers (chapters 485, 486 and 487 of NRS).
9. To perform such other duties in connection with each and all of the above-specified duties, and consistent therewith, as may be imposed by the director of the department of motor vehicles.

SEC. 322. NRS 482.225 is hereby amended to read as follows:

482.225 1. Whenever application [shall be] is made to the department for registration of a vehicle purchased outside the state and not previously registered within this state where the registrant or owner at the time of purchase was not a resident of or employed in this state, the department shall notify the representative of the [Nevada tax commission] department of taxation or [the commission's] its agent of the owner's or registrant's intent to register such vehicle. The [commission's] representative of the department of taxation or its agent shall determine and collect any use tax due, and shall remit the taxes he collects to the [Nevada tax commission.] department of taxation.

2. If the registrant or owner of the vehicle was a resident of the state, or employed within the state, at the time of the purchase of such vehicle, it shall be presumed that such vehicle was purchased for use within the state and the representative or agent of the [Nevada tax commission] department of taxation shall collect such tax and remit it to the [Nevada tax commission.] department of taxation.

3. Until notified by the [Nevada tax commission's] representative of the department of taxation or its agent of payment of or exemption from the tax, the department shall refuse to register the vehicle.

4. In counties with a population of 100,000 or more, where the department has established branch offices, space shall be provided by the department for a representative of the [Nevada tax commission.] department of taxation, who shall determine and collect the use tax on vehicles as provided in subsections 1 and 2. In any county with a population of less than 100,000, as determined by the last preceding national census compiled by the Bureau of the Census of the United States Department of Commerce, the [commission] department of taxation may designate the county assessor, the department or the agent of the department as the agent of the [Nevada tax commission] department of taxation for the collection of use tax.

5. For purposes of collection of use tax under the provisions of chapter 372 of NRS, the [Nevada tax commission] department of taxation may designate the department as agent.

6. If the taxpayer can controvert the presumption stated in subsection 2 that he purchased the vehicle for use in this state, he must pay the tax to the [Nevada tax commission's representative.] representative of the department of taxation, and must substantiate his claim for exemption by a statement in writing, signed by the registrant or owner, or his authorized representative, and forward such statement to the [Nevada tax commission] department of taxation together with his claim for refund of tax erroneously or illegally collected.

7. If the [Nevada tax commission] department of taxation finds that the tax has been erroneously or illegally collected, such tax shall be refunded as provided in NRS 372.630 to 372.720, inclusive.

SEC. 323. NRS 488.075 is hereby amended to read as follows:

488.075 1. The owner of each motorboat requiring numbering by this state shall file an application for number and for a certificate of ownership with the department on forms approved by it accompanied by proof of payment of Nevada sales or use tax as evidenced by proof of sale by a Nevada dealer or by a certificate of use tax paid issued by the [Nevada tax commission.] department of taxation, or by proof of exemption from such taxes as provided in NRS 372.320, and by such evidence of ownership as the department may require. The department shall not issue a number, a certificate of number or a certificate of ownership until such evidence is presented to it.

2. The application shall be signed by the owner of the motorboat and shall be accompanied by a fee of \$3 for the certificate of number and a fee of \$3 for the certificate of ownership. All fees received by the department under the provisions of this chapter shall be deposited in the fish and game fund and shall be expended only for the administration and

enforcement of the provisions of this chapter. Upon receipt of the application in approved form, the department shall:

(a) Enter the same upon the records of its office and issue to the applicant a certificate of number stating the number awarded to the motorboat, a certificate of ownership stating the same information and the name and address of the registered owner and the legal owner.

(b) Immediately give written notice to the county assessor of the county wherein such motorboat is situated, which notice shall contain the name and address of the owner and identifying information concerning such motorboat.

3. The owner shall paint on or attach to each side of the bow of the motorboat the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. The number shall be maintained in legible condition. If an agency of the United States Government has in force an overall system of identification numbering for motorboats within the United States, the regulations of the department as to size, color and type of number shall be in conformity therewith.

4. The certificate of number shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever such motorboat is in operation.

5. The department shall provide by regulation for the issuance of numbers to manufacturers and dealers which may be used interchangeably upon motorboats operated by such manufacturers and dealers in connection with the demonstration, sale or exchange of such motorboats. The fee for each such number shall be \$3.

SEC. 324. NRS 494.042 is hereby amended to read as follows:

494.042 1. Notwithstanding the provisions of NRS 365.330, all excise taxes described in NRS 494.041 shall be so earmarked by the [Nevada tax commission] department of taxation prior to delivery to the state treasurer.

2. All licensed dealers who handle aviation fuels shall report on such forms and in such detail as the [Nevada tax commission] department of taxation may require.

3. The [Nevada tax commission] department of taxation shall separately record the amount of all such excise taxes received from within each county.

4. The amount of such excise taxes so delivered to the state treasurer shall be placed to the credit of an account to be known as the aviation fuels tax refund account.

SEC. 325. NRS 494.043 is hereby amended to read as follows:

494.043 1. Claims for refunds of taxes paid on fuels used as aviation fuels shall be made within the time and in the manner provided in NRS 365.370 to 365.440, inclusive.

2. Notwithstanding the provisions of NRS 365.430, all such claims shall be paid from the aviation fuels tax refund account upon claims presented by the [Nevada tax commission] department of taxation, approved by the state board of examiners and allowed and paid as other claims against the state are paid.

SEC. 326. NRS 590.120 is hereby amended to read as follows:

590.120 1. Every person, or any officer, agent or employee thereof, shipping or transporting any gasoline or lubricating oil into this state for sale or consignment, or with intent to sell or consign the same, shall pay to the [Nevada tax commission] department of taxation an inspection fee of one-twentieth of a cent per gallon for every gallon of gasoline or lubricating oil so shipped or transported into the state, or that is held for sale within this state; but nothing in this section shall be construed to require the payment of an inspection fee on any shipment or consignment of gasoline or lubricating oil when such inspection fee has already been paid.

2. On or before the 25th day of each calendar month, every person, or any officer, agent or employee thereof, required to pay the inspection fee mentioned in subsection 1 shall send to the [Nevada tax commission] department of taxation a correct report of the gasoline or oil volumes for the preceding month, and such report shall include a list of distributors or retailers distributing or selling the products. Such report shall be accompanied by the fees herein required due the state on such gasoline and lubricating oil.

3. Failure to send such report and remittance as specified in subsections 1 and 2 shall be a violation of NRS 590.010 to 590.150, inclusive, punishable as provided in NRS 590.150.

SEC. 327. NRS 590.130 is hereby amended to read as follows:

590.130 All inspection fees received by the [Nevada tax commission] department of taxation shall be deposited [in the general fund in the state treasury,] with the state treasurer for credit to the state general fund, and all expenses incurred in carrying out the provisions of NRS 590.010 to 590.150, inclusive, shall be paid out of funds provided by direct legislative appropriation.

SEC. 328. NRS 360.040, 360.150, 360.160, 360.170, 360.175, 360.190, 361.813, 365.090, 369.120, 370.050, 374.095, 374.730 and 494.045 are hereby repealed.

SEC. 329. Those persons with matters pending before the Nevada tax commission or before its hearing officers or staff shall retain all prior rights and status with the department of taxation.

SEC. 329.5. Section 1 of chapter 430, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. NRS 488.075 is hereby amended to read as follows:

488.075 1. The owner of each motorboat requiring numbering by this state shall file an application for number and for a certificate of ownership with the department on forms approved by it accompanied by proof of payment of Nevada sales or use tax as evidenced by proof of sale by a Nevada dealer or by a certificate of use tax paid issued by the department of taxation, or by proof of exemption from such taxes as provided in NRS 372.320, and by such evidence of ownership as the department may require. The department shall not issue a number, a certificate of number or a certificate of ownership until such evidence is presented to it.

2. The application shall be signed by the owner of the motorboat and shall be accompanied by a fee of [\$3] \$5 for the certificate of number and a fee of [\$3] \$5 for the certificate of ownership. All fees received by the department under the provisions of this chapter shall be deposited in

the fish and game fund and shall be expended only for the administration and enforcement of the provisions of this chapter. Upon receipt of the application in approved form, the department shall:

(a) Enter the same upon the records of its office and issue to the applicant a certificate of number stating the number awarded to the motorboat, a certificate of ownership stating the same information and the name and address of the registered owner and the legal owner.

(b) Immediately give written notice to the county assessor of the county wherein such motorboat is situated, which notice shall contain the name and address of the owner and identifying information concerning such motorboat.

3. The owner shall paint on or attach to each side of the bow of the motorboat the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. The number shall be maintained in legible condition. If an agency of the United States Government has in force an overall system of identification numbering for motorboats within the United States, the regulations of the department as to size, color and type of number shall be in conformity therewith.

4. The certificate of number shall be pocket size and shall be available at all times for inspection on the motorboat for which issued whenever such motorboat is in operation.

5. The department shall provide by regulation for the issuance of numbers to manufacturers and dealers which may be used interchangeably upon motorboats operated by such manufacturers and dealers in connection with the demonstration, sale or exchange of such motorboats. The fee for each such number shall be ~~[\$3.]~~ \$5.

SEC. 330. Section 3 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 3. 1. A claim may be filed with the assessor of the county in which the claimant's home is located.

2. The claim shall be made under oath or affirmation and filed in such form and content, and accompanied by such proof, as the ~~[commission]~~ department may prescribe pursuant to NRS 361.800 to 361.877, inclusive, and sections 2 to 15, inclusive, of this act.

3. The county assessor shall furnish the appropriate form or forms to each claimant.

SEC. 330.1. Section 7 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 7. 1. After the county auditor extends the secured tax roll, he shall adjust the roll to show the percentage discounts, the dollar allowances and the amounts of tax, if any, remaining due as a result of homeowners' claims granted under subsection 1 of NRS 361.833.

2. By not later than June 1 of the assessment year, the county auditor shall deliver the extended tax roll, so adjusted, to the ex officio tax receiver of the county and shall also send the ~~[commission]~~ department a statement itemizing the adjustments.

SEC. 330.2. Section 8 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 8. 1. The ex officio tax receiver of the county shall make

such corresponding adjustments to the individual property tax bills, prepared from the secured tax rolls, as are necessary to notify the homeowners of the allowances granted them under subsection 1 of NRS 361.833.

2. After June 1, but not later than June 15, of each assessment year, the ex officio tax receiver shall send a demand to the ~~[commission]~~ department for reimbursement of his county in the aggregate amount of such homeowners' allowances granted for that year.

SEC. 330.3. Section 9 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 9. 1. After granting the claim of a homeowner whose home is placed upon the unsecured roll, the county assessor shall determine the amount of assistance to be allowed the claimant under subsection 2 of NRS 361.833 and shall credit the claimant's individual property tax account accordingly.

2. The county assessor shall send the ~~[commission]~~ department a statement itemizing the allowances furnished to each such claimant for each assessment year and shall demand reimbursement of the county in the aggregate amount of the allowances.

SEC. 330.4. Section 10 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 10. Upon receiving a home renter's claim, the county assessor shall forward it to the ~~[commission]~~ department.

SEC. 330.5. Section 11 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 11. 1. Upon verification and audit of each statement from a county concerning homeowners' claims granted for an assessment year, the ~~[commission]~~ department shall authorize reimbursement ~~[of]~~ to the county by the state.

2. The reimbursement shall be paid out of the funds appropriated to the senior citizens' property tax assistance account, in the same manner as other moneys in the state treasury are disbursed.

3. The reimbursement due on a statement submitted under subsection 2 of section 7 of this act shall be authorized by the ~~[commission]~~ department not later than July 31 next following the assessment year for which the allowances were granted. Warrants for such reimbursement shall be issued to the ex officio tax receiver of the county not later than August 15 of each such year.

4. The reimbursement due on a statement submitted under subsection 2 of section 9 of this act shall be authorized promptly by the ~~[commission]~~ department. Warrants for such reimbursement shall be issued to the county ex officio tax receiver.

5. If, prior to issuing a county's reimbursement, the ~~[commission]~~ department disallows through audit any claim a county assessor has allowed, the ~~[commission]~~ department shall adjust the county's reimbursement accordingly. In the event the ~~[commission]~~ department has already reimbursed the county for its statement of claims, the ~~[commission]~~ department shall make a demand on the county for the return of that amount of overpayment. If the county fails to return the overpayment within a reasonable time after demand, the ~~[commission]~~ department may bring a civil action to recover such overpayment or, in the

alternative, may withhold the amount of the overpayment from subsequent reimbursements.

6. If the [commission] department determines that audits of claims are needed for the purpose of determining if a county assessor accurately processed claims and calculated discounts, and if [commission] department personnel are not capable of auditing a sufficient number of the claims, then the [commission] department may expend not more than \$20,000 of the moneys in the senior citizens' property tax assistance account for the purpose of contracting with qualified individuals to assist in conducting such audit.

SEC. 330.6. Section 12 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 12. Upon verification and audit of each home renter's claim for an assessment year, and not later than November 15 next following that year, the [commission] department shall authorize the claim to be paid by the state from the funds appropriated to the senior citizens' property tax assistance account, in the same manner as other moneys in the state treasury are disbursed. Warrants for the amounts determined to be due on the home renters' claims shall be issued directly to the individual claimants.

SEC. 330.7. Section 14 of chapter 343, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 14. Any grant of assistance under an improper claim may be revoked by the county assessor or [commission] department within 2 years after the filing of the claim. When a grant is revoked, the claimant shall make restitution to the state or county for any assistance he has received under the improper claim, and the state or the county shall take all proper action to collect the amount of the assistance as a debt.

SEC. 331. Section 1 of chapter 264, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. NRS 361.077 is hereby amended to read as follows:

361.077 1. All property, both real and personal, owned by any individual, group of individuals, partnership, firm, company, corporation, association, trust, estate or other legal entity is exempt from taxation to the extent that such property is used as:

(a) A facility, device or method for the control of air or water pollution; or

(b) Part of a permanently installed irrigation system of pipes or concrete-lined ditches and headgates to increase efficiency and conservation in the use of water, when such water is to be used for irrigation and agricultural purposes on land devoted to agricultural purposes by the owner of such pipes or concrete-lined ditches.

2. As used in this section, "facility, device or method for the control of air or water pollution" means any land, structure, building, installation, excavation, machinery, equipment or device or any addition to, reconstruction, replacement, or improvement of land or an existing structure, building, installation, excavation, machinery, equipment or device used, constructed, acquired or installed after January 1, 1965, if the primary purpose of such use, construction, acquisition or installation is compliance with law or standards required by any environmental protection agency,

authorized by and acting under the authority of the United States or the State of Nevada or any of its political subdivisions, for the prevention, control or reduction of air or water pollution.

3. As used in this section, "facility, device or method for the control of air or water pollution" does not include:

(a) Air conditioners, septic tanks or other facilities for human waste, nor any property installed, constructed or used for the moving of sewage to the collection facilities of a public or quasi-public sewage system.

(b) Any facility or device having a value of less than \$1,000 at the time of its construction, installation or first use.

(c) Any facility or device which produces a net profit to the owner or operator thereof from the recovery and sale or use of a tangible product or byproduct, nor does it include a facility or device which, when installed and operating, results in a net reduction of operating costs.

4. The [Nevada tax commission] department shall prepare and publish a report each fiscal year showing:

(a) The assessed value of properties within each county which are exempt from taxation under this section;

(b) The loss in tax revenues to the state general fund and to each local taxing entity from the exemption; and

(c) Such other information as the [tax commission] department may deem relevant to indicate the impact of the tax dollar loss on the state and on local taxing entities.

Each county assessor shall provide the [tax commission] department with the data it needs to complete the report required by this section.

SEC. 332. Section 105 of Assembly Bill 384 of the 58th session of the Nevada legislature is hereby amended to read as follows:

Sec. 105. NRS 540.590 is hereby amended to read as follows:

540.590 A debt or liability incurred in excess of the provisions of this chapter shall be absolutely void, except:

1. That for the purpose of organization or for the purpose of this chapter the board of supervisors may, before the collection of the first annual taxes, cause warrants of the district to issue, bearing interest not exceeding 9 percent per annum.

2. In any case where money has been theretofore loaned to the district and actually expended by the board of supervisors for the benefit of the district.

3. That in cases of great necessity the board of supervisors may apply [to the Nevada tax commission] as provided in chapter 354 of NRS for permission to obtain short-term financing to meet such [necessity, and the Nevada tax commission may give its permission as therein provided.] necessity. The limit of the loan for such purpose shall be an amount equivalent to an average of \$1.50 per acre throughout the district.

SEC. 333. Section 1 of chapter 316, Statutes of Nevada 1975, is hereby amended to read as follows:

Section 1. Chapter 369 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. The legislature hereby declares:

(a) That it is a privilege to engage in the business of selling intoxicating liquor at the wholesale or retail level in this state;

(b) That the legislature finds it necessary to impose certain restrictions on the exercise of such privilege; and

(c) That it is the policy of this state to preclude the acquisition or control of any retail liquor store by a wholesale liquor dealer.

2. As used in this section, unless the context requires otherwise:

(a) "Delinquent payment" means the failure of a retail liquor store to make payment to a wholesale dealer for liquor on or before the 15th day of the month following delivery by the wholesale dealer.

(b) "Payment" means the full legal discharge of the debt by the wholesale dealer's receipt of cash or its equivalent, including ordinary and recognized means for discharge of indebtedness excepting notes, pledges or other promises to pay at a future date. A postdated check, a check not promptly deposited for collection or a check dishonored on presentation for payment does not constitute payment.

(c) "Payment in cash" means the full legal discharge of the debt by delivery of cash, money order, certified check or a cashier's or similar bank officer's check.

3. A wholesale dealer shall not:

(a) Loan any money or other thing of value to a retail liquor store.

(b) Invest money, directly or indirectly, in a retail liquor store.

(c) Furnish or provide any premises, building, bar or equipment to a retail liquor store.

(d) Participate, directly or indirectly, in the operation of the business of a retail liquor store.

(e) Sell liquor to a retail liquor store except for payment on or before delivery or on terms requiring payment by the retail liquor store before or on the 10th day of the month following delivery of such liquor to it by the wholesale dealer.

(f) Sell liquor to a retail liquor store which is delinquent in payment to such wholesale dealer except for payment in cash on or before delivery.

4. On the 15th day of the month following the delivery of liquor and on the 15th day of each month thereafter, the wholesale dealer shall charge a retail liquor store which is delinquent a service charge of 1.5 percent of the amount of the unpaid balance.

5. The [tax commission] department may impose the following penalties on a wholesale dealer who violates any of the provisions of this section within any 24-month period:

(a) For the first violation a penalty of not more than \$500.

(b) For the second violation a penalty of not more than \$1,000.

(c) For the third and any subsequent violation a penalty of not more than \$5,000 or by a license suspension, or by both such penalty and suspension.

6. The [tax commission] department may, upon its own motion, and shall, upon the verified written complaint of any wholesale dealer, investigate the possible violation of any of the provisions of this section by any wholesale dealer. The [tax commission] department shall follow the provisions of chapter 233B of NRS in the enforcement of this section.

SEC. 334. 1. Sections 48 and 49 of this act shall become effective on July 1, 1976.

2. Sections 107, 108 and 111 of this act shall become effective on July 1, 1979.

3. Sections 55, 56, 62, 76, 78, 85, 102, 103, 121, 122, 125, 129 and 133 of this act shall become effective at 12:01 a.m. on July 1, 1975.

4. Sections 78 and 331 of this act shall become effective at 12:02 a.m. on July 1, 1975.

5. All other sections of this act shall become effective on July 1, 1975.

Senate Bill No. 167—Senator Raggio

CHAPTER 749

AN ACT relating to property taxation; providing for separate appraisal and valuation of agricultural and open space real property for assessment purposes; providing for partial deferred taxation with tax recapture for not more than 7 years preceding certain changes from agricultural or open space use; providing a civil penalty; and providing other matters properly relating thereto.

[Approved May 27, 1975]

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

SECTION 1. Chapter 361 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 28, inclusive, of this act.

361 A. 010 SEC. 2. As used in sections 2 to 28, inclusive, of this act, the terms defined in sections 3 to 9, inclusive, of this act have the meanings ascribed to them in such sections except where the context otherwise requires.

361 A. 020 SEC. 3. 1. "Agricultural real property" means:

(a) Land:

(1) Devoted exclusively for at least 3 consecutive years immediately preceding the assessment date to:

(I) Agricultural use; or

(II) Activities which prepare the land for agricultural use; and

(2) Having a greater value for another use than for agricultural use.

(b) The improvements on such land which support accepted agricultural practices except any structures or any portion of a structure used primarily as a human dwelling.

The term does not apply to any land with respect to which the owner has granted and has outstanding any lease or option to buy the surface rights for other than agricultural use, except leases for the exploration of geothermal resources as defined in NRS 361.027, mineral resources or other subsurface resources, or options to purchase such resources, if such exploration does not interfere with the agricultural use of the land.

2. As used in this section, "accepted agricultural practices" means a mode of operation that is common to farms or ranches of a similar nature, necessary for the operation of such farms or ranches to obtain a profit in money and customarily utilized in conjunction with agricultural use.

361 A. 030 SEC. 4. 1. "Agricultural use" means the current employment of real property as a business venture for profit, which business produced a minimum gross income of \$2,500 from agricultural pursuits during the immediately preceding calendar year by:

CHAPTER 481

[Approved: June 11, 2013]

AN ACT relating to property tax; revising the manner in which the State Board of Equalization must provide certain notices concerning increases in the valuation of property; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the State Board of Equalization is required to give 10 days' notice by registered or certified mail or by personal service to interested persons if the Board proposes to increase the valuation of any property on the assessment roll. (NRS 361.395) **Section 1** of this bill maintains this requirement if the Board proposes to increase the valuation of any property on the assessment roll in a proceeding to resolve an appeal or other complaint before the Board pursuant to NRS 361.360, 361.400 or 361.403. However, for notices of proposed increases in the valuation of a class or group of property that relate to a fiscal year that begins on or after July 1, 2013, **section 1** requires the Board to give 30 days' notice by first-class mail to interested persons. Under existing law, whenever the valuation of any property is raised by the Board, the Secretary of the Board is required to forward notice of the increased valuation by certified mail to the property owner or owners affected. (NRS 361.405) **Section 1.5** of this bill: (1) maintains the requirement that this notice be provided by certified mail if the Board increases the valuation in a proceeding to resolve an appeal or other complaint before the Board pursuant to NRS 361.360, 361.400 or 361.403; and (2) requires this notice to be provided by first-class mail to the property owner or owners affected if the Board increases the valuation of a class or group of properties.

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

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

Section 1. 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.

.....
↓2013 Statutes of Nevada, Page 2898 (Chapter 481, AB 66)↓

(b) In a proceeding to resolve an appeal or other complaint before the Board pursuant to NRS 361.360, 361.400 or 361.403, it shall give 10 days' notice to interested persons by registered or certified mail or by personal service. ~~[The]~~

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

Sec. 1.5. 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 ~~[,]~~:

(a) In a proceeding to resolve an appeal or other complaint before the Board pursuant to NRS 361.360, 361.400 or 361.403, 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.

(b) Pursuant to paragraph (b) of subsection 1 of NRS 361.395, the Secretary of the Board shall forward by first-class 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.

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. 2. The amendatory provisions of section 1 of this act apply only to notices of proposed increases in the valuation of property that relate to a fiscal year that begins on or after July 1, 2013.

Sec. 3. This act becomes effective on July 1, 2013.

National Registry Appraiser Report

First Name : JAMES

Middle Initial : R

Last Name : HOFLAND

Name Suffix (Jr, Sr, etc.):

Company Name :

Street Address : 527 CRIPPLE CREEK

City : SPRING CREEK

State : NV

Zip Code : 89815

County:

Telephone Number : 775 778-8499

Status: InActive

Licensing State: **MT**

State License Number: REA-RAG-LIC-206

License Certificate Type: Certified General

Effective Date of License : 3/31/2003

Expiration Date of License : 3/31/2004

Conforms to AQB Criteria : YES

State Data Last Updated On : 4/4/2014

Current Disciplinary Actions Limiting Ability to
Appraise : None

REPLY ADDENDUM

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STATE OF NEVADA
STATE BOARD OF EQUALIZATION

JIM GIBBONS
Governor

1550 College Parkway, Suite 115
Carson City, Nevada 89706-7921
Telephone (775) 684-2160
Fax (775) 684-2020
In-State Toll Free: 800-992-0900

DINO DICIANNO
Secretary

February 12, 2010

Proposed Revisions to LCB File No. R153-09

Amendment to Section 10, add the following paragraph:

2. If the publication adopted by reference pursuant to subsection 1 is revised, the State Board will review the revision to determine its suitability for this State. If the State Board determines that the revision is not suitable for this State, the State Board will hold a public hearing to review its determination and give notice of that hearing within 30 days after the date of the publication of the revision. If, after the hearing, the State Board does not revise its determination, the State Board will give notice that the revision is not suitable for this State within 30 days after the hearing. If the State Board does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.

Purpose of the Revision: To provide a process for reviewing amendments and updates to the referenced document, Standard on Ratio Studies. The revision was requested by the Department at the workshop on February 11, 2010.

Amendment to Section 13:

Sec. 13. *2. If the State Board desires a county assessor to provide any information pursuant to this section, the State Board will require the Department to send to the county assessor by regular mail a notice of the request which describes the information requested and the format and type of media in which the information is requested. The county assessor shall submit the information to the State Board in the format and type of media requested within 10 business days after the date of the postmark on the notice of the request. THE STATE BOARD MAY CONSIDER EXTENDING THE DUE DATE UPON REQUEST OF THE ASSESSOR.*

Purpose of the Revision: To allow an extension of time to the assessor to comply with requests for information from the State Board, if necessary. The revision was requested by county assessors at the workshop on February 11, 2010.

Amendment to Section 14:

Sec. 14. *1. Upon the request of the State Board, the Department or county assessor shall perform and submit to the State Board any ratio study or other statistical analysis that the State Board deems*

appropriate to assist it in determining the quality and level of assessment of any class or group of properties in a county.

2. Each ratio study or other statistical analysis requested by the State Board pursuant to this section must:

(a) Be performed in accordance with the provisions of the Standard on Ratio Studies adopted by reference in section 10 of this regulation, except any specific provision of the Standard on Ratio Studies that conflicts or is inconsistent with the laws of this State or any regulations adopted by the State Board or the Commission.

(b) Identify the ~~[class or group of properties]~~ STATISTICAL POPULATION, that is the subject of the ratio study or statistical analysis, which may be divided into two or more ~~[categories]~~ STRATA according to neighborhood, age, type of construction or any other appropriate criterion or set of criteria.

(c) Include an adequate sampling of ~~[each category of property]~~ STRATA into which the ~~[class or group of properties]~~ STATISTICAL POPULATION that is the subject of the ratio study or statistical analysis is divided, and such statistical criteria as may be required, to indicate an accurate ratio of assessed value to taxable value and an accurate measure of equality in assessment.

Purpose of the revision: To properly refer to the terms “statistical population” and “strata” instead of “category” and “class.” The term statistical population is broader than class or group of properties, and means all the items of interest, for example, all the observations in a data set from which a sample may be drawn. The revision was requested by the Department at the workshop held on February 11, 2010.

Amendment to Section 16:

Sec. 16. 1. If the State Board, after considering the information described in section 12 of this regulation, makes a preliminary finding that any class or group of properties in this State was not assessed uniformly in accordance with the methods of appraisal and at the level of assessment required by law, the State Board will:

(a) Schedule a hearing concerning that preliminary finding on a date which is not less than 10 business days after the notice of the hearing is mailed pursuant to paragraph (b).

(b) Require the Department to send by registered or certified mail a notice of the hearing to the county clerk, county assessor, district attorney and chair of the county board of each county in which any of the property is located. A legal representative of the county may waive the receipt of such notice.

(c) Require the Secretary to provide a copy of the notice of the hearing to the Commission AND TO THE COUNTY BOARD OF COMMISSIONERS.

Amendment to Section 17:

Sec. 17. 2. If the State Board orders the reappraisal of a class or group of properties pursuant to this section, the State Board will:

(c) Require the Secretary to notify the Commission AND THE COUNTY BOARD OF COMMISSIONERS of the date, time and location of the hearing.

Amendment to Section 19:

Sec. 19. 1. *The following persons shall appear at each hearing scheduled pursuant to section 16 or 17 of this regulation:*

(a) The county assessor of each county in which any of property that is the subject of the hearing is located or a representative of the county assessor.

(b) ~~[A representative of the board of county commissioners of each county in which any of the property that is the subject of the hearing is located.~~

—(e)] A representative of the county board of each county in which any of the property that is the subject of the hearing is located.

The purpose of the changes in sections 16, 17, and 19 is to remove the requirement that the county commissioners attend the hearing, but to keep them informed of the equalization process. The request for the revision was made by county assessors at the workshop held on February 11, 2010.

Additional Section:

Sec. 23. *The effective date of these regulations shall be October 1, 2010.*

The purpose of the new Section 23 is to not impose a new equalization process during the current fiscal year. The request for the revision was made by the Nevada Taxpayers Association.

1975

A. B. 317—Committee on Taxation, Feb. 24.

Summary—Establishes Department of Taxation and modifies composition and functions of Nevada Tax Commission and state and county boards of equalization. Fiscal Note: Yes. (BDR 32-1026)

Feb. 24—Read first time. Referred to Committee on Taxation. To printer. *1/28 as BDR in jt meeting.*

Feb. 26—From printer. To committee. *3/11, 3/13, 3/18, 3/20, 3/27*

Apr. 9—From committee: Amend, and re-refer to Committee on Taxation. *4/10*

Apr. 10—Read second time. Amended. To printer.

Apr. 14—From printer. To engrossment. Engrossed. Placed on Chief Clerk's desk.

Apr. 16—Taken from Chief Clerk's desk. Placed on General File. Read third time. Amended. Reprinting dispensed with. Passed, as amended. Title approved. To re-engrossment. Re-engrossed. To Senate.

Apr. 17—In Senate. Read first time. Referred to Committee on Taxation. To committee. *1/28 as BDR jt, 4/25, 4/30, 5/2*

May 6—From committee: Amend, and do pass as amended. Read second time. Amended. To printer.

May 7—From printer. To re-engrossment. Re-engrossed.

May 8—Read third time. Passed, as amended. Title approved. To Assembly.

May 9—In Assembly.

May 12—Senate amendments not concurred in. To Senate.

May 13—In Senate. Senate amendments not receded from. Conference requested. First Committee on Conference appointed by Senate. To Assembly.

May 14—In Assembly. First Committee on Conference appointed by Assembly. To committee.

May 17—From committee: Concur in Senate amendments, and further amend. First Conference report adopted by Assembly. First Conference report adopted by Senate. To enrollment.

May 23—Enrolled and delivered to Governor.

May 27—Approved by the Governor. Chapter 748.

Sections 48 and 49 of this act effective July 1, 1976. Sections 107, 108, and 111 of this act effective July 1, 1979. Sections 55, 56, 62, 76, 85, 102, 103, 121, 122, 125, 129, and 133 of this act effective at 12:01 a.m., July 1, 1975. Sections 78 and 331 of this act effective at 12:02 a.m., July 1, 1975. The remainder of this act effective July 1, 1975.

ASSEMBLY BILL NO. 317—COMMITTEE ON TAXATION

FEBRUARY 24, 1975

Referred to Committee on Taxation

SUMMARY—Establishes department of taxation and modifies composition and functions of Nevada tax commission and state and county boards of equalization. Fiscal Note: Yes. (BDR 32-1026)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to revenue and taxation; establishing the department of taxation; providing for its organization, powers, duties and functions; modifying the composition, powers, duties and functions of the state and county boards of equalization; providing for appraisal and assessment of property connected with certain mining, reduction, smelting and milling operations; providing for a parceling system of land description; providing certification and training requirements for certain appraisers; providing a civil penalty; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. Chapter 360 of NRS is hereby amended by adding
2 thereto a new section which shall read as follows:

3 *As used in this Title, except as otherwise provided in chapters 366 and*
4 *371 of NRS and unless the context requires otherwise:*

5 1. "Department" means the department of taxation.

6 2. "Executive director" means the executive director of the depart-
7 ment of taxation.

8 SEC. 2. 1. Notwithstanding the provisions of any law to the contrary,
9 the terms of each person holding office as a member of the Nevada tax
10 commission on June 30, 1975, shall expire at 12:01 a.m. on July 1, 1975.
11 The governor shall appoint seven persons to the commission to serve stag-
12 gered terms commencing at 12:01 a.m. on July 1, 1975, as provided in
13 paragraphs (a) to (d), inclusive, of subsection 2 of NRS 360.030.

14 2. Any member of the commission whose term expires under this sec-
15 tion shall be eligible for reappointment, if qualified under NRS 360.020
16 as amended by section 4 of this act.

17 SEC. 3. NRS 360.010 is hereby amended to read as follows:

18 360.010 1. There is hereby created a commission to be designated
19 and known as the Nevada tax commission.

20 2. The Nevada tax commission shall consist of [nine] seven com-
21 missioners appointed by the governor.

3. The governor shall designate [the commissioner] one of the commissioners to serve as chairman of the commission.

4. The governor shall be an ex officio, nonvoting member of the commission. He shall receive no compensation for his services as such ex officio member.

SEC. 4. NRS 360.020 is hereby amended to read as follows:

360.020 [1. The commissioners shall respectively possess the following qualifications:

(a) One shall be versed in and possess a practical knowledge or experience in utilities.

(b) One shall be versed in and possess a practical knowledge and experience in the classification of land and the value thereof.

(c) One shall be versed in and possess a practical knowledge and experience in livestock and the value thereof.

(d) One shall be versed in and possess a practical knowledge and experience in the mining industry.

(e) One shall be versed in and possess a practical knowledge and experience in business other than any of the businesses specified in paragraphs

(a) to (d), inclusive, and (f) to (h), inclusive, of this subsection.

(f) One shall be versed in and possess a practical knowledge and experience in banking.

(g) One shall be versed in and possess a practical knowledge and experience in transportation.

(h) One shall be versed in and possess a practical knowledge and experience in the resort hotel or gaming industry.

(i) One shall be a taxpayer of the state and shall represent the public at large. He shall not be engaged in or affiliated with any of the businesses, industries or professions specified in paragraphs (a) to (h), inclusive, of this subsection.

2. Each of the commissioners at the time of his appointment shall be actively engaged in the type of interest in categories which he is chosen to represent on the commission.]

1. The commissioners shall be versed in:

(a) Business generally; or

(b) The classification and valuation of any of the types of properties valued for assessment purposes by the tax commission.

2. The commissioners shall not be chosen to represent the interests of any particular economic group in the state.

SEC. 5. NRS 360.030 is hereby amended to read as follows:

360.030 1. Not more than [three] four of the [nine] seven commissioners shall be appointed from any one county in this state, and not more than [five] four members of the Nevada tax commission shall be of the same political party.

2. [Appointments] The first appointments to the commission [except those to fill unexpired terms,] shall be for terms beginning July 1, 1975, as follows:

(a) Two commissioners for 4 years.

(b) Two commissioners for 3 years.

(c) Two commissioners for 2 years.

(d) [Three commissioners] One commissioner for 1 year.

Thereafter all commissioners shall be appointed for terms of 4 years [.] , except when appointed to fill unexpired terms.

3. Appointments to fill vacancies on the commission shall be for the unexpired term of the commissioner to be replaced, and shall be made by the governor.

4. Any commissioner may be removed by the governor if, in his opinion, such commissioner is guilty of malfeasance in office or neglect of duty.

SEC. 6. NRS 360.060 is hereby amended to read as follows:

360.060 The commissioners and such expert assistants as may be employed shall be entitled to receive [from the state their actual and necessary expenses while traveling on the business of the Nevada tax commission.] the per diem allowance and travel expenses as provided by law.

SEC. 7. NRS 360.080 is hereby amended to read as follows:

360.080 1. [Five] Four members shall constitute a quorum for the transaction of business.

2. The chairman and each of the commissioners [shall] have a vote upon all matters which [shall] come before the Nevada tax commission.

SEC. 8. NRS 360.090 is hereby amended to read as follows:

360.090 The members of the Nevada tax commission shall have power to prescribe [rules and] regulations for [its own government and governing the procedure and order of business of all regular and special sessions.] carrying on the business of the tax commission and of the department.

SEC. 9. NRS 360.100 is hereby amended to read as follows:

360.100 The [Nevada tax commission] department shall:

1. Make and publish an annual report for each fiscal year, showing its transactions and proceedings [and the transactions and proceedings of the state board of equalization] for such year.

2. Furnish to the governor, from time to time when requested by him, statements showing the assessed value of the taxable property within or taxable by the State of Nevada and its political subdivisions. [as established by the state board of equalization for each fiscal year.]

SEC. 10. NRS 360.110 is hereby amended to read as follows:

360.110 All forms, blanks, envelopes, letterheads, circulars and reports required [to be printed] by the [Nevada tax commission] department shall be printed by the state printing and records division of the department of general services under the general provisions of chapter 344 of NRS.

SEC. 11. NRS 360.120 is hereby amended to read as follows:

360.120 1. [A chief clerk and statistician shall be employed by the Nevada tax commission. He shall be the secretary of the Nevada tax commission and shall be in charge of the office of the commission.] The department of taxation is hereby created.

2. The head of the department is the Nevada tax commission. The chief administrative officer of the department is the executive director who shall be appointed by the governor.

[2.] 3. For his services, the [secretary of the Nevada tax commission] executive director shall receive an annual salary in an amount determined pursuant to the provisions of NRS 284.182.

1 [3.] 4. The [secretary of the Nevada tax commission] executive
2 director shall devote his entire time and attention to the business of his
3 office and shall not pursue any other business or occupation or hold any
4 other office of profit [.] during the hours the department is open for busi-
5 ness.

6 SEC. 12. NRS 360.130 is hereby amended to read as follows:

7 360.130 1. The [secretary] executive director shall:

8 (a) Keep full and correct records of all transactions and proceedings of
9 the Nevada tax commission [.] and the department.

10 (b) Perform such other duties as may be required.

11 2. The Nevada tax commission shall have the power to authorize the
12 [secretary] executive director or any other officer of the department to
13 hold hearings or make investigations, and upon any such hearing the
14 [secretary] executive director or officer shall have the authority to exam-
15 ine books, compel the attendance of witnesses, administer oaths and con-
16 duct investigations.

17 SEC. 13. NRS 360.140 is hereby amended to read as follows:

18 360.140 1. [With the approval and consent of the Nevada tax com-
19 mission, the secretary] The executive director shall organize the work of
20 the department in such a way as to secure maximum efficiency in the
21 conduct of the department and make possible a definite placing of respon-
22 sibility. To this end, the executive director may establish such organiza-
23 tional units within the department as he deems necessary.

24 2. The executive director may employ such clerical or expert assist-
25 ance as may be required.

26 [2.] 3. Persons employed by the [secretary] department may be
27 assigned to stations, offices or locations selected by the [secretary] execu-
28 tive director both within the state and in other states where in the judg-
29 ment of the [secretary] executive director it is necessary to maintain
30 personnel to protect, investigate and collect revenues to which the state
31 is entitled.

32 [3.] 4. Any person assigned to a station, office or location as pro-
33 vided in subsection [2] 3 shall be entitled to receive per diem allowance
34 only when the business of the [commission] department takes him away
35 from the particular station, office or location to which he is assigned.

36 SEC. 14. Chapter 360 of NRS is hereby amended by adding thereto a
37 new section which shall read as follows:

38 1. All decisions of the executive director or other officer of the
39 department made pursuant to subsection 2 of NRS 360.130 shall be final
40 unless appealed to the tax commission as provided by law. Any natural
41 person, partnership, corporation, association or other business or legal
42 entity may so appeal by filing a notice of appeal with the department
43 within 15 days after receipt of the decision.

44 2. The Nevada tax commission, as head of the department, may
45 review all other decisions made by the executive director and may reverse,
46 affirm or modify them.

47 SEC. 15. NRS 360.180 is hereby amended to read as follows:

48 360.180 The [Nevada tax commission] department may require the division of
49 assessment standards to:] department may:

1 1. Assist the county assessors in appraising property within their
2 respective counties which the ratio study shows to be assessed at more or
3 less than 35 percent of its full cash value.

4 2. Consult with and assist county assessors to develop and maintain
5 standard assessment procedures to be applied and used in all of the
6 counties of the state, to the end that assessments of property by county
7 assessors shall be equal in each of the several counties of this state.

8 3. Visit a selective cross-section of assessable properties within the
9 various counties in cooperation with the county assessor and examine
10 these properties and compare them with the tax roll and assist the various
11 county assessors in correcting any inequalities found to exist with factors
12 of equal value and actual assessed value considered, and place upon the
13 rolls any property found to be omitted from the tax roll.

14 4. Carry on a continuing study, the object of which is the equaliza-
15 tion of property values between counties.

16 5. Carry on a program of in-service training for county assessors of
17 the several counties of the state, and [once during] each year hold classes
18 of instruction in assessing procedure for the purpose of bringing each
19 county assessor and his authorized personnel the newest methods, proce-
20 dures and practices in assessing property. Expenses of attending such
21 classes shall be a proper and allowable charge by the board of county
22 commissioners in each county.

23 6. Continually supervise assessment procedures which are carried on
24 in the several counties of the State of Nevada and advise county assessors
25 in the application of such procedures. The [Nevada tax commission]
26 department shall make a complete written report to each session of the
27 legislature, which shall include all reports of its activities and findings and
28 all recommendations which it has made to the several county assessors,
29 and the extent to which such recommendations have been followed.

30 7. Carry on a continuing program to maintain and study the assess-
31 ment of public utilities and all other property assessed by the [Nevada
32 tax commission] department to the end that such assessment shall be
33 equalized with the property assessable by county assessors.

34 8. Conduct appraisals at the request of and in conjunction with any
35 county assessor when such assessor considers such assistance necessary.

36 SEC. 16. NRS 360.195 is hereby amended to read as follows:

37 360.195 Where any tax is collected by the [Nevada tax commission]
38 department of taxation for apportionment in whole or in part to any
39 political subdivision where the basis of such apportionment is the popula-
40 tion of such political subdivision as determined by the last preceding
41 national census of the Bureau of the Census of the United States Depart-
42 ment of Commerce, the transition from one such census to the next shall
43 be made on July 1 of the year following the year in which such census
44 is taken. Every payment prior to such date shall be based upon the earlier
45 census and every payment after such date shall be based upon the later
46 census.

47 SEC. 17. NRS 360.200 is hereby amended to read as follows:

48 360.200 In addition to the specific powers enumerated in this chap-
49 ter, the [Nevada tax commission] department shall have the power to
50 exercise general supervision and control over the entire revenue system

1 of the state [.] including the administration of the provisions of chapter
2 397, Statutes of Nevada 1955, as amended (NRS chapter 372).

3 SEC. 18. NRS 360.210 is hereby amended to read as follows:

4 360.210 The [Nevada tax commission] department has the original
5 power of [appraisal or] appraisal and assessment of all property
6 mentioned in NRS 361.320.

7 SEC. 19. NRS 360.220 is hereby amended to read as follows:

8 360.220 The [Nevada tax commission] department shall have the
9 power to require governing bodies of local governments, as defined in
10 NRS 354.474, to submit a budget estimate of the local government
11 expenses and income for the current year, and for the budget year, and a
12 compilation of the actual local government expenses and income for the
13 last completed year, in such detail and form as may be required by the
14 [Nevada tax commission.] department, after hearing the advice and rec-
15 ommendations of the advisory committee.

16 SEC. 20. NRS 360.230 is hereby amended to read as follows:

17 360.230 The [Nevada tax commission] department shall have the
18 power:

19 1. To make diligent investigation with reference to any class or kind
20 of property believed to be escaping just taxation. In pursuance thereof,
21 the [Nevada tax commission or any commissioner] department may
22 examine the books and accounts of any person, copartnership or corpora-
23 tion doing business in the state, when such examination is deemed neces-
24 sary to a proper determination of the valuation of any property subject to
25 taxation, or the determination of any licenses for the conduct of any
26 business, or the determination of the net proceeds of any mine.

27 2. To require county assessors, county boards of equalization, county
28 auditors or county treasurers to place upon the roll any property found
29 to be escaping taxation.

30 SEC. 21. NRS 360.240 is hereby amended to read as follows:

31 360.240 1. The [Nevada tax commission] department shall have
32 the power to summon witnesses to appear and testify on any subject
33 material to [the determination of property valuations, licenses or the net
34 proceeds of mines.] its responsibilities under this Title. No property
35 owner and no officer, director, superintendent, manager or agent of any
36 company or corporation, whose property is wholly in one county, shall
37 be required to appear, without his consent, at a place other than the
38 county seat or at the nearest town to his place of residence or the prin-
39 cipal place of business of such company or corporation.

40 2. Such summons may be served by personal service by [any mem-
41 ber of the Nevada tax commission] the executive director or his agent
42 or by the sheriff of the county, who shall certify to such service without
43 compensation therefor.

44 3. Any member of the Nevada tax commission, the executive director
45 or any officer of the department designated by them may administer oaths
46 to witnesses.

47 SEC. 22. NRS 360.250 is hereby amended to read as follows:

48 360.250 The Nevada tax commission shall have the power:

49 1. To confer with, advise and direct county assessors, sheriffs as ex
50 officio collectors of licenses [, county boards of equalization.] and all

1 other county officers having to do with the preparation of the assessment
2 roll or collection of taxes or other revenues as to their duties.

3 2. To establish and prescribe general and uniform rules and regula-
4 tions governing the assessment of property by the county assessors of the
5 various counties, not in conflict with law.

6 3. To prescribe the form and manner in which assessment rolls or tax
7 lists shall be kept by county assessors.

8 4. To prescribe the form of the statements of property owners in
9 making returns of their property.

10 5. To require county assessors, sheriffs as ex officio collectors of
11 licenses [, and the clerks of the county boards of equalization,] and all
12 other county officers having to do with the preparation of the assessment
13 roll or collection of taxes or other revenues, to furnish such information in
14 relation to assessments, licenses or the equalization of property valuations,
15 and in such form as the Nevada tax commission may demand.

16 SEC. 23. NRS 360.270 is hereby amended to read as follows:

17 360.270 The enumeration of the powers in NRS 360.200 to 360.260,
18 inclusive, shall not be considered as excluding the exercise of any neces-
19 sary and proper power and authority of the Nevada tax commission [.]
20 or the department.

21 SEC. 24. NRS 360.273 is hereby amended to read as follows:

22 360.273 The Nevada tax commission and the state board of finance
23 may authorize the [secretary of the Nevada tax commission] executive
24 director to open accounts in banks, as that term is used in NRS 356.010,
25 in any town or city in the State of Nevada in the name of ["Nevada tax
26 commission:"] "department of taxation: sales and use tax account," and
27 to deposit in such accounts funds and moneys derived from collections of
28 sales and use taxes, penalties and interest, cash bonds and sales tax permit
29 fees for the purpose of providing a depository for such funds and moneys
30 until any checks which comprise a part thereof are cleared before the
31 funds and moneys are transmitted to the state treasurer as provided in
32 NRS 372.780.

33 SEC. 25. NRS 360.275 is hereby amended to read as follows:

34 360.275 No transfers or withdrawals shall be made from the accounts
35 unless the funds or moneys transferred or withdrawn are made payable to
36 the state treasurer, and all transfers or withdrawals shall bear the signature
37 of the [secretary of the Nevada tax commission] executive director or
38 his authorized representative and shall be countersigned by the state treas-
39 urer.

40 SEC. 26. NRS 360.276 is hereby amended to read as follows:

41 360.276 Every representative and employee of the [Nevada tax com-
42 mission] department who collects sales and use taxes or penalties and
43 interest on such taxes, or who obtains cash bonds or permit fees, shall
44 deposit all funds and moneys so collected or obtained in the nearest or
45 most convenient bank in which the [secretary of the Nevada tax com-
46 mission] executive director has opened an account. All deposits shall be
47 made by the representative or employee on the same day on which he
48 receives the funds and moneys unless he receives them at so late an hour

1 that he is unable to deposit them before the close of the regular hours of
2 business of the bank and the bank has no facilities for night deposits, in
3 which case he shall make the deposit promptly at the beginning of the
4 next day on which the bank is open for business.

5 SEC. 27. NRS 360.277 is hereby amended to read as follows:

6 360.277 The [secretary of the Nevada tax commission] *executive*
7 *director* shall designate personnel in the [offices of the general adminis-
8 tration of the Nevada tax commission] *department* to administer the funds
9 and moneys deposited in any accounts opened by the [secretary,] *execu-*
10 *tive director*, to make timely transfers or withdrawals from such accounts
11 to the state treasurer in the manner and subject to the restrictions pro-
12 vide in NRS 360.275, and to maintain in such accounts sufficient funds to
13 assure payment of any checks which may have been deposited therein.

14 SEC. 28. NRS 360.278 is hereby amended to read as follows:

15 360.278 [1.] The [Nevada tax commission] *department* and the
16 state board of finance may enter into contracts for armored car service or
17 engage such service where necessary in order to transport to the desig-
18 nated banks any [funds and] moneys collected in the offices of the
19 [Nevada tax commission.] *department*.

20 [2.] The authority to enter into such contracts or to engage such serv-
21 ices may be delegated to the secretary of the Nevada tax commission.]

22 SEC. 29. NRS 360.279 is hereby amended to read as follows:

23 360.279 1. Three years after the service of notice upon any person
24 who has deposited security with the [Nevada tax commission] *depart-*
25 *ment* pursuant to the provisions of NRS 372.510 that all sales tax and use
26 tax liability has been extinguished or satisfied and that his account has
27 been closed and his security is eligible for return, the [commission]
28 *department* may, upon the failure of such person to claim such security,
29 direct the state treasurer to:

30 (a) Transfer all or any part of such security to the general fund in the
31 state treasury, if such security is in the form of a cash deposit; or

32 (b) Sell the security in the manner prescribed in NRS 372.510 and
33 deposit the proceeds thereof in the general fund of the state treasury, if
34 such security is in the form of a United States bearer bond.

35 2. If any such account has been closed upon the extinguishment or
36 satisfaction of such tax liability for a period of 3 years or more prior
37 to April 1, 1965, and any such security therefor remains unclaimed, the
38 commission may, after serving a 30-day notice on the person so deposit-
39 ing, direct the state treasurer to proceed in the manner prescribed in sub-
40 section 1.

41 3. Notice mentioned in this section shall be given as provided in
42 NRS 372.425.

43 SEC. 30. NRS 360.280 is hereby amended to read as follows:

44 360.280 1. All county assessors shall:

45 (a) Adopt and put in practice the [rules and] regulations established
46 and prescribed by the Nevada tax commission governing the assessment
47 of property.

48 (b) Keep assessment rolls or tax lists in the form and manner pre-
49 scribed by the [Nevada tax commission.] *department*.

50 (c) Use and require property owners to use the blank statement forms

1 prescribed by the [Nevada tax commission] *department* for making
2 property returns.

3 (d) *Maintain a complete set of maps to accurately describe and illus-*
4 *trate all parcels of land as provided in chapter 361 of NRS.*

5 2. Boards of county commissioners shall supply books, blanks and
6 statements in the prescribed form for the use of county assessors.

7 SEC. 31. NRS 360.300 is hereby amended to read as follows:

8 360.300 If the [tax commission] *department* is not satisfied with the
9 return or returns of any tax or amount of tax required to be paid to the
10 state by any person, in accordance with the applicable provisions of this
11 Title as administered by the [tax commission,] *department*, it may com-
12 pute and determine the amount required to be paid upon the basis of the
13 facts contained in the return or upon the basis of any information within
14 its possession or that may come into its possession. One or more defi-
15 ciency determinations may be made of the amount due for one or for
16 more than one period.

17 SEC. 32. NRS 360.320 is hereby amended to read as follows:

18 360.320 In making a determination the [tax commission] *depart-*
19 *ment* may offset overpayments for a period or periods, together with
20 interest on the overpayments, against underpayments for another period
21 or periods, against penalties, and against the interest on underpayments.

22 SEC. 33. NRS 360.330 is hereby amended to read as follows:

23 360.330 If any part of the deficiency for which a deficiency determi-
24 nation is made is due to negligence or intentional disregard of any appli-
25 cable provisions of this Title, or the authorized rules and regulations of the
26 [tax commission,] *department*, a penalty of 5 percent of the amount of
27 the determination shall be added thereto.

28 SEC. 34. NRS 360.340 is hereby amended to read as follows:

29 360.340 If any part of the deficiency for which a deficiency deter-
30 mination is made is due to fraud or an intent to evade the provisions of
31 this Title, or the authorized [rules and] regulations of the [tax commis-
32 sion,] *department*, a penalty of 25 percent of the amount of the deter-
33 mination shall be added thereto.

34 SEC. 35. NRS 360.350 is hereby amended to read as follows:

35 360.350 1. The [tax commission] *department* shall give the tax-
36 payer written notice of its determination.

37 2. The notice may be served personally or by mail; if by mail, the
38 notice shall be addressed to the taxpayer at his address as it appears in the
39 records of the [tax commission,] *department*.

40 3. In the case of service by mail of any notice required, the service is
41 complete at the time of deposit in the United States post office.

42 SEC. 36. NRS 360.370 is hereby amended to read as follows:

43 360.370 1. If a petition for redetermination is filed within the 30-day
44 period, the [tax commission] *department* shall reconsider the determina-
45 tion and, if the person has so requested in his petition, grant the person an
46 oral hearing and give him 10 days' notice of the time and place of the
47 hearing.

48 2. The [tax commission] *department* may continue the hearing from
49 time to time as may be necessary.

1 SEC. 37. NRS 360.380 is hereby amended to read as follows:
2 360.380 The [tax commission] department may decrease or increase
3 the amount of the determination before it becomes final, but the amount
4 may be increased only if a claim for the increase is asserted by the [tax
5 commission] department at or before the hearing.

6 SEC. 38. NRS 360.390 is hereby amended to read as follows:
7 360.390 The order of the [tax commission] department upon a
8 petition for redetermination becomes final 30 days after service upon the
9 petitioner of notice thereof.

10 SEC. 39. NRS 360.400 is hereby amended to read as follows:
11 360.400 All determinations made by the [tax commission] depart-
12 ment under the authority of NRS 360.300 to 360.410, inclusive, are due
13 and payable at the time they become final, except that the [tax commis-
14 sion] department may grant an extension of up to 15 days for good
15 cause if the taxpayer makes a written application to the tax commission
16 prior to the time such determination becomes final. A penalty of 5 per-
17 cent of the amount of the determination, exclusive of interest, shall be
18 added thereto if any determination is not paid when due. Interest shall
19 accrue from the time when the determination becomes due and payable.

20 SEC. 40. NRS 360.410 is hereby amended to read as follows:
21 360.410 1. If the [tax commission] department finds that a person's
22 failure to make a timely return or payment is due to circumstances
23 beyond his control and occurred notwithstanding the exercise of ordinary
24 care and in the absence of willful neglect, the [tax commission] depart-
25 ment may relieve such person of all or part of any penalty imposed by it.
26 2. Any person seeking relief from such penalty shall file with the
27 [tax commission] department a statement under oath setting forth the
28 facts upon which he bases his claim for relief.

29 SEC. 41. NRS 360.420 is hereby amended to read as follows:
30 360.420 If any amount required to be paid to the state or remitted
31 to the [Nevada tax commission] department under the provisions of this
32 Title is not paid when due, the [Nevada tax commission] department
33 may, within 3 years after the amount is due, file in the office of the clerk
34 of any court of competent jurisdiction a certificate specifying the amount
35 required to be paid, interest and penalties due, the name and address of
36 the person liable for the payment, as it appears on the records of the
37 [Nevada tax commission.] department, the [Nevada tax commission's]
38 department's compliance with the applicable provisions of this Title in
39 relation to the determination of the amount required to be paid, and a
40 request that judgment be entered against the person in the amount
41 required to be paid, including interest and penalties, as set forth in the
42 certificate.

43 SEC. 42. NRS 360.440 is hereby amended to read as follows:
44 360.440 Execution shall issue upon the judgment upon request of the
45 [Nevada tax commission] department in the same manner as execution
46 may issue upon other judgments, and sales shall be held under such exe-
47 cution, as provided in chapter 21 of NRS.

48 SEC. 43. NRS 360.470 is hereby amended to read as follows:
49 360.470 The remedies of the state provided for in NRS 360.420 to

1 360.470, inclusive, are intended to supplement existing remedies appli-
2 cable to specific taxes provided for in this Title. Nothing contained in
3 NRS 360.420 to 360.470, inclusive, shall be deemed to limit or repeal
4 additional requirements imposed upon the [Nevada tax commission]
5 department by statute, or otherwise by law.

6 SEC. 44. Chapter 250 of NRS is hereby amended by adding thereto a
7 new section which shall read as follows:

8 1. A person shall not:
9 (a) Be a candidate for reelection to the office of county assessor; or
10 (b) Be appointed:
11 (1) To fill a vacancy; or
12 (2) As a deputy,
13 in such office unless he holds a valid appraiser's certificate issued by the
14 department of taxation as provided in section 46 of this act.

15 2. Notwithstanding the provisions of subsection 1, any person per-
16 forming the duties of an appraiser for property tax purposes as a county
17 employee may continue to perform such duties without a valid appraiser's
18 certificate until July 1, 1978.

19 SEC. 45. Chapter 361 of NRS is hereby amended by adding thereto
20 the provisions set forth as sections 46 to 51, inclusive, of this act.

21 SEC. 46. 1. A person shall not perform the duties of an appraiser
22 for property tax purposes as an employee of the state or any of its polit-
23 ical subdivisions unless he holds a valid appraiser's certificate issued by
24 the department.

25 2. The department shall examine applicants for the certificate in
26 appropriate subjects as determined by the department. The certificate
27 shall be issued only to those applicants who pass the department's exam-
28 ination.

29 3. Notwithstanding the provisions of subsection 1 and except as
30 otherwise provided in section 44 of this act, any person performing the
31 duties of an appraiser for property tax purposes may continue to perform
32 such duties without a valid appraiser's certificate until:

33 (a) January 1, 1977, if a state employee.
34 (b) July 1, 1978, if a county employee.

35 SEC. 47. The department may issue a temporary appraiser's certifi-
36 cate to a person who is newly employed by the state or any of its political
37 subdivisions and who applies to take the appraiser's certificate examina-
38 tion. The temporary certificate shall expire 1 year after the date of issue
39 or when the results of the applicant's examination are determined, which-
40 ever occurs first. A temporary certificate shall not be renewed.

41 SEC. 48. 1. Every person who holds an appraiser's certificate shall
42 complete each fiscal year at least 24 credit hours of appropriate training
43 conducted or approved by the department.

44 2. Any credit hours of training accumulated in any 1 fiscal year in
45 excess of the 24 credit hour minimum shall be carried forward and
46 applied against the training requirements of the following 3 years. Any
47 credit hours accumulated between July 1, 1975, and June 30, 1976, shall
48 be carried forward and applied against the training time required in the
49 fiscal year ending June 30, 1977.

1 SEC. 49. On or before July 15 of each fiscal year, the department
2 shall ascertain whether every person holding a valid appraiser's certificate
3 has met the minimum training requirements for the preceding fiscal year
4 as provided in section 48 of this act. The department may suspend or
5 revoke the certificate of any person who fails to complete or have carried
6 forward the minimum number of credit hours for that year. The depart-
7 ment may not suspend or revoke the certificate unless the person has been
8 given a hearing by the department and 20 days' advance written notice of
9 the hearing.

10 SEC. 50. The county assessor may issue subpoenas to require the pro-
11 duction before him of documents, papers, books, records and other evi-
12 dence only insofar as they contain inventory data needed for assessment
13 purposes. The county assessor may have the subpoena served, and upon
14 application to any court of competent jurisdiction in this state, enforced,
15 in the manner provided by law for the service and enforcement of sub-
16 penas in a civil action.

17 SEC. 51. 1. Not later than July 1, 1979, and thereafter:

18 (a) All land in this state shall be legally described for tax purposes by
19 parcel number in accordance with the parceling system prescribed by the
20 department.

21 (b) Each county shall possess a complete set of maps drawn in accord-
22 ance with such parceling system for all land in the county.

23 2. The department shall prepare the maps required by subsection 1
24 for each county who shall reimburse the department for its costs from the
25 county general fund. The department may employ such services as are
26 needed to carry out the provisions of this section.

27 3. The county assessor shall insure that the parcels of land on such
28 maps are numbered in the manner prescribed by the department. The
29 county assessor shall continually update the maps to reflect transfers, con-
30 veyances, acquisitions or any other transaction or event that change the
31 boundaries of any parcel and shall renumber the parcels or prepare new
32 map pages for any portion of the maps to show combinations or divisions
33 of parcels in the manner prescribed by the department. The maps shall
34 readily disclose precisely what land is covered by any particular parcel
35 number in the current fiscal year.

36 4. The department may review such maps annually to insure that
37 they are being properly updated.

38 5. Such maps shall at all times be available in the office of the county
39 assessor. All such maps shall be retained by the county assessor as a
40 permanent public record.

41 6. Land shall not be described in any deed or conveyance by refer-
42 ence to any such map unless the map is filed for record in the office of
43 the county recorder of the county in which the land is located.

44 SEC. 52. NRS 361.035 is hereby amended to read as follows:

45 361.035 1. "Real estate" or "real property" means: [and includes:]

46 (a) All houses, buildings, fences, ditches, structures, erections, rail-
47 roads, toll roads and bridges, or other improvements built or erected
48 upon any land, whether such land is private property or property of the
49 state or of the United States, or of any municipal or other corporation,
50 or of any county, city or town in this state.

1 (b) The ownership of, or claim to, or possession of, or right of posses-
2 sion to any lands within this state.

3 (c) The claim by or the possession of any person, firm, corporation,
4 association or company to any land.

5 2. The property described in subsection 1 shall be listed under the
6 head of "real estate."

7 3. When an agreement has been entered into, whether in writing or
8 not, or when there is sufficient reason to believe that an agreement has
9 been entered into, for the dismantling, moving or carrying away or wreck-
10 ing of the property described in subsection 1, or where such property
11 shall undergo any change whereby it shall be depreciated in value or
12 entirely lost to the county, such property shall be classified as personal
13 property, and not real estate.

14 4. For the purposes of this chapter, "real estate" or "real property"
15 shall not include leasehold or other possessory interests in land owned
16 by the Federal Government on which land the Federal Government is
17 paying taxes to the State of Nevada or is, pursuant to contractual obli-
18 gation, paying any sum in lieu of taxes to the State of Nevada.

19 SEC. 53. NRS 361.170 is hereby amended to read as follows:

20 361.170 Any person, copartnership, association or corporation
21 making claim to no situs status on any property under NRS 361.160 to
22 361.185, inclusive, shall do so in the form and manner prescribed by
23 the [Nevada tax commission.] department. All such claims shall be
24 accompanied by a certification of the warehouse company as to the status
25 on its books of the property involved.

26 SEC. 54. NRS 361.175 is hereby amended to read as follows:

27 361.175 If any such property is reconsigned to a final destination in
28 the State of Nevada, the warehouseman shall file a monthly report with
29 the county assessor of the county in which the warehouse is located, in the
30 form and manner prescribed by the [Nevada tax commission.] depart-
31 ment. All such property so reconsigned shall be assessed and taxed.

32 SEC. 55. NRS 361.227 is hereby amended to read as follows:

33 361.227 1. [In] Any person determining the full cash value of real
34 property [the county assessor, county board of equalization and the
35 state board of equalization] shall compute such full cash value by using
36 each of the following factors for which information is available:

37 (a) The estimate of the value of the vacant land, plus any improve-
38 ments made and minus any depreciation computed according to the esti-
39 mated life of such improvements.

40 (b) The market value of the property, as evidenced by:

41 (1) Comparable sales in the vicinity;

42 (2) The price at which the property was sold to the present owner;
43 and

44 (3) The value of the property for the use to which it was actually
45 put during the fiscal year of assessment.

46 (c) The value of the property estimated by capitalization of the fair
47 economic income expectancy.

48 The criteria of applicability for each factor shall be prescribed by regula-
49 tion of the Nevada tax commission.

2. The county assessor shall, upon request of the owner, furnish within 10 days to any owner of property a statement of the value computed from each of the factors used and the items used in each such computation.

3. In determining the full cash value of a merchant's or dealer's stock in trade, the county assessor shall use the average value over the 12 months immediately preceding the date of assessment. For this purpose, the county assessor may require from such merchant or dealer a verified report of the value of his stock in trade at any time or reasonable number of times during the year.

SEC. 56. NRS 361.260 is hereby amended to read as follows:

361.260 1. Between July 1 and December 31 in each year, the county assessor, except when otherwise required by special enactment, shall ascertain by diligent inquiry and examination all real and personal property in his county subject to taxation, and also the names of all persons, corporations, associations, companies or firms owning the same. He shall then determine the full cash value of all such property and he shall then list and assess the same at 35 percent of its full cash value to the person, firm, corporation, association or company owning it.

2. In arriving at the value of all public utilities of an intracounty nature, the intangible or franchise element shall be considered as an addition to the physical value and a portion of the full cash value.

3. In addition to the inquiry and examination required in subsection 1, the county assessor shall appraise property using standards approved by the [Nevada tax commission,] department and reappraise all property at least once every 5 years thereafter using the same standards. Such appraisals and reappraisals at 5-year intervals shall be accepted as the examination required under subsection 1, for the intervening 4 years.

SEC. 57. NRS 361.267 is hereby amended to read as follows:

361.267 1. Any association, firm, partnership, corporation or individual who furnishes storage for personal property shall, on or before August 1 of each year, submit a written report, verified by the person in charge of such property, to the county assessor of the county where such property is stored, containing accurate and complete information concerning all personal property held in storage on July 1 of such year, including the names and residence addresses of the owners thereof.

2. The report shall be made in the form prescribed by the [Nevada tax commission,] department.

3. The [Nevada tax commission,] department, its designated representative or the county assessor may investigate and inspect such property, and no person may refuse to permit such investigation or inspection.

4. Any violation of this section is a misdemeanor.

SEC. 58. NRS 361.305 is hereby amended to read as follows:

361.305 The county assessor shall also make a map or plat of the various blocks within any incorporated city or town, and shall mark thereon the various subdivisions, as they are assessed. [In each subdivision he shall mark the names of persons to whom it is assessed.] Each parcel in a subdivision shall be further identified by a parcel number in accordance with the parceling system prescribed by the department.

SEC. 59. NRS 361.310 is hereby amended to read as follows:

361.310 1. On or before January 1 of each year, the county assessor of each of the several counties shall complete his tax list or assessment roll, and shall take and subscribe to an affidavit written therein to the effect that he has made diligent inquiry and examination to ascertain all the property within the county subject to taxation, and required to be assessed by him, and that he has assessed the same on the assessment roll equally and uniformly, according to the best of his judgment, information and belief, at 35 percent of its full cash value. A copy of such affidavit shall be filed immediately by the assessor with the [Nevada tax commission,] department. The failure to take or subscribe to such affidavit shall not in any manner affect the validity of any assessment contained in the assessment roll.

2. The county assessor may close his roll as to changes in ownership of property on December 1 of each year or on any other date which may be approved by the board of county commissioners.

SEC. 60. NRS 361.315 is hereby amended to read as follows:

361.315 1. Except as otherwise provided in subsection [4,] 3, annually, a regular session of the Nevada tax commission shall be held at Carson City, Nevada, beginning on the 1st Monday in October [at 10 a.m.] and continuing from day to day until the business of the particular session is completed, at which valuations shall be established by the Nevada tax commission on the several kinds and classes of property mentioned in NRS 361.320.

2. [After the adjournment of the state board of equalization, the Nevada tax commission may hold such sessions as are deemed necessary for the purposes mentioned in NRS 361.325.

3.] The publication in the statutes of the foregoing time, place and purpose of each regular session of the Nevada tax commission shall be deemed notice of such sessions, or if it so elects the Nevada tax commission may cause published notices of such regular sessions to be made in the press, or may notify parties in interest by letter or otherwise.

[4.] 3. The Nevada tax commission may designate some place other than Carson City, Nevada, [or some time other than 10 a.m., or both,] for the regular session specified in subsection 1. If such other place [or time] is so designated, notice thereof shall 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 regular session is to be held.

[5. All sessions shall be public and all persons shall have the right to appear in person or by their agents and attorneys, and, subject to exceptions and qualifications contained in this chapter, submit evidence, both oral and documentary. It shall be lawful, in lieu of personal appearance or appearance by agent or attorney of any claimant before the Nevada tax commission, for such claimant to cause to be filed with the Nevada tax commission a statement in writing, signed by the claimant, setting forth such claimant's claim or claims with respect to the valuation of property of such claimant or the property of others.]

4. All sessions shall be public and any person is entitled to appear in person or by his agent or attorney. Evidence may be submitted, except as otherwise provided in this chapter. In lieu of an appearance, the person

1 may file with the department a written statement containing his claim and
2 any evidence thereon with respect to the valuation of his property or the
3 property of others.

4 SEC. 61. NRS 361.320 is hereby amended to read as follows:

5 361.320 1. At the regular session of the Nevada tax commission
6 commencing on the 1st Monday in October of each year, the Nevada tax
7 commission shall establish the valuation for assessment purposes of any
8 property of an interstate and intercounty nature, which shall in any event
9 include the property of all interstate or intercounty railroad, sleeping car,
10 private car, street railway, traction, telegraph, water, telephone, air trans-
11 port, electric light and power companies, together with their franchises,
12 and the property and franchises of all railway express companies operating
13 on any common or contract carrier in this state. Such valuation shall not
14 include the value of vehicles as defined in NRS 371.020.

15 2. Except as otherwise provided in subsections 3 and 4, the foregoing
16 shall be assessed as follows: The Nevada tax commission shall establish
17 and fix the valuation of the franchise, if any, and all physical property
18 used directly in the operation of any such business of any such company
19 in this state, as a collective unit; and if operating in more than one county,
20 on establishing such unit valuation for the collective property, the Nevada
21 tax commission shall then proceed to determine the total aggregate mileage
22 operated within the state and within the several counties thereof, and
23 apportion the same upon a mile-unit valuation basis, and the number of
24 miles so apportioned to any county shall be subject to assessment in that
25 county according to the mile-unit valuation so established by the Nevada
26 tax commission.

27 3. Where 75 percent or more of the physical property of an electric
28 light and power company is devoted to the generation or transmission of
29 electricity for use outside the State of Nevada and such physical property
30 also includes three or more operating units which are not interconnected
31 at any point within the State of Nevada, the Nevada tax commission shall
32 successively:

33 (a) Determine separately the valuation of each operating unit, using
34 the valuation criteria provided in subsection 2.

35 (b) Apportion 15 percent of the valuation of each operating unit which
36 generates electricity predominantly for use outside Nevada to each other
37 operating unit within the State of Nevada.

38 (c) Apportion the valuation of each operating unit, adjusted as
39 required by paragraph (b) upon a mile-unit basis among the counties in
40 which such operating unit is located.

41 4. Where 75 percent or more of the physical property of an electric
42 light and power company is devoted to the generation or transmission of
43 electricity for use outside the State of Nevada and such physical property
44 also includes two but not more than two operating units which are not
45 interconnected at any point within the State of Nevada, the Nevada tax
46 commission shall successively:

47 (a) Determine separately the valuation of each operating unit, using
48 the valuation criteria provided in subsection 2.

49 (b) Apportion 20 percent of the valuation of each operating unit which

1 generates electricity predominantly for use outside Nevada to each other
2 operating unit within the State of Nevada.

3 (c) Apportion the valuation of each operating unit, adjusted as
4 required by paragraph (b) upon a mile-unit basis among the counties in
5 which such operating unit is located.

6 5. The Nevada tax commission shall [prepare and] adopt formulas,
7 and cause the same to be incorporated in its records, providing the
8 method or methods pursued in fixing and establishing the full cash value
9 of all franchises and property assessed by it. Such formulas shall be
10 adopted and may be changed from time to time upon its own motion or
11 when made necessary by judicial decisions, but such formulas shall in any
12 event show all the elements of value considered by the Nevada tax com-
13 mission in arriving at and fixing the value for any class of property
14 assessed by it.

15 6. The word "company" shall be construed to mean and include any
16 person or persons, company, corporation or association engaged in the
17 business described.

18 7. In case of the omission by the Nevada tax commission to estab-
19 lish a valuation for assessment purposes upon the property mentioned in
20 this section, the county assessors of any counties wherein such property
21 is situated shall assess the same.

22 8. All other property shall be assessed by the county assessors, except
23 as provided in NRS 362.100 and except that the valuation of land, live-
24 stock and mobile homes shall be established for assessment purposes by
25 the Nevada tax commission as provided in NRS 361.325.

26 9. On or before the 1st Monday in December the [Nevada tax com-
27 mission] department shall transmit to the several county assessors the
28 assessed valuation found [by it] on such classes of property as are enu-
29 merated in this section, together with the apportionment of each county
30 of such assessment. The several county assessors shall enter on the roll
31 all such assessment transmitted to them by the [Nevada tax commission.]
32 department.

33 SEC. 62. NRS 361.325 is hereby amended to read as follows:

34 361.325 1. [The Nevada tax commission may continue in session
35 from day to day after the session of the state board of equalization for
36 the purpose of considering the tax affairs of the state.

37 2. After the adjournment of the state board of equalization and on
38 On or before the before the 1st Monday in June of each year, the Nevada
39 tax commission shall:

40 (a) Fix and establish the valuation for assessment purposes of all live-
41 stock and mobile homes in the state; and

42 (b) Classify land and fix and establish the valuation thereof for assess-
43 ment purposes. The classification of agricultural land shall be made on
44 the basis of crop or forage production, either in tons of crops per acre
45 or other unit, or animal unit months of forage. An animal unit month is
46 the amount of forage which is necessary for the complete sustenance of
47 one animal unit for a period of 1 month. One animal unit is defined as
48 one cow and calf, or its equivalent, and the amount of forage necessary
49 to sustain one animal unit for 1 month is defined as meaning 900 pounds
50 of dry weight forage per month.

1 **[3.]** 2. The valuation of livestock, mobile homes and land so fixed
2 and established shall be for the next succeeding year and shall be subject
3 to equalization by the state board of equalization. **[at the February meet-**
4 **ing thereof for such year.]**

5 **4.]** 3. The Nevada tax commission shall **[have the power to]** cause
6 to be placed on the assessment roll of any county property found to be
7 escaping taxation coming to its knowledge after the adjournment of the
8 state board of equalization. Such property shall be placed upon the assess-
9 ment roll prior to the delivery thereof to the ex officio tax receiver. If such
10 property cannot be placed upon the assessment roll of the proper county
11 within the proper time, it shall thereafter be placed upon the tax roll for
12 the next ensuing year, in addition to the assessment for the current year, if
13 any, and taxes thereon shall be collected for the prior year in the same
14 amount as though collected upon the prior year's assessment roll.

15 **[5.]** 4. The Nevada tax commission shall not raise or lower any val-
16 uations established **[at the session of]** by the state board of equalization
17 unless, by the addition to any assessment roll of property found to be
18 escaping taxation, it **[shall be found necessary so to do.] is necessary to**
19 **do so.**

20 **[6.]** 5. Nothing in this section **[shall be construed as providing]**
21 **provides** an appeal from the acts of the state board of equalization to
22 the Nevada tax commission.

23 **Sec. 63. NRS 361.333 is hereby amended to read as follows:**

24 361.333 1. **[The legislature finds that:**

25 (a) Taxation of property is an important element of school district
26 local financing; and

27 (b) An exterior equalization force is required, notwithstanding appar-
28 ent obedience to the legislative mandate declared in NRS 361.225, to
29 effect some measure of uniformity in the quality of educational programs
30 in the public schools.

31 **2.]** Not later than May 1 of each year, the **[Nevada tax commission]**
32 **department** shall:

33 (a) Determine **[for each county each year the average ratio, expressed**
34 **as a percentage, of assessed valuation of property to the full cash value**
35 **of property by means of a sampling of the assessment practices or other**
36 **proper method.] the ratio of the assessed value of each type or class of**
37 **property for which the county assessor has the responsibility of assessing**
38 **in each county to:**

39 (1) *The assessed value of comparable property in the remaining*
40 *counties.*

41 (2) *The full cash value of such type or class of property within that*
42 *county.*

43 (b) Publish and certify to the county assessors and the boards of
44 county commissioners of the counties of this state: **[the]**

45 (1) *The average ratio of assessed valuation to the full cash value of*
46 *property in each county and the state.*

47 **[(c) Publish and certify to the county assessors and the boards of**
48 **county commissioners of the counties the]**

49 (2) *The adjusted average ratio of assessed valuation to the full cash*
50 *value of property in each county.*

1 The **[Nevada tax commission]** department shall take into account the
2 interval between the current determination and the last assessment of
3 property by the county assessor, and it may appropriately discount or
4 otherwise adjust the full cash valuation determined by it or take any other
5 appropriate action.

6 2. *The ratio study shall be conducted on nine counties in one year*
7 *and eight counties in the next year with the same combination of counties*
8 *being tested in alternate years.*

9 3. *The formulas and standard procedures used by the department in*
10 *conducting the ratio study shall include a true random sampling of prop-*
11 *erty and sales and the use of the mean, median, standard deviation and*
12 *any other statistical criteria that will indicate an accurate ratio of full cash*
13 *value to assessed value and an accurate measure of assessment equality.*
14 *The formulas and standard procedures shall become the mandatory for-*
15 *mulas and procedures to be used by the county assessors.*

16 **[3.]** 4. During the month of May **[1967, and during the month of**
17 **May]** of each year, **[thereafter,]** the Nevada tax commission shall meet
18 with the board of county commissioners and the county assessor of each
19 county. **[in Carson City, Nevada.]** The board of county commissioners
20 and the county assessor shall:

21 (a) Present evidence to the Nevada tax commission of the steps taken
22 to insure that all property subject to taxation within the county has been
23 assessed at 35 percent of its full cash value as required by law.

24 (b) Demonstrate to the Nevada tax commission that any adjustments
25 in assessments ordered in the preceding year as a result of the appraisal
26 procedure provided in paragraph (c) of subsection **[4.] 5** have been com-
27 plied with.

28 **[4.]** 5. At the conclusion of each meeting with the board of county
29 commissioners and the county assessor, the Nevada tax commission shall:

30 (a) If it finds that all property subject to taxation within the county
31 has been assessed at 35 percent of its full cash value, take no further
32 action.

33 (b) If it finds that any class of property, as designated in the segrega-
34 tion of the tax roll filed with the secretary of the state board of equaliza-
35 tion pursuant to NRS 361.390, is assessed at less or more than 35 percent
36 of its full cash value, and if the board of county commissioners approves,
37 order a specified percentage increase or decrease in the assessed valuation
38 of such class on the succeeding tax list and assessment roll.

39 (c) If it finds the existence of underassessment or overassessment
40 which in the aggregate amounts to more than 5 percent of the total
41 assessed valuation of the county, or if the board of county commissioners
42 does not agree to an increase or decrease in assessed value as provided
43 in paragraph (b), order the board of county commissioners to employ
44 forthwith one or more qualified appraisers approved by the **[Nevada tax**
45 **commission.] department.** The payment of such appraisers' fees shall be
46 a proper charge against the funds of the county notwithstanding that the
47 amount of such fees has not been budgeted in accordance with law. The
48 appraisers shall determine whether or not the county assessor has assessed
49 all real and personal property in the county subject to taxation at 35
50 percent of its full cash value as required by law. The appraisers may

1 cooperate with the [division of assessment standards of the Nevada tax
2 commission] department in making their determination if so agreed by
3 the appraisers and the [division,] department, and shall cooperate with
4 the [division] department in preparing a report to the Nevada tax com-
5 mission. The report to the Nevada tax commission shall be made on or
6 before October 1 following the date of the order. If the report indicates
7 that any real or personal property in the county subject to taxation has
8 not been assessed at 35 percent of its full cash value, a copy of the report
9 shall be transmitted to the board of county commissioners by the [Nevada
10 tax commission] department prior to November 1. The board of county
11 commissioners shall then order the county assessor to raise or lower the
12 assessment of such property to 35 percent of its full cash value on the
13 succeeding tax list and assessment roll.

14 [5.] 6. The Nevada tax commission may promulgate regulations
15 reasonably necessary to carry out the provisions of this section.

16 [6.] 7. Any county assessor who refuses to increase or decrease the
17 assessment of any property pursuant to an order of the Nevada tax com-
18 mission or the board of county commissioners as provided in this section
19 is guilty of malfeasance in office.

20 Sec. 64. NRS 361.340 is hereby amended to read as follows:

21 361.340 1. The board of equalization of each county shall consist of:

22 (a) [The board of county commissioners.
23 (b) One member of the board of trustees of the county school district
24 to be selected by the board of trustees.

25 (c) One member of a city council or like officer of each incorporated
26 city in the county to be appointed by the city council of such city. If there
27 be no incorporated city within the county, the board of county commis-
28 sioners shall appoint a taxpayer, residing within an unincorporated city,
29 town or village in the county, who is not a member of the board of county
30 commissioners.

31 The clerk of the board of county commissioners shall be the clerk of the
32 county board of equalization.

33 2. In Carson City the board of equalization shall consist of:

34 (a) The board of supervisors.
35 (b) One member of the board of trustees of the city school district to
36 be selected by the board of trustees.

37 (c) One taxpayer residing in the city who is not a member of the board
38 of supervisors,
39 and shall be considered as a county board of equalization. The city clerk
40 shall be the clerk of the board of equalization.] Five members, only two
41 of which may be elected public officers, in counties having a population
42 of 100,000 or more; and

43 (b) Three members, only one of which may be an elected public officer,
44 in counties having a population of less than 100,000,
45 as determined by the last preceding national census of the Bureau of the
46 Census of the United States Department of Commerce.

47 2. The chairman of the board of county commissioners shall nomi-
48 nate persons to serve on the county board of equalization who are versed
49 in real estate appraisal, accounting or finance or who are elected public

1 officers. Such nominees shall be appointed upon a majority vote of the
2 board of county commissioners. The chairman of such board shall desig-
3 nate one of the appointees to serve as chairman of the county board of
4 equalization.

5 3. The county clerk shall be the clerk of the county board of equali-
6 zation.

7 4. Any member of the county board of equalization may be removed
8 by the board of county commissioners if, in its opinion, such member is
9 guilty of malfeasance in office or neglect of duty.

10 5. The members of the county board of equalization are entitled to
11 receive per diem allowance and travel expenses as provided by law.

12 [3.] 6. A majority of the members of the county board of equaliza-
13 tion shall be sufficient to constitute a quorum, and a majority of the board
14 shall determine the action of the board.

15 [4.] 7. The county board of equalization of each county shall meet
16 during the month of January of each year, and shall hold such number
17 of meetings during that month as may be necessary to care for the busi-
18 ness of equalization presented to it, and in any event shall meet at least
19 once each week during the time provided by this section. The county
20 board of equalization shall conclude the business of equalization on or
21 before the 25th day of January of each year. The [Nevada tax commis-
22 sion] state board of equalization shall have power to establish procedures
23 for the county boards, including setting the period for hearing appeals
24 and for setting aside time to allow the county board to review and make
25 final determinations. The district attorney or his deputy shall be present
26 at all meetings of the county [boards] board of equalization to explain
27 [legal provisions and the authority of the county boards.] the law and
28 the board's authority.

29 [5.] 8. The county assessor [or the assessor of Carson City] shall
30 attend all meetings of the county board of equalization. [, without addi-
31 tional compensation.]

32 Sec. 65. NRS 361.355 is hereby amended to read as follows:

33 361.355 1. Any person, firm, company, association or corporation,
34 claiming overvaluation or excessive valuation of its property in the state,
35 whether assessed by the Nevada tax commission or by the county assessor
36 or assessors, by reason of undervaluation for taxation purposes of the
37 property of any other person, firm, company, association or corporation
38 within any county of the state or by reason of any such property not being
39 so assessed, shall appear before the county board of equalization of the
40 county or counties wherein such undervalued or nonassessed property
41 may be and make complaint concerning the same and submit proof
42 thereon. [In any event, the] The complaint and proof shall show the
43 name of the owner or owners, the location, the description, and the full
44 cash value of the property claimed to be undervalued or nonassessed.

45 2. The county board of equalization forthwith shall examine such
46 proof and all data and evidence submitted by the complainant, together
47 with any evidence submitted thereon by the county assessor or any other
48 person. If [it shall be determined by] the county board of equalization
49 determines that the complainant has just cause for making such complaint

1 it shall immediately make such increase in valuation of the property com-
2 plained of as shall conform to its full cash value, or cause such property
3 to be placed on the assessment roll at its full cash value, as the case may
4 be, and make proper equalization thereof.

5 3. Except as provided in subsection 4, any such person, firm, com-
6 pany, association or corporation [claiming overvaluation or excessive
7 valuation of its property, for the reason or reasons as provided in this
8 section,] failing to make a complaint [thereof] and submit proof
9 [thereon] to the county board of equalization of each county wherein it
10 is claimed property is undervalued or nonassessed [.] as provided in this
11 section, shall not thereafter be permitted to make complaint of or offer
12 proof concerning such undervalued or nonassessed property to the state
13 board of equalization.

14 4. If the fact that there is such undervalued or nonassessed property
15 in any county has become known to the complainant after the final
16 adjournment of the county board of equalization of that county for that
17 year, the complainant may make its complaint by the 4th Monday of
18 February to the state board of equalization and submit its proof as pro-
19 vided in this section at [the February] a session of the state board of
20 equalization, upon complainant proving to the satisfaction of the state
21 board of equalization it had no knowledge of such undervalued or non-
22 assessed property prior to the final adjournment of the county board of
23 equalization. The state board of equalization shall proceed in the matter
24 in like manner as provided in this section for a county board of equali-
25 zation in such case, and cause its order thereon to be certified to the
26 county auditor with direction therein to change the assessment roll
27 accordingly.

28 SEC. 66. NRS 361.360 is hereby amended to read as follows:

29 361.360 1. Any taxpayer being aggrieved at the action of the county
30 board of equalization in equalizing, or failing to equalize, the value of
31 his property, or property of others, or a county assessor, may appeal to
32 the state board of equalization [at its February session,] by the 4th Mon-
33 day of February and present to the state board of equalization the matters
34 complained of [.] at one of its sessions.

35 2. All such appeals shall be presented upon the same facts and evi-
36 dence as were submitted to the county board of equalization in the first
37 instance, unless there shall be discovered new evidence pertaining to the
38 matter which could not, by due diligence, have been discovered prior to
39 the final adjournment of the county board of equalization.

40 SEC. 67. NRS 361.375 is hereby amended to read as follows:

41 361.375 1. [The state board of equalization shall be composed of
42 the members of the Nevada tax commission.

43 2. The chairman of the Nevada tax commission shall be the chair-
44 man of the board, and the secretary of the Nevada tax commission shall
45 be the secretary of the board.

46 3. Each member of the Nevada tax commission (except the governor
47 as an ex officio member) shall have a vote upon the board, and in all
48 cases a majority vote of the entire membership of the board shall govern.
49 Five members shall constitute a quorum for the transaction of business.]

50 The state board of equalization shall consist of three members

1 appointed by the governor. The governor shall designate one of the mem-
2 bers to serve as chairman of the board.

3 2. The board members shall respectively possess the following quali-
4 fications:

5 (a) One shall be a certified public accountant.

6 (b) Two shall be versed in real estate values:

7 (1) One, in real estate values obtaining in that area of the state
8 north; and

9 (2) The other, in real estate values obtaining in that area of the state
10 south,

11 of a line formed by the southern boundaries of Lyon, Churchill, Lander,
12 Eureka and White Pine counties.

13 3. Only two of the members may be of the same political party.

14 4. The first appointments to the board shall be for terms as follows:

15 (a) One member for 4 years.

16 (b) One member for 3 years.

17 (c) One member for 2 years.

18 Thereafter, all members shall be appointed for terms of 4 years, except
19 when appointed to fill unexpired terms. Appointments to fill vacancies
20 on the board shall be for the unexpired term of the board member to be
21 replaced, and shall be made by the governor.

22 5. Before entering upon his duties, each board member shall enter
23 into a bond payable to the State of Nevada, to be approved by the state
24 board of examiners, in the sum of \$10,000, conditioned for the faithful
25 performance of his duties and shall subscribe to the official oath.

26 6. Any member of the board may be removed by the governor if, in
27 his opinion, such member is guilty of malfeasance in office or neglect of
28 duty.

29 7. Each board member shall receive as compensation \$40 for each
30 day actually employed on the work of the board. The board members
31 are entitled to receive the per diem allowance and travel expenses as pro-
32 vided by law.

33 8. A majority of the members of the board shall be sufficient to con-
34 stitute a quorum, and a majority of the board shall determine the action of
35 the board. The board may make regulations governing the conduct of its
36 business.

37 9. The staff requirements of the state board of equalization shall be
38 provided by the department and the executive director shall serve as the
39 secretary of the board.

40 SEC. 68. NRS 361.380 is hereby amended to read as follows:

41 361.380 1. Except as otherwise provided in subsection 3, annually,
42 the state board of equalization shall convene on the 1st Monday in Feb-
43 ruary in Carson City, Nevada, and shall hold such number of meetings as
44 may be necessary to care for the business of equalization presented to it.
45 All protests to the state board of equalization shall be made on or before
46 the 4th Monday of February. [and the state board of equalization shall
47 conclude the business of equalization on or before the 4th day of March
48 in each year.] The state board of equalization shall conclude the business
49 of equalization on cases that in its opinion have a substantial effect on tax
50 revenues on or before March 4. Cases having less than a substantial effect

on tax revenues may be heard at additional meetings which may be held at any time and place in the state prior to October 1.

2. The publication in the statutes of the foregoing time, place and purpose of each regular session of the state board of equalization shall be deemed 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 shall 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.

SEC. 69. NRS 361.385 is hereby amended to read as follows:

361.385 1. [All sessions shall be public and all persons shall have the right to appear in person or by their agents or attorneys and, subject to exceptions and qualifications contained in this chapter, submit evidence, both oral and documentary. It shall be lawful, in lieu of personal appearance or appearance by agent or attorney of any claimant before the state board of equalization, for such claimant to cause to be filed with the state board of equalization a statement in writing, signed by the claimant, setting forth such claimant's claim or claims with respect to the valuation of property of such claimant or the property of others.] All sessions shall be public and any person is entitled to appear in person or by his agent or attorney. Evidence may be submitted, except as otherwise provided in this chapter. In lieu of an appearance, the person may file with the state board of equalization a written statement containing his claim and any evidence thereon with respect to the valuation of his property or the property of others.

2. Nothing contained in this section [shall be construed as relieving] relieves such claimant or any board, commission or officer from complying with all the requirements of law relative to the manner and form of appealing from the action of county boards of equalization, and submitting such proof as may be required by the state board of equalization.

SEC. 70. 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 [piece or class of] property in whole or in part [made by the state board of equalization] to the county auditor of the county wherein such property is assessed, and whenever the valuation of any [piece or class of property shall have been] property is raised, the secretary of the state board of equalization shall forward by certified mail to the property owner or owners affected, [thereby due] notice of such increased valuation.

2. As soon as [all] changes resulting from cases having a substantial effect on tax revenues have been certified to him by the secretary of the state board of equalization, the county auditor shall:

(a) Enter all such changes on the assessment roll prior to the delivery thereof to the [ex officio] 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 [Nevada tax commission] department on or before March 15 of each year.

3. As soon as changes resulting from cases having less than a substantial effect on tax revenue have been certified to him 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. 71. NRS 361.410 is hereby amended to read as follows:

361.410 1. No taxpayer shall be deprived of any remedy or redress in a court of law relating to the payment of taxes, but all such actions shall be for redress from the findings of the state board of equalization, and no action shall be instituted upon the act of a county assessor or of a county board of equalization or the Nevada tax commission until the state board of equalization has denied complainant relief. Nothing herein shall be deemed to prevent a proceeding in mandamus to compel the placing of nonassessed property on the assessment roll.

2. The [Nevada tax commission,] department, in that name and in proper cases, may sue and be sued, and the attorney general shall prosecute and defend the same, but the burden of proof shall be upon the complainant to show by clear and satisfactory evidence that any valuation established by the Nevada tax commission or the department or equalized by the state board of equalization is unjust and inequitable.

SEC. 72. NRS 361.415 is hereby amended to read as follows:

361.415 1. Any property owner whose taxes are less than \$300, and who has paid the first installment of such taxes in full, may, on filing with the county treasurer a certificate of the [secretary of the Nevada tax commission] executive director that he has made complaint or applied to the Nevada tax commission for redress from any increased valuation of his property, pay the next installment of such taxes in two separate payments, one payment in the sum which, when added to the first installment, shall represent the amount of taxes payable if computed on the valuation of the preceding tax year plus the taxes on any improvements added since such preceding levy, and the other for the balance required to make up the full amount levied for the current year. The county treasurer shall receipt for the latter as a special deposit, to be held by such county treasurer undischarged until the Nevada tax commission shall, by its findings, grant or refuse redress from such increased valuation, and the property owner, in such case, shall not be liable for any penalty under the provisions of this chapter concerning delinquencies.

2. If the Nevada tax commission, by its findings, reduces the assessment valuation of such property, the county treasurer, on order of the Nevada tax commission, shall refund from such special deposit an amount corresponding to such reduction, and shall transfer the remainder to the public revenues.

3. If the Nevada tax commission shall not reduce the valuation of the property, then the county treasurer shall transfer the entire special deposit to the public revenues.

1 4. Any person proceeding under this section being aggrieved by the
2 findings and order of the Nevada tax commission may appeal therefrom
3 to the district court of the proper county, the appeal being taken in the
4 same manner and within the same time as appeals from justices' courts
5 to district courts in civil actions, and such cases shall there be tried de
6 novo. If such person prevails in the district court, the district court may
7 allow a reasonable amount of interest, not exceeding 6 percent per annum,
8 on the amount of the special deposit ordered repaid to the taxpayer from
9 the date of the deposit thereof with the county treasurer.

10 5. An appeal may be taken from the judgment of the district court to
11 the supreme court by either party to the action.

12 SEC. 73. NRS 361.420 is hereby amended to read as follows:

13 361.420 1. Any property owner whose taxes exceed the sum of \$300
14 and are in excess of the amount which such owner claims justly to be
15 due may pay each installment of taxes as it becomes due under protest
16 in writing, which protest shall be in triplicate and filed with the county
17 treasurer at the time of the payment of the installment of taxes. The
18 county treasurer forthwith shall forward one copy of the protest to the
19 attorney general and one copy to the state controller.

20 2. The property owner, having protested the payment of taxes as pro-
21 vided in subsection 1, may commence a suit in any court of competent
22 jurisdiction in the State of Nevada against the state and county in which
23 the taxes were paid, and, in a proper case, the [Nevada tax commission]
24 department may be joined as a defendant for a recovery of the difference
25 between the amount of taxes paid and the amount which such owner
26 claims justly to be due, and such owner may complain upon any of the
27 grounds contained in subsection 4.

28 3. Every action commenced under and by virtue of the provisions of
29 this section shall be commenced within 3 months from the date of the
30 payment of the last installment of taxes, and if not so commenced shall
31 be forever barred. If the tax complained of shall be paid in full and
32 under the written protest provided for in this section, at the time of the
33 payment of the first installment of taxes, suit for the recovery of the dif-
34 ference between the amount paid and the amount claimed to be justly
35 due shall be commenced within 3 months of the date of payment thereof,
36 and if not so commenced shall be forever barred.

37 4. In any suit brought under the provisions of this section, the person
38 assessed may complain or defend upon any of the following grounds:

39 (a) That the taxes have been paid before the suit; [or]

40 (b) That the property is exempt from taxation under the provisions of
41 the revenue or tax laws of the state, specifying in detail the claim of
42 exemption; [or]

43 (c) That the person assessed was not the owner and had no right, title
44 or interest in the property assessed at the time of assessment; [or]

45 (d) That the property is situate in and has been duly assessed in
46 another county, and the taxes thereon paid; [or]

47 (e) That there was fraud in the assessment or that the assessment is
48 out of proportion to and above the actual cash value of the property
49 assessed; [or]

50 (f) That the assessment is out of proportion to and above the valuation

1 fixed by the Nevada tax commission for the year in which the taxes were
2 levied and the property assessed; or

3 (g) That the assessment complained of is discriminatory in that it is
4 not in accordance with a uniform and equal rate of assessment and taxa-
5 tion, but is at a higher rate of the full cash value of the property so
6 assessed than that at which the other property in the state is assessed.

7 5. In all cases mentioned in this section, where the complaint is based
8 upon any grounds mentioned in subsection 4, the entire assessment shall
9 not be declared void, but shall only be void as to the excess in valuation.

10 6. In any judgment recovered by the taxpayer under this section, the
11 court may provide for interest thereon not to exceed 6 percent per annum
12 from and after the date of payment of the tax complained of.

13 SEC. 74. NRS 361.430 is hereby amended to read as follows:

14 361.430 In every action brought under the provisions of NRS 361.-
15 415 and 361.420, the burden of proof shall be upon the plaintiff to show
16 by clear and satisfactory evidence that any valuation established [or
17 equalized] by the Nevada tax commission [the state board of equaliza-
18 tion, the county assessor or the county board of equalization] or the
19 county assessor or equalized by the county board of equalization or the
20 state board of equalization is unjust and inequitable.

21 SEC. 75. NRS 361.445 is hereby amended to read as follows:

22 361.445 The assessment made by the county assessor and by the
23 [Nevada tax commission,] department, as equalized according to law,
24 shall be the only basis for property taxation by any city, town, school
25 district, road district or other district in that county.

26 SEC. 76. NRS 361.455 is hereby amended to read as follows:

27 361.455 1. Subsequent to the approval of the final budgets for the
28 various local governments as defined in NRS 354.474 and their submis-
29 sion to the [Nevada tax commission,] department, for examination and
30 approval, the Nevada tax commission shall certify to the board of county
31 commissioners of each of the several counties the combined tax rate
32 necessary to produce the amount of revenue required by the approved
33 budgets, and shall certify such combined rate, to each of the boards of
34 county commissioners.

35 2. Immediately upon adoption of the final budgets, if the combined
36 tax rate together with the established state tax rate exceeds the constitu-
37 tional tax rate limit, the chairman of the board of county commissioners in
38 each county concerned shall call a meeting of the governing boards of each
39 of the local governments within such county for the purpose of establish-
40 ing a combined tax rate that conforms to the constitutional limitations.
41 The chairman shall convene the meeting on April 14 or, if April 14 falls
42 on a Saturday or Sunday, on the Monday next following.

43 3. The governing boards of the local governments shall meet in public
44 session and the county clerk shall keep appropriate records of all proceed-
45 ings. The chairman of the board of county commissioners or his designee
46 shall preside at such meeting. The governing boards shall explore areas of
47 mutual concern so as to agree upon a combined tax rate that does not
48 exceed the constitutional limit. That portion of the proposed tax rate of
49 the county school district for the operation and maintenance of public
50 schools composed of the mandatory tax levy specified in paragraph (a) of

subsection 2 of NRS 387.195 and the recommended tax levy to be made pursuant to paragraph (b) of subsection 2 of NRS 387.195 may not be reduced by action of the governing boards in order to establish a combined tax rate conforming to constitutional limitations; but that portion of the proposed tax rate of the county school district specified for debt service requirements pursuant to paragraph (c) of subsection 2 of NRS 387.195 is subject to a rate adjustment by action of the governing boards pursuant to this section.

4. The governing boards shall determine final decisions by a unanimous vote of all entities present and qualified to vote, as defined in this subsection. No ballot may be cast on behalf of any governing board unless a majority of such individual board is present. A majority vote of all members of each governing board is necessary to determine the ballot cast for that entity. All ballots must be cast not later than the day following the day the meeting is convened. The district attorney shall be the legal advisor for such proceedings.

5. The county clerk shall immediately thereafter advise the [Nevada tax commission] department of the results of the ballots cast and the tax rates set for local governments concerned and shall submit a written summary of the discussions to the [commission.] department. If the ballots for the entities present at the meeting in such county are not unanimous, the county clerk shall notify the [Nevada tax commission] department of the ballots cast indicating that a unanimous vote could not be obtained.

6. If a unanimous vote is not obtained the combined rate in any county together with the established state tax rate exceeds the constitutional tax rate limit, the [Nevada tax commission] department shall examine the summary of the discussions and the budgets of all local governments concerned. On May 1 or, if May 1 falls on a Saturday or Sunday, on the Monday next following, the Nevada tax commission shall meet to set the tax rates for the next succeeding year for all local governments so examined. In setting such tax rates for the next succeeding year the Nevada tax commission shall not reduce that portion of the proposed tax rate of the county school district for the operation and maintenance of public schools composed of the mandatory tax levy specified in paragraph (a) of subsection 2 of NRS 387.195 and the recommended tax levy to be made pursuant to paragraph (b) of subsection 2 of NRS 387.195.

7. Any local government affected by a rate adjustment, made in accordance with the provisions of this section, which necessitates a budget revision shall file a copy of its revised budget by June 30 next after the approval and certification of the rate by the Nevada tax commission.

8. A copy of the certificate of the Nevada tax commission sent to the board of county commissioners shall be forwarded to the county auditor.

SEC. 77. NRS 361.495 is hereby amended to read as follows:

361.495 Within 10 days after the report described in NRS 361.490, the county treasurer shall transmit by mail or otherwise to the state controller and the department a statement in such form as the state controller may require of all the particular kind of property delinquent, and the total amount of delinquent tax.

SEC. 78. NRS 361.5643 is hereby amended to read as follows:

361.5643 Upon compliance by the purchaser of a slide-in camper or the purchaser of a mobile home, which is not registered and licensed, or which the purchaser has not declared his intention to register and license immediately after payment of the tax, pursuant to the provisions of NRS 482.397, with the provisions of NRS 361.562, 361.563 or 361.5642 the county assessor shall:

1. Deliver forthwith to the purchaser of a mobile home, as well as annually thereafter upon payment of the tax, a sticker which shall be of a design and affixed in such manner as shall be prescribed by the [Nevada tax commission.] department;

2. Deliver forthwith to the purchaser of a slide-in camper, as well as annually thereafter upon payment of the tax, a tax plate or a sticker which shall be of a design and affixed in such manner as shall be prescribed by the [Nevada tax commission.] department.

SEC. 79. NRS 361.565 is hereby amended to read as follows:

361.565 1. Within 20 days after the 1st Monday in March of each year, in all cases where the tax is delinquent, the tax receiver of the county shall give notice in the manner and form provided in this section.

2. Such notice shall be published in the newspaper which publishes the list of taxpayers pursuant to NRS 361.300 at least once a week from the date thereof for 4 consecutive weeks, being four insertions. If there is no newspaper in the county, such notice shall be posted in at least five conspicuous places within the county.

3. The cost of publication in each case shall be charged to the delinquent taxpayer, and shall, in no case, be a charge against the state or county. Such publication shall be made at not more than legal rates.

4. When the delinquent property consists of unimproved real estate assessed at a sum not exceeding \$25, the notice shall be given by posting a copy of the same in three conspicuous places within the county without publishing the same in a newspaper.

5. Such notice shall state:

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

(b) The description of the property on which such taxes are a lien.

(c) The amount of the taxes due on the property and the penalties and costs as provided by law.

(d) That if the amount is not paid by the taxpayer or his successor in interest the tax receiver will, on the 4th Monday in April of the current year at 1:30 p.m. of that day, issue to the county treasurer, as trustee for the state and county, a certificate authorizing him to hold the property, subject to redemption within 2 years after date thereof, by payment of the taxes and accruing taxes, penalties and costs, together with interest at the rate of 10 percent per annum from date due until paid as provided by law and that such redemption may be made in accordance with the provisions of chapter 21 of NRS in regard to real property sold under execution.

6. Such notice shall be mailed in the following manner:

(a) At the same time that the tax receiver shall first publish the notice or post the same, as the case may be, he shall send a copy of the notice

1 by first class mail, in the case of each respective property as taxed, to
2 the owner or owners thereof, and also to the person or persons listed as
3 the taxpayer or taxpayers thereon on the tax rolls, at their last-known
4 addresses, if such names and addresses are known. Upon mailing the
5 original notice of delinquency, the tax receiver shall issue his personal
6 affidavit to the board of county commissioners affirming that due notice
7 had been mailed in respect to each parcel. The affidavit shall recite the
8 number of letters mailed, the number of letters returned, and the number
9 of letters finally determined to be undeliverable. Detailed records shall
10 be maintained by the tax receiver in support of his affidavit, in such con-
11 tent as the [Nevada tax commission] department may prescribe, until
12 the period of redemption has expired.

13 (b) A second copy shall be sent by certified mail, not less than 60 days
14 before the expiration of the period of redemption as stated in the notice.

15 (c) The cost of each such mailing shall be charged to the delinquent
16 taxpayer at the rate of \$1 each.

17 SEC. 80. NRS 361.810 is hereby amended to read as follows:

18 361.810 "Claim" means an application for senior citizens' property
19 tax assistance made pursuant to NRS 361.800 to 361.877, inclusive, and
20 a "claimant" is a person who files a claim under NRS 361.800 to 361.-
21 877, inclusive, and who, at the time of filing his claim, is 65 years of age
22 or over and is domiciled in this state. When two individuals of a house-
23 hold are able to meet the qualifications for a claimant, they may determine
24 between them as to who the claimant shall be. If they are unable to agree,
25 the matter shall be referred to the [secretary of the Nevada tax commis-
26 sion] executive director and his decision shall be final. In no event should
27 there be more than one claim filed for any home.

28 SEC. 81. NRS 361.837 is hereby amended to read as follows:

29 361.837 No claim with respect to property taxes accrued shall be
30 paid unless the claim is actually filed with the [Nevada tax commission]
31 department on or before the 1st Monday of September following the cal-
32 endar year for which household income is reported.

33 SEC. 82. NRS 361.840 is hereby amended to read as follows:

34 361.840 In the case of illness, absence from the state or other disabil-
35 ity or if in his judgment good cause exists, the [secretary of the Nevada
36 tax commission] executive director may extend, for a period of not to
37 exceed 6 months, the time for filing a claim.

38 SEC. 83. NRS 361.843 is hereby amended to read as follows:

39 361.843 No claim shall be accepted by the [Nevada tax commis-
40 sion] department if the claimant owes delinquent property taxes on the
41 property which is claimed as a home and which became delinquent while
42 the claimant owned such home.

43 SEC. 84. NRS 361.845 is hereby amended to read as follows:

44 361.845 No claim shall be accepted by the [Nevada tax commission]
45 department if the claimant or the claimant's spouse owns real property in
46 the State of Nevada, other than that claimed as a home, having an
47 assessed value in excess of \$30,000.

48 SEC. 85. NRS 361.853 is hereby amended to read as follows:

49 361.853 1. Funds to carry out the provisions of NRS 361.800 to
50 361.877, inclusive, shall be provided by legislative appropriation from the

1 general fund in the state treasury. The moneys so appropriated shall be
2 deposited in the senior citizens' property tax assistance fund.

3 2. All refunds shall be made by warrants drawn by the state controller
4 upon the senior citizens' property tax assistance fund.

5 3. Any unexpended funds remaining in the senior citizens' property
6 tax assistance fund after all claims have been paid shall remain in such
7 fund and shall not revert to the general fund.

8 4. Refunds shall be mailed to the claimant on or before the 1st
9 Monday in November following receipt by the [commission] department
10 of the claim. If the [secretary of the commission] executive director
11 authorizes a late filing of a claim, the refund shall be mailed not later than
12 30 days after receipt of such claim by the [commission.] department.

13 5. The [secretary of the commission] executive director shall obtain
14 from the state controller a statement of the balance in the senior citizens'
15 property tax assistance fund on September 1 of each year. The [secre-
16 tary] executive director shall provide for full refunds of all just claims
17 under the provisions of NRS 361.833, provided that the total amount of
18 such claims does not exceed the September 1 fund balance. The [secre-
19 tary] executive director shall proportionately reduce each claim when the
20 total amount of all claims exceeds the September 1 fund balance.

21 SEC. 86. NRS 361.857 is hereby amended to read as follows:

22 361.857 Every claimant shall supply to the [secretary of the Nevada
23 tax commission] executive director in support of his claim information
24 as to his name and address, rent paid, property taxes accrued, the mem-
25 bers of his household, his household income, the size and nature of the
26 property claimed as his home; a statement that the property taxes accrued
27 and used for purposes of NRS 361.800 to 361.877, inclusive, have been
28 or will be paid by him and that there are no delinquent property taxes
29 on the home; and whatever other information the [Nevada tax commis-
30 sion] department deems necessary for the proper administration of NRS
31 361.800 to 361.877, inclusive.

32 SEC. 87. NRS 361.860 is hereby amended to read as follows:

33 361.860 Only one member of each household may file a claim for an
34 assessment year. If more than one member is eligible to claim, any one
35 of the eligible members may file the claim with the written consent of
36 the others. If such consent is not obtainable, the claim may be filed only
37 if criteria regulating such a circumstance have been prescribed by the
38 [commission.] department.

39 SEC. 88. NRS 361.863 is hereby amended to read as follows:

40 361.863 The [secretary of the Nevada tax commission] executive
41 director may audit any claim filed under the provisions of NRS 361.800
42 to 361.877, inclusive. If, as a result of such audit, he finds that the
43 amount of the claim has been incorrectly determined, he shall redeter-
44 mine the claim and notify the claimant of the redetermination and his
45 reasons for it. The redetermination shall be the final administrative action
46 on the claim.

47 SEC. 89. NRS 361.865 is hereby amended to read as follows:

48 361.865 A claim shall be disallowed if the [secretary of the Nevada
49 tax commission] executive director finds that the claimant received title
50 to his home primarily for the purpose of obtaining benefits under the

1 provisions of NRS 361.800 to 361.877, inclusive. If such a claimant has
2 received a refund and if he does not repay it together with a 10 percent
3 penalty to the state, the refund amount and penalty shall be assessed
4 against the property claimed as his home.

5 SEC. 90. NRS 361.867 is hereby amended to read as follows:

6 361.867 The [secretary of the Nevada tax commission] *executive*
7 *director* may deny in total any claim which he finds to be excessive or
8 which was filed with fraudulent intent. If such a claim has been paid and
9 if afterward denied, the amount of the claim together with a 10 percent
10 penalty shall be repaid by the claimant to the [Nevada tax commission.]
11 *department*. If the amount of such refund and penalty is not repaid, the
12 same shall be assessed against the property claimed by the claimant as a
13 home. The claimant in such case and any person who assisted in the
14 preparation or filing of such claim, or who, with fraudulent intent, sup-
15 plied information upon which such excessive claim was prepared, are
16 guilty of a misdemeanor.

17 SEC. 91. NRS 361.870 is hereby amended to read as follows:

18 361.870 Any person aggrieved by the denial in whole or in part of
19 relief claimed under NRS 361.800 to 361.877, inclusive, or by any other
20 final action of the [secretary of the Nevada tax commission,] *executive*
21 *director*, is entitled to judicial review thereof. Proceedings for such review
22 must be instituted within 30 days after the claimant has received notice
23 of such final action.

24 SEC. 92. NRS 361.873 is hereby amended to read as follows:

25 361.873 1. The [commission] *department* is responsible for the
26 overall administration of NRS 361.800 to 361.877, inclusive.

27 2. The [commission] *department* may:

28 (a) Specify by regulation any other kind of income for the purpose of
29 NRS 361.823.

30 (b) Prescribe the content and form of claims.

31 (c) Designate the kind of proof to be required for substantiation of
32 claims.

33 (d) Establish criteria for determining when a claim may be filed by one
34 eligible person without the consent of all others eligible in the same house-
35 hold for the same assessment year.

36 (e) Prescribe that a claimant's ownership of his home must be shown
37 of record.

38 (f) Provide by regulation that a vendee in possession of his home
39 under an installment sale contract and responsible for paying the property
40 taxes on the home is eligible to claim assistance as a homeowner.

41 (g) Limit the computation of benefits to the nearest dollar and limit
42 issuance of warrants to \$5 or over.

43 (h) Verify and audit any claims, statements or other records made pur-
44 suant to this act.

45 (i) Adopt and promulgate regulations to safeguard the confidentiality
46 of information supplied by claimants.

47 (j) Provide by regulation for a limited extension of time to file a claim
48 in cases of hardship.

49 (k) Adopt and promulgate such other regulations as may be required
50 to effectuate the purposes of NRS 361.800 to 361.877, inclusive.

1 SEC. 93. NRS 361.875 is hereby amended to read as follows:

2 361.875 All functions of the [commission] *department* under NRS
3 361.800 to 361.877, inclusive, are subject to the Nevada Administrative
4 Procedure Act (chapter 233B of NRS).

5 SEC. 94. NRS 362.100 is hereby amended to read as follows:

6 362.100 The [Nevada tax commission is hereby empowered and
7 authorized to investigate] *department shall*:

8 1. *Investigate* and determine the net proceeds of all operating mines
9 and [to] assess [the same] *them* as provided in NRS 362.100 to
10 362.240, inclusive.

11 2. *Appraise and assess all reduction, smelting and milling works,*
12 *plants and facilities, whether or not associated with a mine, and all sup-*
13 *plies, machinery, equipment, apparatus, facilities, buildings, structures and*
14 *other improvements used in connection with any mining, reduction, smelt-*
15 *ing or milling operation as provided in chapter 361 of NRS.*

16 SEC. 95. NRS 362.110 is hereby amended to read as follows:

17 362.110 1. Every person, corporation or association operating any
18 mine in this state containing gold, silver, copper, zinc, lead or other valu-
19 able mineral or mineral deposit, whether metallic or nonmetallic, and
20 every recipient of royalty payments in connection therewith:

21 (a) Shall, semiannually during July and January of each year, except
22 as provided in paragraph (b), file with the [Nevada tax commission]
23 *department* a statement showing the gross yield and claimed net proceeds
24 from each mine owned, worked or operated by such person, corporation
25 or association during the 6-month period immediately preceding the 1st
26 day of the month in which the statement is so required to be made.

27 (b) May have up to 15 additional days to file such statement, if before-
28 hand he makes written application to the [commission] *department* and
29 the [commission] *department* finds good cause for such extension.

30 2. Such statement shall:

31 (a) Show the claimed deductions from the gross yield in the detail set
32 forth in NRS 362.120. Such deductions shall be limited to the costs
33 incurred during the 6-month period covered by the statement.

34 (b) Be in the form which shall be prescribed by the [Nevada tax
35 commission.] *department*.

36 (c) Be verified by the manager, superintendent, secretary or treasurer
37 of the corporation, or by the owner of the mine, or, if the owner is an
38 individual, by someone authorized in his behalf.

39 3. Each recipient of royalty payments as described in subsection 1
40 shall annually file with the [Nevada tax commission] *department* a list
41 showing each of the lessees responsible for taxes due in connection with
42 the mine or mines included in the statement filed pursuant to subsections
43 1 and 2 of this section.

44 SEC. 96. NRS 362.120 is hereby amended to read as follows:

45 362.120 1. The [Nevada tax commission] *department* shall, from
46 the statement and from all obtainable data, evidence and reports, com-
47 pute in dollars and cents the gross yield and net proceeds of each
48 semiannual period.

2. The net proceeds shall be ascertained and determined by subtracting from the gross yield the following deductions for costs incurred during such 6-month period, and none other:

- (a) The actual cost of extracting the ore from the mines.
- (b) The actual cost of transporting the product of the mine to the place or places of reduction, refining and sale.
- (c) The actual cost of reduction, refining and sale.
- (d) The actual cost of marketing and delivering the product and the conversion of the same into money.

(e) The actual cost of maintenance and repairs of:

- (1) All mine machinery, equipment, apparatus and facilities.
- (2) All milling, smelting and reduction works, plants and facilities.
- (3) All transportation facilities and equipment except such as are under the jurisdiction of the public service commission of Nevada as public utilities.

(f) The actual cost of fire insurance on the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e) of this subsection.

(g) Depreciation [at the rate of not less than 6 percent nor more than 10 percent per annum of the assessed valuation] of the original capitalized cost of the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e) of this subsection. [The percentage of depreciation shall be determined for each mine by the Nevada tax commission, and in making such determination the Nevada tax commission shall give due weight to the character of the mine and equipment and its probable life.] The annual depreciation charge shall consist of amortization of the original cost plus interest at a rate to be determined by the tax commission at its October meeting for use in the next calendar year. The probable life of the property represented by the original cost shall be considered in computing the depreciation charge.

(h) All moneys expended for premiums for industrial insurance, and the actual cost of hospital and medical attention and accident benefits and group insurance for all employees.

(i) All moneys paid as contributions under the unemployment compensation law of the State of Nevada, as contained in chapter 612 of NRS, and all moneys paid as contributions under the Social Security Act of the Federal Government, and all moneys paid to either the State of Nevada or the Federal Government under any amendment to either or both of the statutes mentioned in this paragraph.

(j) The actual cost of development work in or about the mine or upon a group of mines when operated as a unit.

(k) All moneys paid as royalties by a lessee or sublessee of a mine, or by both, shall constitute a deductible item for such lessee or sublessee in determining the net proceeds of such lessee or sublessee or both; but the royalties so deducted by the lessee or sublessee shall constitute part of the gross yield of the mine for the purpose of determining the net proceeds upon which a tax shall be levied against the person, corporation, association or partnership to which the royalty has been paid.

3. Every person, corporation or firm acquiring property in the State of Nevada for the purpose of engaging in mining and who incurs any of

the expenses mentioned in subsection 2 shall report such expenses and the recipient of any royalty payments to the [Nevada tax commission] department on forms provided by the [commission.] department.

4. The several deductions mentioned in subsection 2 shall not include any expenditures for salaries, or any portion thereof, of any person not actually engaged in:

- (a) The working of the mine; [or]
- (b) The operating of the mill, smelter or reduction works; [or]
- (c) The operating of the transportation facilities or equipment; [or]
- (d) Superintending the management of any thereof; or
- (e) The State of Nevada, in office, clerical or engineering work necessary or proper in connection with any such operations.

SEC. 97. NRS 362.130 is hereby amended to read as follows:

362.130 1. When the [Nevada tax commission shall have determined] department determines the net proceeds of any mine or mines, [it] the Nevada tax commission shall prepare its certificate of the amount of the net proceeds thereof in triplicate and shall file one copy thereof with the [secretary of the Nevada tax commission,] department, one copy with the county assessor of the county in which the mine or mines are located, and shall send the third copy to the person, corporation or association which is the owner of the mine, operator of the mine, or recipient of the royalty payment, as the case may be.

2. Upon the filing of the copy of such certificate with the county assessor and with the [secretary of the Nevada tax commission,] department, the assessment shall be deemed to be made in the amount fixed by the certificate of the Nevada tax commission, and taxes thereon at the rate established shall be immediately due and payable. Such certificate of assessment shall be filed [by the Nevada tax commission with its secretary, and with the county assessor, and mailed to the taxpayer] and mailed not later than the 15th day of April and the 15th day of October immediately following respectively the months of January and July during which such statements must be filed.

SEC. 98. NRS 362.160 is hereby amended to read as follows:

362.160 If the amount of the tax is not paid within 30 days after the filing of the certificate of assessment with the [secretary of the Nevada tax commission] executive director and the county assessor, the same shall be thereupon delinquent and shall be collected as other delinquent taxes are collected by law, together with the penalties provided for the collection of delinquent taxes.

SEC. 99. NRS 362.175 is hereby amended to read as follows:

362.175 1. If at any time, in the opinion of the county assessor, it becomes impossible or impractical to collect any tax assessed on the proceeds of a mine other than a patented mine, the county assessor may apply to the board of county commissioners and the district attorney to have the amount of such tax and the name of the person against whom such tax is assessed removed from the tax records of such assessor.

2. If the board of county commissioners and the district attorney approve such application, such application shall be forwarded to the department who shall submit it to the Nevada tax commission for their

1 approval or disapproval. If the Nevada tax commission approves such
2 application, the county assessor may remove such name and amount from
3 his tax records.

4 SEC. 100. NRS 362.180 is hereby amended to read as follows:

5 362.180 1. In any suit arising concerning the assessment and taxa-
6 tion of the proceeds of mines, the burden of proof shall be upon the owner
7 of such mine, mining claim or patented mine, to show if he so alleges or
8 contends that the assessment [so fixed] certified by the Nevada tax com-
9 mission is unjust, improper or otherwise invalid.

10 2. Every mine owner shall be entitled to the benefit of the provisions
11 of NRS 361.415 to 361.435, inclusive, insofar as the same may be appli-
12 cable.

13 SEC. 101. NRS 362.190 is hereby amended to read as follows:

14 362.190 Whenever the gross proceeds received by any mine operator
15 from the operation of any mine [shall be] are less than \$20,000 for any
16 calendar year, such operator may make the deductions provided for in
17 NRS 362.120 upon an annual basis. However, such operator shall file
18 semiannual statements and if the gross proceeds for the first semiannual
19 period ending July 1 [shall be] are less than \$10,000 no assessment shall
20 be [made] certified by the Nevada tax commission until after the filing of
21 the second semiannual statement in January. If it then appears that the
22 combined gross yield of the mine was less than the sum of \$20,000 dur-
23 ing the year covered by the January and preceding July statements, the
24 [Nevada tax commission] department shall then compute and [assess]
25 the tax commission certify the net proceeds of such mine on an annual
26 basis by subtracting from the gross yield for the entire year the deductions
27 specified in NRS 362.120 for the entire year.

28 SEC. 102. NRS 362.200 is hereby amended to read as follows:

29 362.200 1. The [Nevada tax commission shall have the right and
30 power at any time to] department may examine the records of any per-
31 son, partnership, association or corporation operating any mine, and
32 may hold hearings and summon and subpoena witnesses to appear and
33 testify upon any subject material to the determination of the net proceeds
34 of mines.

35 2. Such hearings may be held at such place or places as the [Nevada
36 tax commission] department shall designate, after not less than 10 days'
37 notice of the time and place of such hearing given in writing to the owner
38 or operator of the mine. Such owner or operator shall be entitled, on
39 request made to the [secretary of the Nevada tax commission,] execu-
40 tive director, to the issuance of the [commission's] department's subpoena
41 requiring witnesses in behalf of such owner or operator to appear and
42 testify at such hearing.

43 3. The failure of a witness to obey the subpoena of the [Nevada tax
44 commission] department shall subject such witness to the same penalties
45 as are [or may be] prescribed by law for failure to obey a subpoena of
46 a district court.

47 [4. Any member of the Nevada tax commission may administer oaths
48 to witnesses.]

1 SEC. 103. NRS 362.230 is hereby amended to read as follows:

2 362.230 1. Every person, association or corporation operating any
3 mine or mines in this state, and every recipient of royalty payments in
4 connection therewith, who fails to file with the [Nevada tax commission]
5 department the statements provided for in NRS 362.100 to 362.240,
6 inclusive, during the time and in the manner provided for in NRS 362.-
7 100 to 362.240, inclusive, [is liable to a penalty of not less than \$100
8 nor more than \$5,000, and if] shall pay a penalty of not more than 10
9 percent of the amount of the tax due or \$5,000, whichever is less. If any
10 such person, association or corporation fails to file such statement, the
11 department may ascertain and the Nevada tax commission [may ascertain
12 and] certify the net proceeds of such mine or mines or the value of such
13 royalty payments from all data and information obtainable [.] and the
14 amount of the tax due shall be computed on the basis of the amount so
15 ascertained and certified.

16 2. The [Nevada tax commission] executive director shall determine
17 the amount of such penalty. This penalty becomes a debt due the State
18 of Nevada and, upon correction, shall be deposited in the [general fund
19 in the] state treasury [.] to the credit of the state general fund.

20 SEC. 104. NRS 362.240 is hereby amended to read as follows:

21 362.240 [If any person required by NRS 362.100 to 362.240, inclu-
22 sive, to make or file any statement, or to verify the same under oath, shall
23 willfully make such statement false in any material respect, or shall will-
24 fully verify under oath any statement false in any material respect, such
25 person shall be deemed guilty of perjury, and upon conviction thereof
26 shall be punished as provided by law.] Any person who verifies under
27 oath to the truthfulness of a statement required by NRS 362.100 to
28 362.240, inclusive, that is false in any material respect shall be liable to a
29 penalty of not more than 15 percent of the tax as determined by the exec-
30 utive director after reasonable notice and hearing.

31 SEC. 105. NRS 234.250 is hereby amended to read as follows:

32 234.250 1. Notwithstanding any other provision of law, each local
33 government, as defined in NRS 354.474, shall file a copy of its official
34 plat with:

35 (a) The county recorder and the county assessor of each county in
36 which its territory or any part thereof is situated.

37 (b) The [Nevada tax commission.] department of taxation.

38 2. All changes in boundaries made subsequent to the original filing
39 and recording of such plat shall be recorded and filed immediately with
40 the offices with which copies of the original plat were filed.

41 3. Until a local government complies with the requirements of sub-
42 sections 1 and 2 it shall not levy or receive any ad valorem or other tax
43 or any other mandatory assessment.

44 4. This section applies to all local governments receiving and expend-
45 ing funds on behalf of the public, regardless of their designation.

46 SEC. 106. NRS 239.100 is hereby amended to read as follows:

47 239.100 1. The records enumerated in subsection 2 which belong to
48 or are situated in:

49 (a) Any school district within the state; or

1 (b) The office of the several county officers,
2 may be lawfully destroyed in the manner and in accordance with the time
3 schedules provided in this section.

4 2. The following may be destroyed after audit by a public accountant
5 as provided in NRS 354.624, and after the expiration of the time indi-
6 cated:

7 (a) After 5 years. Sheriff's requisition of licenses and duplicates;
8 duplicate and triplicate bank checks; all old claims against the county
9 except those not affected by limitation; all old warrants superseded by
10 checks.

11 (b) After 10 years. All county, city and school bonds which have
12 been redeemed and retired.

13 3. Before destroying the records enumerated in subsection 2, the
14 county auditor shall first obtain the permission of the board of county
15 commissioners and the [Nevada tax commission.] *department of taxa-*
16 *tion.*

17 SEC. 107. NRS 244.474 is hereby amended to read as follows:

18 244.474 "Tract" means any tract, lot or other parcel of land for
19 assessment purposes, whether platted or unplatted, regardless of lot or
20 land lines. Lots, plots, blocks and other subdivisions may be designated in
21 accordance with any recorded plat thereof; and all lands, platted and
22 unplatted, shall be designated by a definite description. For all purposes
23 of NRS 244.446 to 244.537, inclusive, and any law amendatory thereof
24 or supplemental thereto, any tract which is assessable property in an
25 improvement district may be legally described pursuant to [NRS 361.190
26 to 361.220, inclusive, as from time to time amended.] *section 51 of this*
27 *act.*

28 SEC. 108. NRS 244.859 is hereby amended to read as follows:

29 244.859 "Tract" means any tract, lot or other parcel of land for
30 assessment purposes, whether platted or unplatted, regardless of lot or
31 land lines. Lots, plots, blocks and other subdivisions may be designated in
32 accordance with any recorded plat thereof; and all lands, platted and
33 unplatted, shall be designated by a definite description. For all purposes
34 of the County Improvements Law and any law amendatory thereof or
35 supplemental thereto, any tract which is assessable property in an
36 improvement district may be legally described pursuant to [NRS 361.190
37 to 361.220, inclusive, as from time to time amended.] *section 51 of this*
38 *act.*

39 SEC. 109. NRS 267.125 is hereby amended to read as follows:

40 267.125 1. The governing body of a city having the type of commis-
41 sion form of government described in paragraph (b) of subsection 1 of
42 NRS 267.010, which has acquired by the provisions of any federal or any
43 other law real property within its corporate boundaries, and which has
44 adopted a policy, by its charter, of leasing or selling such real property,
45 or portions thereof, in a manner that will result in the maximum benefit
46 accruing to the city from such leases and sales, may, by ordinance, with
47 the approval of the [Nevada tax commission.] *department of taxation,*
48 create a land improvement fund, which fund shall not be subject to the
49 provisions of chapter 354 of NRS.

50 2. The land improvement fund may be composed of:

1 (a) Moneys transferred from any capital improvement fund existing
2 pursuant to the provisions of the charter when so authorized by the regis-
3 tered voters of the city at an election.

4 (b) Moneys contributed from the general fund of the city by action
5 of the governing body, which contributions need not be repaid to the
6 general fund of the city.

7 (c) Such portion of the proceeds received by the city from the lease
8 and sale of the real property as may be provided for by the charter or by
9 city ordinance.

10 (d) Any other moneys the deposit of which in the land improvement
11 fund is budgeted for by the governing body or authorized by the registered
12 voters of the city.

13 3. Moneys in the land improvement fund may be expended for:

14 (a) Preparation of real property for sale or lease and costs incidental
15 thereto.

16 (b) Acquisition and construction of improvements on such real prop-
17 erty prior to its sale or lease.

18 SEC. 110. NRS 268.600 is hereby amended to read as follows:

19 268.600 Whenever the corporate limits of any city are extended in
20 accordance with the provisions of NRS 268.570 to 268.608, inclusive, the
21 governing body of such city shall cause an accurate map or plat of the
22 annexed territory, prepared under the supervision of a competent surveyor
23 or engineer, together with a certified copy of the annexation ordinance in
24 respect thereof, to be recorded in the office of the county recorder of the
25 county in which such territory is situated, which recording shall be done
26 prior to the effective date of the annexation as specified in the annexation
27 ordinance. A duplicate copy of such map or plat and such annexation
28 ordinance shall be filed with the [Nevada tax commission.] *department*
29 *of taxation.*

30 SEC. 111. NRS 271.235 is hereby amended to read as follows:

31 271.235 "Tract" means any tract, lot or other parcel of land for
32 assessment purposes, whether platted or unplatted, regardless of lot or
33 land lines. Lots, plots, blocks and other subdivisions may be designated
34 in accordance with any recorded plat thereof; and all lands, platted and
35 unplatted, shall be designated by a definite description. For all purposes
36 of the Consolidated Local Improvements Law and any law amendatory
37 thereof or supplemental thereto, any tract which is assessable property in
38 an improvement district may be legally described pursuant to [NRS 361.-
39 190 to 361.220, inclusive, as from time to time amended.] *section 51 of*
40 *this act.*

41 SEC. 112. NRS 280.190 is hereby amended to read as follows:

42 280.190 The police commission shall:

43 1. Cause to be prepared and approve an annual operating budget for
44 the department.

45 2. Submit such budget to the governing bodies of the participating
46 political subdivisions prior to February 1 for funding for the following
47 fiscal year.

48 3. Cause to be prepared the funding apportionment plan provided for
49 in NRS 280.200 and submit such plan to the governing bodies of the
50 participating political subdivisions and the [Nevada tax commission]

1 department of taxation for approval. The Nevada tax commission has
2 the final right of approval for such plan and shall act as an arbitrator if
3 the local governing bodies cannot agree on the funding apportionment.

4 4. Cause a new funding apportionment plan to be prepared:

5 (a) Every 10 years upon ascertaining the results of the national decen-
6 nial census taken by the Bureau of the Census of the United States
7 Department of Commerce;

8 (b) If the law enforcement agencies of additional cities are merged
9 into an existing department; and

10 (c) At intervals of not less than 4 years upon request by a majority
11 vote of each of a majority of the governing bodies of the participating
12 political subdivisions. If only one city is participating in a department,
13 the police commission shall prepare a new plan under the provisions of
14 this paragraph only upon request by a majority vote of each of the gov-
15 erning bodies of the participating political subdivisions.

16 SEC. 113. NRS 344.140 is hereby amended to read as follows:

17 344.140 All officers, boards, commissioners, trustees, superintend-
18 ents, regents and directors required by law to make reports to the gover-
19 nor or to the legislature, except the state controller, the state treasurer,
20 the [Nevada tax commission,] department of taxation, the commissioner
21 of insurance, the board of control of the agricultural experiment station,
22 and the commissioners on uniform state laws, shall send the original
23 drafts of their reports to the superintendent, who shall order such a
24 number of each of the reports, or part or parts of each of the reports,
25 printed as in his judgment will meet the requirements of law. The super-
26 intendent shall especially see that no matter be printed in more than one
27 report, unless of great public interest.

28 SEC. 114. NRS 354.300 is hereby amended to read as follows:

29 354.300 1. On or before the 4th Monday of September of each year
30 the county auditor shall, with no additional compensation therefor, sub-
31 mit an annual report to the board of county commissioners and to
32 the [Nevada tax commission,] department of taxation at Carson City,
33 Nevada. The annual report shall include, among other things, a statement
34 containing the information required by NRS 354.290, summarized for
35 the four preceding quarters and covering the preceding fiscal year. The
36 summary statement shall be made up on forms prescribed by the [Nevada
37 tax commission,] department of taxation.

38 2. The county auditor shall cause a reasonable number of copies of
39 his annual report to be printed in pamphlet form for the use of the tax-
40 payers of the county.

41 3. This section shall be considered mandatory, and any county audi-
42 tor failing to comply with the provisions of this section shall be punished
43 as provided in NRS 354.310.

44 SEC. 115. NRS 354.430 is hereby amended to read as follows:

45 354.430 Upon the adoption of a short-term financing resolution, as
46 provided in NRS 354.618, by a local government as defined in NRS
47 354.474, a certified copy thereof shall be forwarded to the [secretary of
48 the Nevada tax commission,] executive director of the department of
49 taxation. As soon as is practicable, the [secretary of the Nevada tax

1 commission,] executive director of the department of taxation shall sub-
2 mit the resolution, together with a factual report of the tax structure of
3 the political subdivisions concerned and the probable ability of the polit-
4 ical subdivision to repay the requested short-term financing, to the Nevada
5 tax commission for its approval. No such resolution shall be effective
6 until approved by the Nevada tax commission. The resolution of the
7 Nevada tax commission shall be recorded in the minutes of the govern-
8 ing board.

9 SEC. 116. NRS 354.450 is hereby amended to read as follows:

10 354.450 1. After short-term financing has been authorized as pro-
11 vided in NRS 354.430 and if, in the judgment of the governing board of
12 the political subdivision, the fiscal affairs of the political subdivision can
13 be carried on without impairment and there is sufficient money in the gen-
14 eral fund or a surplus in any other fund, with the exception of the bond
15 interest and redemption fund, of the political subdivision, the governing
16 board is authorized to transfer from the general fund or from the surplus
17 appearing in any fund, with the exception of the bond interest and
18 redemption fund, money sufficient to meet the purpose of the short-term
19 financing.

20 2. When such a transfer is made, the governing board of the political
21 subdivision shall comply with the provisions of NRS 354.460, and when
22 the special tax is thereafter collected the amount so collected shall be
23 placed immediately in the fund from which the loan was made.

24 3. In cases where the fund from which the loan was made, at the time
25 of the transfer of funds therefrom, contains a surplus that in the judgment
26 of the [Nevada tax commission,] department of taxation is or will not be
27 needed for the purposes of the fund in the ordinary course of events, then
28 the special tax need not be levied, collected and placed in the fund from
29 which the loan was made, but such transfer shall be deemed refunded for
30 all purposes of NRS 354.430 to 354.460, inclusive.

31 4. Interest accounts come within the jurisdiction of the Nevada tax
32 commission and may be approved or disapproved, in whole or in part,
33 by it.

34 SEC. 117. NRS 354.475 is hereby amended to read as follows:

35 354.475 1. All special districts subject to the provisions of the Local
36 Government Budget Act with annual total expenditures of less than
37 \$30,000 may petition the [Nevada tax commission,] department of taxa-
38 tion for exemption from the requirements of the Local Government
39 Budget Act for the filing of certain budget documents, quarterly reports
40 and audit reports. Such districts may further petition to return to a cash
41 method of accounting. The minimum required of such districts will be
42 the filing with the [tax commission,] department of taxation of an annual
43 budget on or before March 15 of each year. Such petitions must be
44 received by the [tax commission,] department of taxation prior to Decem-
45 ber 31 to be effective for the succeeding fiscal year or, in a case of
46 an annual audit exemption, to be effective for the current fiscal year.
47 A board of county commissioners may request the [tax commission,]
48 department of taxation to have an audit conducted of such an exempt
49 district.

1 2. Such districts shall be exempt from all publication requirements of
2 the Local Government Budget Act, except that the [tax commission]
3 department of taxation by regulation shall require an annual publication
4 of a notice of budget adoption and filing. The [tax commission] depart-
5 ment of taxation shall adopt regulations necessary to promulgate this sec-
6 tion pursuant to NRS 354.594.

7 SEC. 118. NRS 354.524 is hereby amended to read as follows:

8 354.524 "Final budget" means the budget that has been adopted by
9 a local governing body or adopted by default as defined by NRS 354.470
10 to 354.626, inclusive, and approved by the [Nevada tax commission]
11 department of taxation for the ensuing fiscal year.

12 SEC. 119. NRS 354.578 is hereby amended to read as follows:

13 354.578 "Tentative budget" means the budget that is prepared ini-
14 tially, published and recorded by each local government for an ensuing
15 fiscal year prior to its approval by the [Nevada tax commission] depart-
16 ment of taxation and such other supervisory bodies as are charged by
17 law with the examination of tentative budgets, and prior to its subsequent
18 adoption.

19 SEC. 120. NRS 354.594 is hereby amended to read as follows:

20 354.594 The [Nevada tax commission] department of taxation shall
21 determine and advise local government officers of regulations, procedures
22 and report forms for compliance with NRS 354.470 to 354.626, inclusive.
23 It shall make such determinations after hearing the advice and recom-
24 mendations of an 11-member advisory committee composed of three per-
25 sons appointed by the Nevada [Municipal Association,] League of Cities,
26 three persons appointed by the Nevada Association of County Commis-
27 sioners, three persons appointed by the Nevada School Trustees Associa-
28 tion and two persons appointed by the Nevada state board of accountancy.
29 Each appointment shall be for a term of 3 years.

30 SEC. 121. NRS 354.596 is hereby amended to read as follows:

31 354.596 1. On or before February 20 of each year, the officer
32 charged by law shall prepare, or the governing body shall cause to be pre-
33 pared, on appropriate forms prescribed by the [Nevada tax commission]
34 department of taxation for the use of local governments, a tentative
35 budget for the ensuing fiscal year. The tentative budget shall be filed for
36 public record and inspection in the office of:

- 37 (a) The clerk or secretary of the governing body; and
- 38 (b) The county clerk.

39 2. At the time of filing the tentative budget, the governing body shall
40 give notice of the time and place of a public hearing on the tentative
41 budget and shall cause a notice of such hearing to be published once in a
42 newspaper of general circulation within the area of the local government
43 at least 7 days prior to the date set for such hearing. The notice of public
44 hearing shall state:

- 45 (a) The time and place of the public hearing.
- 46 (b) That a tentative budget has been prepared in such detail and on
- 47 appropriate forms as prescribed by the [Nevada tax commission.] depart-
- 48 ment of taxation.
- 49 (c) The places where copies of the tentative budget are on file and
- 50 available for public inspection.

1 3. Budget hearings shall be held:

- 2 (a) For county budgets, on the 4th Monday in March;
- 3 (b) For cities, on the 4th Tuesday in March;
- 4 (c) For school districts, on the 4th Wednesday in March; and
- 5 (d) For all other local governments, on the 4th Thursday in March,
- 6 except that the board of county commissioners may consolidate the hear-
- 7 ing on all local government budgets administered by the board of county
- 8 commissioners with the county budget hearing.

9 4. On or before February 20, a copy of the tentative budget and
10 notice of public hearing shall be submitted:

11 (a) To the [Nevada tax commission;] department of taxation; and
12 also

13 (b) In the case of school districts, to the state department of education.

14 5. The [Nevada tax commission] department of taxation shall exam-
15 ine the submitted documents for compliance with law and with appropri-
16 ate regulations and shall submit to the governing body at least 3 days
17 prior to the public hearing a written certificate of compliance or a written
18 notice of lack of compliance. The written notice shall indicate the manner
19 in which the submitted documents fail to comply with law or appropriate
20 regulations. The notice or certificate shall be read at the public hearing.

21 6. Whenever the governing body receives from the [Nevada tax
22 commission] department of taxation a notice of lack of compliance, the
23 governing body shall forthwith proceed to amend the tentative budget to
24 effect compliance with the law and with the appropriate regulation.

25 SEC. 122. NRS 354.598 is hereby amended to read as follows:

26 354.598 1. At the time and place advertised for public hearing, or at
27 any time and place to which such public hearing is from time to time
28 adjourned, the governing body shall hold a public hearing on the tenta-
29 tive budget, at which time interested persons shall be given an opportunity
30 to be heard.

31 2. At the public hearing, the governing body shall indicate changes, if
32 any, to be made in the tentative budget, and shall adopt a final budget by
33 the favorable votes of a majority of all members of the governing body.
34 The final budget shall be adopted on or before April 10 of each year.
35 Should the governing body fail to adopt a final budget that complies with
36 the requirements of law and the regulations of the [Nevada tax commis-
37 sion] department of taxation on or before the required date, the budget
38 adopted and approved by the [Nevada tax commission] department of
39 taxation for the current year, adjusted as to content and rate in such man-
40 ner as the [Nevada tax commission] department of taxation may consider
41 necessary, shall automatically become the budget for the ensuing fiscal
42 year. When a budget has been so adopted by default, the governing body
43 may not reconsider such budget without the express approval of the
44 [Nevada tax commission.] department of taxation. If such a default
45 budget creates a combined ad valorem tax rate in excess of the constitu-
46 tional limit, the Nevada tax commission shall adjust such budget as pro-
47 vided in NRS 361.455.

48 3. The final budget shall be certified by a majority of all members

1 of the governing body. If a tentative budget is adopted by default as pro-
2 vided in subsection 2, the clerk of the governing body shall certify the
3 budget. Certified copies shall be distributed as determined by the [Nevada
4 tax commission.] *department of taxation*.

5 4. Upon the adoption of the final budget or the amendment of the
6 budget in accordance with NRS 354.606, the several amounts stated
7 therein as proposed expenditures shall be and become appropriated for
8 the purposes indicated in the budget.

9 5. No governing body shall adopt any budget which appropriates for
10 any fund any amount in excess of the budget resources of that fund.

11 SEC. 123. NRS 354.599 is hereby amended to read as follows:

12 354.599 1. In any year in which the legislature by law increases the
13 revenues of a local government, and such increase was not included or
14 anticipated in the local government's final budget as adopted pursuant to
15 NRS 354.598, the governing body of any such local government may, prior
16 to July 15 of the budget year, file an amended budget with the
17 [Nevada tax commission] *department of taxation* increasing its antici-
18 pated revenues and expenditures over that contained in its final budget
19 to the extent of the actual increase of revenues made available by such
20 legislative action.

21 2. In any year in which the legislature enacts a law requiring an
22 increase in expenditures of a local government, which expenditures were
23 not anticipated or included in its final budget as adopted pursuant to NRS
24 354.598, the governing body of any such local government may, prior to
25 July 15 of the budget year, file an amended budget with the [Nevada tax
26 commission] *department of taxation* providing for an increase in expendi-
27 tures over that contained in its final budget to the extent of the actual
28 amount made necessary by the legislative action.

29 3. Such amended budget, as approved by the [Nevada tax commis-
30 sion.] *department of taxation*, shall be the budget of such local govern-
31 ment for the current fiscal year.

32 SEC. 124. NRS 354.600 is hereby amended to read as follows:

33 354.600 1. Each budget shall include detailed estimates of budget
34 resources for the budget year classified by funds and sources in a manner
35 and on forms prescribed by the [Nevada tax commission.] *department of*
36 *taxation*.

37 2. Each budget shall include detailed estimates of expenditures for
38 the budget year classified in a manner and on forms prescribed by the
39 [Nevada tax commission.] *department of taxation*.

40 SEC. 125. NRS 354.602 is hereby amended to read as follows:

41 354.602 Within 45 days after September 30, December 31, March 31
42 and within 90 days after June 30 of each year, the governing board of
43 each local government shall cause to be published a report in the form
44 prescribed by the [Nevada tax commission] *department of taxation* show-
45 ing, for each item of detailed estimate required by NRS 354.600, the
46 amount estimated and the amount actually received or expended. Any
47 approved budget augmentation or short-term financing received shall be
48 included and briefly explained in a footnote. A copy of such report shall
49 be filed immediately:

50 1. With the [Nevada tax commission;] *department of taxation*;

1 2. In the case of school districts, with the state department of educa-
2 tion; and

3 3. In the office of the clerk or secretary of the governing body, as a
4 public record available for inspection by any interested person.

5 SEC. 126. NRS 354.615 is hereby amended to read as follows:

6 354.615 If resources actually available during a budget period exceed
7 those estimated, a local government may institute a budget augmentation
8 proceeding in the manner provided below:

9 1. If it is desired to augment the appropriations of an appropriation
10 fund, the governing board shall, by unanimous vote, adopt a resolution
11 reciting the appropriations to be augmented, and the nature of the
12 unbudgeted resources intended to implement the augmentation.

13 2. Before the adoption of such resolution, the governing board shall
14 publish notice of its intention to act thereon in a newspaper of general
15 circulation in the county for at least one publication. No vote may be
16 taken upon such budget augmentation resolution until 20 days after the
17 publication of the notice.

18 3. If it is desired to augment the budget of any other fund, the gov-
19 erning board shall adopt, unanimously, a resolution providing therefor
20 at a regular meeting of the board.

21 4. A budget augmentation shall become effective upon delivery to
22 the [Nevada tax commission] *department of taxation* of a certified copy
23 of the resolution providing therefor.

24 SEC. 127. NRS 354.622 is hereby amended to read as follows:

25 354.622 1. Until June 30, 1972, the business of every local govern-
26 ment, except those enumerated in subsection 2, shall be transacted upon a
27 cash, accrual or modified accrual basis as defined in NRS 354.470 to
28 354.626, inclusive, at the option of the local governing body, with the
29 approval of the [Nevada tax commission.] *department of taxation*.
30 Change from one system of accounting to another shall require the
31 approval of the [Nevada tax commission.] *department of taxation*.

32 2. Business of those districts organized pursuant to NRS 318.140
33 and 318.144 shall be transacted upon an accrual basis as defined in NRS
34 354.470 to 354.626, inclusive.

35 3. After June 30, 1972, the business of every local government,
36 except those enumerated in subsection 2 shall be transacted upon an
37 accrual or modified accrual basis as the [Nevada tax commission] *depart-*
38 *ment of taxation* may by regulation prescribe.

39 SEC. 128. NRS 354.624 is hereby amended to read as follows:

40 354.624 1. Each local government shall provide for an annual audit
41 of all funds, accounts and separate bank accounts, established under
42 NRS 354.603, of that local government, and may provide for more fre-
43 quent audits as it deems necessary. Each annual audit shall be concluded
44 and the audit report filed as provided in subsection 4 not later than 6
45 months from the close of the fiscal year for which the audit is conducted.
46 An extension of this time may be granted by the [Nevada tax commis-
47 sion] *department of taxation* to any local government which makes appli-
48 cation for such extension. If the local government fails to provide for an
49 audit in accordance with the provisions of this section, the [Nevada tax
50 commission] *department of taxation* shall cause such audit to be made

1 at the expense of the local government. All audits shall be made by a
2 public accountant certified or registered or by a partnership registered
3 under the provisions of chapter 628 of NRS.

4 2. The governing body may, without requiring competitive bids, des-
5 ignate such accountant or firm annually. The accountant or firm shall be
6 designated not later than 3 months prior to the close of the fiscal year for
7 which the audit is to be made.

8 3. Each annual audit shall cover the business of the local government
9 during the full fiscal year. It shall be a comprehensive audit of the affairs
10 of the local government, including comment on the balance sheets
11 accounts, results of operations, compliance with statutes and regulations,
12 recommendations for improvements, and any other comments deemed
13 pertinent by the auditor, and including his expression of opinion as to the
14 adequacy of the financial presentation. The form of the financial state-
15 ments shall be prescribed by the [Nevada tax commission.] *department*
16 *of taxation*, and the chart of accounts shall be as nearly as possible the
17 same as that used in the preparation and publication of the annual budget.
18 The audit shall compare operations of the local government with the
19 approved budget. Included shall be a statement from the auditor that
20 previously noted deficiencies in operations and previously made recom-
21 mendations for improvements contained in previous audit reports have
22 been acted upon by adoption as recommended, adoption with modifica-
23 tions, or rejection.

24 4. The recommendation and the summary of the narrative comments
25 of the audit report shall be read in full at a meeting of the governing body
26 held not more than 30 days after the report is filed. Immediately there-
27 after, the entire audit report shall be filed as a public record with:

- 28 (a) The clerk or secretary of the governing body;
- 29 (b) The county clerk;
- 30 (c) The [Nevada tax commission;] *department of taxation*;
- 31 (d) In the case of school districts, the state department of education;
- 32 and

33 (e) In the case of general improvement districts subject to the juris-
34 diction of the public service commission of Nevada pursuant to NRS
35 318.140 and 318.144, to the commission.

36 5. The governing body shall act upon the audit recommendations by
37 setting forth in its minutes its intention to adopt the recommendations, to
38 adopt them with modifications or to reject them for reasons shown in
39 the minutes. Such action shall be taken within 6 months following receipt
40 of the audit.

41 SEC. 129. NRS 354.625 is hereby amended to read as follows:

42 354.625 The governing body of every local government shall cause
43 to be established adequate property and equipment records and, where
44 appropriate, adequate inventory controls. These records and controls
45 shall be established by not later than June 30, 1968, unless the [Nevada
46 tax commission] *department of taxation* grants an extension of time,
47 which shall not extend beyond June 30, 1969.

1 SEC. 130. NRS 356.200 is hereby amended to read as follows:

2 356.200 1. With unanimous consent of their bondsmen, county offi-
3 cers, other than county treasurers, may deposit county funds received in
4 their respective offices in any bank located in the county.

5 2. Whenever the written consent of any bondsman or bondsmen to
6 such deposit has not been obtained, such bondsman or bondsmen shall,
7 upon giving notice as required by law, be released from all responsibility
8 on the bond of such officer.

9 3. Such accounts shall be kept in the name of the county in such man-
10 ner as the board of county commissioners may prescribe.

11 4. The balances in such banks, as certified by the proper officer
12 thereof, and by oath of the county treasurer, may be counted as cash.

13 5. All moneys deposited in any depository bank by such county offi-
14 cer may be drawn out by such officer on check payable only to the county
15 treasurer or his order, but every county assessor may also withdraw
16 money received in payment of motor vehicle license fees by check pay-
17 able to the department of motor vehicles, and may also withdraw money
18 received in payment of motor vehicle use taxes by check payable to the
19 [Nevada tax commission.] *department of taxation*.

20 6. The county officer shall keep a check register which shall show the
21 amount of county money on deposit and shall list every check drawn upon
22 the depository bank, numbering such checks consecutively.

23 7. Not later than the 1st Monday of each month, the county officer
24 maintaining such deposit shall draw upon the deposit for the full amount
25 of county funds deposited therein during the preceding month, such with-
26 drawal to be by check payable to the county treasurer, and shall there-
27 upon deliver such check to the county treasurer.

28 8. This section does not apply to any deposit made by the clerk of
29 any court pursuant to NRS 355.210.

30 SEC. 131. NRS 365.100 is hereby amended to read as follows:

31 365.100 Except as otherwise provided, the [tax commission] *depart-*
32 *ment* is charged with the administration and enforcement of this chapter.

33 SEC. 132. NRS 365.110 is hereby amended to read as follows:

34 365.110 The [tax commission] *department* shall have power to make
35 all necessary rules and regulations and prescribe all necessary forms or
36 other requirements for the purpose of making the administration of this
37 chapter effective.

38 SEC. 133. NRS 365.120 is hereby amended to read as follows:

39 365.120 The [tax commission] *department* may appoint auditors,
40 accountants, inspectors, clerks and such other assistants or agents as it
41 may deem necessary to enforce its powers and perform its duties under
42 this chapter. Such employees shall be in the classified service of the State
43 of Nevada and shall be appointed pursuant to the provisions of chapter
44 284 of NRS.

45 SEC. 134. NRS 365.130 is hereby amended to read as follows:

46 365.130 1. The [tax commission] *department* shall have power, by
47 itself or by its duly authorized agents, to make any audit, examination or
48 inquiry of and concerning the records, stocks, facilities, equipment and
49 transactions of dealers, retailers of petroleum products and carriers

thereof, and such other investigations as it may deem necessary in carrying out the provisions of this chapter.

2. If any investigation discloses that any report or any payment has been incorrect, the [tax commission] department may make such changes in subsequent reports and payments as may be necessary to correct the error so disclosed.

SEC. 135. NRS 365.140 is hereby amended to read as follows:

365.140 The [tax commission] department shall, upon request duly received from the officials to whom are entrusted the enforcement of the motor vehicle fuel tax laws of any other state, provided such other state furnishes like information to this state, forward to such officer any information which it may have in its possession relative to the manufacture, receipt, sale, use, transportation or shipment by any person of motor vehicle fuel.

SEC. 136. NRS 365.150 is hereby amended to read as follows:

365.150 Funds to augment the administration of the provisions of this chapter shall be provided by direct legislative appropriation to the [tax commission] department from the state highway fund and the combined gas tax fund.

SEC. 137. NRS 365.160 is hereby amended to read as follows:

365.160 County sheriffs and all other peace officers and traffic officers of this state shall, without further compensation, assist in the enforcement of this chapter, and they shall make arrests for this purpose when requested by the [tax commission] department or its duly authorized agents.

SEC. 138. NRS 365.170 is hereby amended to read as follows:

365.170 1. In addition to any other taxes provided by law, every dealer shall, not later than the 25th day of each calendar month:

(a) Render to the [tax commission] department a statement of all motor vehicle fuel sold, distributed or used by him in the State of Nevada, as well as all motor vehicle fuel sold, distributed, or used in this state by a purchaser thereof upon which sale, distribution or use the dealer has assumed liability for the tax thereon under NRS 365.020, during the preceding calendar month; and

(b) Pay an excise tax of 4.5 cents per gallon on all motor vehicle fuel so sold, distributed or used, in the manner and within the time prescribed in this chapter.

2. The [tax commission] department for good cause may extend for not to exceed 30 days the time for making any report or return required under this chapter. The extension may be granted at any time if:

(a) A request therefor has been filed with the [tax commission] department within or prior to the period for which the extension may be granted; and

(b) A remittance of the estimated tax is made when due.

Any dealer to whom an extension is granted shall pay, in addition to any delinquent tax due, interest at the rate of one-half of 1 percent per month, or fraction thereof, from the date on which the tax would have been due without the extension to the date of payment.

3. Any report, return, remittance to cover a payment or claim for credit or refund required by this chapter which is transmitted through the

United States mail shall be deemed filed or received by the [tax commission] department on the date shown by the post office cancellation mark stamped upon the envelope containing it, or on the date it was mailed if proof satisfactory to the [tax commission] department establishes that such document or remittance was timely deposited in the United States mail properly addressed to the [tax commission.] department.

SEC. 139. NRS 365.180 is hereby amended to read as follows:

365.180 1. In addition to any other tax provided for in this chapter, there is hereby levied an excise tax of one-half cent per gallon on motor vehicle fuel.

2. This tax shall be accounted for by each dealer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer. He shall receipt the dealer therefor.

SEC. 140. NRS 365.185 is hereby amended to read as follows:

365.185 1. In addition to any other tax provided for in this chapter, there shall be levied an excise tax on gasoline.

2. This tax shall be imposed and shall increase up to a total of 4 cents per gallon, if the tax collected by the Federal Government pursuant to the provisions of 26 U.S.C. § 4081, is diminished or discontinued in whole or in part. The amount of the tax so imposed by this state shall be equal to the amount by which the federal tax is reduced.

3. This tax shall be accounted for by each dealer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer.

SEC. 141. NRS 365.190 is hereby amended to read as follows:

365.190 1. Subject to the provisions of subsection 3, in addition to any other tax provided for in this chapter, there is hereby levied an excise tax of 1 cent per gallon on motor vehicle fuel.

2. This tax shall be accounted for by each dealer as to the county in which it is sold to the retailer and shall be collected in the manner provided in this chapter. The tax shall be paid to the [tax commission] department and delivered by the [tax commission] department to the state treasurer. He shall receipt the dealer therefor.

3. The provisions of this section shall be deemed to be optional. The board of county commissioners of any county may decline to accept the 1 cent per gallon tax by adoption of a resolution passed prior to July 1, 1947, and which shall be reconsidered and passed once each year within 60 days prior to July 1 of each year as long as the board of county commissioners desires so to act. Upon the adoption of such a resolution no tax shall be collected.

SEC. 142. NRS 365.200 is hereby amended to read as follows:

365.200 1. In addition to any other taxes provided for by this chapter, every person who shall use any inflammable or combustible liquid or other material other than motor vehicle fuel as defined in NRS 365.060 to operate a motor vehicle on the highways of this state, except special fuel as defined in NRS 366.060, shall pay an excise tax as provided by NRS 365.170, 365.180 and 365.190 for each gallon thereof so used, and shall

render monthly statements and make monthly payments at the times and in the manner prescribed for dealers in this chapter.

2. Any owner or operator of a motor vehicle who shall import motor vehicle fuel or other fuel or material, except special fuel as defined in NRS 366.060, into this state, from another state or from federal proprietary lands or reservations, in the fuel tank or tanks of any such motor vehicle in a quantity exceeding 25 gallons shall, upon demand of the [tax commission] department or its duly authorized agent, pay to the [tax commission] department on such excess motor vehicle fuel the excise tax required to be paid by dealers.

3. Nothing in this chapter shall be construed to require more than one payment of any excise tax upon or in respect to the same fuel.

SEC. 143. NRS 365.220 is hereby amended to read as follows:

365.220 The provisions of this chapter requiring the payment of excise taxes shall not apply to any of the following:

1. Motor vehicle fuel so long as it remains in interstate or foreign commerce.

2. Motor vehicle fuel exported from this state by a dealer.

3. Motor vehicle fuel sold to the United States Government for official use of the United States Armed Forces.

4. Motor vehicle fuel distributed, or delivered on the order of the owner, to a dealer who has furnished bond and security in the amount prescribed in NRS 365.290 and who has established to the satisfaction of the [tax commission] department that the bond is sufficient security to assure payment of all excise taxes as they may become due to the state from him under this chapter. Every dealer claiming exemption shall report the distributions to the [tax commission] department in such detail as the [tax commission] department may require; otherwise, the exemption granted in this subsection shall be void and all fuel shall be considered distributed in this state subject fully to the provisions of this chapter.

SEC. 144. NRS 365.230 is hereby amended to read as follows:

365.230 1. The provisions of this chapter requiring the payment of excise taxes shall not apply to motor vehicle fuel sold by a dealer in individual quantities of 500 gallons or less for export to another state or country by the purchaser other than in the supply tank of a motor vehicle, provided such dealer is licensed in the state of destination to collect and remit the applicable destination state taxes thereon.

2. In support of any exemption from taxes on account of sales of motor vehicle fuel in individual quantities of 500 gallons or less for export by the purchaser, the dealer shall retain in his files for at least 3 years an export certificate executed by the purchaser in such form and containing such information as shall be prescribed by the [tax commission] department. This certificate shall be prima facie evidence of the exportation of the motor vehicle fuel to which it applies only if accepted by the dealer in good faith. However, should the purchaser not export any part of the motor vehicle fuel covered by the certificate he shall be required to remit to the [tax commission] department immediately thereafter the applicable amount in taxes due on such part not exported. Upon failure to do so such purchaser shall be subject to all penalties in this chapter for delinquency in payment of taxes.

SEC. 145. NRS 365.240 is hereby amended to read as follows:

365.240 1. Every dealer shall report such exports and sales to the [tax commission] department at such times, on such forms and in such detail as the [tax commission] department may require.

2. Every dealer shall mark clearly upon each invoice rendered for sales upon which no excise tax is required under NRS 365.220 and 365.230 "Ex Nevada Motor Vehicle Fuel Tax."

SEC. 146. NRS 365.280 is hereby amended to read as follows:

365.280 1. [After April 1, 1935, before] Before becoming a dealer, every person shall apply to the [tax commission,] department, on forms to be prescribed and furnished by the [tax commission,] department, for a license authorizing the applicant to engage in business as a dealer.

2. The fee for each license issued shall be \$5, which shall be paid to the [tax commission,] department. All such fees shall be delivered by the [tax commission] department to the state treasurer and shall be credited by him to the state highway fund.

SEC. 147. NRS 365.290 is hereby amended to read as follows:

365.290 1. Before granting any license the [tax commission] department shall require the applicant to file with the [tax commission] department a bond duly executed by the applicant as principal and by a corporation qualified under the laws of this state as surety, payable to the State of Nevada, conditioned upon faithful performance of all the requirements of this chapter and upon the punctual payment of all excise taxes, penalties and other obligations of the applicant as a dealer.

2. The total amount of the bond or bonds required of any dealer shall be fixed by the [tax commission] department at twice the estimated maximum monthly tax, determined in such manner as the [tax commission] department shall deem proper, and may be increased or reduced accordingly by the [tax commission] department at any time subject to the limitations prescribed in this chapter; but the total amount of the bond or bonds of any dealer shall never be less than \$1,000 nor more than \$10,000. When cash or a certificate of deposit or investment certificate is used, the amount required shall be rounded off to the next larger integral multiple of \$100, within the same upper limit.

3. No recovery on any bond, nor the execution of any new bond, nor the revocation, cancellation or suspension of any license shall affect the validity of any bond.

4. In lieu of any bond or bonds, a dealer may deposit with the state treasurer, under such terms and conditions as the [tax commission] department may prescribe, a like amount of lawful money of the United States or bonds of the United States or the State of Nevada of an actual market value not less than the amount fixed by the [tax commission] department as provided in subsection 2.

SEC. 148. NRS 365.300 is hereby amended to read as follows:

365.300 Upon approval of the application the [tax commission] department shall issue to the dealer a nonassignable license with a duplicate copy for each place of business of the dealer in this state. The license shall continue in force until canceled, suspended or revoked.

SEC. 149. NRS 365.310 is hereby amended to read as follows:

365.310 1. The [tax commission] department shall have power to

1 suspend, cancel or revoke the license of any dealer refusing or neglecting
2 to comply with the provisions of this chapter.

3 2. If a dealer becomes delinquent in the payment of excise taxes as
4 prescribed by this chapter to the extent that his liability exceeds the total
5 amount of bond furnished by the dealer, the [tax commission] department
6 shall suspend his license immediately.

7 3. Before revoking or canceling any license issued under this chapter,
8 the [tax commission] department shall send a notice by registered or
9 certified mail to the dealer at his last-known address. The notice shall
10 order the dealer to show cause why his license should not be revoked by
11 appearing before the [tax commission] department at Carson City,
12 Nevada, or such other place in this state as may be designated by the [tax
13 commission,] department, at a time not less than 10 days after the mailing
14 of the notice. The [tax commission] department shall allow the dealer
15 an opportunity to be heard in pursuance of such notice, and thereafter the
16 [tax commission] department shall have full power to revoke or cancel
17 his license.

18 SEC. 150. NRS 365.330 is hereby amended to read as follows:

19 365.330 1. The excise taxes prescribed in this chapter shall be paid
20 on or before the 25th day of each calendar month to the [tax commission,]
21 department. The [tax commission] department shall deliver all such
22 taxes to the state treasurer, who shall receipt the dealer or user therefor.

23 2. From the tax found to be due upon any statement duly and
24 punctually rendered, the dealer or user shall be allowed to deduct 2
25 percent thereof to cover the dealer's or user's costs of collection of the
26 tax and of compliance with this chapter and the dealer's or user's handling
27 losses occasioned by evaporation, spillage or other similar causes.

28 SEC. 151. NRS 365.340 is hereby amended to read as follows:

29 365.340 1. If the amount of any excise tax for any month is not paid
30 to the state on or before the 25th day of the next month thereafter as
31 prescribed by this chapter, it shall become delinquent at the close of
32 business on that day, and a penalty of 1 percent of such excise tax shall
33 be added thereto for delinquency together with interest at the rate of 1
34 percent per month or fraction thereof until paid; but in no case shall the
35 penalty be less than \$10 nor more than \$300.

36 2. If such tax is not received on or before the close of business on
37 the last day of the month in which payment is due, a penalty of 5 percent
38 shall be added thereto in addition to the penalty and interest provided for
39 in subsection 1. The dealer or user may have up to 15 additional days
40 to make such payment, if he makes application to the [commission]
41 department and the [commission] department finds good cause for such
42 extension.

43 3. The proceeds from any such penalty assessments so levied shall
44 be allocated proportionately to the state highway fund and the county
45 gas tax funds by the [tax commission,] department.

46 SEC. 152. NRS 365.350 is hereby amended to read as follows:

47 365.350 1. At the request of the [tax commission] department, the
48 attorney general or the district attorney of any county shall collect any
49 delinquent tax with penalties and interest. To that end the attorney
50 general or the district attorney forthwith shall commence and prosecute

1 to final determination an action in the name of the State of Nevada in
2 any court of competent jurisdiction.

3 2. In any action on a bond filed by a dealer, recovery may be had
4 against the surety without exhausting or seeking a remedy against the
5 dealer.

6 SEC. 153. NRS 365.360 is hereby amended to read as follows:

7 365.360 In any action commenced and prosecuted under the provi-
8 sions of NRS 365.350 the certificate of the [tax commission] department
9 shall be prima facie evidence of the amount of the tax and penalty and of
10 the obligation therefor of the person named in such certificate.

11 SEC. 154. NRS 365.370 is hereby amended to read as follows:

12 365.370 Any person who shall export any motor vehicle fuel from
13 this state, or who shall sell any such fuel to the United States Government
14 for official use of the United States Armed Forces, or who shall buy and
15 use any such fuel for purposes other than in and for the propulsion of
16 motor vehicles, and who shall have paid any tax on such fuel levied or
17 directed to be paid as provided by this chapter, either directly by the col-
18 lection of such tax by the vendor from such consumer or indirectly by the
19 addition of the amount of such tax to the price of such fuel, shall be reim-
20 bursed and repaid the amount of such tax so paid by him except as fol-
21 lows:

22 1. Refund claims shall be paid by prescribed classes in accordance
23 with the [tax commission's rules and] department's regulations.

24 2. The minimum claim for refund shall be based on at least 200
25 gallons purchased and used in a 6-month period.

26 3. From the amount of gasoline tax refund due shall be deducted an
27 amount equal to 2 percent of the refund, which shall be deposited in
28 the state highway fund.

29 4. No refund of motor vehicle fuel taxes shall be made for off-high-
30 way use of motor vehicle fuel consumed in watercraft in this state for
31 recreational purposes.

32 SEC. 155. NRS 365.380 is hereby amended to read as follows:

33 365.380 1. A claimant for refund shall present to the [tax commis-
34 sion] department a refund claim form accompanied by the original
35 invoices showing the purchase. The refund forms shall state the total
36 amount of such fuel so purchased and used by the consumer otherwise
37 than for the propulsion of motor vehicles and the manner and the equip-
38 ment in which the claimant has used the same.

39 2. A claimant for refund of tax on motor vehicle fuel purchased and
40 exported from this state shall execute and furnish to the [tax commis-
41 sion] department a certificate of exportation on such form as may be
42 prescribed by the [tax commission,] department.

43 3. An invoice to qualify for refund shall contain at least:

44 (a) The number of gallons of motor vehicle fuel purchased;

45 (b) The price per gallon;

46 (c) The total purchase price of the motor vehicle fuel; and

47 (d) Such other information as may be prescribed by the [tax com-
48 mission,] department.

49 4. The signature on the refund claim form shall subject the claimant

1 to the charge of perjury for false statements contained on the refund
2 application.

3 5. Daily records shall be maintained and preserved for a period of 3
4 years for audit purposes of all motor vehicle fuel used. The record shall
5 set forth:

- 6 (a) The piece of equipment being supplied with the fuel;
- 7 (b) The number of gallons of fuel used in each fill; and
- 8 (c) The purpose for which the piece of equipment will be used.

9 The gasoline fills shall be further classified as to on- or off-highway use.

10 6. When a motor vehicle with auxiliary equipment consumes motor
11 vehicle fuel and there is no auxiliary motor or separate tank for such
12 motor, a refund of 20 percent of the tax paid on the fuel used in such
13 vehicle may be claimed without the necessity of furnishing proof of the
14 amount of fuel consumed in the operation of the auxiliary equipment.
15 Where claims for refund exceed 20 percent the [tax commission] depart-
16 ment shall, by rule and regulation, establish uniform refund provisions
17 for the respective classes of users.

18 7. No person may be granted a refund of motor vehicle fuel taxes for
19 off-highway use when such consumption takes place on highways con-
20 structed and maintained by public funds, on federal proprietary lands or
21 reservations where the claimant has no ownership or control over such
22 land or highways, except when such person is under a contractual rela-
23 tionship with the Federal Government or one of its agencies and is
24 engaged in the performance of his duties pursuant to such relationship.
25 Employment of an individual by the Federal Government or any of its
26 agencies does not constitute a contractual relationship for the purpose of
27 this subsection.

28 8. When in the opinion of the [tax commission] department it would
29 be beneficial to the state for a refund claimant to become a licensed
30 dealer, such claimant may, at the option of the [tax commission,] depart-
31 ment, be required to become a licensed dealer rather than a refund claim-
32 ant unless such claimant chooses to claim refunds at the tax rate, less 2
33 percent.

34 SEC. 156. NRS 365.390 is hereby amended to read as follows:

35 365.390 Upon the presentation of such affidavits, invoices, written
36 statements, tax exemption certificates or exportation certificates, the [tax
37 commission] department shall cause to be repaid to the claimant from the
38 taxes collected under this chapter an amount equal to the taxes so paid by
39 the claimant.

40 SEC. 157. NRS 365.400 is hereby amended to read as follows:

41 365.400 In the event of the loss of an original invoice, the person
42 claiming a refund may submit in lieu thereof a duplicate copy of the
43 invoice, which shall be retained by the [tax commission] department
44 until the expiration of the period specified for filing of refund applica-
45 tions. No payment of refund based upon a duplicate invoice shall be
46 made until after the expiration of such statutory period.

47 SEC. 158. NRS 365.410 is hereby amended to read as follows:

48 365.410 In order to establish the validity of any claim the [tax com-
49 mission] department may, upon demand, examine the books and records
50 of the claimant for such purpose. The failure of the claimant to accede

1 to such demand constitutes a waiver of all rights to the refund claimed
2 on account of the transactions questioned.

3 SEC. 159. NRS 365.420 is hereby amended to read as follows:

4 365.420 All applications for refund based upon exportation of motor
5 vehicle fuel from this state shall be filed with the [tax commission]
6 department within 3 months from the date of exportation. All other appli-
7 cations, together with the necessary supporting evidence, shall be filed
8 with the [tax commission] department within 6 months from the date
9 of purchase. All rights to refunds shall be forfeited if applications are not
10 filed with the [tax commission] department within the times herein pre-
11 scribed.

12 SEC. 160. NRS 365.430 is hereby amended to read as follows:

13 365.430 1. All claims for refunds under this chapter shall be paid
14 from the combined gas tax fund upon claims presented by the [tax com-
15 mission,] department, approved by the state board of examiners, and
16 allowed and paid as other claims against the state are allowed and paid.

17 2. Any refunds to be made of the taxes provided for in NRS 365.180
18 and 365.190 shall be paid in the manner provided in this chapter and
19 deducted from the amount of any later payment to the county or counties
20 in which the taxes were collected.

21 SEC. 161. NRS 365.440 is hereby amended to read as follows:

22 365.440 In lieu of the collection and refund of the tax on motor
23 vehicle fuel used by a dealer in such a manner as would entitle a pur-
24 chaser to claim refund under the provisions of this chapter, or in lieu
25 of the refund of any prior erroneous payment of tax on motor vehicle fuel
26 to the [tax commission] department made by a dealer, credit may be
27 given the dealer upon his tax return and assessment.

28 SEC. 162. NRS 365.445 is hereby amended to read as follows:

29 365.445 1. For the purposes of this section, "bulk purchases" means
30 purchases in excess of 50 gallons of motor vehicle fuel which are not
31 placed directly into the tanks of motor vehicles.

32 2. Any person determined by the [tax commission] department to be
33 a bona fide farmer or rancher, not engaged in other activities which would
34 distort his highway usage, may claim a refund only on the basis of 80
35 percent of his bulk purchases, without the necessity of maintaining records
36 of use.

37 3. Any farmer or rancher desiring to claim a refund under the provi-
38 sions of this section must first secure a permit from the [tax commission,]
39 department, and such a permit shall bind the permittee to file claims for
40 refunds under the provisions of this section until a request has been made
41 for a change of basis for filing, which request has been approved by the
42 [tax commission.] department.

43 4. The [tax commission] department is empowered to issue reason-
44 able rules and regulations to carry out the purposes of this section.

45 SEC. 163. NRS 365.450 is hereby amended to read as follows:

46 365.450 No injunction or writ of mandate or other legal or equitable
47 process shall ever issue in any suit, action or proceeding in any court
48 against this state or any officer thereof to prevent or enjoin the collection
49 under this chapter of any excise tax assessed by the [tax commission.]
50 department.

1 SEC. 164. NRS 365.460 is hereby amended to read as follows:
2 365.460 After payment of any excise tax under protest duly veri-
3 fied, served on the [tax commission,] department, and setting forth the
4 grounds of objection to the legality of the excise tax, the dealer paying
5 the excise tax may bring an action against the state treasurer in the
6 district court in and for Carson City for the recovery of the excise tax
7 so paid under protest.

8 SEC. 165. NRS 365.480 is hereby amended to read as follows:
9 365.480 1. If judgment is rendered for the plaintiff, the amount of
10 the judgment shall first be credited on any excise taxes due from the
11 plaintiff under this chapter, and the balance of the judgment shall be
12 refunded to the plaintiff.

13 2. In any judgment, interest shall be allowed at the rate of 6 percent
14 per annum upon the amount of the excise tax found to have been col-
15 lected illegally from the date of payment thereof to the date of allowance
16 of credit on account of such judgment or to a date preceding the date of
17 the refund warrant by not more than 30 days, such date to be determined
18 by the [tax commission,] department.

19 SEC. 166. NRS 365.500 is hereby amended to read as follows:
20 365.500 1. Every dealer shall cause to be kept a true record, in such
21 form as may be prescribed or approved by the [tax commission,] depart-
22 ment, of all stocks of motor vehicle fuel and of other inflammable or
23 combustible liquids, and of all manufacture, refining, compounding,
24 blending, purchases, receipts, transportations, use, sales and distribution
25 thereof.

26 2. Such records shall be subject to inspection at all times within busi-
27 ness hours by the [tax commission,] department or its duly authorized
28 agents, and shall remain so available for inspection for a period of 3 years
29 from the date of any entry therein.

30 3. Should any dealer wish to keep proper books and records pertain-
31 ing to business done in Nevada elsewhere than within the State of Nevada
32 for inspection as provided in this section, he shall pay a fee for such exam-
33 ination in an amount per day equal to the amount set by law for out-of-
34 state travel for each day or fraction thereof during which the examiner is
35 actually engaged in examining the dealer's books, plus the actual expenses
36 of the examiner during the time that the examiner is absent from Carson
37 City, Nevada, for the purpose of making such examination; but such time
38 shall not exceed 1 day going to and 1 day coming from the place where
39 the examination is to be made in addition to the number of days or frac-
40 tions thereof the examiner is actually engaged in auditing the dealer's
41 books. Not more than two such examinations shall be charged against any
42 dealer in any year.

43 4. Any moneys received shall be deposited by the [tax commission]
44 department to the credit of the fund from which the expenditures for the
45 examination were paid.

46 5. Upon the demand of the [tax commission,] department or at such
47 times as the tax commission may prescribe by regulation, every dealer
48 shall furnish a statement showing the contents of the records to such
49 extent, in such detail and in such form as the [tax commission,] depart-
50 ment may require.

1 SEC. 167. NRS 365.510 is hereby amended to read as follows:

2 365.510 1. Every retailer shall maintain and keep within the state
3 for a period of 3 years a true record of motor vehicle fuel received, of the
4 price thereof and the name of the person supplying the same, together
5 with delivery tickets, invoices and such other records as the [tax com-
6 mission,] department may require.

7 2. Such records shall be subject to inspection by the [tax commis-
8 sion,] department or its duly authorized agents at all times within business
9 hours.

10 SEC. 168. NRS 365.520 is hereby amended to read as follows:

11 365.520 1. Every carrier, whether common, contract or private,
12 except a dealer licensed under this chapter or a wholesale distributor
13 transporting the products of a dealer licensed under this chapter, trans-
14 porting motor vehicle fuel as defined in NRS 365.060 in interstate com-
15 merce to or from any point within the State of Nevada shall report to the
16 [tax commission,] department all deliveries so made.

17 2. Such report shall cover the period of each calendar month and
18 shall be filed within 25 days after the end of such month. The report shall
19 show:

20 (a) The name and address of every consignor and consignee and of
21 every person other than the designated consignee to whom delivery has
22 actually been made.

23 (b) The date of every delivery.

24 (c) The amount of every delivery in gallons.

25 (d) Such other information as the [tax commission,] department may
26 require.

27 3. The [tax commission,] department or its duly authorized agents
28 may examine the books and records of any carrier during business hours
29 to determine if the provisions of this section have been or are being
30 complied with.

31 SEC. 169. NRS 365.530 is hereby amended to read as follows:

32 365.530 1. Every person transporting on any highway of the State
33 of Nevada motor vehicle fuel or other inflammable or combustible liquids
34 in an amount of 25 gallons or more must have in his possession at all
35 times during such transportation an invoice, bill of sale or other docu-
36 ment showing the name and address of the seller or consignor and of the
37 buyer or consignee, if any, of the product so transported. He shall
38 produce and exhibit the same to any sheriff, deputy sheriff, police officer
39 or authorized agent of the [tax commission,] department upon request or
40 demand.

41 2. Any person engaged in transporting motor vehicle fuel or other
42 inflammable or combustible liquids by tank truck or tank truck and
43 trailer to be delivered to a dealer or any reseller of such products or to
44 persons known to the trade as commercial consumers shall be required
45 only to have in his possession adequate evidence showing the amount of
46 the motor vehicle fuel or other inflammable or combustible liquids loaded
47 in his conveyance at the time the conveyance left its loading point, and
48 the name and address of the dealer who has assumed or is charged with
49 the responsibility for the payment of the tax due thereon, if any. The

1 date of delivery thereto must be furnished the [tax commission] depart-
2 ment upon request.

3 Sec. 170. NRS 365.535 is hereby amended to read as follows:

4 365.535 1. [By applying the formula contained in subsection 2, the
5 legislature finds as a fact that of the total amount of excise taxes paid for
6 the calendar year ending December 31, 1970, on all motor vehicle fuel
7 sold, distributed or used in this state not less than \$244,545 represents
8 the excise taxes paid on all motor vehicle fuel used in watercraft for
9 recreational purposes.] It is declared to be the policy of the State of
10 Nevada to apply the motor vehicle fuel tax paid on fuel [so used during
11 the calendar year ending December 31, 1970, and] used in watercraft
12 for recreational purposes during each calendar year, [thereafter,] which
13 is hereby declared to be not refundable to the consumer, for the improve-
14 ment of boating and other outdoor recreational facilities associated with
15 boating and for the payment of the costs incurred, in part, for the
16 administration and enforcement of the provisions of chapter 488 of NRS
17 (Nevada Boat Act).

18 2. [During the fiscal year commencing July 1, 1972, and annually
19 thereafter the] The amount of excise taxes paid on all motor vehicle
20 fuel used in watercraft for recreational purposes shall be determined
21 annually by the [tax commission] department by use of the following
22 formula:

23 (a) Multiplying the total boats with motors registered the previous
24 calendar year, pursuant to provisions of chapter 488 of NRS, times
25 220.76 gallons average fuel purchased per boat; and

26 (b) Adding 566,771 gallons of fuel purchased by out-of-state boaters
27 as determined through a study conducted during 1969-1970 by the
28 division of agricultural and resource economics, Max C. Fleischmann
29 college of agriculture, University of Nevada, Reno; and

30 (c) Multiplying the total gallons determined by adding the total
31 obtained under paragraph (a) to the figure in paragraph (b) times the
32 excise tax rates levied under the provisions of NRS 365.170 to 365.190,
33 inclusive, less the percentage of such rate authorized to be deducted by
34 the dealer pursuant to NRS 365.330.

35 3. The Nevada department of fish and game shall submit annually
36 to the [tax commission,] department, on or before April 1, the number
37 of boats with motors registered in the previous calendar year. On or
38 before June 1, the [tax commission,] department, using such data, shall
39 compute the amount of excise taxes paid on all motor vehicle fuel used
40 in watercraft for recreational purposes based on the formula set forth in
41 subsection 2, and shall certify the apportionment and distribution ratio as
42 defined in subsection 4, in writing, to the Nevada department of fish and
43 game and to the division of state parks of the state department of con-
44 servation and natural resources for the next fiscal year.

45 4. [Beginning with the fiscal year commencing July 1, 1971, and
46 in] In each fiscal year, [thereafter,] the state treasurer shall, upon
47 receipt of the tax moneys from the [tax commission] department
48 collected pursuant to the provisions of NRS 365.170 to 365.190,
49 inclusive:

50 (a) Allocate 30 percent of the remittances and deposits made pursuant

1 to subsections 1 and 2 to the Nevada department of fish and game for
2 deposit and use as provided in subsection 2 of NRS 501.356. All moneys
3 so received by the department shall be expended only for the administra-
4 tion and enforcement of the provisions of chapter 488 of NRS and for
5 the improvement of boating facilities and other outdoor recreational
6 facilities associated with boating on state-owned wildlife management
7 areas. Any of these funds declared by the Nevada department of fish and
8 game to be in excess of their immediate requirements for these purposes
9 may, in accordance with subsection 5 of NRS 501.181, be transferred
10 to the credit of the division of state parks of the state department of
11 conservation and natural resources for their use in accordance with the
12 provisions of paragraph (b).

13 (b) Deposit in the general fund in the state treasury to the credit of
14 the division of state parks of the state department of conservation and
15 natural resources 70 percent of the remittances and deposits made pur-
16 suant to subsections 1 and 2. All moneys so deposited to the credit of
17 the division of state parks of the state department of conservation and
18 natural resources shall be expended only as authorized by the legislature
19 for the improvement of boating facilities and other outdoor recreational
20 facilities associated with boating.

21 5. Remittances and deposits required to be made by the state treas-
22 urer pursuant to the provisions of subsection 4 may be made quarterly
23 or oftener if convenient to the state treasurer.

24 Sec. 171. NRS 365.540 is hereby amended to read as follows:

25 365.540 1. The money collected as prescribed by NRS 365.170
26 and 365.185, after the remittances and deposits have first been made
27 pursuant to the provisions of NRS 365.535, shall be placed to the credit
28 of the state highway fund by the state treasurer.

29 2. The money collected as prescribed by NRS 365.180 and 365.190,
30 after the remittances and deposits have first been made pursuant to the
31 provisions of NRS 365.535, shall be allocated by the [tax commission]
32 department to the counties as prescribed in NRS 365.550 and 365.560.

33 3. The money collected as prescribed by NRS 365.200 shall be
34 allocated by the [tax commission] department as prescribed by NRS
35 365.550 and 365.560.

36 Sec. 172. NRS 365.550 is hereby amended to read as follows:

37 365.550 1. The receipts of the tax as levied in NRS 365.180 shall
38 be allocated monthly by the [tax commission] department to the coun-
39 ties upon the following formula:

40 (a) One-fourth in proportion to total area.

41 (b) One-fourth in proportion to population, according to the latest
42 available federal census.

43 (c) One-fourth in proportion to road mileage and street mileage (non-
44 federal aid primary roads).

45 (d) One-fourth in proportion to vehicle miles of travel on roads (non-
46 federal aid primary roads).

47 2. The amount due the counties under the formula shall be remitted
48 monthly. The state controller shall draw his warrants payable to the
49 county treasurer of each of the several counties, and the state treasurer
50 shall pay the same out of the proceeds of the tax levied in NRS 365.180.

1 3. Moneys received by the counties by reason of the provisions of
2 this section shall be used exclusively for the service and redemption of
3 revenue bonds issued pursuant to chapter 373 of NRS, for the construc-
4 tion, maintenance and repair of county roads, and for the purchase of
5 equipment for such work, under the direction of the boards of county
6 commissioners of the several counties, and shall not be used to defray
7 expenses of administration.

8 4. The formula computations shall be made as of July 1 of each year
9 by the [tax commission,] department, based on estimates which shall be
10 furnished by the department of highways. The determination so made by
11 the [tax commission,] department shall be conclusive.

12 SEC. 173. NRS 365.560 is hereby amended to read as follows:

13 365.560 1. The receipts of the tax as levied in NRS 365.190 shall
14 be allocated monthly by the [tax commission,] department to the counties
15 in which the tax payment originates. [All receipts of such tax originating
16 in Carson City shall be allocated monthly to Carson City.]

17 2. Such receipts shall be apportioned between the county, towns with
18 town boards as organized under NRS 269.016 to 269.019, inclusive, and
19 incorporated cities within the county from the general road fund of the
20 county in the same ratio as the assessed valuation of property within the
21 boundaries of such towns or incorporated cities within the county bears to
22 the total assessed valuation of property within the county, including prop-
23 erty within the towns or incorporated cities.

24 3. All such money so apportioned to a county [or Carson City] shall
25 be expended by the county [or Carson City] solely for the service and
26 redemption of revenue bonds issued pursuant to chapter 373 of NRS, for
27 the construction, maintenance and repair of the public highways of the
28 county [or Carson City] and for the purchase of equipment for such
29 work, and shall not be used to defray the expenses of administration.

30 4. All such money so apportioned to towns or incorporated cities
31 shall be expended only upon the streets, alleys and public highways of
32 such town or city, other than state highways, under the direction and
33 control of the governing body of the town or city.

34 SEC. 174. NRS 365.570 is hereby amended to read as follows:

35 365.570 1. It is unlawful for any person:

36 (a) To refuse or neglect to make any statement, report or return
37 required by the provisions of this chapter;

38 (b) Knowingly to make, or aid or assist any other person in making,
39 a false statement in a report to the [tax commission,] department or in
40 connection with an application for refund of any tax;

41 (c) Knowingly to collect or attempt to collect or cause to be repaid
42 to him or to any person, either directly or indirectly, any refund of any
43 tax without being entitled to the same;

44 (d) To engage in business in this state as a dealer or to act as a carrier
45 of motor vehicle fuel or special fuel or other inflammable or combustible
46 liquids without being the holder of an uncanceled license authorizing him
47 to engage in such business or to act in such capacity;

48 (e) To sell any motor vehicle fuel upon which the tax imposed by this
49 chapter shall not be paid, purchased by or consigned to him by any per-
50 son other than a duly licensed dealer; or

1 (f) To act as an agent to sell any motor vehicle fuel, obtained in any
2 manner, upon which the tax imposed by this chapter shall not be paid.

3 2. Each day or part thereof during which any person shall engage in
4 business as a dealer without being the holder of an uncanceled license
5 shall constitute a separate offense within the meaning of this section.

6 3. Any person violating any of the provisions of this section is guilty
7 of a misdemeanor.

8 SEC. 175. NRS 365.590 is hereby amended to read as follows:

9 365.590 The [tax commission,] department is authorized to have
10 paid out of the state highway fund all expenses incurred in the prosecu-
11 tion before any court of this state of any person charged with the viola-
12 tion of any of the provisions of this chapter.

13 SEC. 176. NRS 367.050 is hereby amended to read as follows:

14 367.050 1. On or before August 1 of each year, each bank which is
15 located or has a branch located in this state shall report to the [Nevada
16 tax commission,] department, upon forms which shall be prescribed by
17 the [commission,] department:

18 (a) The quarterly amounts of its cash, demand deposits, time deposits
19 and total deposits for the preceding fiscal year; and

20 (b) A list showing the total deposits in its principal office and in each
21 of its branches at the close of the last business day of the preceding fiscal
22 year, segregated according to the county in which such office and each
23 branch is situated.

24 2. On or before September 1 of each year, each county assessor shall
25 transmit to the [Nevada tax commission,] department a list showing the
26 full cash value of each parcel of real property in his county which is
27 assessed to a bank for the current fiscal year.

28 3. The [Nevada tax commission,] department shall annually, at its
29 regular meeting beginning on the 1st Monday in October, determine:

30 (a) The aggregate taxable capital of each bank which is located or has
31 a branch located in this state; and

32 (b) The proportion of such aggregate taxable capital which is required
33 to be assessed in each county of the state.

34 4. On or before the 1st Monday in December, the [Nevada tax com-
35 mission,] department shall transmit to each county assessor the amount of
36 the aggregate taxable capital of each bank which is required to be assessed
37 in his county, and each assessor shall adopt as the full cash value of the
38 shares of the stock of each such bank the amounts so shown.

39 SEC. 177. NRS 369.150 is hereby amended to read as follows:

40 369.150 1. The [tax commission,] department is charged with the
41 duty of administering the provisions of this chapter.

42 2. The [tax commission,] department shall:

43 (a) Prescribe and cause to be printed and issued free of charge all
44 forms for applications and reports.

45 (b) Issue free of charge all certificates and permits.

46 (c) Adopt and enforce all rules, regulations and standards neces-
47 sary or convenient to carry out the provisions of this chapter.

48 SEC. 178. NRS 369.170 is hereby amended to read as follows:

49 369.170 1. All revenues required to be paid to the state under this

chapter shall be paid to the [tax commission] department in the form of remittances payable to the [Nevada tax commission.] department. The [tax commission] department shall transmit the payment to the state treasurer to be deposited in the state treasury to the credit of the liquor tax fund. The [tax commission] department shall in transmitting each payment indicate the amount, if any, which is derived from the tax on liquor containing more than 22 percent of alcohol by volume.

2. Upon order of the state controller, the money in the liquor tax fund shall be drawn therefrom for refunds under this chapter, and except as otherwise provided in NRS 369.173, all money in the fund shall be transferred to the general fund in the state treasury on or before the last day of each calendar month.

SEC. 179. NRS 369.175 is hereby amended to read as follows:

369.175 This chapter shall not apply to common carriers, while engaged in interstate commerce, which sell or furnish liquor on their trains, buses or airplanes. Common carriers, while engaged in interstate commerce, which sell or furnish liquor on their trains, buses or airplanes, may purchase liquor from licensed Nevada wholesale dealers subject to rules and regulations of the [tax commission.] department. A refund or credit for the excise tax paid on such liquor shall be allowed the wholesale dealer.

SEC. 180. NRS 369.190 is hereby amended to read as follows:

369.190 1. An application for any of the licenses described in NRS 369.180 shall be made to the board of county commissioners of the county in which the applicant maintains his principal place of business.

2. Each application shall:

(a) Be made on such form as the [tax commission] department shall prescribe.

(b) Include the name and address of the applicant. If the applicant is:

(1) A partnership, the application shall include the names and addresses of all partners.

(2) A corporation, association or other organization, the application shall include the names and addresses of the president, vice president, secretary and managing officer or officers.

(3) A person carrying on or transacting business in this state under an assumed or fictitious name, the person making the application shall attach thereto:

(I) A certified copy of the certificate required by NRS 602.010.

(II) A certificate signed by an officer of the corporation or by each person interested in, or conducting or carrying on such business, or intending so to do, and acknowledged before some officer authorized to take acknowledgments of conveyances of real property, indicating the name of the authorized representative whose signature may be required on the license under the provisions of this chapter.

(c) Specify the location, by street and number, of the premises for which the license is sought.

(d) Be accompanied by the annual license fee required for the particular license for which application is made.

3. Each applicant for an importer's license or for a wholesale wine or liquor dealer's license or for a wholesale beer dealer's license shall

agree to establish and maintain a place of business in the State of Nevada, in good faith actually to carry on a bona fide wholesale business, and must keep on hand therein at all times liquor of a wholesale value of at least \$1,000.

4. The board of county commissioners shall examine all applications filed with it, and in addition thereto shall require satisfactory evidence that the applicant is a person of good moral character.

SEC. 181. NRS 369.200 is hereby amended to read as follows:

369.200 1. The board of county commissioners shall approve or disapprove applications. If an application is disapproved by the board of county commissioners, the board forthwith shall return the license fee accompanying the application to the applicant. If the board of county commissioners approves an application, the board shall forward it to the [tax commission.] department, together with the board's written approval thereof and the license fee accompanying the application.

2. Upon receipt thereof the [tax commission] department shall review the application and approval, and, if no further objections are presented or known, shall issue the appropriate license to the applicant.

3. In its discretion, the [tax commission] department may grant an applicant whose application has been disapproved a new hearing before the [tax commission] department if it shall be made to appear to the [tax commission] department that the decision of the board of county commissioners was arbitrary, unreasonable or unjust.

SEC. 182. NRS 369.220 is hereby amended to read as follows:

369.220 Each license shall:

1. Be signed by the licensee or the authorized representative of the licensee.

2. Be posted in a conspicuous place in the premises for which it was issued.

3. Be nontransferable, except that upon prior written notice to the [tax commission] department the location of the premises for which it was issued may be changed.

SEC. 183. NRS 369.230 is hereby amended to read as follows:

369.230 The board of county commissioners may, upon its own motion, and shall, upon the verified complaint in writing of any person, investigate the action of any licensee under this chapter, and shall have power to recommend the temporary suspension or permanent revocation of a license for any one of the following acts or omissions:

1. Misrepresentation of a material fact by the applicant in obtaining a license under this chapter; or

2. If the licensee violates or causes or permits to be violated any of the provisions of this chapter; or

3. If the licensee commits any act which would be sufficient ground for the denial of an application for a license under this chapter; or

4. If the licensee sells liquor to a wholesaler or retailer who is not a holder of a proper license or permit at such time; or

5. If the licensee fails to pay the excise tax or any penalty in connection therewith, in whole or in part, imposed by law, or violates any [rule or] regulation of the [tax commission] department respecting the same.

1 SEC. 184. NRS 369.240 is hereby amended to read as follows:

2 369.240 1. Upon the filing with the board of county commissioners
3 of the county in which a licensee maintains his principal place of business
4 of a verified complaint charging the licensee with the commission, within
5 1 year prior to the date of filing the complaint, of any act which is cause
6 for suspension or revocation of a license, the board of county commission-
7 ers forthwith shall issue a citation directing the licensee, within 10 days
8 after service thereof upon him, to appear by filing with the board of
9 county commissioners his verified answer to the complaint showing cause,
10 if any he has; why his license should not be suspended or revoked. Service
11 of the citation with a copy of the complaint shall be made upon the licen-
12 see as provided by the Nevada Rules of Civil Procedure for the service
13 of process in civil actions.

14 2. Failure of the licensee to answer within the time specified shall be
15 deemed an admission by him of the commission of the act or acts charged
16 in the complaint. Thereupon, the board of county commissioners shall
17 give written notice of the failure of the licensee to answer to the [tax
18 commission] department. The department forthwith
19 shall suspend or revoke the license, as the case may be, and shall give
20 notice of such suspension or revocation by mailing a true copy thereof,
21 by United States registered or certified mail in a sealed envelope with
22 postage thereon fully prepaid, addressed to the licensee at his latest
23 address of record in the office of the [tax commission.] department.

24 SEC. 185. NRS 369.260 is hereby amended to read as follows:

25 369.260 1. Upon the hearing, the board of county commissioners
26 shall hear all relevant and competent evidence offered by the complainant
27 and by the licensee.

28 2. After the hearing is concluded and the matter submitted, the board
29 of county commissioners shall, within 10 days after such submission,
30 render its decision in writing recommending the suspension or revocation
31 of the license, or dismissing the complaint, with a statement of the board's
32 reasons therefor.

33 3. The board of county commissioners shall give to the complainant
34 and to the licensee, or their respective attorneys, notice of such recom-
35 mendation, by mail, in the same manner as prescribed in this chapter for
36 the giving of notice of hearing.

37 4. A copy of the decision of the board of county commissioners
38 recommending the suspension or revocation of a license shall be trans-
39 mitted forthwith by the board to the [tax commission.] department.
40 Thereupon, the [tax commission] department shall cause the license to
41 be suspended or revoked and shall give notice thereof in the same manner
42 as provided in NRS 369.240.

43 SEC. 186. NRS 369.270 is hereby amended to read as follows:

44 369.270 1. Notwithstanding any other provision of this chapter,
45 before suspending or revoking any license, the [tax commission.] depart-
46 ment, in its discretion, may:

47 (a) If the licensee has not appeared pursuant to the provisions of
48 NRS 369.240, permit him to appear before the board of county com-
49 missioners and make a showing on his behalf if it [shall be] is made to

1 appear to the [tax commission] department that the licensee's neglect to
2 appear before the board of county commissioners was excusable.

3 (b) If a hearing was had, grant the licensee a new hearing before the
4 [tax commission] department if it shall be made to appear to the [tax
5 commission] department that the decision of the board of county com-
6 missioners was arbitrary, unreasonable or unjust.

7 2. After any new hearing before the [tax commission, the tax
8 commission] department, the department shall enter a final order revok-
9 ing or refusing to revoke the license affected.

10 SEC. 187. NRS 369.280 is hereby amended to read as follows:

11 369.280 1. Notwithstanding any other provision of this chapter,
12 the board of county commissioners shall have the right to suspend or
13 revoke summarily any license in cases appearing to it to be of an aggra-
14 vated and flagrant violation of law.

15 2. On request, in all such cases, the [tax commission] department
16 shall conduct a hearing covering the proceedings and evidence, if any,
17 before the board of county commissioners, and any additional evidence
18 offered by the board of county commissioners or the licensee.

19 3. The hearing before the [tax commission] department shall be
20 had on reasonable notice of time, place and subject matter to the licensee
21 and the board of county commissioners, and the [tax commission]
22 department shall decide the matter without delay by either confirming,
23 modifying or setting aside the action of the board of county com-
24 missioners.

25 4. If the [tax commission] department finds that a licensee is vio-
26 lating any of the provisions of this chapter, the [commission] depart-
27 ment may issue a summary suspension of the violator's license. The
28 [commission] department shall notify the board of county commissioners
29 of such suspension. Within 10 days after such notice the [tax commis-
30 sion] department shall conduct a public hearing in the matter in the
31 appropriate county. The board of county commissioners may appear
32 before the [tax commission] department at the hearing.

33 SEC. 188. NRS 369.290 is hereby amended to read as follows:

34 369.290 Upon a subsequent written recommendation of the board
35 of county commissioners setting forth that the licensee has shown proper
36 cause in the opinion of the board of county commissioners, the [tax
37 commission] department may renew any license canceled as provided in
38 this chapter.

39 SEC. 189. NRS 369.310 is hereby amended to read as follows:

40 369.310 1. All license fees are due and payable on July 1 of each
41 year. If not paid by July 15 of each year the license may be canceled by
42 the [tax commission.] department. Between July 15 and July 31 of each
43 year, the fee may be paid with a penalty of 5 percent added to such fee.
44 If the fee and penalty are not paid by July 31 of each year, the license
45 shall be canceled automatically.

46 2. If any license is issued at any time during the year other than by
47 July 15, the fee shall be for that proportionate part of the year that the
48 license will be in effect, which in any event shall be for not less than one
49 quarter of a year.

3. No license shall be dated other than on the 1st day of the month in which it is granted.

SEC. 190. NRS 369.335 is hereby amended to read as follows:

369.335 1. No tax shall be imposed upon the sale of beer by licensed wholesale dealers to the following instrumentalities of the Armed Forces of the United States, organized under Army, Air Force or Navy regulations, and located upon territory within the geographical boundaries of the State of Nevada:

(a) Army, Navy or Air Force exchanges.

(b) Officers', noncommissioned officers' and enlisted men's clubs or messes.

2. If any wholesale dealer pays the tax on beer sold to one of the instrumentalities of the Armed Forces of the United States enumerated in subsection 1 after July 1, 1963, the taxpayer may obtain a credit or refund with respect to the tax so paid in the manner provided by the [tax commission.] department.

SEC. 191. NRS 369.340 is hereby amended to read as follows:

369.340 It is hereby declared to be the intent of this chapter that no excise tax shall be imposed on liquor sold to permissible persons, and the [tax commission.] department, in computing the excise tax to be paid on liquor, shall make rules for refunds or credits to be allowed to any importer making a satisfactory showing of such sales.

SEC. 192. NRS 369.350 is hereby amended to read as follows:

369.350 1. Each licensed importer shall furnish a bond to the State of Nevada conditioned for the payment of all excise taxes due or to become due from him under the provisions of this chapter. Each bond shall be in a principal sum equal to the greatest excise tax paid by the importer in any quarter of the preceding year, or if such standard is not available, then in a sum required from a licensee operating under conditions deemed comparable by the [tax commission.] department. In no case shall a bond be for an amount less than \$1,000. When cash or a certificate of deposit or investment certificate is used, the amount required shall be rounded off to the next larger integral multiple of \$100.

2. The bond or undertaking shall be acceptable to and approved by the [tax commission.] department, and a deposit of cash or negotiable United States Government bonds may be accepted in lieu of an undertaking. The [tax commission.] department shall deposit all such United States Government bonds and cash deposits with the state treasurer as custodian thereof.

3. Notwithstanding any other provision of this section, upon application and a satisfactory showing therefor, the [tax commission.] department may, from time to time, increase or decrease the amount of the required bond, having consideration for the amount of importations made by the importer.

4. Notwithstanding any other provision of this section, the [tax commission.] department may waive the requirement of a bond pursuant to this section whenever a licensed importer has maintained a satisfactory record of payment of excise taxes for a period of not less than 5 consecutive years.

SEC. 193. NRS 369.360 is hereby amended to read as follows:

369.360 The [tax commission] department shall make all necessary and convenient rules:

1. Prescribing the form of reports and claims made by taxpayers.

2. Prescribing the time for making such reports and settlements thereon.

3. Respecting permissible persons as well as other importers.

SEC. 194. NRS 369.370 is hereby amended to read as follows:

369.370 1. For the privilege of importing, possessing, storing or selling liquors, all licensed importers and manufacturers of liquor in this state shall pay the excise tax imposed and established by this chapter.

2. If, after such tax is paid on any such liquor, satisfactory evidence is presented to the [tax commission] department that such imports have been actually exported and sold outside this state not in conflict with the law of the place of sale, the [tax commission] department shall direct that a refund or credit of the tax so paid shall be made to the taxpayer. The taxpayer shall report all such exports and report all such imports, and pay the tax on such imports monthly, on forms and subject to regulations prescribed by the [tax commission.] department.

3. The excise tax imposed by this chapter is due and payable on or before the 20th day of the following month. If all such taxes are paid on or before the 15th day of the following month, a discount in the amount of 3 percent of the tax shall be allowed to the taxpayer. If such tax is not paid when due there shall be added thereto a penalty of 5 percent, together with interest thereon at the rate of 1 percent per month, or any fraction thereof, from the date due until paid. The [tax commission] department may, for good cause, extend for not more than 15 days after the due date the time for paying the tax if a request for such an extension of time is received by the [tax commission] department on or before the due date. If such extension is granted, interest shall accrue from the original due date.

4. The [tax commission] department shall allow refunds or credits on any shipments lost, stolen or damaged in transit, or damaged or spoiled on the premises, and may require all claims in connection therewith to be sworn to and make ratable tax adjustments, credits or refunds in the premises to effectuate the purposes of this chapter.

SEC. 195. NRS 369.400 is hereby amended to read as follows:

369.400 1. At all times each importer shall keep on hand at a fixed place of business in Nevada liquor of a wholesale value of at least \$1,000.

2. All importers, except permissible persons, shall keep a record of all serial numbers, identifying numbers or marks of all cases or containers of liquor imported by them.

3. Each importer shall keep in a fixed place of business in Nevada, in such form as may be recommended by the [tax commission.] department, a record of all liquor received into the State of Nevada, together with copies of invoices and a monthly inventory of all liquor on hand on the last day of each month, if requested so to do by the [tax commission.] department.

4. All such liquor, papers and records shall be exhibited at any time during business hours, on demand, to the [tax commission] department

1 or its agents. Any person preventing or interfering with such inspection
2 shall be guilty of a misdemeanor.

3 SEC. 196. NRS 369.420 is hereby amended to read as follows:

4 369.420 Any shipment of liquor which cannot be received or
5 accepted by the consignee for any reason in law may be seized by the
6 [tax commission] department or its agents and held subject to the order
7 of the shipper for its return at the shipper's expense. If it is not recovered
8 by the shipper it shall be sold at public auction to any qualified importer
9 in this state. The proceeds of such sale shall be remitted to the shipper,
10 less any costs or outlays chargeable, or a lien, upon the shipment.

11 SEC. 197. NRS 369.430 is hereby amended to read as follows:

12 369.430 1. By regulation, the [tax commission] department shall
13 prescribe the form of application for and the form of certificate of compli-
14 ance which shall be printed and distributed to exporters of liquor into
15 this state to assist them in legally exporting liquor into this state.

16 2. Any intending importer may not legally receive or accept any
17 such shipment except from a holder of a certificate of compliance.

18 3. The [tax commission] department shall grant a certificate of compli-
19 ance to any out-of-state vendor of liquors who shall undertake in writ-
20 ing:

21 (a) To furnish the [tax commission] department on or before the 10th
22 day of each month a report under oath showing the quantity and type of
23 liquor sold and shipped by such vendor to each licensed importer of
24 liquor in Nevada during the preceding month; and

25 (b) That he and all his agents and all agencies controlled by him will
26 comply faithfully with all laws of this state and all [rules] regulations of
27 the [tax commission] department respecting the exporting of liquor into
28 this state.

29 4. If any holder of a certificate of compliance [shall fail] fails to
30 keep any undertaking or condition made or imposed in connection
31 therewith, the [tax commission] department may suspend such certificate
32 and conduct a hearing, giving the holder thereof a reasonable opportunity
33 to appear and be heard on the question of vacating the suspension order
34 or order finally revoking the certificate.

35 5. No fee shall be charged for any certificate of compliance, but such
36 certificate shall be renewed annually, subject to the conditions of the
37 original certificate, on or before July 1 of each year.

38 SEC. 198. NRS 369.440 is hereby amended to read as follows:

39 369.440 By regulation, the [tax commission] department shall
40 prescribe the form of and conditions for obtaining a permissible person's
41 certificate, which shall be printed and distributed on request to any per-
42 son or representative of any institution, school, hospital, or church desir-
43 ing to import liquor for industrial, medical, scientific or sacramental
44 purposes.

45 SEC. 199. NRS 369.450 is hereby amended to read as follows:

46 369.450 1. The [tax commission] department shall make [rules]
47 regulations and provide forms for distribution free of charge to all persons
48 qualified as importers of liquor, to be filled out by exporters and carriers
49 of liquor consigned to points in this state as evidence for consideration
50 respecting the legality of such transactions.

1 2. Every common carrier by special permit shall have with his or its
2 agent or servant in immediate charge, or in the records of the carrier, of
3 every shipment of liquor into this state, a statement or freight bill show-
4 ing:

5 (a) The names of consignor, consignee and carrier.

6 (b) The date when and place where the shipment was received.

7 (c) The destination.

8 (d) The number identifying the railroad car, truck or other convey-
9 ance used.

10 (e) The quantity and kind of liquor in the shipment, as the case may
11 be, according to the designation of kind and quantity of liquor appearing
12 on the statement or freight bill.

13 3. The [tax commission] department may make rules requiring the
14 carrier to cause the consignee to sign a statement or a postcard, which
15 statement or postcard shall be furnished by the [tax commission]
16 department to the carrier without expense, for receipt of each such ship-
17 ment before the carrier permits the consignee to remove any such ship-
18 ment from the point of destination or possession of the carrier, and to
19 cause the carrier to forward such statement or postcard to the [tax
20 commission] department after having been so signed by the consignee.

21 4. No liquor shall be imported into this state except by common
22 carrier, contract carrier regularly operating as such, or a carrier having
23 a special permit so to do in the case of each shipment.

24 5. By special permit, the [tax commission] department may author-
25 ize the transportation of liquor within this state by means of a convey-
26 ance owned and operated by a licensed importer, or a conveyance owned
27 and operated by another, not being a common carrier or a regularly
28 operating contract carrier. As a condition of such permit the [tax com-
29 mission] department may require that a sign be carried on such convey-
30 ance in letters at least 3 inches high, stating that such conveyance is
31 carrying wholesale liquor by special permit. Such carriers by special per-
32 mit shall be governed by the same rules respecting reports and deliveries
33 of import liquors as in the case of common carriers and regularly oper-
34 ating contract carriers.

35 SEC. 200. NRS 369.460 is hereby amended to read as follows:

36 369.460 1. Any person violating any of the provisions of NRS
37 369.450 or any of the [rules] regulations made by the [tax commission]
38 department in respect thereto shall, on conviction, be punished as for
39 a misdemeanor.

40 2. In addition, any shipment of liquor transported into or within
41 Nevada by an unauthorized carrier shall be confiscated and sold at
42 auction to the highest bidder among the licensed importers in this state.
43 If there is no such bidder, the liquor shall be either destroyed or disposed
44 of as the [tax commission] department may see fit. The proceeds of all
45 such sales shall be classed as revenues derived from this chapter.

46 SEC. 201. NRS 369.480 is hereby amended to read as follows:

47 369.480 1. At all times each wholesale dealer shall keep on hand
48 at a fixed place of business in Nevada liquor of a wholesale value of at
49 least \$1,000.

1 2. Each wholesale dealer shall keep in a fixed place of business in
2 Nevada, in such form as may be recommended by the [tax commission,]
3 department, a record of all liquor received into the State of Nevada,
4 together with copies of invoices and a monthly inventory of all liquor
5 on hand on the last day of each month, if requested so to do by the [tax
6 commission.] department.

7 3. All such liquor, papers and records shall be exhibited at any time
8 during business hours, on demand, to the [tax commission] department
9 or its agents. Any person preventing or interfering with such inspection
10 [shall be] is guilty of a misdemeanor.

11 SEC. 202. NRS 369.490 is hereby amended to read as follows:

12 369.490 1. Except as provided in subsection 2, no person shall
13 directly or indirectly, himself or by his clerk, agent or employee, offer,
14 keep or possess for sale, furnish or sell, or solicit the purchase or sale
15 of any liquor in this state, or transport or import or cause to be trans-
16 ported or imported any liquor in or into this state for delivery, storage,
17 use or sale therein, unless such person has complied fully with the pro-
18 visions of this chapter and is a holder of an appropriate, valid license,
19 permit or certificate issued by the [tax commission.] department.

20 2. The provisions of this chapter do not apply to a person entering
21 this state with a quantity of alcoholic beverage for household or personal
22 use which is exempt from federal import duty; nor do the provisions of
23 this chapter apply to a person who imports 1 gallon or less of alcoholic
24 beverage per month from another state for his own household or personal
25 use.

26 SEC. 203. NRS 369.510 is hereby amended to read as follows:

27 369.510 1. In any investigation, proceeding or hearing which, under
28 the provisions of this chapter, the board of county commissioners is
29 empowered to institute, conduct or hold, the board of county commission-
30 ers shall have the power to administer oaths, certify to official acts, and
31 issue subpoenas for the attendance of witnesses and the production of
32 books, papers and records.

33 2. In like proceedings before it, the [tax commission] department
34 shall have the same powers as those enumerated in subsection 1.

35 SEC. 204. NRS 369.520 is hereby amended to read as follows:

36 369.520 All persons obtaining liquor under any license or permit and
37 all retail liquor dealers shall preserve for inspection and audit by the [tax
38 commission] department and its agents, for a period of 4 years, all
39 invoices and lists of liquors purchased or received, specifying:

- 40 1. Kind and quantity of liquor.
- 41 2. Names of persons from whom received.
- 42 3. Place and date.

43 SEC. 205. NRS 369.530 is hereby amended to read as follows:

44 369.530 1. In order to obtain evidence of any violation of this chap-
45 ter, the [tax commission.] department, its agents, and all peace officers
46 and revenue-collecting officers of this state shall have the right of visita-
47 tion and inspection of any vehicle or place where they may have reason to
48 believe liquor is stored, warehoused or kept for sale, or which might be
49 in transit on or in other than common, contract or permitted carriers.

1 Such visitation and inspection shall be conducted during business hours
2 and no domicile shall be searched except by virtue of a search warrant.

3 2. Whenever a vehicle other than a common or contract carrier is
4 stopped, the operator shall be required to exhibit his permit of convey-
5 ance, and if he has none he shall be dealt with according to law or the
6 [rules and] regulations of the [tax commission.] department.

7 SEC. 206. NRS 369.550 is hereby amended to read as follows:

8 369.550 Except as otherwise expressly provided in this chapter, any
9 person violating any of the provisions of this chapter or knowingly violat-
10 ing any lawful [rule] regulation of the [tax commission] department
11 made for the enforcement of its provisions shall be punished, upon con-
12 viction thereof, as for a misdemeanor.

13 SEC. 207. NRS 370.060 is hereby amended to read as follows:

14 370.060 The [tax commission] department is empowered to make
15 all necessary rules and regulations for the administration and enforcement
16 of this chapter.

17 SEC. 208. NRS 370.065 is hereby amended to read as follows:

18 370.065 In order to obtain evidence of any violation of this chapter,
19 the [tax commission.] department, its agents, and all peace officers and
20 revenue-collecting officers of this state shall have the right of visitation
21 and inspection of any place where they may have reason to believe
22 unstamped cigarettes are stored, warehoused or kept for sale. Such visita-
23 tion and inspection shall be conducted during business hours.

24 SEC. 209. NRS 370.080 is hereby amended to read as follows:

25 370.080 A person shall not engage in business as a wholesale dealer
26 of cigarettes in the State of Nevada unless he first secures a wholesale
27 cigarette dealer's license from the [tax commission.] department.

28 SEC. 210. NRS 370.100 is hereby amended to read as follows:

29 370.100 An application for a wholesale cigarette dealer's license
30 shall:

31 1. Be made to the [tax commission] department on such form as
32 the [tax commission] department shall prescribe.

33 2. Include the name and address of the applicant. If the applicant is
34 a partnership, the application shall include the names and addresses of
35 all partners. If the applicant is a corporation, association or other
36 organization, the application shall include the names and addresses of
37 the president, vice president, secretary and managing officer or officers.

38 3. Specify the location, by street and number, of the premises for
39 which the license is sought.

40 4. Be accompanied by the required license fee.

41 5. Be accompanied by a certified copy of the certificate required by
42 NRS 602.010.

43 SEC. 211. NRS 370.110 is hereby amended to read as follows:

44 370.110 Upon receiving payment therefor, the [tax commission]
45 department is authorized to issue a wholesale cigarette dealer's license to
46 any qualified person in the State of Nevada.

47 SEC. 212. NRS 370.130 is hereby amended to read as follows:

48 370.130 Each wholesale cigarette dealer's license shall:

49 1. Be signed by the licensee or the authorized representative of the
50 licensee.

2. Be posted in a conspicuous place in the premises for which it was issued.

3. Be nontransferable, except that upon prior written notice to the [tax commission] department the location of the premises for which it was issued may be changed.

SEC. 213. NRS 370.155 is hereby amended to read as follows:

370.155 1. Except as otherwise provided in this section, each licensed wholesale cigarette dealer shall furnish a bond to the State of Nevada conditioned for the payment of all excise taxes due or to become due from him under the provisions of this chapter. Each bond shall be in a principal sum equal to the greatest excise tax paid by the wholesale cigarette dealer in any quarter of the preceding year, or if such standard is not available, then in a sum required from a licensee operating under conditions deemed comparable by the [tax commission.] department. In no case shall a bond be for an amount less than \$1,000. When cash or a certificate of deposit or investment certificate is used, the amount so fixed shall be rounded off to the next larger integral multiple of \$100.

2. The bond or undertaking shall be acceptable to and approved by the [tax commission,] department, and a deposit of cash or negotiable United States Government bonds may be accepted in lieu of an undertaking. The [tax commission] department shall deposit all such United States Government bonds and cash deposits with the state treasurer as custodian thereof.

3. Notwithstanding any other provision of this section:

(a) Upon application and a satisfactory showing therefor, the [tax commission] department may, from time to time, increase or decrease the amount of the required bond, having consideration for the amount of excise tax paid by the wholesale cigarette dealer.

(b) The [tax commission] department may waive the requirement of a bond pursuant to this section whenever a licensed wholesale cigarette dealer has maintained a satisfactory record of payment of excise taxes for a period of not less than 5 consecutive years. [The provisions of this paragraph shall apply to all licensees whether or not they were licensed prior to or after July 1, 1961.]

SEC. 214. NRS 370.170 is hereby amended to read as follows:

370.170 Except as otherwise provided in this chapter, no person shall give, sell or offer to give or sell any cigarettes in the State of Nevada unless there is affixed to each of the packages, packets or containers an adhesive Nevada cigarette revenue stamp or a similar stamp affixed by a metered stamping machine approved by and registered with the [tax commission] department in the following denominations: On packages containing 20 cigarettes or less, 10 cents per package; and on packages containing over 20 cigarettes, 10 cents additional for each 20 cigarettes or fraction thereof contained in any such package.

SEC. 215. NRS 370.180 is hereby amended to read as follows:

370.180 1. The [tax commission] department shall:

(a) Design a suitable stamp or stamps for the purpose of this chapter.

(b) From time to time, have as many revenue stamps printed as may be required.

2. The use of a metered stamping machine approved by and registered with the [tax commission] department shall be subject to such [rules and] regulations as prescribed by the [tax commission.] department.

SEC. 216. NRS 370.190 is hereby amended to read as follows:

370.190 1. The [tax commission] department is authorized, upon receiving payment therefor, to sell Nevada cigarette revenue stamps only to a licensed wholesale dealer as defined in NRS 370.055.

2. By [rule or] regulation, the [tax commission] department may provide for payment of the tax by manufacturers without the use of stamps on gifts or samples sent into Nevada when plainly marked "Tax Paid."

SEC. 217. NRS 370.200 is hereby amended to read as follows:

370.200 1. The [tax commission] department is authorized to appoint the sheriff of any county and officers of incorporated cities to act as its agents in the sale of Nevada cigarette revenue stamps.

2. The sheriff and city officers shall:

(a) Serve as such agent without additional compensation; and

(b) On or before the last day of the month following the month in which the sale of cigarette stamps occurred, make a return of all receipts collected from sales of cigarette revenue stamps to the [tax commission,] department, accompanied by a remittance payable to the order of the [Nevada tax commission.] department.

SEC. 218. NRS 370.220 is hereby amended to read as follows:

370.220 In the sale of any cigarette revenue stamps or any metered machine settings to a licensed wholesale cigarette dealer, the [tax commission] department and its agents are authorized and directed to allow the purchaser a discount of 4 percent for the services rendered by the licensed wholesale cigarette dealer in affixing cigarette revenue stamps or metered machine impressions to the cigarette packages.

SEC. 219. NRS 370.230 is hereby amended to read as follows:

370.230 Upon the written authorization of the state board of examiners, any spoiled or unusable stamps in the possession of the [tax commission] department shall be destroyed. The written authorization of the state board of examiners shall set forth the number, denomination and face value of the stamps.

SEC. 220. NRS 370.240 is hereby amended to read as follows:

370.240 1. Each wholesale cigarette dealer licensed under this chapter shall report to the [tax commission:] department:

(a) The inventory of all cigarettes in his possession or control at the close of business on the last day of each month.

(b) The total value of all cigarette revenue stamps affixed by him upon cigarette packages sold in or shipped into the state by him during the preceding month.

2. The report shall be made by the 15th day of the month following such shipments upon forms to be provided by the [tax commission.] department.

3. The dealer may have up to 15 additional days to file such report,

1 if beforehand he makes written application to the [commission] depart-
2 ment and the [commission] department finds good cause for such exten-
3 sion.

4 SEC. 221. NRS 370.250 is hereby amended to read as follows:

5 370.250 1. If any wholesale dealer in cigarettes upon which a tax
6 is required to be paid fails to make a report to the [tax commission]
7 department or its agents on or before the date due, the [tax commission]
8 department may suspend his license or permit until the report is received
9 and found to be correct.

10 2. The [tax commission] department may temporarily suspend or
11 permanently revoke the licenses of any wholesale cigarette dealer for
12 violating, or causing or permitting to be violated, any of the provisions
13 of this chapter.

14 SEC. 222. 370.255 is hereby amended to read as follows:

15 370.255 Each wholesale cigarette dealer licensed under this chapter
16 shall maintain records of all cigarettes received, sold or distributed by
17 him. Each such dealer shall also obtain and keep receipts, freight bills,
18 invoices and other documents necessary to substantiate such records.
19 Such records and documents shall be kept at such dealer's place of
20 business in Nevada for not less than 4 years unless the [tax commission]
21 department authorizes, in writing, their earlier removal or destruction.

22 SEC. 223. NRS 370.257 is hereby amended to read as follows:

23 370.257 The [tax commission] department may audit the records
24 of each wholesale dealer licensed under this chapter to determine that the
25 dealer has complied with the provisions of this chapter.

26 SEC. 224. NRS 370.260 is hereby amended to read as follows:

27 370.260 1. All taxes and license fees imposed by this chapter, less
28 any refunds granted as provided by law, shall be paid to the [tax com-
29 mission] department in the form of remittances payable to the [Nevada
30 tax commission.] department.

31 2. The [tax commission] department shall:

32 (a) As compensation to the state for the costs of collecting the taxes
33 and license fees, transmit on a monthly basis such sum as the legislature
34 shall specify from the remittances made to it pursuant to subsection 1
35 during the preceding month to the state treasurer, who shall deposit the
36 same to the credit of the [tax commission.] department. Such deposited
37 monies shall be expended by the [tax commission] department in
38 accordance with its work program established pursuant to law.

39 (b) Transmit the balance of such payments each month to the state
40 treasurer to be deposited in the state treasury to the credit of the cigarette
41 tax fund.

42 (c) Report to the state controller monthly the amount of collections.

43 3. The money in the cigarette tax fund is hereby appropriated to
44 Carson City and to each of the counties in proportion to their respective
45 populations as determined by the last preceding national census of the
46 Bureau of the Census of the United States Department of Commerce; the
47 amount in such fund which was collected during the preceding month
48 shall be apportioned and distributed by the state treasurer as follows:

49 (a) In counties having a population of 5,000 or more:

1 (1) If there are no incorporated cities within the county, the entire
2 amount shall go into the county treasury.

3 (2) If there is one incorporated city within the county the money
4 shall be apportioned between the city and the county on the basis of the
5 population of such city and the population of such county excluding the
6 population of such city, as determined by the last preceding national
7 census of the Bureau of the Census of the United States Department of
8 Commerce.

9 (3) If there are two or more incorporated cities within the county,
10 the entire amount shall be apportioned among such cities in proportion to
11 their respective populations as determined by the last preceding national
12 census of the Bureau of the Census of the United States Department of
13 Commerce.

14 (b) In counties having a population of less than 5,000:

15 (1) If there are no incorporated cities or unincorporated towns
16 within the county, the entire amount shall go into the county treasury.

17 (2) If there is one incorporated city or one unincorporated town
18 within the county the money shall be apportioned between the city or
19 town and the county on the basis of the population of such city or town
20 and the population of such county excluding the population of such city
21 or town, as determined by the last preceding national census of the
22 Bureau of the Census of the United States Department of Commerce,
23 regardless of the form of government of such city or town at the time
24 such census was conducted.

25 (3) If there are two or more incorporated cities or unincorporated
26 towns or an incorporated city and an unincorporated town within the
27 county, the entire amount shall be apportioned among such cities or
28 towns in proportion to their respective populations as determined by the
29 last preceding national census of the Bureau of the Census of the United
30 States Department of Commerce, regardless of the form of government
31 of such city or town at the time such census was conducted.

32 (c) In Carson City the entire amount shall go into the city treasury.

33 4. For the purposes of this section, "unincorporated town" means
34 only those towns governed by town boards organized pursuant to NRS
35 269.016 to 269.019, inclusive.

36 SEC. 225. NRS 370.265 is hereby amended to read as follows:

37 370.265 Remittances due the [tax commission] department by any
38 licensed wholesale cigarette dealer for stamps purchased during any calen-
39 dar month shall be due and payable to the [tax commission] department
40 not later than the 10th day of the following calendar month. Any whole-
41 saler who fails to pay his excise tax due on or before the 10th day of the
42 month shall pay a penalty of 5 percent of the tax in addition to the tax,
43 with interest at the rate of 1 percent per month or fraction thereof from
44 the date on which the tax becomes due and payable to the state until the
45 date of payment.

46 SEC. 226. NRS 370.270 is hereby amended to read as follows:

47 370.270 1. Every retail dealer making a sale or sales to a customer
48 shall, at the time of such sale, see that each package, packet or container
49 has the Nevada cigarette revenue stamp or metered stamping machine
50 indicia properly affixed to each package, packet or container.

2. Every cigarette vending machine operator placing cigarettes in his coin-operated cigarette vending machines for sale to the ultimate consumers shall at the time of placing such cigarettes in his machine see that each package, packet or container has the Nevada cigarette revenue stamp or metered stamping machine indicia properly affixed to each package, packet or container.

3. No unstamped packages, packets or containers of cigarettes can lawfully be accepted or held in the possession of a retail cigarette dealer, a cigarette vending machine operator or any other person except a licensed Nevada wholesale dealer. For the purposes of this subsection, "held in possession" means:

- (a) In the direct or physical possession of the person; or
- (b) In the constructive possession of the person when cigarettes are being transported or held for him or for his designee by another person. Constructive possession is deemed to occur at the location of the cigarettes being so transported or held.

4. It is unlawful for any person other than a licensed wholesale cigarette dealer to have in his possession any package, packet or container of cigarettes which do not bear cigarette revenue stamps in accordance with NRS 370.170 and 370.180, unless otherwise provided in this chapter.

5. Any cigarettes found in the possession of any person except a licensed Nevada wholesale dealer which do not bear indicia of Nevada excise tax stamping shall be seized by the [tax commission] department or any of its agents, and caused to be stamped by a licensed cigarette wholesaler, or confiscated and sold by the [tax commission] department or its agents to the highest bidder among the licensed wholesale dealers in this state after due notice to all licensed Nevada wholesale dealers by mail to the respective addresses contained in [tax commission] department records. If there is no such bidder, or in the opinion of the [tax commission] department the quantity of the cigarettes is insufficient or for any other reason such disposition would be impractical, the cigarettes shall be destroyed or disposed of as the [tax commission] department may see fit. The proceeds of all such sales shall be classed as revenues derived under the provisions of this chapter.

6. Any cigarette vending machine in which such cigarettes are found may be so seized and sold to the highest bidder.

SEC. 227. NRS 370.280 is hereby amended to read as follows:

370.280 1. Upon proof satisfactory to the [tax commission] department, refunds shall be allowed for the face value of the cigarette revenue stamp tax paid, less any discount previously allowed on any such tax so paid, upon cigarettes that are sold to:

- (a) The United States Government for Army, Air Force, Navy or Marine Corps purposes and are shipped to a point within this state to a place which has been lawfully ceded to the United States Government for Army, Air Force, Navy or Marine Corps purposes; or
- (b) Veterans' hospitals for distribution or sale to disabled service or ex-service men interned therein, but not to civilians or civilian employees.

2. Upon proof satisfactory to the [tax commission] department, refunds shall be allowed to licensed wholesale cigarette dealers, or to manufacturers or their representatives, for the face value of the cigarette

revenue stamp tax paid, less any discount previously allowed on any such tax so paid, upon cigarettes destroyed after March 26, 1959, because such cigarettes had become stale. Applications for refunds shall be submitted in an amount of not less than \$15 and shall be accompanied by an affidavit of the applicant setting forth:

- (a) The number of packages of cigarettes destroyed for which refund is claimed;
- (b) The date or dates on which such cigarettes were destroyed and the place where destroyed;
- (c) That the cigarettes were actually destroyed because they had become stale;
- (d) By whom such cigarettes were destroyed; and
- (e) Such other information as the [tax commission] department may require.

3. Upon proof satisfactory to the [tax commission] department, refunds may be allowed to licensed wholesale cigarette dealers for the face value of the cigarette metered machine stamp tax paid, less any discount previously allowed on any such tax so paid, upon:

- (a) The balance of unused stamps on the descending register of a cigarette meter machine destroyed by fire, if the cigarette meter counting positions can be determined by the manufacturer of the meter stamping machine;
- (b) Cigarettes which were stamped on their carton covers because of stamping machine failure to open the carton and stamp the cigarette packs; or
- (c) Cigarettes which were not stamped but were registered on the machine as being stamped because of failure of the meter counters.

4. Any refund shall be paid as other claims against the state are paid.

SEC. 228. NRS 370.290 is hereby amended to read as follows:

370.290 1. A wholesale dealer shall not export cigarettes unless they bear revenue stamps in accordance with NRS 370.170 and 370.180 to any out-of-state destination other than by a licensed common or contract carrier.

2. No cigarette revenue stamp tax is required on any cigarettes exported from Nevada by a wholesale dealer to a person authorized by the state of destination to possess untaxed or unstamped cigarettes. Each wholesale dealer may set aside such portion of his stock of cigarettes as is not intended to be sold or given away in this state and it will not be necessary to affix Nevada cigarette revenue stamps or metered machine impressions.

3. Every wholesale dealer shall, at the time of shipping or delivering any unstamped cigarettes to a point outside of this state, make a duplicate invoice and transmit such duplicate invoice to the [tax commission] department, at Carson City, not later than the 15th day of the following month.

4. Within 30 days after any wholesale dealer ships any unstamped cigarettes to any destination outside Nevada, the dealer shall send to the state of destination a written notice of the fact of such shipment and whatever other information is required by such state.

5. If a wholesale dealer fails to comply with the requirements of

1 this section, the [tax commission] department may suspend or revoke
2 his license or permit, as provided in subsection 2 of NRS 370.250.

3 SEC. 229. NRS 370.301 is hereby amended to read as follows:

4 370.301 1. If any unstamped cigarettes are consigned to or pur-
5 chased by any person in this state, such purchaser or consignee must be
6 a person authorized by this chapter to possess unstamped cigarettes.

7 2. If invoices or delivery tickets for unstamped cigarettes are lack-
8 ing, if the name or address of the consignee or purchaser is falsified or if
9 the purchaser or consignee is not authorized by this chapter to possess
10 unstamped cigarettes, the cigarettes transported shall be subject to seizure
11 and sale under the provisions of NRS 370.270.

12 3. Transportation of cigarettes through this state from a point out-
13 side this state to a point in some other state is not a violation of this
14 section if the person transporting the cigarettes has in his possession
15 adequate invoices or delivery tickets which give the true name and
16 address of the out-of-state seller or consignor and the out-of-state pur-
17 chaser or consignee.

18 4. In any case where the [tax commission.] department, its duly
19 authorized agent or any peace officer of the state has knowledge or
20 reasonable grounds to believe that any vehicle is transporting cigarettes
21 in violation of this section, the [tax commission.] department, agent or
22 peace officer may stop the vehicle and inspect it for unstamped cigarettes.

23 SEC. 230. NRS 370.345 is hereby amended to read as follows:

24 370.345 The [tax commission.] department, its agents, sheriffs
25 within their respective counties and all other peace officers of the State
26 of Nevada shall seize any contraband cigarettes found or located in the
27 State of Nevada.

28 SEC. 231. NRS 370.360 is hereby amended to read as follows:

29 370.360 Every person using or consuming cigarettes subject to
30 taxation on the use thereof under the provisions of NRS 370.350 shall
31 pay such tax and make such reports thereon to the [tax commission]
32 department under such [rules and] regulations as may be prescribed by
33 the [tax commission.] department.

34 SEC. 232. NRS 370.370 is hereby amended to read as follows:

35 370.370 If the tax provided for in NRS 370.350 is not paid within
36 such time as may be limited for payment thereof by the [rules and]
37 regulations prescribed by the [tax commission.] department, the tax
38 shall become delinquent and a penalty of 25 percent shall be added
39 thereto, together with interest at the rate of 1 percent per month until
40 paid.

41 SEC. 233. NRS 373.070 is hereby amended to read as follows:

42 373.070 Any motor vehicle fuel tax ordinance enacted under this
43 chapter shall include provisions in substance as follows:

44 1. A provision imposing an additional excise tax of 1 cent per gallon
45 or 2 cents per gallon, as the board may determine at any time or from
46 time to time, on all motor vehicle fuel sold in the county, which tax shall
47 be in addition to other motor vehicle fuel taxes imposed under the pro-
48 visions of chapter 365 of NRS.

49 2. Provisions identical to those contained in chapter 365 of NRS on

1 the date of enactment of the ordinance, insofar as applicable, except that
2 the name of the county as taxing agency shall be substituted for that of the
3 state and that an additional dealer's license shall not be required.

4 3. A provision that all amendments to chapter 365 of NRS subse-
5 quent to the date of enactment of the ordinance, not inconsistent with this
6 chapter, shall automatically become a part of the motor vehicle fuel tax
7 ordinance of the county.

8 4. A provision that the county shall contract prior to the effective
9 date of the county motor vehicle fuel tax ordinance with the [Nevada
10 tax commission] department to perform all functions incident to the
11 administration or operation of the motor vehicle fuel tax ordinance of the
12 county.

13 SEC. 234. NRS 373.075 is hereby amended to read as follows:

14 373.075 Any ordinance amending the motor fuel tax ordinance shall
15 include a provision in substance that the county shall amend the con-
16 tract made under subsection 4 of NRS 373.070 by a contract made
17 between the county and the state acting by and through the [Nevada tax
18 commission] department prior to the effective date of such amendatory
19 ordinance, unless the county determines with the written concurrence of
20 the commission that no such amendment of the contract is necessary or
21 desirable.

22 SEC. 235. NRS 373.080 is hereby amended to read as follows:

23 373.080 All motor vehicle fuel taxes collected during any month
24 by the [Nevada tax commission] department pursuant to contract with
25 any county shall be transmitted each month by the [Nevada tax commis-
26 sion] department to such county and the [Nevada tax commission]
27 department shall charge the county for the [Nevada tax commission's]
28 department's services specified in this section and in NRS 373.070 such
29 amount as will reimburse the [Nevada tax commission] department for
30 the cost to it of rendering the services.

31 SEC. 236. NRS 373.100 is hereby amended to read as follows:

32 373.100 The [Nevada tax commission] department may redistribute
33 any tax, penalty and interest distributed to a county other than the
34 county entitled thereto, but no such redistribution may be made as to
35 amounts originally distributed more than 6 months prior to the date on
36 which the [Nevada tax commission] department obtains knowledge of
37 the improper distribution.

38 SEC. 237. NRS 373.140 is hereby amended to read as follows:

39 373.140 1. After the enactment of an ordinance as authorized in
40 NRS 373.030, all street and highway construction projects in the county
41 which are proposed to be financed from the county motor vehicle fuel tax
42 shall be first submitted to the regional street and highway commission.

43 2. Where the project is within the area covered by the streets and
44 highways plan described in NRS 373.030, the commission shall evaluate
45 it in terms of:

- 46 (a) The priorities established by the plan;
- 47 (b) The relation of the proposed construction to other projects already
48 constructed or authorized;
- 49 (c) The relative need for the project in comparison with others pro-
50 posed; and

(d) The funds available.
 If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of the county motor vehicle fuel tax authorized by this chapter (except to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities, or other obligations incurred hereunder, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160) and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.130. If the board authorizes the project the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project shall be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by the streets and highways plan described in NRS 373.030.
 3. Where the project is outside the area covered by the plan, the commission shall evaluate it in terms of:

- (a) Its relation to the streets and highways plan;
- (b) The relation of the proposed construction to other projects constructed or authorized;
- (c) The relative need for the proposed construction in relation to others proposed by the same city or town; and
- (d) The availability of funds.

If the commission approves the project, the board shall direct the county treasurer to distribute the sum approved to the city or town requesting the project, in accordance with NRS 373.150.

4. In counties having a population of less than 100,000, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, the commission shall:

- (a) Certify the adoption of the plan;
- (b) Submit a copy of the plan to the [Nevada tax commission;] department; and
- (c) Certify its compliance with subsections 2 and 3 in the adoption of the plan.

SEC. 238. NRS 373.143 is hereby amended to read as follows:

373.143 In counties having a population of less than 100,000, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, the commission shall submit an annual report to the [Nevada tax commission] department for the fiscal year showing the amount of receipts from the county motor vehicle fuel tax and the nature of the expenditures for each project.

SEC. 239. NRS 374.030 is hereby amended to read as follows:

374.030 1. "Gross receipts" means the total amount of the sale or lease or rental price, as the case may be, of the retail sales of retailers, valued in money, whether received in money or otherwise, without any deduction on account of any of the following:

- (a) The cost of the property sold. However, in accordance with such rules and regulations as the [tax commission] department may prescribe,

1 a deduction may be taken if the retailer has purchased property for some
 2 other purpose than resale, has reimbursed his vendor for tax which the
 3 vendor is required to pay to the county or has paid the use tax with
 4 respect to the property, and has resold the property prior to making any
 5 use of the property other than retention, demonstration or display while
 6 holding it for sale in the regular course of business. If such a deduction
 7 is taken by the retailer, no refund or credit will be allowed to his vendor
 8 with respect to the sale of the property.

(b) The cost of the materials used, labor or service cost, interest paid, losses or any other expense.

(c) The cost of transportation of the property prior to its sale to the purchaser.

2. The total amount of the sale or lease or rental price includes all of the following:

- (a) Any services that are a part of the sale.
- (b) All receipts, cash, credits and property of any kind.
- (c) Any amount for which credit is allowed by the seller to the purchaser.

3. "Gross receipts" does not include any of the following:

- (a) Cash discounts allowed and taken on sales.
- (b) Sale price of property returned by customers when the full sale price is refunded either in cash or credit; but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price greater than the amount charged for the property that is returned.

(c) The price received for labor or services used in installing or applying the property sold.

(d) The amount of any tax (not including, however, any manufacturers' or importers' excise tax) imposed by the United States upon or with respect to retail sales, whether imposed upon the retailer or the consumer.

4. For purposes of the sales tax, if the retailers establish to the satisfaction of the [tax commission] department that the sales tax has been added to the total amount of the sale price and has not been absorbed by them, the total amount of the sale price shall be deemed to be the amount received exclusive of the tax imposed.

SEC. 240. NRS 374.060 is hereby amended to read as follows:

374.060 1. "Retailer" includes:

(a) Every seller who makes any retail sale or sales of tangible personal property, and every person engaged in the business of making retail sales at auction of tangible personal property owned by the person or others.

(b) Every person engaged in the business of making sales for storage, use or other consumption or in the business of making sales at auction of tangible personal property owned by the person or others for storage, use or other consumption.

(c) Every person making more than two retail sales of tangible personal property during any 12-month period, including sales made in the capacity of assignee for the benefit of creditors, or receiver or trustee in bankruptcy.

2. When the [tax commission] department determines that it is necessary for the efficient administration of this chapter to regard any salesmen, representatives, peddlers or canvassers as the agents of the dealers, distributors, supervisors or employers under whom they operate or from whom they obtain the tangible personal property sold by them, irrespective of whether they are making sales on their own behalf or on behalf of such dealers, distributors, supervisors or employers, the [tax commission] department may so regard them and may regard the dealers, distributors, supervisors or employers as retailers for purposes of this chapter.

3. A licensed optometrist or physician and surgeon is a consumer of, and shall not be considered, a retailer within the provisions of this chapter, with respect to the ophthalmic materials used or furnished by him in the performance of his professional services in the diagnosis, treatment or correction of conditions of the human eye, including the adaptation of lenses or frames for the aid thereof.

SEC. 241. NRS 374.065 is hereby amended to read as follows:

374.065 1. "Sale" means and includes any transfer of title or possession, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for a consideration.

2. "Transfer of possession," "lease," or "rental" includes only transactions found by the [tax commission] department to be in lieu of a transfer of title, exchange or barter.

3. "Sale" includes:

(a) The producing, fabricating, processing, printing or imprinting of tangible personal property for a consideration for consumers who furnish, either directly or indirectly, the materials used in the producing, fabricating, processing, printing or imprinting.

(b) The furnishing and distributing of tangible personal property for a consideration by social clubs and fraternal organizations to their members or others.

(c) The furnishing, preparing, or serving for a consideration of food, meals or drinks.

(d) A transaction whereby the possession of property is transferred but the seller retains the title as security for the payment of the price.

(e) A transfer for a consideration of the title or possession of tangible personal property which has been produced, fabricated or printed to the special order of the customer, or of any publication.

SEC. 242. NRS 374.125 is hereby amended to read as follows:

374.125 The [tax commission] department may by regulation provide that the amount collected by the retailer from the consumer in reimbursement of the tax be displayed separately from the list price, the price advertised in the premises, the marked price, or other price on the sales check or other proof of sale.

SEC. 243. NRS 374.130 is hereby amended to read as follows:

374.130 1. Every person desiring to engage in or conduct business as a seller within a county shall file with the [tax commission] department an application for a permit for each place of business.

2. Every application for a permit shall:

(a) Be made upon a form prescribed by the [tax commission] department.

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business.

(c) Set forth such other information as the [tax commission] department may require.

3. The application shall be signed by the owner if he is a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his authority.

SEC. 244. NRS 374.135 is hereby amended to read as follows:

374.135 At the time of making an application, the applicant shall pay to the [tax commission] department a permit fee of \$1 for each permit.

SEC. 245. NRS 374.140 is hereby amended to read as follows:

374.140 After compliance with NRS 374.130, 374.135 and 374.145 by the applicant, the [tax commission] department shall grant and issue to each applicant a separate permit for each place of business within the county. A permit shall not be assignable, and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

SEC. 246. NRS 374.145 is hereby amended to read as follows:

374.145 A seller whose permit has been previously suspended or revoked shall pay the [tax commission] department a fee of \$1 for the renewal or issuance of a permit.

SEC. 247. NRS 374.150 is hereby amended to read as follows:

374.150 1. Whenever any person fails to comply with any provision of this chapter relating to the sales tax or any [rule or] regulation of the [tax commission] department relating to the sales tax prescribed and adopted under this chapter, the [tax commission] department, upon hearing, after giving the person 10 days' notice in writing specifying the time and place of hearing and requiring him to show cause why his permit or permits should not be revoked, may revoke or suspend any one or more of the permits held by the person.

2. The [tax commission] department shall give to the person written notice of the suspension or revocation of any of his permits.

3. The notices may be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.

4. The [tax commission] department shall not issue a new permit after the revocation of a permit unless it is satisfied that the former holder of the permit will comply with the provisions of this chapter relating to the sales tax and the regulations of the [tax commission] department.

5. If a permit is revoked, the [tax commission] department may seal and padlock the place of business for which the permit was issued.

SEC. 248. NRS 374.155 is hereby amended to read as follows:

374.155 1. A person who engages in business as a seller in a county without a permit or permits or after a permit has been suspended, and

1 each officer of any corporation which so engages in business, is guilty of a
2 misdemeanor.

3 2. If, after notice to the seller, served personally or by mail, the seller
4 continues to engage in business without a permit, or after a permit has
5 been suspended or revoked, the [tax commission] department may seal
6 and padlock any place of business of the seller. If notice under this sub-
7 section is served by mail, it shall be addressed to the seller at his address
8 as it appears in the records of the [tax commission.] department.

9 SEC. 249. NRS 374.170 is hereby amended to read as follows:

10 374.170 1. The certificate shall:

11 (a) Be signed by and bear the name and address of the purchaser.

12 (b) Indicate the number of the permit issued to the purchaser.

13 (c) Indicate the general character of the tangible personal property
14 sold by the purchaser in the regular course of business.

15 2. The certificate shall be substantially in such form as the [tax com-
16 mission] department may prescribe.

17 SEC. 250. NRS 374.195 is hereby amended to read as follows:

18 374.195 Every person storing, using or otherwise consuming in a
19 county tangible personal property purchased from a retailer is liable for
20 the tax. His liability is not extinguished until the tax has been paid to the
21 county, except that a receipt from a retailer maintaining a place of busi-
22 ness in the county or from a retailer who is authorized by the [tax com-
23 mission] department under such [rules and] regulations as it may
24 prescribe, to collect the tax and who is, for the purposes of this chapter
25 relating to the use tax, regarded as a retailer maintaining a place of busi-
26 ness in the county, given to the purchaser pursuant to NRS 374.200 is
27 sufficient to relieve the purchaser from further liability for the tax to
28 which the receipt refers.

29 SEC. 251. NRS 374.200 is hereby amended to read as follows:

30 374.200 Every retailer maintaining a place of business in a county
31 and making sales of tangible personal property for storage, use or other
32 consumption in the county, not exempted under NRS 374.265 to 374.-
33 355, inclusive, shall, at the time of making the sales or, if the storage, use
34 or other consumption of the tangible personal property is not then taxable
35 hereunder, at the time the storage, use or other consumption becomes
36 taxable, collect the tax from the purchaser and give to the purchaser a
37 receipt therefor in the manner and form prescribed by the [tax commis-
38 sion.] department.

39 SEC. 252. NRS 374.225 is hereby amended to read as follows:

40 374.225 Every retailer selling tangible personal property for storage,
41 use or other consumption in a county shall register with the [tax com-
42 mission] department and give:

43 1. The name and address of all agents operating in the county.

44 2. The location of all distribution or sales houses or offices or other
45 places of business in the county.

46 3. Such other information as the [tax commission] department may
47 require.

48 SEC. 253. NRS 374.240 is hereby amended to read as follows:

49 374.240 1. The certificate shall:

50 (a) Be signed and bear the name and address of the purchaser.

1 (b) Indicate the number of the permit issued to the purchaser.

2 (c) Indicate the general character of the tangible personal property
3 sold by the purchaser in the regular course of business.

4 2. The certificate shall be substantially in such form as the [tax
5 commission] department may prescribe.

6 SEC. 254. NRS 374.260 is hereby amended to read as follows:

7 374.260 1. On and after July 1, 1967, it shall be further presumed
8 that tangible personal property delivered outside this state to a purchaser
9 known by the retailer to be a resident of the county was purchased from
10 a retailer for storage, use or other consumption in the county and stored,
11 used or otherwise consumed in the county.

12 2. This presumption may be controverted by:

13 (a) A statement in writing, signed by the purchaser or his authorized
14 representative, and retained by the vendor, that the property was pur-
15 chased for use at a designated point or points outside this state.

16 (b) Other evidence satisfactory to the [tax commission] department
17 that the property was not purchased for storage, use or other consump-
18 tion in this state.

19 SEC. 255. NRS 374.360 is hereby amended to read as follows:

20 374.360 The taxes imposed by this chapter are due and payable to
21 the [tax commission] department quarterly on or before the last day of
22 the month next succeeding each quarterly period.

23 SEC. 256. NRS 374.365 is hereby amended to read as follows:

24 374.365 1. On or before the last day of the month following each
25 quarterly period of 3 months, a return for the preceding quarterly period
26 shall be filed with the [tax commission] department in such form as the
27 [tax commission] department may prescribe.

28 2. For purposes of the sales tax a return shall be filed by every
29 seller. For purposes of the use tax a return shall be filed by every retailer
30 maintaining a place of business in the county and by every person pur-
31 chasing tangible personal property, the storage, use or other consumption
32 of which is subject to the use tax, who has not paid the use tax due to a
33 retailer required to collect the tax.

34 3. Returns shall be signed by the person required to file the return
35 or by his duly authorized agent but need not be verified by oath.

36 SEC. 257. NRS 374.370 is hereby amended to read as follows:

37 374.370 1. For the purposes of the sales tax, the return shall show
38 the gross receipts of the seller during the preceding reporting period.
39 For purposes of the use tax, in case of a return filed by a retailer, the
40 return shall show the total sales price of the property sold by him, the
41 storage, use or consumption of which property became subject to the use
42 tax during the preceding reporting period.

43 2. In case of a return filed by a purchaser, the return shall show the
44 total sales price of the property purchased by him, the storage, use or
45 consumption of which became subject to the use tax during the preceding
46 reporting period.

47 3. The return shall also show the amount of the taxes for the period
48 covered by the return and such other information as the [tax commis-
49 sion] department deems necessary for the proper administration of this
50 chapter.

1 SEC. 258. NRS 374.380 is hereby amended to read as follows:
2 374.380 The person required to file the return shall deliver the
3 return together with a remittance of the amount of the tax due to the
4 [office of the tax commission.] department.

5 SEC. 259. NRS 374.385 is hereby amended to read as follows:
6 374.385 The [tax commission,] department, if it deems it necessary
7 in order to insure payment to or facilitate the collection by the county of
8 the amount of taxes, may require returns and payment of the amount of
9 taxes for quarterly periods other than calendar quarters, depending upon
10 the principal place of business of the seller, retailer or purchaser as the
11 case may be, or for other than quarterly periods.

12 SEC. 260. NRS 374.390 is hereby amended to read as follows:
13 374.390 For the purposes of the sales tax, gross receipts from rentals
14 or leases of tangible personal property shall be reported and the tax paid
15 in accordance with such [rules and] regulations as the [tax commission]
16 department may prescribe.

17 SEC. 261. NRS 374.395 is hereby amended to read as follows:
18 374.395 The [tax commission,] department, if it deems it necessary
19 to insure the collection of the taxes, may provide by [rule and] regulation
20 for the collection of the taxes by the affixing and canceling of revenue
21 stamps and may prescribe the form and method of the affixing and canceling.
22

23 SEC. 262. NRS 374.400 is hereby amended to read as follows:
24 374.400 1. The [tax commission] department for good cause may
25 extend for not to exceed 1 month the time for making any return or
26 paying any amount required to be paid under this chapter.

27 2. Any person to whom an extension is granted and who pays the tax
28 within the period for which the extension is granted shall pay, in addition
29 to the tax, interest at the rate of 6 percent per annum from the date on
30 which the tax would have been due without the extension until the date
31 of payment.

32 SEC. 263. NRS 374.405 is hereby amended to read as follows:

33 374.405 1. If the [tax commission] department is not satisfied with
34 the return or returns of the tax or the amount of tax required to be paid
35 to the county by any person, it may compute and determine the amount
36 required to be paid upon the basis of the facts contained in the return
37 or returns or upon the basis of any information within its possession or
38 that may come into its possession. One or more deficiency determinations
39 may be made of the amount due for one or for more than one period.

40 2. When a business is discontinued, a determination may be made at
41 any time thereafter within the periods specified in NRS 374.435 as to
42 liability arising out of that business, irrespective of whether the deter-
43 mination is issued prior to the due date of the liability as otherwise speci-
44 fied in this chapter.

45 SEC. 264. NRS 374.415 is hereby amended to read as follows:

46 374.415 1. In making a determination the [tax commission] depart-
47 ment may offset overpayments for a period or periods, together with
48 interest on the overpayments, against underpayments for another period
49 or periods, against penalties, and against the interest on the underpay-
50 ments.

1 2. The interest on underpayments and overpayments shall be com-
2 puted in the manner set forth in NRS 374.510 and 374.665.

3 SEC. 265. NRS 374.430 is hereby amended to read as follows:

4 374.430 1. The [tax commission] department shall give to the
5 retailer or person storing, using or consuming tangible personal property
6 written notice of its determination.

7 2. The notice may be served personally or by mail; if by mail, the
8 notice shall be addressed to the retailer or person storing, using or con-
9 suming tangible personal property at his address as it appears in the
10 records of the [tax commission.] department.

11 3. In case of service by mail of any notice required by this chapter,
12 the service is complete at the time of deposit in the United States post
13 office.

14 SEC. 266. NRS 374.440 is hereby amended to read as follows:

15 374.440 1. If any person fails to make a return, the [tax commis-
16 sion] department shall make an estimate of the amount of the gross
17 receipts of the person, or, as the case may be, of the amount of the total
18 sales price of tangible personal property sold or purchased by the person,
19 the storage, use or other consumption of which in the county is subject
20 to the use tax. The estimate shall be made for the period or periods in
21 respect to which the person failed to make a return and shall be based
22 upon any information which is in the [tax commission's] department's
23 possession or may come into its possession. Upon the basis of this esti-
24 mate, the [tax commission] department shall compute and determine
25 the amount required to be paid to the county, adding to the sum thus
26 arrived at a penalty equal to 10 percent thereof. One or more determina-
27 tions may be made for one or for more than one period.

28 2. When a business is discontinued, a determination may be made at
29 any time thereafter within the periods specified in NRS 374.435 as to
30 liability arising out of that business, irrespective of whether the deter-
31 mination is issued prior to the due date of the liability as otherwise
32 specified in this chapter.

33 SEC. 267. NRS 374.445 is hereby amended to read as follows:

34 374.445 1. In making a determination, the [tax commission]
35 department may offset overpayments for a period or periods, together
36 with interest on the overpayments, against underpayments for another
37 period or periods, against penalties, and against the interest on the
38 underpayments.

39 2. The interest on underpayments and overpayments shall be com-
40 puted in the manner set forth in NRS 374.510 and 374.665.

41 SEC. 268. NRS 374.460 is hereby amended to read as follows:

42 374.460 Promptly after making its determination the [tax commis-
43 sion] department shall give to the person written notice of the estimate,
44 determination and penalty, the notice to be served personally or by mail
45 in the manner prescribed for service of notice of a deficiency determina-
46 tion.

47 SEC. 269. NRS 374.475 is hereby amended to read as follows:

48 374.475 The person against whom a jeopardy determination is
49 made may petition for the redetermination thereof pursuant to NRS
50 374.480 to 374.510, inclusive. He shall, however, file the petition for

1 redetermination with the [tax commission] department within 10 days
2 after the service upon him of notice of determination. The person shall
3 also within the 10-day period deposit with the [tax commission] depart-
4 ment such security as it may deem necessary to insure compliance with
5 this chapter. The security may be sold by the [tax commission] depart-
6 ment in the manner prescribed by NRS 374.515.

7 SEC. 270. NRS 374.485 is hereby amended to read as follows:

8 374.485 1. If a petition for redetermination is filed within the 30-
9 day period, the [tax commission] department shall reconsider the
10 determination and, if the person has so requested in his petition, shall
11 grant the person an oral hearing and shall give him 10 days' notice of
12 the time and place of the hearing.

13 2. The [tax commission] department may continue the hearing from
14 time to time as may be necessary.

15 SEC. 271. NRS 374.490 is hereby amended to read as follows:

16 374.490 The [tax commission] department may decrease or increase
17 the amount of the determination before it becomes final, but the amount
18 may be increased only if a claim for the increase is asserted by the [tax
19 commission] department at or before the hearing.

20 SEC. 272. NRS 374.495 is hereby amended to read as follows:

21 374.495 The order or decision of the [tax commission] department
22 upon a petition for redetermination becomes final 30 days after service
23 upon the petitioner of notice thereof.

24 SEC. 273. NRS 374.500 is hereby amended to read as follows:

25 374.500 All determinations made by the [tax commission] depart-
26 ment under NRS 374.405 to 374.460, inclusive, are due and payable
27 at the time they become final. If they are not paid when due and payable,
28 a penalty of 10 percent of the amount of the determination, exclusive
29 of interest and penalties, shall be added thereto.

30 SEC. 274. NRS 374.510 is hereby amended to read as follows:

31 374.510 Any person who fails to pay any tax to the county or any
32 amount of tax required to be collected and paid to the county, except
33 amounts of determinations made by the [tax commission] department
34 under NRS 374.405 to 374.460, inclusive, within the time required
35 shall pay a penalty of 10 percent of the tax or amount of the tax, in
36 addition to the tax or amount of tax, plus interest at the rate of one-half
37 of 1 percent per month, or fraction thereof, from the date on which the
38 tax or the amount of tax required to be collected became due and pay-
39 able to the county until the date of payment.

40 SEC. 275. NRS 374.515 is hereby amended to read as follows:

41 374.515 1. The [tax commission] department, whenever it deems
42 it necessary to insure compliance with this chapter, may require any
43 person subject thereto to place with it such security as the [tax commis-
44 sion] department may determine. The amount of the security shall be
45 fixed by the [tax commission] department but, except as noted below,
46 shall not be greater than twice the estimated average liability of persons
47 filing returns for quarterly periods or three times the estimated average
48 liability of persons required to file returns for monthly periods, deter-
49 mined in such manner as the [tax commission] department deems
50 proper, or \$5,000, whichever amount is the lesser.

1 2. In case of persons habitually delinquent in their obligations under
2 this chapter, the amount of the security shall not be greater than three
3 times the average liability of persons filing returns for quarterly periods or
4 five times the average liability of persons required to file returns for
5 monthly periods, or \$5,000, whichever amount is the lesser.

6 3. The limitations herein provided apply regardless of the type of
7 security placed with the [tax commission.] department.

8 4. The amount of the security may be increased or decreased by the
9 [tax commission] department subject to the limitations herein provided.

10 5. The [tax commission] department may sell the security at public
11 auction if it becomes necessary so to do in order to recover any tax or any
12 amount required to be collected, interest or penalty due. Notice of the
13 sale may be served upon the person who placed the security personally or
14 by mail; if by mail, service shall be made in the manner prescribed for
15 service of a notice of a deficiency determination and shall be addressed
16 to the person at his address as it appears in the records of the [tax com-
17 mission.] department. Security in the form of a bearer bond issued by the
18 United States or the State of Nevada which has a prevailing market price
19 may, however, be sold by the [tax commission] department at a private
20 sale at a price not lower than the prevailing market price thereof.

21 6. Upon any sale any surplus above the amounts due shall be
22 returned to the person who placed the security.

23 SEC. 276. NRS 374.520 is hereby amended to read as follows:

24 374.520 1. If any person is delinquent in the payment of the amount
25 required to be paid by him or in the event a determination has been made
26 against him which remains unpaid, the [tax commission] department
27 may, not later than 3 years after the payment became delinquent, or
28 within 3 years after the last recording of an abstract under NRS 374.560,
29 or of a certificate under NRS 374.575, give notice thereof personally or
30 by registered or certified mail to all persons, including any officer or
31 department of the state or any political subdivision or agency of the state,
32 having in their possession or under their control any credits or other per-
33 sonal property belonging to the delinquent, or owing any debts to the
34 delinquent or person against whom a determination has been made which
35 remains unpaid, or owing any debts to the delinquent or such person. In
36 the case of any state officer, department or agency, the notice shall be
37 given to such officer, department or agency prior to the time it presents
38 the claim of the delinquent taxpayer to the state controller.

39 2. After receiving the notice, the persons so notified shall neither
40 transfer nor make any other disposition of the credits, other personal
41 property, or debts in their possession or under their control at the time
42 they received the notice until the [tax commission] department consents
43 to a transfer or disposition, or until 60 days elapse after the receipt of the
44 notice, whichever period expires earlier.

45 3. All persons so notified shall, within 10 days after receipt of the
46 notice, advise the [tax commission] department of all such credits, other
47 personal property, or debts in their possession, under their control, or
48 owing by them.

49 4. If such notice seeks to prevent the transfer or other disposition of
50 a deposit in a bank or other credits or personal property in the possession

1 or under the control of a bank, the notice to be effective shall be delivered
2 or mailed to the branch or office of such bank at which such deposit is
3 carried or at which such credits or personal property is held.

4 5. If, during the effective period of the notice to withhold, any person
5 so notified makes any transfer or disposition of the property or debts
6 required to be withheld hereunder, to the extent of the value of the prop-
7 erty or the amount of the debts thus transferred or paid, he shall be liable
8 to the county for any indebtedness due under this chapter from the person
9 with respect to whose obligation the notice was given if solely by reason
10 of such transfer or disposition the county is unable to recover the indebt-
11 edness of the person with respect to whose obligation the notice was given.

12 SEC. 277. NRS 374.525 is hereby amended to read as follows:

13 374.525 At any time within 3 years after any tax or any amount of
14 tax required to be collected becomes due and payable, and at any time
15 within 3 years after the delinquency of any tax or any amount of tax
16 required to be collected, or within 3 years after the last recording of an
17 abstract under NRS 374.560, or of a certificate under NRS 374.575, the
18 [tax commission] department may bring an action in the courts of this
19 state, or any other state, or of the United States, in the name of the county
20 to which the tax is due and payable to collect the amount delinquent
21 together with penalties and interest.

22 SEC. 278. NRS 374.540 is hereby amended to read as follows:

23 374.540 In the action a certificate by the [tax commission] depart-
24 ment showing the delinquency shall be prima facie evidence of the deter-
25 mination of the tax or the amount of the tax, of the delinquency of the
26 amounts set forth, and of the compliance by the [tax commission]
27 department with all the provisions of this chapter in relation to the com-
28 putation and determination of the amount.

29 SEC. 279. NRS 374.550 is hereby amended to read as follows:

30 374.550 If any amount required to be paid to a county under this
31 chapter is not paid when due, the [tax commission] department may,
32 within 3 years after the amount is due, file in the office of the county
33 clerk of such county a certificate specifying the amount required to be
34 paid, interest and penalty due, the name and address as it appears on
35 the records of the [tax commission] department of the person liable, the
36 compliance of the [tax commission] department with this chapter in
37 relation to the determination of the amount required to be paid, and a
38 request that judgment be entered against the person in the amount
39 required to be paid, together with interest and penalty as set forth in the
40 certificate.

41 SEC. 280. NRS 374.565 is hereby amended to read as follows:

42 374.565 Execution shall issue upon the judgment upon request of the
43 [tax commission] department in the same manner as execution may issue
44 upon other judgments, and sales shall be held under such execution as
45 prescribed in NRS.

46 SEC. 281. NRS 374.575 is hereby amended to read as follows:

47 374.575 1. If any amount required to be paid to a county under
48 this chapter is not paid when due, the [tax commission] department may,
49 within 3 years after the amount is due, file for record in the office of the
50 county recorder of such county or of any other county a certificate

1 specifying the amount, interest and penalty due, the name and address as
2 it appears on the records of the [tax commission] department of the per-
3 son liable for the same, and the fact that the [tax commission] depart-
4 ment has complied with all provisions of this chapter in the determination
5 of the amount required to be paid.

6 2. From the time of the filing for record, the amount required to be
7 paid, together with interest and penalty, constitutes a lien upon all real
8 property in the county owned by the person or afterwards and before
9 the lien expires acquired by him. The lien has the force, effect and
10 priority of a judgment lien and shall continue for 5 years from the time
11 of the filing of the certificate unless sooner released or otherwise dis-
12 charged.

13 3. The lien may, within 5 years from the date of the filing of the
14 certificate or within 5 years from the date of the last extension of the
15 lien in the manner herein provided, be extended by filing for record a
16 new certificate in the office of the county recorder of any such county,
17 and from the time of such filing, the lien shall be extended to the real
18 property in such county for 5 years, unless sooner released or otherwise
19 discharged.

20 SEC. 282. NRS 374.580 is hereby amended to read as follows:

21 374.580 The [tax commission] department may at any time release
22 all or any portion of the property subject to any lien provided for in this
23 chapter from the lien or subordinate the lien to other liens and encum-
24 brances if it determines that the amount, interest and penalties are
25 secured sufficiently by a lien on other property or that the release or
26 subordination of the lien will not jeopardize the collection of the amount,
27 interest and penalties.

28 SEC. 283. NRS 374.585 is hereby amended to read as follows:

29 374.585 A certificate by the [tax commission] department to the
30 effect that any property has been released from the lien, or that the lien
31 has been subordinated to other liens and encumbrances, shall be con-
32 clusive evidence that the property has been released, or that the lien has
33 been subordinated as provided in the certificate.

34 SEC. 284. NRS 374.590 is hereby amended to read as follows:

35 374.590 1. At any time within 3 years after any person is delinquent
36 in the payment of any amount herein required to be paid, or within 3
37 years after the last recording of an abstract under NRS 374.560, or of a
38 certificate under NRS 374.575 the [tax commission] department or its
39 authorized representative may issue a warrant for the enforcement of any
40 liens and for the collection of any amount required to be paid to a county
41 under this chapter.

42 2. The warrant shall be directed to any sheriff or constable and shall
42 have the same effect as a writ of execution.

43 3. The warrant shall be levied and sale made pursuant to it in the
44 same manner and with the same effect as a levy of and a sale pursuant to
45 a writ of execution.

46 SEC. 285. NRS 374.595 is hereby amended to read as follows:

47 374.595 The [tax commission] department may pay or advance to
48 the sheriff or constable the same fees, commissions and expenses for his
49 services as are provided by law for similar services pursuant to a writ of
50

1 execution. The [tax commission,] department, and not the court, shall
2 approve the fees for publication in a newspaper.

3 SEC. 286. NRS 374.605 is hereby amended to read as follows:

4 374.605 1. At any time within 3 years after any person is delinquent
5 in the payment of any amount, the [tax commission,] department forth-
6 with may collect the amount in the following manner: The [tax commis-
7 sion,] department shall seize any property, real or personal, of the person
8 and sell the property, or a sufficient part of it, at public auction to pay
9 the amount due, together with any interest or penalties imposed for the
10 delinquency and any costs incurred on account of the seizure and sale.

11 2. Any seizure made to collect a sales tax due shall be only of the
12 property of the retailer not exempt from execution under the provisions
13 of NRS.

14 SEC. 287. NRS 374.615 is hereby amended to read as follows:

15 374.615 1. At the sale the [tax commission,] department shall sell
16 the property in accordance with law and the notice and shall deliver to
17 the purchaser a bill of sale for the personal property and a deed for any
18 real property sold. The bill of sale or deed vests the interests or title of
19 the person liable for the amount in the purchaser.

20 2. The unsold portion of any property seized may be left at the
21 place of sale at the risk of the person liable for the amount.

22 SEC. 288. NRS 374.620 is hereby amended to read as follows:

23 374.620 1. If, upon the sale, the moneys received exceed the total
24 of all amounts, including interest, penalties and costs due the county, the
25 [tax commission,] department shall return the excess to the person liable
26 for the amounts and obtain his receipt.

27 2. If any person having an interest in or lien upon the property files
28 with the [tax commission,] department, prior to the sale, notice of his
29 interest or lien, the [tax commission,] department shall withhold any
30 excess, pending a determination of the rights of the respective parties
31 thereto by a court of competent jurisdiction.

32 3. If for any reason the receipt of the person liable for the amount is
33 not available, the [tax commission,] department shall deposit the excess
34 moneys with the county treasurer, as trustee for the owner, subject to the
35 order of the person liable for the amount, his heirs, successors or assigns.

36 SEC. 289. NRS 374.625 is hereby amended to read as follows:

37 374.625 If any retailer liable for any amount under this chapter sells
38 out his business or stock of goods, or quits the business, his successors or
39 assigns shall withhold sufficient of the purchase price to cover such
40 amount until the former owner produces a receipt from the [tax com-
41 mission,] department showing that it has been paid or a certificate stating
42 that no amount is due.

43 SEC. 290. NRS 374.630 is hereby amended to read as follows:

44 374.630 1. If the purchaser of a business or stock of goods fails to
45 withhold the purchase price as required, he becomes personally liable for
46 the payment of the amount required to be withheld by him to the extent
47 of the purchase price, valued in money. Within 60 days after receiving a
48 written request from the purchaser for a certificate, or within 60 days
49 from the date the former owner's records are made available for audit,
50 whichever period expires the later, but in any event not later than 90 days

1 after receiving the request, the [tax commission,] department shall either
2 issue the certificate or mail notice to the purchaser at his address as it
3 appears on the records of the [tax commission,] department, of the
4 amount that must be paid as a condition of issuing the certificate.

5 2. Failure of the [tax commission,] department to mail the notice
6 will release the purchaser from any further obligation to withhold the
7 purchase price as above provided.

8 3. The time within which the obligation of a successor may be
9 enforced shall start to run at the time the retailer sells out his business
10 or stock of goods or at the time that the determination against the
11 retailer becomes final, whichever event occurs the later.

12 SEC. 291. NRS 374.635 is hereby amended to read as follows:

13 374.635 1. If the [tax commission,] department determines that any
14 amount, penalty or interest has been paid more than once or has been
15 erroneously or illegally collected or computed, the [tax commission,]
16 department shall set forth that fact in the records of the [tax commis-
17 sion,] department and shall certify to the board of county commissioners
18 the amount collected in excess of the amount legally due and the person
19 from whom it was collected or by whom paid. If approved by the board
20 of county commissioners, the excess amount collected or paid shall be
21 credited on any amounts then due and payable from the person under
22 this chapter, and the balance shall be refunded to the person, or his
23 successors, administrators or executors.

24 2. Any overpayment of the use tax by a purchaser to a retailer who
25 is required to collect the tax and who gives the purchaser a receipt there-
26 for pursuant to NRS 374.190 to 374.260, inclusive, shall be credited
27 or refunded by the county.

28 SEC. 292. NRS 374.640 is hereby amended to read as follows:

29 374.640 1. No refund shall be allowed unless a claim therefor is
30 filed with the [tax commission,] department within 3 years from the last
31 day of the month following the close of the quarterly period for which
32 the overpayment was made, or, with respect to determinations made
33 under NRS 374.405 to 374.460, inclusive, within 6 months after the
34 determinations become final, or within 6 months from the date of over-
35 payment, whichever period expires the later.

36 2. No credit shall be allowed after the expiration of the period
37 specified for filing claims for refund unless a claim for credit is filed with
38 the [tax commission,] department within such period, or unless the
39 credit relates to a period for which a waiver is given pursuant to NRS
40 374.435.

41 SEC. 293. NRS 374.660 is hereby amended to read as follows:

42 374.660 Within 30 days after disallowing any claim in whole or in
43 part, the [tax commission,] department shall serve notice of its action
44 on the claimant in the manner prescribed for service of notice of a defi-
45 ciency determination.

46 SEC. 294. NRS 374.665 is hereby amended to read as follows:

47 374.665 1. Interest shall be paid upon any overpayment of any
48 amount of tax at the rate of one-half of 1 percent per month from the
49 last day of the calendar month following the quarterly period for which

the overpayment was made; but no refund or credit shall be made of any interest imposed upon the person making the overpayment with respect to the amount being refunded or credited.

2. The interest shall be paid as follows:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the [tax commission] department that a claim may be filed or the date upon which the claim is certified to the board of county commissioners, whichever date is the earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or amount against which the credit is applied.

SEC. 295. NRS 374.670 is hereby amended to read as follows:

374.670 If the [tax commission] department determines that any overpayment has been made intentionally or by reason of carelessness, it shall not allow any interest thereon.

SEC. 296. NRS 374.685 is hereby amended to read as follows:

374.685 1. Within 90 days after the mailing of the notice of the [tax commission's] department's action upon a claim filed pursuant to this chapter, the claimant may bring an action against the [tax commission] department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

2. Failure to bring action within the time specified constitutes a waiver of any demand against the county on account of alleged overpayments.

SEC. 297. NRS 374.690 is hereby amended to read as follows:

374.690 If the [tax commission] department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may, prior to the mailing of notice by the [tax commission] department of its action on the claim, consider the claim disallowed and bring an action against the [tax commission] department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

SEC. 298. NRS 374.700 is hereby amended to read as follows:

374.700 In any judgment, interest shall be allowed at the rate of 6 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days, the date to be determined by the [tax commission.] department.

SEC. 299. NRS 374.705 is hereby amended to read as follows:

374.705 A judgment shall not be rendered in favor of the plaintiff in any action brought against the [tax commission] department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.

SEC. 300. NRS 374.710 is hereby amended to read as follows:

374.710 The [tax commission] department may recover any refund or part thereof which is erroneously made and any credit or part thereof

which is erroneously allowed in an action brought in a court of competent jurisdiction in the county to which the refund is owed, in the name of such county.

SEC. 301. NRS 374.720 is hereby amended to read as follows:

374.720 1. If any amount in excess of \$25 has been illegally determined, either by the person filing the return or by the [tax commission,] department, the [tax commission] department shall certify this fact to the board of county commissioners, and such board shall authorize the cancellation of the amount upon the records of the [tax commission.] department.

2. If an amount not exceeding \$25 has been illegally determined, either by the person filing a return or by the [tax commission,] department, the [tax commission,] department, without certifying this fact to such board, shall authorize the cancellation of the amount upon the records of the [tax commission,] department.

SEC. 302. NRS 374.725 is hereby amended to read as follows:

374.725 1. The [tax commission] department shall enforce the provisions of this chapter and may prescribe, adopt and enforce [rules and] regulations relating to the administration and enforcement of this chapter.

2. The [tax commission] department may prescribe the extent to which any ruling or regulation shall be applied without retroactive effect.

SEC. 303. NRS 374.735 is hereby amended to read as follows:

374.735 The [tax commission] department may employ accountants, auditors, investigators, assistants and clerks necessary for the efficient administration of this chapter, and may delegate authority to its representatives to conduct hearings, prescribe regulations or perform any other duties imposed by this chapter.

SEC. 304. NRS 374.740 is hereby amended to read as follows:

374.740 1. Every seller, every retailer, and every person storing, using or otherwise consuming in a county tangible personal property purchased from a retailer shall keep such records, receipts, invoices and other pertinent papers in such form as the [tax commission] department may require.

2. Every such seller, retailer or person who files the returns required under this chapter shall keep such records for not less than 4 years from the making of such records unless the [tax commission] department in writing sooner authorizes their destruction.

3. Every such seller, retailer or person who fails to file the returns required under this chapter shall keep such records for not less than 8 years from the making of such records unless the [tax commission] department in writing sooner authorizes their destruction.

SEC. 305. NRS 374.745 is hereby amended to read as follows:

374.745 The [tax commission,] department, or any person authorized in writing by it, may examine the books, papers, records and equipment of any person selling tangible personal property and any person liable for the use tax and may investigate the character of the business of the person in order to verify the accuracy of any return made, or, if no return is made by the person, to ascertain and determine the amount required to be paid.

1 SEC. 306. NRS 374.750 is hereby amended to read as follows:
2 374.750 In administration of the use tax, the [tax commission]
3 department may require the filing of reports by any person or class of
4 persons having in his or their possession or custody information relating
5 to sales of tangible personal property, the storage, use or other consump-
6 tion of which is subject to the tax. The report shall:

- 7 1. Be filed when the [tax commission] department requires.
- 8 2. Set forth the names and addresses of purchasers of the tangible
9 personal property, the sales price of the property, the date of sale, and
10 such other information as the [tax commission] department may require.

11 SEC. 307. NRS 374.755 is hereby amended to read as follows:

12 374.755 1. It [shall be] is a misdemeanor for any member of the
13 Nevada tax commission or official or employee of the [tax commission]
14 department to make known in any manner whatever the business affairs,
15 operations or information obtained by an investigation of records and
16 equipment of any retailer or any other person visited or examined in the
17 discharge of official duty, or the amount or source of income, profits,
18 losses, expenditures or any particular thereof, set forth or disclosed in
19 any return, or to permit any return or copy thereof, or any book con-
20 taining any abstract or particulars thereof to be seen or examined by any
21 person not connected with the [tax commission.] department.

22 2. The governor may, however, by general or special order, authorize
23 examination of the records maintained by the [tax commission] depart-
24 ment under this chapter by other state officers, by tax officers of another
25 state, by the Federal Government, if a reciprocal arrangement exists, or
26 by any other person. The information so obtained pursuant to the order
27 of the governor shall not be made public except to the extent and in the
28 manner that the order may authorize that it be made public.

29 3. Successors, receivers, trustees, executors, administrators, assignees
30 and guarantors, if directly interested, may be given information as to the
31 items included in the measure and amounts of any unpaid tax or amounts
32 of tax required to be collected, interest and penalties.

33 SEC. 308. NRS 374.760 is hereby amended to read as follows:

34 374.760 Any retailer or other person who fails or refuses to furnish
35 any return required to be made, or who fails or refuses to furnish a
36 supplemental return or other data required by the [tax commission,]
37 department, or who renders a false or fraudulent return, [shall be] is
38 guilty of a misdemeanor and subject to a fine of not exceeding \$500 for
39 each offense.

40 SEC. 309. NRS 374.785 is hereby amended to read as follows:

41 374.785 1. All fees, taxes, interest and penalties imposed and all
42 amounts of tax required to be paid to counties under this chapter shall
43 be paid to the [tax commission] department in the form of remittances
44 payable to the [Nevada tax commission.] department.

45 2. The [tax commission] department shall transmit the payments
46 to the state treasurer to be deposited in the state treasury to the credit of
47 the local school support tax fund hereby created.

48 3. The state controller, acting upon the collection data furnished by
49 the [secretary of the tax commission,] department, shall, each month,
50 from the local school support tax fund:

1 (a) Transfer 1 percent of all fees, taxes, interest and penalties collected
2 in each county during the preceding month to the general fund in the
3 state treasury as compensation to the state for the costs of collecting the
4 tax for the counties.

5 (b) Determine for each county treasurer the amount of money equal
6 to the fees, taxes, interest and penalties collected in the county pursuant
7 to this chapter during the preceding month less the amount transferred to
8 the general fund of the state pursuant to paragraph (a) of this subsection.

9 (c) Transfer the total amount of taxes collected pursuant to this chap-
10 ter during the preceding month from out-of-state businesses not main-
11 taining a fixed place of business within this state to the state distributive
12 school fund.

13 (d) Remit the amount owed to each county by remitting such moneys
14 to the credit of the county school district fund.

15 SEC. 310. NRS 374.790 is hereby amended to read as follows:

16 374.790 The remedies of a county provided for in this chapter are
17 cumulative, and no action taken by the [tax commission,] department,
18 the attorney general or a district attorney constitutes an election by the
19 county to pursue any remedy to the exclusion of any other remedy for
20 which provision is made in this chapter.

21 SEC. 311. NRS 374.795 is hereby amended to read as follows:

22 374.795 In all proceedings under this chapter the [tax commission]
23 department may act for and on behalf of the counties of the State of
24 Nevada.

25 SEC. 312. NRS 375.080 is hereby amended to read as follows:

26 375.080 The [Nevada tax commission] department may prescribe
27 such [rules and] regulations as it may deem necessary to carry out the
28 purposes of this chapter.

29 SEC. 313. NRS 377.020 is hereby amended to read as follows:

30 377.020 As used in this chapter, unless the context requires other-
31 wise:

- 32 1. "City" means an incorporated city or incorporated town.
- 33 2. "County" includes Carson City.

34 [3. "Tax commission" means the Nevada tax commission.]

35 SEC. 314. NRS 377.040 is hereby amended to read as follows:

36 377.040 Any city-county relief tax ordinance enacted under this
37 chapter shall include provisions in substance as follows:

38 1. A provision imposing a tax upon retailers at the rate of one-half
39 of 1 percent of the gross receipts of any retailer from the sale of all
40 tangible personal property sold at retail, or stored, used or otherwise
41 consumed, in a county.

42 2. Provisions substantially identical to those of the Local School
43 Support Tax Law, insofar as applicable.

44 3. A provision that all amendments to the provisions of the Local
45 School Support Tax Law subsequent to the date of enactment of the
46 ordinance, not inconsistent with this chapter, shall automatically become
47 a part of the city-county relief tax ordinance of the county.

48 4. A provision that the county shall contract prior to the effective
49 date of the city-county relief tax ordinance with the [tax commission]

1 department to perform all functions incident to the administration or
2 operation of the city-county relief tax.

3 SEC. 315. NRS 377.050 is hereby amended to read as follows:

4 377.050 1. All fees, taxes, interest and penalties imposed and all
5 amounts of tax required to be paid to counties under this chapter shall
6 be paid to the [tax commission] department in the form of remittances
7 made payable to the [Nevada tax commission.] department.

8 2. The [tax commission] department shall transmit the payments to
9 the state treasurer to be deposited in the state treasury to the credit of
10 the city-county relief tax fund hereby created.

11 3. The state controller, acting upon the collection data furnished by
12 the [secretary of the tax commission,] department, shall monthly:

13 (a) Transfer from the city-county relief tax fund 1 percent of all fees,
14 taxes, interests and penalties collected in each county during the pre-
15 ceding month to the general fund in the state treasury as compensation
16 to the state for the cost of collecting the tax for the counties.

17 (b) Determine for each county an amount of money equal to the sum
18 of:

19 (1) Any fees, taxes, interest and penalties collected in that county
20 pursuant to this chapter during the preceding month, less the amount
21 transferred to the general fund of the state pursuant to paragraph (a) of
22 this subsection; and

23 (2) That proportion of the total amount of taxes collected pursuant
24 to this chapter during the preceding month from out-of-state businesses
25 not maintaining a fixed place of business within this state which the popu-
26 lation of that county bears to the total population of all counties which
27 have in effect a city-county relief tax ordinance.

28 (c) Remit the amount determined for each county in the following
29 manner:

30 (1) If there is one incorporated city in the county, apportion such
31 moneys between the city and the county general fund in proportion to
32 the respective populations of the city and the unincorporated area of the
33 county.

34 (2) If there are two or more cities in the county, apportion all such
35 moneys among the cities in proportion to their respective populations.

36 (3) If there are no incorporated cities in the county, remit the entire
37 amount to the county treasurer for deposit in the county general fund.

38 4. The provisions of subsection 3 do not apply to Carson City, where
39 the treasurer shall deposit the entire amount determined to the city and
40 received from the state controller in the general fund.

41 5. Population shall be determined by the last preceding national
42 census of the Bureau of the Census of the United States Department of
43 Commerce.

44 SEC. 316. NRS 377.060 is hereby amended to read as follows:

45 377.060 The [tax commission] department may redistribute any
46 tax, penalty and interest distributed to a county entitled thereto, but no
47 such redistribution may be made as to amounts originally distributed
48 more than 6 months prior to the date on which the [tax commission]
49 department obtains knowledge of the improper distribution.

1 SEC. 317. NRS 377.070 is hereby amended to read as follows:

2 377.070 In any proceeding under any ordinance enacted pursuant to
3 this chapter, the [tax commission] department may act for and on behalf
4 of the county which has enacted that ordinance.

5 SEC. 318. NRS 387.124 is hereby amended to read as follows:

6 387.124 1. On or before August 1, November 1, February 1 and
7 May 1 of each year, the state controller shall render to the superintendent
8 of public instruction a statement of the moneys in the state treasury sub-
9 ject to distribution to the several school districts of the state as provided
10 in this section.

11 2. Immediately after the state controller has made his quarterly
12 report, the state board of education shall apportion the state distributive
13 school fund among the several county school districts in the following
14 manner:

15 (a) Basic support of each school district shall be computed by:

16 (1) Multiplying the basic support guarantee per pupil established in
17 NRS 387.122 by the sum of:

18 (I) Six-tenths the count of pupils enrolled in the kindergarten
19 department on the last day of the first school month of the school year.

20 (II) The count of pupils enrolled in grades 1 to 12, inclusive, on the
21 last day of the first school month of the school year.

22 (III) The count of handicapped minors receiving special education
23 pursuant to the provisions of NRS 388.440 to 388.520, inclusive, on the
24 last day of the first school month of the school year.

25 (IV) The count of children detained in detention homes and juve-
26 nile forestry camps receiving instruction pursuant to the provisions of
27 NRS 388.550 to 388.580, inclusive, on the last day of the first school
28 month of the school year.

29 (V) One-fourth the average daily attendance—highest 3 months of
30 part-time pupils enrolled in classes and taking courses necessary to receive
31 a high school diploma.

32 (2) Multiplying the number of special education program units
33 maintained and operated by the amount per program established in NRS
34 387.122.

35 (3) Adding the amounts computed in subparagraphs (1) and (2)
36 of this paragraph.

37 (b) The availability of local funds shall be determined, which local
38 funds shall be the sum of:

39 (1) The amount computed by multiplying .007 times the assessed
40 valuation of the school district as certified by the [Nevada tax commis-
41 sion] department of taxation for the concurrent school year; and

42 (2) The proceeds of the local school support tax imposed by
43 chapter 374 of NRS. The [Nevada tax commission] department of
44 taxation shall furnish an estimate of such proceeds to the state board of
45 education on or before July 15 for the fiscal year then begun, and the
46 state board of education shall adjust the final apportionment of the
47 concurrent school year to reflect any difference between such estimate
48 and actual receipts.

49 (c) Apportionment computed on a yearly basis shall consist of the
50 difference between the basic support as computed in paragraph (a) of

1 this subsection and the local funds available as computed in paragraph
2 (b) of this subsection, but no apportionment shall be less than 10 percent
3 of basic support.

4 (d) Apportionment shall be paid quarterly at the times provided in
5 subsection 1, each quarterly payment to consist of approximately one-
6 fourth of the yearly apportionment as computed in paragraph (c) of this
7 subsection. The first quarterly apportionment based on an estimated
8 number of pupils and special education program units and succeeding
9 quarterly apportionments shall be subject to adjustment from time to
10 time as the need therefor may appear. A final apportionment shall be
11 computed as soon as practicable following the close of the school year,
12 but not later than August 1. The final computation shall be based upon
13 the actual counts of pupils and programs specified to be made for that
14 school year pursuant to paragraph (a) of this subsection, and within
15 limits specified in NRS 387.122, except that for any year when the total
16 enrollment of pupils and children described in paragraphs (a), (b), (c)
17 and (d) of subsection 1 of NRS 387.123 is greater on the last day of
18 any school month after the second school month and such increase in
19 enrollment shows at least a 3 percent gain, then basic support as com-
20 puted from first month enrollment will be increased 2 percent; further-
21 more, if such increase in enrollment shows at least a 6 percent gain, then
22 basic support as computed from first month enrollment will be increased
23 an additional 2 percent. If the final computation of apportionment for
24 any school district exceeds the actual amount paid to such school district
25 during the school year, the additional amount due shall be paid before
26 September 1. If the final computation of apportionment for any school
27 district is less than the actual amount paid to such school district during
28 the school year, the amount of overpayment shall be deducted from the
29 next apportionment payable to such school district. If the amount of
30 overpayment is greater than the next apportionment payable, the differ-
31 ence shall be repaid to the state distributive school fund by the school
32 district before September 1.

33 (e) For any year when the average daily attendance—highest 3
34 months of a school district in any category is less than the average daily
35 attendance—highest 3 months in such category during the prior year,
36 and such lesser average daily attendance—highest 3 months was not
37 anticipated at the time estimates were made by the superintendent of the
38 county school district in June of the preceding school year, the superin-
39 tendent of public instruction may authorize additional apportionments in
40 amounts such that the total of all apportionments for the year do not
41 exceed the total apportionment for the year that would be computed by
42 substituting the average daily attendance—highest 3 months of the prior
43 year in the category so affected for the average daily attendance—highest
44 3 months of the current year in the category so affected. As a condition
45 precedent to such authorization, the superintendent of the county school
46 district shall deliver to the superintendent of public instruction a request
47 setting forth the reasons why the additional apportionment is necessary to

1 the financial support of the school district, and the superintendent of pub-
2 lic instruction shall review such request. As used in this paragraph, "cate-
3 gory" means any one of the groups of persons separately described in
4 paragraphs (a), (b), (c) and (d) of subsection 1 of NRS 387.123.

5 (f) The board of trustees of any school district in this state whose
6 estimated receipts from all sources provided by this chapter and chapter
7 374 of NRS, including any additional apportionment made pursuant to
8 paragraph (e) are less for any fiscal year because of reduced average
9 daily attendance or reduced local income, or both, than the total esti-
10 mated receipts from such sources in the final approved budget for such
11 fiscal year, and which cannot therefore provide a minimum program of
12 education and meet its contract obligations, may apply for emergency
13 financial assistance from the state distributive school fund and may be
14 granted such assistance upon compliance with the following conditions
15 and procedures:

16 (1) The tax levy for the applying district shall be the maximum of
17 \$1.50 for operating costs as authorized by law, not including any special
18 tax authorized by the provisions of NRS 387.290.

19 (2) Such application shall be made to the state board of education
20 in such form as shall be prescribed by the superintendent of public
21 instruction, and in accordance with guidelines for evaluating needs for
22 emergency financial assistance as established by the state board of
23 education.

24 (3) Before acting on any such application, the state board of edu-
25 cation and state board of examiners, jointly, shall determine the differ-
26 ence between the total amount of money appropriated and authorized
27 for expenditure during the current biennium from the state distributive
28 school fund and the total amount of money estimated to be payable from
29 such fund during the biennium pursuant to paragraphs (c) and (e), and
30 shall make no distribution in excess of such difference.

31 (4) The state board of education shall review each application and
32 shall by resolution find the least amount of additional money, if any,
33 which it deems necessary to enable the board of trustees of the applying
34 school district to provide a minimum educational program and meet its
35 irreducible contract obligations. In making such determination, the state
36 board of education shall consider also the amount available in the dis-
37 tributive school fund and the anticipated amount of future applications,
38 so that no deserving school district will be wholly denied relief.

39 (5) If the state board of education finds that emergency assistance
40 should be granted to an applying school district, it shall transmit its
41 resolution finding such amount to the state board of examiners, along
42 with a report of its then-current estimate of the total requirements to be
43 paid from the state distributive school fund during the then-current
44 fiscal year.

45 (6) The state board of examiners shall independently review each
46 resolution so transmitted by the state board of education, may require
47 the submission of such additional justification as it deems necessary, and
48 shall find by resolution the amount of emergency assistance, if any, to
49 be granted. The board may defer, and subsequently grant or deny, any
50 part of a request.

(7) The state board of examiners shall transmit one copy of its finding to the state board of education and one copy to the state controller. Upon receipt of a claim pursuant to a grant of emergency assistance, such claim shall be paid from the state distributive school fund as other claims against the state are paid.

(8) Money received by a school district pursuant to a grant of relief may be expended only in accordance with the approved budget of such school district for the fiscal year for which such grant is made. No formal action to incorporate the money so received in the approved budget is required, but such receipts shall be reported as other receipts are reported and explained in a footnote as emergency loans are explained.

(9) The state board of education shall transmit to the legislature a report of each and every grant of emergency assistance paid pursuant to this paragraph.

3. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees shall be credited with attendance during that period.

SEC. 319. NRS 409.100 is hereby amended to read as follows:

409.100 1. The advance right-of-way acquisition and management agency is hereby created to supervise the administration of the provisions of this chapter. The agency shall consist of the secretary of state, the chief of the budget division of the department of administration, the state highway engineer, the director of the department of commerce and the executive director of the [division of assessment standards of the Nevada tax commission.] *department of taxation*.

2. The agency, with the approval of a majority of its members, may acquire by purchase or condemnation any real or personal property which the engineer deems necessary for improvements or future needs of the state highway system.

3. The engineer may act as agent for the agency to acquire such property in the name of the agency.

SEC. 320. NRS 450.240 is hereby amended to read as follows:

450.240 1. In all counties where a tax for the establishment and maintenance of a public hospital has been authorized, or is hereafter authorized, by a majority of the voters voting for a bond issue in accordance with law, the supervision, management, government and control of the county hospital shall vest in and be exercised by the board of hospital trustees for the county public hospital, and the institution shall thereafter be operated by the board of hospital trustees.

2. In all such counties, the supervision of the county isolation hospital, county home for the indigent sick, county workhouse for indigents, and the county poor farm, or any of them, may, at the discretion of the board of county commissioners, be vested in and exercised by the board of hospital trustees, and such institution or institutions may thereafter be operated by the board of hospital trustees.

3. Annually, upon the request of the board of hospital trustees, the board of county commissioners may levy a tax for the maintenance and operation of the county public hospital or other institutions named in subsection 2.

4. The resolution adopted by the board of county commissioners imposing a tax levy for a county public hospital shall state:

(a) The portion of the levy which is necessary to retire hospital bonds and any other outstanding hospital securities, and to pay interest thereon;

(b) The portion of the levy which is necessary to pay for the care of indigent patients; and

(c) The portion of the levy which is necessary to pay for the cost of new equipment, replacement of old equipment and other improvements to the hospital not covered by specific bond issues or other securities and not included in the cost of care of indigent patients as provided in paragraph (b). The cost shall be prorated to the county in accordance with the number of patient days of care of county patients.

5. The board of county commissioners may not levy a tax for the care of indigents in the county public hospital as a hospital expense unless the levy and its justification are included in the hospital fund budget as submitted to the [Nevada tax commission] *department of taxation* as provided by law.

SEC. 321. NRS 481.180 is hereby amended to read as follows:

481.180 The duties of the personnel of the Nevada highway patrol are:

1. To police the public highways of this state, and to enforce and to aid in enforcing thereon all the traffic laws of the State of Nevada. They have the powers of peace officers:

(a) When enforcing traffic laws; and

(b) With respect to all other laws of this state when:

(1) In the apprehension or pursuit of an offender or suspected offender;

(2) Making arrests for crimes committed in their presence or upon or adjacent to the highways of this state; or

(3) Making arrests pursuant to a warrant in the officer's possession or communicated to him.

2. To investigate accidents on all primary and secondary highways within the State of Nevada resulting in personal injury, property damage or death, and to gather evidence for the purpose of prosecuting the person or persons guilty of any violation of the law contributing to the happening of such accident.

3. To act as field agents and inspectors in the enforcement of the motor vehicle registration law (chapter 482 of NRS).

4. To act as field agents, inspectors and instructors in carrying out the provisions of the operators' licensing law (chapter 483 of NRS).

5. To act as field agents and inspectors of the department of motor vehicles in the enforcement of the motor vehicle carrier law (chapter 706 of NRS).

6. To act as field agents and inspectors of the [Nevada tax commission] *department of taxation* in the enforcement of the laws of this state relating to the imposition and collection of taxes on gasoline used in and for motor vehicles on the public highways of this state (chapter 365 of NRS).

7. To act as field agents and inspectors of the [Nevada tax commission] until July 1, 1959, and thereafter of the department of motor

vehicles in the enforcement of chapter 366 of NRS relating to the imposition and collection of taxes on special fuels used in and for motor vehicles on the public highways of this state.

8. To act as field agents and inspectors in the enforcement of the laws relating to motor vehicle safety responsibility, motorcycles and garages, repair shops and parking area keepers (chapters 485, 486 and 487 of NRS).

9. To perform such other duties in connection with each and all of the above-specified duties, and consistent therewith, as may be imposed by the director of the department of motor vehicles.

SEC. 322. NRS 482.225 is hereby amended to read as follows:

482.225 1. Whenever application [shall be] is made to the department for registration of a vehicle purchased outside the state and not previously registered within this state where the registrant or owner at the time of purchase was not a resident of or employed in this state, the department shall notify the representative of the [Nevada tax commission] department of taxation or [the commission's] its agent of the owner's or registrant's intent to register such vehicle. The [commission's] representative of the department of taxation or its agent shall determine and collect any use tax due, and shall remit the taxes he collects to the [Nevada tax commission.] department of taxation.

2. If the registrant or owner of the vehicle was a resident of the state, or employed within the state, at the time of the purchase of such vehicle, it shall be presumed that such vehicle was purchased for use within the state and the representative or agent of the [Nevada tax commission] department of taxation shall collect such tax and remit it to the [Nevada tax commission.] department of taxation.

3. Until notified by the [Nevada tax commission's] representative of the department of taxation or its agent of payment of or exemption from the tax, the department shall refuse to register the vehicle.

4. In counties with a population of 100,000 or more, where the department has established branch offices, space shall be provided by the department for a representative of the [Nevada tax commission.] department of taxation, who shall determine and collect the use tax on vehicles as provided in subsections 1 and 2. In any county with a population of less than 100,000, as determined by the last preceding national census compiled by the Bureau of the Census of the United States Department of Commerce, the [commission] department of taxation may designate the county assessor, the department or the agent of the department as the agent of the [Nevada tax commission] department of taxation for the collection of use tax.

5. For purposes of collection of use tax under the provisions of chapter 372 of NRS, the [Nevada tax commission] department of taxation may designate the department as agent.

6. If the taxpayer can controvert the presumption stated in subsection 2 that he purchased the vehicle for use in this state, he must pay the tax to the [Nevada tax commission's] representative of the department of taxation, and must substantiate his claim for exemption by a statement in writing, signed by the registrant or owner, or his authorized representative, and forward such statement to the [Nevada

tax commission] department of taxation together with his claim for refund of tax erroneously or illegally collected.

7. If the [Nevada tax commission] department of taxation finds that the tax has been erroneously or illegally collected, such tax shall be refunded as provided in NRS 372.630 to 372.720, inclusive.

SEC. 323. NRS 488.075 is hereby amended to read as follows:

488.075 1. The owner of each motorboat requiring numbering by this state shall file an application for number and for a certificate of ownership with the department on forms approved by it accompanied by proof of payment of Nevada sales or use tax as evidenced by proof of sale by a Nevada dealer or by a certificate of use tax paid issued by the [Nevada tax commission.] department of taxation, or by proof of exemption from such taxes as provided in NRS 372.320, and by such evidence of ownership as the department may require. The department shall not issue a number, a certificate of number or a certificate of ownership until such evidence is presented to it.

2. The application shall be signed by the owner of the motorboat and shall be accompanied by a fee of \$3 for the certificate of number and a fee of \$3 for the certificate of ownership. All fees received by the department under the provisions of this chapter shall be deposited in the fish and game fund and shall be expended only for the administration and enforcement of the provisions of this chapter. Upon receipt of the application in approved form, the department shall:

(a) Enter the same upon the records of its office and issue to the applicant a certificate of number stating the number awarded to the motorboat, a certificate of ownership stating the same information and the name and address of the registered owner and the legal owner.

(b) Immediately give written notice to the county assessor of the county wherein such motorboat is situated, which notice shall contain the name and address of the owner and identifying information concerning such motorboat.

3. The owner shall paint on or attach to each side of the bow of the motorboat the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. The number shall be maintained in legible condition. If an agency of the United States Government has in force an overall system of identification numbering for motorboats within the United States, the regulations of the department as to size, color and type of number shall be in conformity therewith.

4. The certificate of number shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever such motorboat is in operation.

5. The department shall provide by regulation for the issuance of numbers to manufacturers and dealers which may be used interchangeably upon motorboats operated by such manufacturers and dealers in connection with the demonstration, sale or exchange of such motorboats. The fee for each such number shall be \$3.

SEC. 324. NRS 494.042 is hereby amended to read as follows:

494.042 1. Notwithstanding the provisions of NRS 365.330, all excise taxes described in NRS 494.041 shall be so earmarked by the

1 **[Nevada tax commission]** *department of taxation* prior to delivery to the
2 state treasurer.

3 2. All licensed dealers who handle aviation fuels shall report on such
4 forms and in such detail as the **[Nevada tax commission]** *department of*
5 *taxation* may require.

6 3. The **[Nevada tax commission]** *department of taxation* shall
7 separately record the amount of all such excise taxes received from within
8 each county.

9 4. The amount of such excise taxes so delivered to the state treasurer
10 shall be placed to the credit of an account to be known as the aviation
11 fuels tax refund account.

12 SEC. 325. NRS 494.043 is hereby amended to read as follows:

13 494.043 1. Claims for refunds of taxes paid on fuels used as
14 aviation fuels shall be made within the time and in the manner provided
15 in NRS 365.370 to 365.440, inclusive.

16 2. Notwithstanding the provisions of NRS 365.430, all such claims
17 shall be paid from the aviation fuels tax refund account upon claims
18 presented by the **[Nevada tax commission]** *department of taxation*,
19 approved by the state board of examiners and allowed and paid as other
20 claims against the state are paid.

21 SEC. 326. NRS 590.120 is hereby amended to read as follows:

22 590.120 1. Every person, or any officer, agent or employee thereof,
23 shipping or transporting any gasoline or lubricating oil into this state
24 for sale or consignment, or with intent to sell or consign the same, shall
25 pay to the **[Nevada tax commission]** *department of taxation* an inspec-
26 tion fee of one-twentieth of a cent per gallon for every gallon of gasoline
27 or lubricating oil so shipped or transported into the state, or that is
28 held for sale within this state; but nothing in this section shall be con-
29 strued to require the payment of an inspection fee on any shipment or
30 consignment of gasoline or lubricating oil when such inspection fee has
31 already been paid.

32 2. On or before the 25th day of each calendar month, every person,
33 or any officer, agent or employee thereof, required to pay the inspection
34 fee mentioned in subsection 1 shall send to the **[Nevada tax commission]**
35 *department of taxation* a correct report of the gasoline or oil volumes for
36 the preceding month, and such report shall include a list of distributors
37 or retailers distributing or selling the products. Such report shall be
38 accompanied by the fees herein required due the state on such gasoline
39 and lubricating oil.

40 3. Failure to send such report and remittance as specified in sub-
41 sections 1 and 2 shall be a violation of NRS 590.010 to 590.150, inclu-
42 sive, punishable as provided in NRS 590.150.

43 SEC. 327. NRS 590.130 is hereby amended to read as follows:

44 590.130 All inspection fees received by the **[Nevada tax commis-**
45 **sion]** *department of taxation* shall be deposited **[in the general fund in**
46 **the state treasury,]** *with the state treasurer for credit to the state general*
47 *fund*, and all expenses incurred in carrying out the provisions of NRS
48 590.010 to 590.150, inclusive, shall be paid out of funds provided by
49 direct legislative appropriation.

1 SEC. 328. NRS 360.150, 360.160, 360.170, 360.175, 360.190, 361.-
2 813, 365.090, 369.120, 370.050, 374.095, 374.730 and 494.045 are
3 hereby repealed.

4 SEC. 329. NRS 361.190, 361.195, 361.200, 361.205, 361.210, 361.-
5 215 and 361.220 are hereby repealed.

6 SEC. 330. 1. Sections 48 and 49 of this act shall become effective on
7 July 1, 1976.

8 2. Sections 107, 108, 111 and 329 of this act shall become effective
9 on July 1, 1979.

10 3. All other sections of this act shall become effective on July 1,
11 1975.

⑨

BDR 32-1026
A.B. 317
S.B.

FISCAL NOTE

AMENDMENTS:

Assembly: First Reading
Second Reading
Third Reading
Senate: First Reading
Second Reading
Third Reading

Date transmitted 3-4-75

Agency submitting Tax Commission Date prepared 3-7-75

| Summary | Fiscal Year 1974-75 | Fiscal Year 1975-76 | Fiscal Year 1976-77 | Continuing |
|---|------------------------|------------------------|------------------------|------------|
| Establishes department of taxation and modifies composition and functions of Nevada Tax Commission and state and county boards of equalization. | -0- | \$32,483 | \$21,843 | \$21,843 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total..... | | | | |

EXPLANATION (use continuation sheets if required):

| | 1975-76 | 1976-77 |
|--|----------|----------|
| New sets, Title 32 | \$4,000 | -0- |
| Letterheads, business cards, forms, etc. | 6,140 | -0- |
| Staff Appraiser Certification Program, 20 Appraisers, \$350 per Appr. | 3,500 | 3,500 |
| Staff Appraiser Continuation Training Program, 10 Appraisers, \$100 per Appr. | -0- | 1,000 |
| IAAO Test Development & Administration Contract | 1,500 | -0- |
| Parcelling Program, In State Travel, 7 Mapping Technicians, \$2,477.51 per Tech. | 17,343 | 17,343 |
| | \$32,483 | \$21,843 |

Signature *James H. [unclear]*

Title *Asst. Sec'y*

Reviewed by Department of Administration
Comments by Department of Administration:

The costs involved in establishing the department of taxation and modifying the composition and functions of the tax commission and state and county boards of equalization were taken into consideration when the tax commission's biennial budget request was reviewed. Therefore, the costs presented above are included in, and are not additive to, the tax commission's budget recommendation as presented in the Executive Budget on pages 90 and 91.

Signature *H. E. Barrett*

Howard E. Barrett

Date March 17, 1975

Title Director of Administration

JOINT MEETING
SENATE AND ASSEMBLY TAXATION COMMITTEE
MINUTES OF MEETING

The joint meeting of the Senate and Assembly Taxation Committees was called to order at 3:00 p.m., 1-28-75.

Senate Members Present:

Chairman Mahlon Brown
Senator Close
Senator Echols
Senator Herr
Senator Hilbrecht
Senator Raggio
Senator Wilson

Assembly Members Present:

Chairman Paul May
Assemblyman Demers
Assemblyman Roy Young

Others Present:

Dr. Atkinson
Senator Close
Senator Gibson
Brad Stone, Reno
Joe Seitters, Reno
Gerald A. Lopey, Legislative Counsel Bureau
Michaela Blomdale, Tax Commission
Jim Ratbun, Tax Commission
Tina Nappi, Reno
Assemblyman Jean Ford
Mr. Cahill, Nevada Tax Commission
John J. Sheehan, Tax Commission
James Lien, Nevada Tax Commission
Dick Morgan, State Education Department

Dr. Atkinson gave some background on the proposed bills* which were presented to the committee members (bills are marked as Exhibit A and attached hereto), by stating that the Governor appointed a committee, upon recommendation of the last Session of the Legislature. The committee members were: Senators Brown and Dodge, Dan Demers, Paul May, Hal Smith, Dick Morgan and Norman Brown. This committee was instructed to study the assessment of public utilities, the assessment of mines, the assessment of agricultural land and a ratio land study. The committee has been meeting since the last Session, and have now made their recommendations. They are trying to get the bills drafted that would implement these recommendations.

* A.B. 317

Joint Senate and Assembly Meeting
Taxation Committee
Page Two

The statutes which were discussed during this meeting are listed below (for copy of complete statute, see Exhibit A):

360.010: Dr. Atkinson read each of the 5 items contained in this statute. Senator Raggio feels that item 5 should state "shall appoint" rather than "should attempt to appoint".

Dick Morgan feels that the Assembly should take responsibility for introducing the 361 statutes, and the Senate should take responsibility for introducing the 360 statutes.

Senator Dodge stated that he is not satisfied with the wording that has to do with the requirements of the members of the Tax Commission; 360.010 being too general. Senator Dodge suggested that it be a requirement that at least one person in each area have at least 10 years experience in that field.

360.030: Senator Brown moved that "two" on line 1 be changed to "four"; seconded by Assemblyman Demers; motion carried; Senator Dodge voted "No".

360.120: Dr. Atkinson read the statute; no comments or discussion held.

New Statute: This statute was read and brief discussion was held

360.150: Assemblyman Demers asked if the executive director would have to go before the Tax Commission for approval. Mr. Sheehan replied that the executive director would have better knowledge regarding what departments to set up within the agency.

360.175: Senator Dodge moved that the longer of these two statutes (see attached) be adopted; seconded by Assemblyman Demers; unanimously carried.

360.280: Assemblyman Demers stated that in the committee they had agreed that they would recommend that the Tax Commission aid the county assessors in the small counties.

360.305: No discussion held.

New Statutes (3): Brief discussion was held on these three new statutes, Appraiser Training, Temporary Certificate and Appraiser's Certificate.

361.190: It was agreed that the following underscored wording be added: "...Counties may hire permanent mapping personnel or contract with private firms or with the Department of Taxation.."

Joint Senate and Assembly Meeting
Taxation Committee
Page Three

361.215: Senator Dodge asked if we need to set a time frame on this -- should possibly set the date at 1979 or 1980.

361.227: Mr. Sheehan advised the members that he put in the State Board of Equalization and took out the Tax Commission. Following suggestion by Senator Dodge, it was agreed that he be left as it was.

361.320: Senator Dodge commented that we should specify mines, mills and other improvements and should relate it to that operation as an integrated operation.

New Statute: Senator Herr commented on the feasibility of finding anyone in the real estate field that can appraise both the northern and southern parts of Nevada. It was agreed that this be considered for change, so as to state two persons, one from Southern Nevada and one from Northern Nevada.

361.380: Dr. Atkinson stated that this changes the county board to 3 or 5 members, depending on the size of the county.


Dick Morgan moved that this committee assign the Assembly Taxation Committee to take the responsibility for bill drafting those matters relating to NRS 360 and the Senate Taxation Committee take the responsibility for introduction relating to NRS 361; seconded by Assemblyman Demers; unanimously carried.

Meeting adjourned at 4:45 p.m.

Respectfully submitted,


Sharon W. Maher, Secretary

APPROVED:


Chairman

360.010

1. There is hereby created a department to be designated and known as the department of taxation.
2. The department of taxation shall consist of seven commissioners appointed by the governor.
3. The governor shall designate the commissioner to serve as chairman of the department.
4. The governor shall be an ex officio, nonvoting member of the commission. He shall receive no compensation for his services as such ex officio member.
5. In making his selection of commissioners the governor should attempt to appoint individuals who are versed in and knowledgeable about the economy of the State of Nevada, and the sources of tax revenues.

360.030

1. Not more than [~~three~~] two of the [~~nine~~] seven commissioners shall be appointed from any one county in this state, and not more than [~~five~~] four members of the Nevada tax commission shall be of the same political party.

2. Appointments to the commission, except those to fill unexpired terms, shall be for terms as follows:

- (a) Two commissioners for 4 years.
- (b) Two commissioners for 3 years.
- (c) Two commissioners for 2 years.
- (d) [~~Three~~] One commissioner for 1 year.

Thereafter, all commissioners shall be appointed for terms of 4 years.

3. Appointments to fill vacancies on the commission shall be for the unexpired term of the commissioner to be replaced, and shall be made by the governor.

4. Any commissioner may be removed by the governor if, in his opinion, such commissioner is guilty of malfeasance in office or neglect of duty.

360.120

1. The governor shall appoint the executive director of the department of taxation. The executive director shall be in charge of the office of the department of taxation.

2. For his services, the executive director of the department of taxation shall receive an annual salary in an amount determined pursuant to the provisions of NRS 284.182.

NEW STATUTE

1. Not withstanding any statute to the contrary the Nevada Tax Commission shall have power to review all decisions made by the Executive Director of the department of taxation and shall have the power to reverse, affirm or modify said decisions, save and except, when such decision is appealable to the Board of tax appeals and equalization.
2. The tax commission may adopt rules and regulations governing the procedure to be used to review the decisions of the executive director of the department of taxation.

360.150 There is hereby created within the department of taxation a division to be known as the ad valorem division and a division to be known as the excise division.

The executive director of the department of taxation may establish and organize other divisions or subdivisions, thereof, within the department of taxation as in the executive directors judgment and discretion are necessary.

A deputy director shall be in charge of each such division.

360.175

1. The Nevada tax commission through the division of assessment standards shall at least every ~~[five]~~ two years conduct a county wide ratio study to determine with reasonable certainty:

(a) The ratio of the assessed value of each type or class of property for which the county assessor has the responsibility of assessing in each county and Carson City to the assessed value of comparable property in the remaining counties and Carson City.

(b) The ratio of assessed value of each type or class of property for which the county assessor has the responsibility of assessing in each county and Carson City to the full cash value of such type or class of property within that county.

2. The formulae and standard procedures so developed by the tax commission shall become the mandatory formulae and procedures to be used by the county assessor of each county and Carson City.

[3. The formulae and standard procedures used by the tax commission shall take into account the fact that county assessors are required to assess all property within their respective counties at least once every 5 years.]

(a) The formulae and standard procedure used by the tax commission shall include a true random sampling of property and sales and shall include the use of the mean, median, standard deviation and any other statistical criteria that will indicate an accurate ratio of full cash value to assessed value and an accurate measure of assessment equality.

3. The ratio study will be conducted on nine (9) counties one year and seven (7) counties and Carson City the next year with the same combination of counties being tested on alternate years.

360.175

1. The [Nevada tax commission] department of taxation through the [division of assessment standards] ad valorem division shall at least every 5 years conduct a ratio study to determine with reasonable certainty:

(a) The ratio of the assessed value of each type or class of property in each county and Carson City to the assessed value of comparable property in the remaining counties and Carson City.

(b) The ratio of assessed value of each type or class of property in each county and Carson City to the full cash value of such type or class of property within that county.

2. The formulae and standard procedures so developed by the [tax commission] department of taxation shall become the mandatory formulae and procedures to be used by the county assessor of each county and Carson City.

3. The formulae and standard procedures used by the [tax commission] department of taxation shall take into account the fact that county assessors are required to assess all property within their respective counties at least once every 5 years.

360.280

1. No change.

(a) No change.

(b) No change.

(c) No change.

(d) Maintain adequate maps to accurately describe and illustrate
all parcels of land pursuant to NRS 361.190 to 361.220 inclusive.

2. No change.

360.305 The county assessor shall also make a map or plat of the various blocks within any incorporated city or town, and shall mark thereon the various subdivisions, as they are assessed. [In each subdivision he shall mark the names of persons to whom it is assessed.] The individual parcels in a subdivision shall be further identified by a parcel number, following a parcelling system as prescribed by NRS 361.190.

[2.]

NEW STATUTE

Appraiser Training. In order to retain a valid appraiser's certificate every holder shall be exposed to at least 24 hours of training conducted or approved by the department of taxation in each one-year period commencing July 1, 1976.

Any excess in training time over the 24 hour minimum accumulated in any one year shall be carried over as credit for future training requirements with a limit of three years in which the carryover time may be credited, and any training time accumulated between July 1, 1975 and June 30, 1976 shall be carried over as credit for the training required in the one-year period commencing July 1, 1976.

Failure to receive such training shall constitute grounds for revocation of an appraiser's certificate.

NEW STATUTE

Temporary Certificate The department of taxation may issue a temporary certificate to a person who is newly employed by the state, any county, city and county or appraisal commission in order to afford the person the opportunity to apply for and take an examination the successful passage of which would qualify the person for a certificate. A temporary certificate shall not be issued to exceed one year's duration and shall be issued only to a person who has or who is found by the department to possess qualifications by reason of education and experience so that he may be reasonably expected to be competent to perform the work of an appraiser. A temporary certificate shall not be renewed.

NEW STATUTE

Appraiser's Certificate

(a) No person shall perform the duties or exercise the authority of an appraiser for property tax purposes as an employee of the state, any county or city and county, or city, either general law or chartered, unless he is the holder of a valid appraiser's certificate issued by the department of taxation.

(b) The department of taxation shall administer the examination of applicants for such certificates. No certificate shall be issued to any person who has not attained a passing grade in such examination.

(c) Any person performing the duties of appraiser in county or city and county government at the time this section becomes effective shall be certified by examination on or before July 1, 1978 by the department of taxation.

361.190

1. For tax purposes, land in this state shall be legally described pursuant to NRS 361.190 to 361.220, inclusive.

2. Commencing in the assessment year 1979-1980, for property tax purposes and for reasons of standardization, all land in the state shall be described by a parcelling system prescribed by the department of taxation.

(a) In preparation for the establishment of such standardized parcelling system, parcelled maps prepared by the department of taxation for use by the county assessors shall be continually updated by the county assessors so as to reflect transfers, conveyances, acquisitions, or any other transaction or event that may change the boundaries of any parcel. Maps will be reviewed by the department of taxation annually to insure proper updating has taken place. Counties may hire permanent mapping personnel or contract with private firms who will maintain maps according to the department of taxation parcelling system.

. 361.215

1. [Where any county or county officer possess a complete, accurate map of any] All counties shall possess a complete, accurate map or set of maps of all land in the county, and the county assessor of such county must number [or letter] the parcels in a manner approved by the [board of county commissioners.] department of taxation. The county assessor [may] must renumber [or reletter] the parcels or prepare new map pages for any portion of such map to show combinations or divisions of parcels in a manner approved by the [board of county commissioners of such county, so long as an inspection of such] department of taxation, and any such map will readily disclose precisely what land is covered by any particular parcel number [or letter] in the current or in any prior fiscal year. The map or copy shall at all times be publicly displayed in the office of the county assessor.

2. No change.

361.227

1. No change.

(a) No change.

(b) No change.

(1) No change.

(2) The price at which the property was sold to the present owner [;] [and] if the sale was consummated within a reasonable length of time prior to the determination of market value.

[3.]

361.227

1. In determining the full cash value of real property, the county assessor, county board of equalization and the state board of equalization, the Nevada tax commission and the department of taxation shall compute such full cash value by using each of the following factors for which information is available:

- (a) No change.
- (b) No change.
 - (1) No change.
 - (2) No change.
 - (3) No change.
- (c) No change.

The criteria of applicability for each factor shall be prescribed by regulation of the [Nevada tax commission] state board of equalization.

- 2. No change.
- 3. No change.

361.320

1. At the regular session of the Nevada tax commission commencing on the 1st Monday in October of each year, the Nevada tax commission shall establish the valuation for assessment purposes of any property of an interstate and intercounty nature, which shall in any event include the property of all interstate or intercounty railroad, sleeping car, private car, street railway, traction, telegraph, water, telephone, air transport, electric light and power companies, together with their franchises, and the property and franchises of all railway express companies operating on any common or contract carrier in this state, and all mines and all improvements used in connection with or which is incidental to a mining operation. Such valuation shall not include the value of vehicles as defined in NRS 371.020.

2. No change.
3. No change.
 - (a) No change.
 - (b) No change.
 - (c) No change.
4. No change.
 - (a) No change.
 - (b) No change.
 - (c) No change.
5. No change.
6. No change.
7. No change.
8. No change.
9. No change.

New Statute

There is hereby created a state board of equalization.

The state board of equalization shall consist of three members to be appointed by the governor.

One member of the board shall be a certified public accountant. One member of the board shall be knowledgeable about and versed in real estate values. One member shall be appointed from the public at large.

Not more than two of the members of the state board of equalization shall be of the same political affiliation.

One of the members shall be appointed for a term of four years.

One of the members shall be appointed for a term of three years.

One of the members shall be appointed for a term of two years.

At the expiration of the aforementioned terms each successive term shall be for a period of four years.

361.380

1. Except as otherwise provided in subsection 3, annually, the state board of equalization shall convene on the 1st Monday in February 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. All protests to the state board of equalization shall be made on or before the 4th Monday of February. [and the state board of equalization shall conclude the business of equalization on or before the 4th day of March in each year.] The state board of equalization shall attempt to conclude the business of equalization on or before the 4th day of March. If a majority of the members of the state board of equalization determines that additional time is necessary to achieve equalization then additional meetings of the state board of equalization may be held at any time and place in the state prior to May 1 of each year. If such additional meetings are held the matters which will more significantly affect the tax revenues of governmental entities shall be disposed of first.

2. No change.

3. No change.

300

MINUTES

ASSEMBLY TAXATION
March 11, 1975
9:30

Members Present: Chairman May
Mr. Mann
Mr. Bennett
Mr. Christensen
Mr. Demers
Mr. Murphy
Mrs. Ford
Mr. Young

Members Excused: Mr. Harmon

Guests Present: See attached list

The meeting was called to order at 9:36 by Chairman May. He explained to the guests present that the next four meetings (at least four) would be to discuss A. B. 317. He also explained that A. B. 317 was entirely the re-commendations of the Governor's Tax Equity Study that has been working over the past two years.

Senator Carl Dodge was the first speaker. He presented a proposed amendment (Attachment 1) to section 4 page 2 of the bill. He said that the language of the present bill was too broad and that specification of expertise areas needed to be included. He also stated that there should not be consumer representation on the commission unless those people are well versed in taxation problems and land value.

When asked by Mr. Mann, if he would be agreeable to an additional section (e) to add to his amendment that read: "one shall be a tax payer of the state, who shall represent the public at large, he shall not be engaged in or affiliated with any of the businesses or industries specified in sections (a), (b), (c), or (d), Senator Dodge answered that he had no objections if the consumer advocate is also someone who could represent a group of taxpayers, even home owners, that person could qualify. He stated that if other language was proposed that would ensure the experience of the member of the commission then it would be fine with him, just as long as each person on the tax commission could make a contribution and bring individual judgement to the considerations of the committee. Mr. Mann then suggested to the Senator that his language in this amendment was completely opposite from the language of the bill in line 37 that states that " the commissioners shall not be chosen to represent the interest of any particular economic group in the state". Mr. Mann wanted to know what was the feeling of the Tax Equity Study about this. Senator Dodge told him that he did not feel that his language is different. He said that the bill language meant that

RPA082

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ASSEMBLY TAXATION
March 11, 1975
Page Two

you are not choosing consumers or representatives of a labor group, or senior citizens or something like that. Mr. Mann then asked if the Senator considered the mining or gaming industries as an "economic group". The Senator said that he did not think that when the bill talked about economic groups it was talking about businesses. Senator Dodge also added that he had a question as to page 4 line 4 of the bill regarding the addition of language that indicated that the executive director of the tax department could moonlight. He said that he did not think that that was the intent of the Equity Study committee members.

Chairman May then asked if Mr. Jack Sheehan of the Tax Commission would give the committee a general background as to the duties and organization of the Tax Commission (the State agency).

Mr. Sheehan gave this summary:
The Tax Commission was established in 1913 by the legislature. It has had various minor changes as far as make up and responsibilities are concerned. It is the chief revenue gathering agency for the state and collects several million dollars each year and half of that goes back to the local governments themselves. Last year we collected somewhere in the area of \$145 million dollars at a cost of 2.2 million dollars. We have, at the present time, 123 employees with offices in Elko, Reno, Las Vegas, Carson City, Los Angeles and San Francisco. There are the nine members of the commission itself, appointed by the governor for staggered four year terms. The Division of Assessment Standards is where the property appraisers and the draftsmen and those people who are responsible for property taxes find their employment. That is headed by the chief of assessment standards and he has 19 appraisers and draftsmen who are responsible for working with and aiding the county assessors and at the same time act as a watch dog over them, by doing a ratio study of the counties to make sure that all property is assessed at 35% of the fair market value. We also have the original jurisdiction to establish the value for assessment purposes of centrally assessed property. That is property that is of an interstate or an intercounty nature. It would not be fair for each county assessor to devise a system to assess that part of, say the Sierra Pacific Power Co., that falls in his county. Therefore one central assessment agency holds that responsibility.

ASSEMBLY TAXATION

March 11, 1975

Page Three

We are involved in establishing the value for mobile homes, agricultural land and livestock. That information is then sent back to the county assessors who then assess the property. The Tax Commission then puts on a second hat and acts as the State Board of Equalization. This meets in February. The purpose of the State Board of Equalization is twofold. First, to hear appeals from the county boards of equalization from any grieving taxpayer. We sit and hear the taxpayer and the county assessor and review the transcript of the county equalization board and make judgement as to the validity of the county assessor's assessment. The reason the State Board of Equalization does this is because it has a better overview of the worth of land all over the state and an assessor, by virtue of his job, is probably more geared to what is going on in his county and equalization is a statewide matter so the State Board of Equalization has the final say. Secondly, the State Board of Equalization reviews and hears appeals regarding centrally assessed property. This is the two hat problem that upsets some people, and probably justifiably so. The Tax Commission in October says utility company "X" is worth \$100 million and then if that company appeals or some other person appeals, the same nine members put on their Board of Equalization hats in February and review whether the decision they made in October (\$100 million) is correct. They have been criticized, in many cases, as being both the judge and the jury.

Mr. Sheehan then clarified himself by saying that the Tax Commission assesses centrally assessed property and the county assessor assesses personal and real property at the fair market value.

Mr. May then told the committee about the main problem that had arisen in regards to the Tax Commission (the nine member board). He mentioned that people had claimed that those properties assessed by the county assessor were being assessed at the proper rate of 35% of the fair market value but that the centrally assessed properties, the larger railroads, and utilities, etc. were not being taxed at the fair market value because the nine member board, who set the rates, was made up of the (and he quoted the term) "9 primary vested interests" in the state, and therefore were not paying their fair share of the taxes.

Mr. Murphy asked Mr. Sheehan about the Nevada Tax Commission having offices in San Francisco and Los Angeles. He was told that those offices held an audit staff because there are approximately 4,000 accounts outside of Nevada and for sales

ASSEMBLY TAXATION
March 11, 1975
Page Four

and use tax purposes, we have found it profitable to do audits on these companies sometimes. We have one man in San Francisco and two in Los Angeles.

Mr. Mann then asked Mr. Sheehan if he had had any problems with the member of the nine member board that is designated as a representative of the public at large. Mr. Sheehan said that he believed that any person who was going to be on the commission had to have some expertise, but as far as the general public person is concerned, they can have as much intelligence as a banker, he said that it just depends on the Governor, and he thinks that the appointments that he has known for seven years have not been bad. He added that the problem was that in the statutes, after setting forth the qualifications for the commissioners (NRS 360.020) it then states that "Each of the commissioners at the time of his appointment, shall be actively engaged in the type of interest in catagories which he is chosen to represent on the commission." And the commissioners, Mr. Sheehan continued, do not want to have the image that they represent something specific, because they continually say that they are homeowners also. He said that he had no quarrel working with members of the general public on the board and that he would have no quarrel working with three or four members of the general public on the board, as long as the Governor appoints people who are knowledgeable about the economy of the state or at least the sources of revenue.

Mr. May then asked Mr. Sheehan to briefly explain the current process of appeal to the Tax Commission and then the propped process that is included in A. B. 317, for first, a private home owner and then a utility company.

Mr. Sheehan told the committee the following.

A private home owner would follow these steps presently if he wanted to appeal the county assessors assessment of his property.

1. Home owner gets his tax assessment.
2. Goes down to the county court house and files an application for a review of his assessment.
3. The county board of equalization will then make a ruling on the validity of the assessor's assessment.
4. If the county board decides in favor of the assessor's assessment, the taxpayer can then go to the State Board of Equalization in February. (This is where the Tax Commissioners wear their other hat)
5. They hear the assessor and the taxpayer and review the transcript of the county board hearing and usually ask that an appraiser be sent out and report to the commission.
6. The desicion is then made.

ASSEMBLY TAXATION
March 11, 1975
Page Five

7. The only other course left to appeal the decision is to take it to the courts.

The only change, if A. B. 317 goes through, would be that the State Board of Equalization would consist of only 3 members and these 3 members would be different people than those who make up the Tax Commission. There would be no judge and jury problem.

A utility company would follow these steps presently if it wanted to appeal the assessment of the Tax Commission of its property.

1. Technical indicators of value of property go to the nine member Tax Commission from its staff in October.
2. They then fix a price of valuation. This price does not have to agree with the figure that the staff appraisers recommend.
3. They then certify their decision and send it to the companies. This is the companies' tax bill.
4. In February, the utility company that wants to appeal the assessed valuation of its property would come before the 9member Tax Commission that would inturn put on their State Board of Equalization hats.
5. The State Board would then decide if the assessment valuation figure they decided on in October still is correct in February (four months later).
6. If the company disagrees with the decision made by the State Board, it may then go to the courts.

The only change, if A. B. 317 goes through, would be that the State Board of Equalization would consist of only 3 members and these 3 members would be different people than those who make up the Tax Commission. There would be no judge and jury problem.

Mr. John Moschetti, Elko County Assessor, was the final speaker of the meeting. He felt that this bill affected the county assessors greatly and that he had some suggestions for some changes.

His first comment was that they were extremely in favor of the separation of the Tax Commission and the State Board of Equalization because they had had difficulty with the "rubber stamp" approach to the Tax Commission's previous decision by the State Board of Equalization.

Secondly, he had objections to Section 44, on page 11 of the bill that dealt with certification of assessors. He said that many assessors who had been on the job for 10 years or so it would be a lot of trouble to find a class to teach them because they already know their field extremely well.

He suggested that it should be for the first 3 to 5 years that the education be mandatory and then be optional. He then moved to Section 51 on page 12. He said that he did not think it was practical to require the Tax department to parcel land in counties, especially when some counties have already done this on their own. Mr. Jim Lien suggested that the language "cause to be" be added to line 23 after the word "shall". Mr. Moschetti thought that would be acceptable. He then discussed Section 50 and said that on line 12 the language "only insofar as they contain inventory data" should be deleted. His reason was that if you are going to give assessors subpoena power you should do it and not tie their hands by limiting it to inventory data only. Section 63 deals with ratio studies and he felt that these ratio studies and the watch dog duties of the Tax Commission were not needed as much and that they should spend more time helping the county assessors than watching over them. He reminded the committee that the Tax Equity study decided on a 10% over or underassessment rather than a 5% one as mentioned in the bill. Mr. May then said that Dr. Atkinson had sent him a letter stating that same fact.

Time being a limiting factor, Chairman May told the audience that anyone who wished to contribute to the decisions that would be made on A. B. 317 could submit a written statement if they could not appear before the committee in person and that the written statement would be carefully considered.

There being no further testimony to be heard at this time the Chairman thanked the guests and excused them.

COMMITTEE ACTION

A. B. 235 - Chairman May told the committee that the authors of this bill had requested that it be indefinitely postponed. Mr. Mann so moved and Mr. Demers seconded the motion. Motion passed unanimously.

A. B. 181 - Mr. Mann made a motion to amend and rerefer to committee on Taxation, seconded by Mr. Murphy, passed unanimously.

There being no further business, the meeting was adjourned at 10:54.

Respectfully submitted,

Kim Morgan

Kim Morgan, Secretary

RPA087

ASSEMBLY / SENATE AMENDMENT BLANK

Proposed by James H. Jones

Exhibits attached No. 3072."

M E M O R A N D U M

3/10/75

From the Desk of: WILLIAM B. BYRNE
Assistant County Assessor

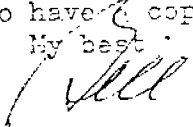
TO: Hon. Paul May, Chrmn., Assembly Taxation Committee

Dear Paul:

At the request of the committee on taxation of our Las Vegas Chamber of Commerce, I prepared the attached brief of A.B. 517, and discussed the Bill with them this past Friday late afternoon.

This was done hurriedly by me Friday and in our brief discussion Friday afternoon it appeared they had some misgivings about certain parts of the Bill but no firm opinions as yet.

Thought maybe you might like to have a copy of the brief I prepared for them. My best


Bill B.

Office of the County Assessor

JEAN E. DUTTON
County Assessor

CLARK COUNTY COURT HOUSE
LAS VEGAS, NEVADA 89101
PHONE 386-4011

WILLIAM B. BYRNE
Assistant County Assessor

RE: ASSEMBLY BILL NO. 317

1. Reduces the number of members of the Nevada Tax Commission from 9 to 7.
2. Changes the requirement of the present law insofar as practical knowledge and experience of the Commissioners is concerned and declares specifically that they shall not be chosen to represent the interests of any specific group; the Bill changes the former requirements and merely mandates that a Commissioner shall be versed in business generally or versed in the classification and valuation of the types of properties which are valued for assessment purposes by the Commission.
3. The Bill creates the Department of Taxation; it prescribes that the head of the Department of Taxation shall be the Nevada Tax Commission; it further prescribes that the chief administrator or administrative officer of the Department will be appointed by the Governor. His title will be Executive Director.
4. The Bill gives the Executive Director authority to make final decisions on matters coming within the jurisdiction of the Department of Taxation, but subject to appeal to the Tax Commission, which has final authority.
5. Under the present law it is provided that the Nevada tax commission can require its Division of Assessment Standards to assist county assessors in the appraisal of property, consult with county assessors in the development of assessment standards, make ratio studies, carry on a program of in-service training, etc. Under the proposed Bill this would be the responsibility of the Department.
6. Many of the powers, authorities, responsibilities which are referred to in the present law as being those of the Nevada tax commission are delegated under the Bill to the Department. However, the Commission is the statutory head of the Department.
7. One of the completely new provisions in the Bill would mandate that the Department maintain a complete set of maps describing and illustrating all parcels of land in the State. This is in line with the judgment that a complete parcelling system of all land in the State should be accomplished. It's already done in Clark county.

PAGE TWO

8. The Bill will not set requirements for candidacy for the Office of County Assessor, but it will require that to be a candidate for re-election or to be a deputy assessor, the person must possess a valid appraiser's certificate issued by the Department of Taxation. This portion of the Bill would become effective July 1, 1978. It would require examination of the Assessor and deputies by the Department. It may be an invasion of county authority, unacceptable to the counties, that the assessor and his deputies will be subject to examination by the Department, and subject to the decision of the Department as to whether or not they are acceptable. Perhaps the Department could set the standards, but the administration to be by the County.
9. The Bill provides authority to the County Assessor to issue subpoenas to require the production of documents, books, records, etc., insofar as they relate to inventory data needed for assessment purposes.
10. The Bill provides that by 1979 the Department shall complete a parceling system describing all land in the State, the cost of which shall be reimbursed by the county to the State.
11. The Bill sets up more specific formulas for the Department to conduct its annual ratio study.
12. The Bill changes the format of County Boards of Equalization. It provides that County Boards of Equalization will consist of five members in counties having a population of 100,000 or more, only two of which may be elected public officers; in counties having a population of less than 100,000, the county board of equalization would consist of three members, only one of which may be an elected public officer.
13. The present law provides that the Nevada Tax Commission has the power to establish procedures for county boards of equalization. The Bill would change this and provide that the State Board of Equalization shall do this.
14. The present law provides that the State Board of Equalization shall be composed of the Nevada tax commission. The Bill would change this completely. The Bill provides that the State Board of Equalization shall consist of three members, appointed by the Governor; that one shall be a certified public accountant, and two shall be versed in real estate, one of which two shall be versed in real estate values in the north and one versed in real estate values in the south.
15. The Bill provides that the State Board of Equalization must conclude its business by March 4th ONLY on those cases which could have a substantial effect on tax revenues. It provides that on other cases which would not have a substantial effect on tax revenues, the State Board may hear those at additional meetings held at any time or place up until October 1.

PAGE THREE

16. The Bill provides a change in the formula for determining the depreciation of equipment in determining the net proceeds of mines; it also provides specific penalty for filing false statements having to do with proceeds of mining operations, etc.
17. THE BILL ALSO AMENDS OTHER CHAPTERS OF NRS, RANGING FROM NRS 234 THRU 590, which have to do with State and Local Governments; Public Records; Tracts; Sub-divisions, Metro Police Departments; Depositories of Public Funds, etc. However, the amendments to these statutes are almost specifically limited to substituting the words "Department of Taxation" for "Nevada tax commission".

WILLIAM B. BYRNE
Assistant County Assessor

*P.S. With the creation of the Dept. of
Taxation, the present Div. of Assessment
Standards (of the Tax Commission)
would no longer exist.*

(2)

W.B.

MINUTES

ASSEMBLY TAXATION
MARCH 13, 1975
9:30

Members Present: Chairman May
Mr. Mann
Mr. Christensen
Mr. Demers
Mr. Murphy
Mrs. Ford
Mr. Young

Members Excused: Mr. Harmon
Mr. Bennett

Guests Present: Dr. Glen Atkinson, Assessment and Tax Equity
Committee Chairman
Pearl M. Lee Layman
Marion Dwyer
Bill Dwyer, United Taxpayers, Washoe County
Richard Bunker, County of Clark
Bob Broadbent, County Commissioners Association
Jim Lien, Nevada Tax Commission
John Moschetti, Elko County Assessor
Micki Blomdal, Nevada Tax Commission
Vernon Dalton, Nevada Rural Electric Assn.
Homer Rodriguez, Carson City Assessor
James Bawben
Paul Gemmill, Nev. Mining Association, Inc.
Robert Warren, Nevada League of Cities
Jim Anderson, Nevada Tax Commission

The meeting was called to order at 9:37 by Chairman May.
He explained that this meeting was to continue discussion
on A. B. 317.

ASSEMBLY BILL 317

Dr. Glen Atkinson, Chairman of the Governor's Assessment
and Tax Equity Study Committee, was the first speaker.
He told the committee the following:
This committee was appointed by the Governor to study
the structure of the Tax Commission, our suggestion was
to go from a nine member board to a seven member board.
We were to look at the State Board of Equalization, our
suggestion was to split the State Board of Equalization
duties away from the nine member Tax Commission, and create
a separate three person State Board of Equalization.
We suggested that instead of having specific qualifications
for the members of the Tax Commission, we have general
qualifications.

Our suggestion for the county boards of equalization was to change the membership.

We thought that it would be better to have the assessors and their staff attend school to become better qualified and that before reelection, assessors must become certified as competent by the Tax Commission.

As far as the ratio study, the equity committee decided that it is the only way to ensure intercounty equality. The committee also wanted to have the standard deviation figure reported to the staff of the Tax Commission to ensure intracounty equality.

Dr. Atkinson then told the committee that his only correction to the bill (as chairman of the equity committee) was that on line 40 page 19 the equity committee had agreed to have the acceptable standard deviation figure at 10% instead of the 5% as is presently written in the bill.

Mr. Paul Gimmel of the Nevada Mining Association spoke next. He told the committee that after reading the review of A. B. 317 in the Nevada Taxpayer's Association newsletter, he got the impression that the county would lose their ability to take into consideration whether a mine was in operation while assessing the machinery and equipment for tax purposes. He said that presently the county assessor can take this into consideration and that many small mines are going to be going bankrupt because of paying taxes on equipment that is only worth salvage value because the mine is presently not in operation because of an ore strike or something like that. He was referring to Page 33 lines 11-15.

Mr. John Moschetti, Elko County Assessor, answered Mr. Gimmel's question by saying that the present assessment practice of taking into consideration "economic obsolescence" is a method taught to assessors by the state tax commission in their training. He said that he thought what the tax equity committee was trying to do was arrive at some kind of tax equity on mines and that presently there are variances between counties. He said that the state even now takes into consideration whether there is economic obsolescence. He added that the county assessor would still have the right to complain to the boards of equalization if he felt that there was something wrong with the assessment in his county. He ended his answer to Mr. Gimmel's question by saying that he felt that the state tax commission would do a much better job of attaining equity in mine taxation than the county assessors could do.

Mr. Moschetti then continued with his planned testimony for the day. He told the committee that the Assessors Association felt that membership of the county board of equalization should not be changed. (Page 20 section 64 of bill) He felt that in the small counties it would be hard to find persons with those

ASSEMBLY TAXATION
March 13, 1975
Page Three

qualifications. With regards to the state board of equalization, the assessors felt that three members were not enough and that maybe they should add two more members to make a total of five members on the board.

Mr. Young asked Mr. Moschetti if the assessors had some specific qualifications for the extra two members. He said he did not.

Mr. Demers suggested that it consist of two realtors from the South and two realtors from the North and one CPA.

Mr. Lien of the Tax Commission said that at the present time there is not enough work for a full time board, he said that the decision for a lay board or a professional board could be debated.

Mr. Bob Warren of the Nevada League of Cities suggested that there be a standard program for economic obsolescence so as to make equity among counties.

Mr. Jim Anderson of the Division of Assessment Standards of the Tax Commission said that the allowance had to vary from property to property and from situation to situation.

Mr. Young asked what prompted the equity committee to decide on two realtors and one CPA.

Dr. Atkinson told him that the state board of equalization's job was to interpret appraisal procedures so they must be people with knowledge in that field.

Mr. Jim Lien of the Tax Commission gave some specific suggestions for amendment of the bill. He suggested that on page 11 line 12 the words "with appraisal responsibilities" be added after the word "deputy". He said that this would clear up the problems that the assessors have with this section. He also said that line 47 of page 11 should have January 1 instead of July 1. He suggested that a subsection 3 be added to section 48 of the bill which relates to the mandatory education of assessors and their staff. He said that he would submit it to the committee at the next meeting.

Mr. Ernest Newton of the Nevada Taxpayer's Association brought to the committee's attention the fact that on page 11 line 42 the term credit hours needed clarifying because the common use of that term was to mean almost a full year of full time college study. (If used as in the bill "24 credit hours")

Mr. Homer Rodriguez, Carson City Assessor, then told the committee that if they impose the education requirement on the assessors that it would be the only restriction on the qualifications of an elected official and that there is not a provision for a salary increase to go along with the education requirement. (Page 11 section 48)

ASSEMBLY TAXATION
March 13, 1975
Page Four

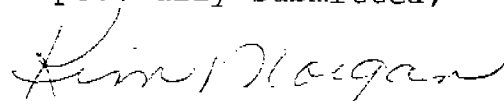
Mr. Bob Broadbent of the County Commissioners Association told the committee that his association did not want a change in the membership of the county board of equalization and that they would be happy with the amendment proposed by Senator Dodge regarding the membership of the Tax Commission. He also added that when you have an education requirement on an employee of the state or counties there should be a monetary appropriation to go along with the employee's reasonable request for a salary reclassification after he has completed the education required. (Page 11 section 48)

The committee recieved a letter from Mr. Carl Soderblom that contained his feelings regarding A. B. 317. The letter is contained in these minutes as Attachment 1.

Mr. May obtained permission from the committee to introduce a bill regarding a 1/2 increase in the City County relief. The request for this bill came from Mr. Bob Warren, his letter is Attachment 2. The committee was all in favor except Mr. Demers.

There being no further business, the committee stood adjourned at 10:47.

Respectfully submitted,



Kim Morgan
Committee secretary

NEVADA RAILROAD ASSOCIATION

CARL A. SODERBLOM, Representing
Southern Pacific Company
Western Pacific Railroad Company
One East First Street, Room 803
Reno, Nevada 89501
Telephone 329-2492

March 12, 1975

File: 1975 Legislature
A.B. 317

Assemblyman Paul E. May
Chairman, Assembly Committee on Taxation
Legislative Building
Carson City, Nevada 89701

Dear Paul:

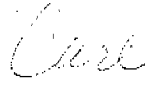
This has reference to my recent conversation with you relative to A.B. 317 which would establish a Department of Taxation and make several changes in the revenue code concerning taxation of property.

I feel very strongly that there should be uniformity and equalization of assessments in the State within counties, also among the various counties. Therefore, I feel that an amendment to A.B. 317 is necessary if we are to accomplish this objective. I am proposing that the words "department may" on Page 4, line 49 should be changed to "department shall."

On page 24, section 29, line 24 provides that meeting of the State Board of Equalization shall be public and any person is entitled to appear. In my considered judgement in order to eliminate unnecessary work for the Board brought about by some disgruntled individual, the word "person" should be changed to "taxpayer."

Other than the two changes I have recommended, I feel that your committee has done a good job in drafting a good bill. Changes made to Chapters 250 and 361 of the N.R.S. contained in sections 44 through 57 are very much needed if we are ever to attain equalization within the state, and I sincerely hope that we are successful in retaining the qualifications of assessors as well as a parcelling system for the various counties as contained in these sections.

Sincerely yours,


CARL A. SODERBLOM

MINUTES

ASSEMBLY TAXATION

March 18, 1975

9:30

Members Present: Chairman May
Mr. Mann
Mr. Christensen
Mr. Demers
Mr. Harmon
Mr. Murphy
Mrs. Ford
Mr. Young

Members Excused: Mr. Bennett

Guests Present: Bill Dwyer, United Taxpayers of Washoe County
J. A. Downey, " " " "
John Sheehan, Nevada Tax Commission
Micki Blomdal, " " "
Homer Rodriguez, Carson City Assessor
James Anderson, Nevada Tax Commission
Jim Lien, " " "
Ernest Newton, Nevada Taxpayers Association

The meeting was called to order at 9:42 by Chairman May. He told the audience that this meeting was to continue discussion on A. B. 317 and to discuss A. B. 411.

ASSEMBLY BILL 411

Mr. Jack Sheehan of the Tax Commission told the committee that this bill makes the penalties on the 1% sales tax and the 1/2% county city relief tax conform. The voters at the last election voted to allow the Nevada Tax Commission to have discretion with regard to the amount of penalty charged on late tax payments. This bill simply makes that change.

ASSEMBLY BILL 317

Mr. Jack Sheehan and Mr. Jim Lien of the Tax Commission passed out a list of proposed amendments that the Tax Commission and the assessors had gotten together and made up. They discussed these changes with the committee. The proposed amendments are ATTACHMENT 1.

Mr. Young suggested another point for consideration. He thought that the Governor should not appoint the Chairman of the Tax Commission but that the members of the commission themselves should decide who should be chairman.

Mr. Homer Rodriguez, Carson City Assessor, made another suggestion as to a proposed amendment. He said that the Assessor's Association

IN THE SUPREME COURT OF THE STATE OF NEVADA

VILLAGE LEAGUE TO SAVE INCLINE)
ASSETS, INC., A Nevada Non-Profit)
Corporation, on behalf of their members)
and others similarly situated, DEAN)
INGEMANSON, Trustee of the Larry D. &)
Maryanne B. Ingemanson Trust, DEAN R.)
INGEMANSON, Individually and as Trustee)
of the Dean R. Ingemanson Trust; J.)
ROBERT ANDERSON; LES BARTA;)
KATHY NELSON, Individually and as)
Trustee of the Kathy Nelson Trust; and)
ANDREW WHYMAN; et al.,)

vs.)

THE STATE OF NEVADA, BOARD OF)
EQUALIZATION; et al.,)

Respondents.)
_____)

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Case No. 63581
Tracie K. Lindeman
Clerk of Supreme Court

APPEAL

Case No. CV03-06922 (consolidated with Case No. CV13-00522)

In the Second Judicial District Court of the State of Nevada

Before the Honorable Patrick Flanagan

APPELLANTS' REPLY BRIEF

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REPLY IN SUPPORT OF JURISDICTIONAL STATEMENT

The Washoe County respondents (County) contest the taxpayers' jurisdictional statement on two grounds: (1) that the district court decision was not final and (2) that, even if it was, taxpayers are not "aggrieved" parties. The County is wrong on both grounds. This Court has jurisdiction over this appeal.

A. The Dismissal Was an Appealable Final Judgment.

The County has confused the proceedings before the State Board of Equalization (SBOE) with proceedings in the district court. Certainly the SBOE proceeding is not completed. The petition for judicial review expressly sought **interlocutory** review as authorized by NRS 233B.130. Rather than contest the merits of the petition, both the County and the SBOE moved to dismiss. The district court granted those motions and entered an order dismissing the petition. An order of dismissal is as final as an order can be. Taxpayers took this appeal from that order of dismissal.

The County cites *Leyva v. National Default Servicing Corp.*, 127 Nev. Adv. Op. 40, n.3, 255 P.3d 1275, 1277 n. 3 (2011), for the proposition that "[a]n order granting or denying a petition for judicial review is an appealable final judgment **only if it fully and finally resolves the matters as between all parties.**" **Washoe County Respondents' Answering Brief (County Brief), p. 4, Ins. 1-5 (Emphasis added).** All that *Leyva's* footnote 3 says, however, is that "This court has jurisdiction over the appeal from the district court's final order in the judicial

review proceeding." The "full and final resolution of all matters" language relied upon by the County is found in *Jacinto v. PennyMac Corp.*, 129 Nev. Adv. Op. 32, 300 P.3d 724, 726 (2013), but with a critical caveat. Both *Leyva* and *Jacinto* arise under the Foreclosure Mediation Program and interpret the judicial review provisions of Rule 21 of the FMP Rules, rather than the judicial review provisions of NRS Chapter 233B. As *Jacinto* expressly states, its judicial review holding is **limited** to "FMP matters." *Jacinto, supra*. Since FMP Rule 21 contains no provision for interlocutory judicial review, FMP Rule 21 decisions have no application to this case.

The County's argument is, for all practical purposes, that there is no right to appeal from a dismissal of a petition for interlocutory judicial review. Requiring that such a dismissal "resolve" all the issues in the case is asking for the impossible. When a court dismisses a case at the outset for lack of jurisdiction, it is not required to decide the case on the merits before the jurisdictional decision can be appealed. The jurisdictional dismissal is final and appealable. Similarly here, the district court's dismissal of taxpayers' petition for interlocutory judicial review was final and appealable under both NRAP 3A(b)(1) and NRS 233B.150.

Alternatively, if respondents are correct and the proceeding before the SBOE was not a "contested case" reviewable under NRS Chapter 233B, then the district court's denial of taxpayers' objections and acceptance of the SBOE's report concluded the mandamus proceeding. The acceptance of the SBOE report closed

the mandamus case and constituted a final order appealable under NRAP 3A(b)(1).

B. Taxpayers Are "Aggrieved" Parties.

The County also argues that appellant taxpayers will not be "aggrieved" parties until and unless their property values are increased. The law does not take such a narrow view of the term "aggrieved." Taxpayers are "aggrieved" and have standing to appeal under NRAP 3A because they were parties to the proceedings in the district court who were denied the relief they expressly sought which was the interlocutory review and reversal of the SBOE decision. Taxpayers were "aggrieved" by the district court's denial and dismissal of that claim. *See, e.g., Settelmeyer & Sons v. Smith & Harmer*, 124 Nev. 1206, 1212-1213, 197 P.3d 1051, 1055-1056 (Nev., 2008); *Jacinto, supra*. In *Jacinto*, the district court granted Jacinto's petition for judicial review but denied his request for home loan modification. This Court found that Jacinto was "aggrieved" and had standing to pursue an appeal because "[i]n creating the Foreclosure Mediation Program, the Nevada Legislature expressly created a right to seek a judicially imposed home loan modification." 300 P.3d at 726. Jacinto was "aggrieved" because he had a statutory right **to seek** home loan modification not because he was **entitled** to a home loan modification. Similarly, taxpayers here are "aggrieved" and have standing to appeal because they have a statutory right to pursue interlocutory judicial review and the denial of their petition deprived them of that right. *See Webb, ex rel. Webb v. Clark County School Dist.*, 125 Nev. 611, 617, 218 P.3d

1239, 1244 (2009) ("the term 'aggrieved' means a 'substantial grievance,' which 'includes . . . **the denial to [a party] of some . . . legal right.**'")

REPLY ARGUMENT

I. Introduction

Incline Village/Crystal Bay taxpayers began this case more than ten years ago seeking equalization of their 2003-2004 property valuations. As confirmed by this Court's decisions in *State ex rel. State Board of Equalization v. Bakst (Bakst)*, 122 Nev. 1403, 148 P.3d 717 (2006), and *State ex rel. State Board of Equalization v. Barta (Barta)*, 124 Nev. 58, 188 P.3d 1092 (2008), in its 2002 appraisal, the Washoe County Assessor's Office used valuation methodologies at Incline Village/Crystal Bay that it did not use elsewhere in Washoe County and that were also not used elsewhere in the state, violating the constitutional requirement of uniformity. *Bakst* and *Barta* involved a limited number of individual cases. This parallel equalization matter was dismissed twice by the district court and twice reversed and remanded by this Court. With the passage of time, taxpayers sought equalization for subsequent years in which, under a 5-year reappraisal cycle, base values were also determined by the invalid 2002 appraisal. After ten years, in a mandated equalization hearing before the SBOE, the Assessor identified more than 5000 Incline Village/Crystal Bay properties which had been valued in the 2002 appraisal using the methodologies found unconstitutional in *Bakst*.

Equalization requires that these properties receive the relief affirmed by this

Court for the *Bakst* parties. After first deciding to award that relief, the SBOE reversed itself and entered an unprecedented order for the mass reappraisal of those properties for each of the three tax years 2003-2004, 2004-2005 and 2005-2006, for a total of more than 16,000 reappraisals.

Nothing in Nevada's comprehensive statutory structure for property taxation or its substantial decisional law construing those statutes authorizes an SBOE reappraisal order. The SBOE's attempt to arrogate such jurisdiction to itself through regulation must be rejected as outside both the law and the regulation making authority of the SBOE. The SBOE is a legislatively created body. Its jurisdiction is defined by its enabling statute and cannot be expanded by regulation. Even if jurisdiction could be expanded by regulation, only the Tax Commission has the authority to adopt substantive tax regulations.

In any event, an SBOE reappraisal order is not within Nevada tax law because such an order is neither a reasonable nor an appropriate remedy. The process for appraisal, assessment, equalization and collection of property taxes is fast-tracked. There is no room along that track for re-dos or starting over. Furthermore, do-over reappraisals performed at the order of the SBOE would violate constitutional due process requirements. Such reappraisals would have the legal effect of initial appraisals but without the statutory due process protections provided to the taxpayer upon an initial appraisal. This Court recognized these policy considerations in *Bakst* and *Barta* when it rejected the remand requested by

the SBOE and instead reset property values to their last uncontested level. If a reappraisal order was not a reasonable or appropriate remedy for the 17 taxpayer properties and the one year involved in *Bakst*, it cannot be a reasonable or appropriate remedy for more than 16,000 properties over a three-year period.

II. The SBOE Lacks The Jurisdiction Under NRS §361.395 To Order A County Assessor To Conduct Mass Retroactive Reappraisals.

The reappraisal ordering authority, if any, of the SBOE is an issue of first impression. In over a hundred years of property tax assessment, review and collection, the SBOE has never previously ordered an individual reappraisal in the same tax year let alone thousands of reappraisals dating back more than 10 years. Affirming the SBOE's reappraisal jurisdiction would have potentially significant implications for all Nevadans impacted by the assessment of real property taxes.

The SBOE and County offer four overlapping arguments in support of SBOE "reappraisal" authority:

(1) An order for mass retroactive reappraisal is within the SBOE's discretion. **Respondent State Board of Equalization's Answering Brief (Dec. 26, 2013) (SBOE I), pp. 25-29; Respondent State Board of Equalization's Answering Brief (Jan. 15, 2014) (SBOE II), pp. 1-2, 12-13, 20, 30, 46; County Brief, p. 36.**

(2) The SBOE's determination of its jurisdiction should be accorded deference under the *Chevron* doctrine. **SBOE I, p. 28.**

(3) The State Board may apply its "first-time interpretive equalization regulations" retroactively to order mass reappraisals. **SBOE II, pp. 13, 20-28.**

(4) The SBOE has jurisdiction to equalize by reappraisal because reappraisal is a "reasonable" interpretation of the statute and an "appropriate"

remedy. **SBOE I, pp. 11-12, 24-29; SBOE II, pp. 13-15, 29-30, 46-47; County Brief, pp. 16, 22, 24.**

None of these arguments is supported by the statutes or the case law either in Nevada or any other jurisdiction.

A. SBOE Jurisdiction Is A Matter Of Statute Not "Discretion."

1. A Statutorily Created Agency Can Exercise Jurisdiction Only Within The Parameters Of Its Enabling Statutes.

The argument that this Court must affirm the order for mass retroactive reappraisal as an exercise of the SBOE's discretion merely begs the question. The SBOE can exercise "discretion" only within the parameters of its enabling statutes. It has no "discretion" to extend or expand on its statutory jurisdiction. As this Court noted with respect to its own jurisdiction:

This court's jurisdiction is defined by Nevada law and, notably, this court cannot expand its jurisdiction based on general principles of fundamental fairness. *State v. Lewis*, 124 Nev. 132, 137, 178 P.3d 146, 149 (2008).

The SBOE admits that NRS §361.395 "provides the only statutory authority for the State Board to equalize statewide. . . ." **SBOE II, p. 21, Ins. 5-6.** If the SBOE has "discretionary" authority to order mass retroactive reappraisal, then the basis for that authority must lie in NRS §361.395. Since NRS §361.395 contains no provision expressly authorizing reappraisals, any such authority must be implied. Tax statutes, however, are construed strictly, in favor of the taxpayer and are not extended by implication. *NRS §360.291(1)(o)*("[E]ach taxpayer has the

right: *** to have statutes imposing taxes and any regulations adopted pursuant thereto construed in favor of the taxpayer if those statutes or regulations are of doubtful validity or effect, unless there is a specific statutory provision that is applicable"); *Harrah's Operating Company, Inc. v. State, Dep't of Taxation*, 130 Nev. Adv. Op. 15, ___ P.3d. ___, 2014 WL 1096723 (March 20, 2014) ("tax statutes are to be construed in favor of the taxpayer"); *Cashman Photo v. Nevada Gaming Com'n*, 91 Nev. 424, 538 P.2d 158 (1975)("A tax statute particularly must say what it means. We will not extend a tax statute by implication.").

The language of NRS §361.395 is straightforward and precise. It has a "plain meaning." The sum of the SBOE's equalization authority is to "equalize property valuations" by "reviewing" the corrected tax rolls and then "raising or lowering"¹ the values as previously established by "county assessors, county boards of equalization and the Nevada Tax Commission." Determining the amount by which values are raised or lowered is the limit of the SBOE's discretion.

Under the language of the statute, however, that discretion must be exercised on valuations already "**established**" by all the county assessors and county boards of equalization and the Nevada Tax Commission." *NRS §361.395(1)(b)*. Under the statute as written, the SBOE has no authority to create new values by ordering

¹ The SBOE argues that, if taxpayers are correct in their analysis, then the SBOE can do nothing because it has "no specific powers" under NRS §361.395. **SBOE II, p. 26, lns. 9-12.** It is not clear what the SBOE means by this argument. "Raise" and "lower" values are not only "specific" powers, they are all the powers necessary to equalize valuations.

county assessors to perform mass reappraisals. Equalization is limited to adjusting values already "established" by the assessors, county boards, and the Commission.

2. There Is No Basis For Examining The Legislative History Of The Unambiguous NRS §361.395 And No Legislative History To Examine.

Effectively acknowledging that NRS §361.395 is unambiguous, respondents argue that this Court should nonetheless examine the statute's legislative history. **SBOE II, pp. 25-26.** Respondents quote the U.S. Supreme Court in *Harrison v. Northern Trust Co.*, 317 U.S. 476, 479, 63 S.Ct. 361, 87 L.Ed. 407 (1943) ("words are inexact tools at best and for that reason there is wisely no rule of law forbidding resort to explanatory legislative history no matter how 'clear the words may appear on' superficial examination.") **Id., p. 25, lns. 9-13.** Respondents, however, miscite *Harrison* in this context.

Harrison involved the federal estate tax charitable beneficiary deduction. The Seventh Circuit based its ruling on the "unambiguous" language of the applicable statute and Supreme Court precedent in *Edwards v. Slocum*, 264 U.S. 61, 44 S.Ct. 293, 68 L.Ed. 564 (1924). Reversing, the Supreme Court found that the words "payable out of" as contained in the statute as amended were, in fact, ambiguous and accordingly justified an examination of the legislative history.

The Supreme Court wrote as follows:

[W]e think [the Circuit Court] should have considered the legislative history of [the amendment to the statute] to determine in just what sense Congress used the words

‘payable out of’. The committee reports on [the amendment to the statute] demonstrate that it was intended as ‘a legislative reversal of the decision’ in *Edwards v. Slocum*, *supra* [citations omitted], 317 *U.S. at 479-480*.

The U.S. Supreme Court does not endorse going beyond the unambiguous language of a statute to examine its legislative history. *See Ratzlaf v. U.S.*, 510 U.S. 135, 147–48, 114 S.Ct. 655, 126 L.Ed.2d 615 (1994) (the Court would “not resort to legislative history to cloud a statutory text that is clear”); *Bates v. U.S.*, 522 U.S. 23, 29, 118 S.Ct. 285, 139 L.Ed.2d 215 (1997) (courts must “resist reading words or elements into a statute that do not appear on its face”); *Barnhart v. Sigmon Coal Co.*, 534 U.S. 438, 122 S.Ct. 941, 151 L.Ed.2d 908 (2002) (“When the words of a statute are unambiguous, then, this first canon is also the last: judicial inquiry is complete.”).

In any event, respondents have omitted the most important prerequisite to exploring a statute's "explanatory legislative history." **They have failed to provide the relevant legislative history.**

By the respondents' own admission, the only statute that matters to the SBOE's equalization authority is NRS §361.395. Respondents have provided neither the legislative history of NRS §361.395 nor any citation to any portion of that history. The only legislation referenced by respondents is Assembly Bill 317 which was adopted by the 1975 Legislature. **SBOE II, p. 24, lns. 7-16.**

AB 317 created a SBOE that was separate from the Tax Commission, as

codified at NRS §361.375. AB 317 made no changes to the SBOE's pre-existing equalization jurisdiction under NRS §361.395. A copy of the published legislative history of AB 317, from the Legislative Counsel Bureau's website, is included in the Reply Addendum (RPA) at **RPA004-RPA196**. The Court is requested to take judicial notice of that history which reflects that no changes were made or proposed to NRS §361.395 and no discussion of the SBOE's equalization jurisdiction took place.

Respondents' failure to provide the legislative history of NRS §361.395 suggests that such legislative history either does not exist or would not support their position. In any event, this Court cannot "expand" on the unambiguous language of NRS §361.395 based on the **absence** of legislative history.

There is no "reappraisal" option in the statute and no basis for implying a reappraisal option. In *Cashman, supra*, for example, the omission of the term "services" in the relevant statute precluded the taxation of photographic services. *91 Nev. at 426-427, 538 P.2d at 159-160*. Likewise, in *Harrah's Operating Co., supra*, this Court reversed the Tax Commission decision on the grounds that it would not "impose a temporal requirement not found in the statute." *130 Nev. Adv. Op. 15, p. 7*.

This Court wrote as follows:

[T]his court must apply the statutes as written. * * * Any expansion of Nevada's use tax must come from the Legislature, not this court. *Id.at fn.2*.

This Court must apply NRS 361.395 as written. The SBOE's order for mass retroactive appraisal must be set aside. Any authority in the SBOE to order mass reappraisal must come from the Legislature.

B. There Is No Basis Here For *Chevron* Deference.

1. The Legal Conclusions Of An Administrative Agency Are Reviewed *De Novo* Under Nevada Law With No Deference To Agency Interpretations That Are Not Within The Language Of The Statute And Made By The Agency Charged With Administrative Authority.

Respondents argue that the SBOE is entitled to determine its own jurisdiction and that, under *Chevron, U.S.A., v. Natural Resources Defense Council, Inc.*, 467 U.S. 837, 104 S.Ct. 2778, 81 L.Ed.2d 694 (1984), and *City of Arlington, Texas v. F.C.C.*, ____U.S.____, 133 S.Ct. 1863, ____L.Ed.2d____ (2013), this Court should defer to that determination as long as it is reasonable. **SBOE I, p. 28, lns. 9-10.** According to respondents, this Court simply does not have to "puzzle over" the SBOE jurisdiction issue at all. **Id., p. 28, lns. 20-21.**

Respondents are mistaken. This Court reviews *de novo* the legal conclusions of an administrative agency. *See, e.g., Harrah's Operating Co., supra*, 130 Nev. Adv. Op. 15, pp. 3-4; *Nev. Tax Comm'n v. Nev. Cement Co.*, 117 Nev. 960, 964, 36 P.3d 418, 420 (2001) ("Questions of law, including the administrative construction of statutes, are subject to independent appellate review."); *Langman v. Nevada Administrators, Inc.*, 114 Nev. 203, 207, 955 P.2d 188, 190 (1998) ("Because this

case concerns the construction of a statute, ... independent review is necessary.")

In the context of that *de novo* review, this Court gives deference to administrative interpretation of the statute only where both (1) the agency making the interpretation is "charged with the duty of administering [the statute]" and (2) the agency interpretation is "within the language of the statute." *Clark County School Dist. v. Local Gov't*, 90 Nev. 442, 446, 530 P.2d 114, 117 (1974); *Dutchess Business Services, Inc. v. Nev. State Bd. of Pharmacy*, 124 Nev. 701, 709, 191 P.3d 1159, 1165 (2008); *UMC Physicians' Bargaining Unit of Nevada Service Employees Union v. Nevada Service Employees Union*, 124 Nev. 84, 88-89, 178 P.3d 709, 712 (2008); *Taylor v. Nev. Dep't of Health & Human Services*, 129 Nev. Adv. Op. 99, p. 4, 314 P.3d 949, 951 (Nev., 2013).

Neither prerequisite to deference to agency interpretation is met here. The SBOE is not the agency charged with the duty of administering Nevada property tax law, including equalization. The Department of Taxation, headed by the Tax Commission, is expressly charged with that duty. *NRS §360.200; §360.215*. Furthermore, the authority to order assessor do-over reappraisals is found nowhere "within the language of the statute." *NRS §361.395* contains no mention of the word "reappraisal." The only references to "reappraisal" in the entirety of *NRS Chapter 361* are to appraisals done of properties that were appraised in a prior year. *NRS §§361.227(5); 361.260; 361.300; 361.333*.

Under Nevada law, in its *de novo* review of *NRS §361.395*, this Court can

give no deference to the SBOE interpretation of its jurisdiction. That *de novo* review must conclude that the statute contains no authority whatsoever for a mass retroactive reappraisal order.

2. Respondents' Reliance On *Chevron* Is Misplaced.

Chevron, *City of Arlington*, and related cases are all federal cases dealing with federal statutes and federal agency interpretations of those statutes. The SBOE erroneously suggests that this Court has adopted the *Chevron* doctrine because it "has cited to *Chevron* in support of its opinion giving deference to a state executive branch agency's determination." **SBOE I, p. 28, lns. 10-20, citing *Thomas v. City of North Las Vegas*, 122 Nev. 82, 102, fn. 50; 127 P.3d 1057, 1070, fn. 50 (2006).** *Thomas* is the single reference to the *Chevron* decision in the entirety of this Court's jurisprudence and no "state executive branch agency" was involved in that case. Nor was any Nevada statute. In *Thomas*, two former City police officers and the City were opposed by the police union. The *Thomas* reference to *Chevron* related to an interpretation by the National Academy of Arbitrators of a provision of the Code of Professional Responsibility for Arbitrators of Labor–Management Disputes. *122 Nev. at 101-102 and fn. 50.*

Furthermore, even if this Court had decided to adopt an analogous state *Chevron* doctrine, the prerequisites to the application of that doctrine are missing.

The *Chevron* deference doctrine has two requirements:

- (1) an ambiguous statute and

(2) an interpretation by an agency with the authority to make the interpretation. *Smiley v. Citibank (South Dakota), N.A.*, 517 U.S. 735, 116 S.Ct. 1730, 135 L.Ed.2d 25 (1996); see also, *Chevron*, *supra* at 843-844; *City of Arlington v. F.C.C.*, *supra*, 133 S.Ct. at 1868-1871 ("the agency must have received congressional authority to determine the particular matter at issue in the particular manner adopted."); *U.S. v. Mead Corp.*, 533 U.S. 218, 226-227, 121 S.Ct. 2164, 150 L.Ed.2d 292 (2001)("An agency interpretation warrants [Chevron] deference **only** if Congress has delegated authority to definitively interpret a particular ambiguity in a particular manner.").

An "ambiguous" statute is "capable of being reasonably understood to have more than one meaning." *Valdez v. Employers Ins. Co. of Nev.*, 123 Nev. 170, 174, 162 P.3d 148, 151 (2007). It is undisputed that the language of NRS §361.395(1) is plain, unambiguous and capable of a single ordinary meaning. The SBOE is directed to equalize by raising or lowering the values established by county assessors, county boards of equalization and the Tax Commission. No authority is given to order new valuations by any of those entities.

Furthermore, the SBOE is not the agency designated by the Nevada Legislature with the authority to adopt substantive regulations under the tax statutes. Under NRS §233B.040, an agency can adopt regulations only "to the extent authorized by the statutes applicable to it." The sole authority for adopting regulations interpreting property tax statutes is the Tax Commission. NRS

§360.090; §360.250. The SBOE, in fact, is required to comply with regulations adopted by the Tax Commission. *NRS §361.375(10)*. The SBOE regulation authority is limited to "regulations governing the conduct of its business."² *NRS §361.375(9)*. Again, the statutory language is significant. The statute does not authorize the adoption of regulations governing the "business" of the SBOE, which includes equalization, but rather, just the "conduct" of that business.

The SBOE is authorized by law only to adopt regulations governing procedure before the Board. The SBOE has no authority to adopt substantive regulations with respect to equalization or any other property tax matter. When the Legislature separated the SBOE from the Tax Commission, it did not create rival tax regulation authority. There can be no *Chevron* deference where there is no regulatory authority.

C. The SBOE's (Unauthorized) 2010 Equalization Regulations Are Neither Interpretive Nor Applicable Retroactively; Moreover, Those Regulations Were Not Followed In This Matter.

1. The SBOE Did Not Follow Its (Unauthorized) 2010 Equalization Regulations In This Case.

The SBOE argues this case as though it applied its 2010 equalization regulations in responding to the Writ of Mandate and in ordering mass retroactive reappraisals performed by the Washoe County Assessor. This Court, however,

² The SBOE is also expressly authorized to "establish procedures for county boards [of equalization]. *NRS §361.340(11)* The SBOE has established those procedures by regulation. *NAC 361.622-361.645*.

cannot decide this case on that false premise. In truth, the SBOE did not apply and could not have applied its 2010 equalization regulations because those regulations contain no provisions for (1) the resolution of taxpayer equalization grievances as directed by the Writ of Mandate, (2) prior year equalization, or (3) "equalizing" just a single geographic area within a single county. **Appellants' [First] Supplemental Appendix(ASA)-VL0031-VL0044.**

Even attempting to apply the 2010 equalization regulations would have required the SBOE to consider, at a minimum:

1. The tax roll of each county, as corrected by the county board and filed with the Secretary pursuant to NRS 361.390;
2. The central assessment roll prepared pursuant to NRS 361.3205;
3. The results of any relevant ratio study conducted by the Department pursuant to NRS 361.333;
4. The results of any relevant audit of the work practices of a county assessor performed by the Department pursuant to NRS 361.333 to determine whether a county has adequate procedures to ensure that all property subject to taxation is being assessed in a correct and timely manner;
5. Any relevant evidence submitted to a county board or the State Board pursuant to NRS 361.355;
6. Any information provided to the State Board pursuant to NAC 361.661, 361.662 and 361.663; and
7. Any other information the State Board deems relevant. *NAC 361.660 (ASA-VL00008).*

Attempting to apply the 2010 equalization regulations would also have required "a systematic investigation and evaluation of the procedures and operations of the county assessor." *NAC 361.663 (ASA-VL0037).*

None of that was done here. All the SBOE did, and not on its own initiative but as directed by the Department, was to cherry-pick isolated provisions of the regulations to use to justify its interlocutory decision. Those provisions included the definition of "equalize property valuations" and the purported authority to order assessor reappraisals. *NAC 361.652; 361.665 (ASA-VL0031, VL0038)*. The 2010 equalization regulations, however, contain no provision authorizing their piecemeal use. There is no authority anywhere in the law for the retroactive, or even the prospective, piecemeal application of selected provisions.

2. The SBOE's 2020 Equalization Regulations Are Not "Interpretive" Under The *LB Properties* Decision.

In *County of Clark v. LB Properties, Inc.*, 129 Nev. Adv. Opn. 96, 315 P.3d 294 (2013), this Court introduced into Nevada law the distinction between "interpretive" and "legislative" regulations. In *LB Properties*, the regulation in question concerned the valuation of remainder parcels of real property. The property valuation at issue, however, in *LB Properties* had occurred prior to the adoption of the regulation. Preferring the new valuation method over the method previously used by the county assessor, the taxpayer argued that the new regulation was merely "interpretive" and thus could be applied retroactively. The Court rejected the taxpayer's argument both as to the nature of the new regulation and the parameters of retroactive application.

The Court first distinguished between interpretive and legislative regulations as follows:

Interpretive regulations **construe, but do not expand upon**, the terms of a statute. Legislative regulations, by contrast, are adopted under power delegated by the Legislature to an agency and establish substantive rules that create standards of conduct and impose new rights or duties. *315 P.3d at 296* (Emphasis added).

The Court then held that the regulation at issue was legislative, writing as follows:

[It] establishes a substantive rule for assessing and valuing remainder properties; it does not merely construe the meaning of the statute. Thus, NAC 361.61038 is legislative, not interpretive. *315 P.3d at 296*.

Applying the *LB Properties* analysis in the present case, the Court must similarly reject the notion that the 2010 equalization regulations are "interpretive."³ Those regulations take up 14 pages and more than 3600 words. **ASA-VL0031-VL0044**. The 2010 regulations do not "merely construe the meaning of [NRS §361.395]." Interpretive regulations have been compared to judicial constructions

³ Although the 2010 equalization regulations are not "interpretive," they cannot fairly be characterized as "legislative" either, at least in their entirety. To the extent the 2010 equalization regulations prescribe the conduct of SBOE equalization hearings, they fall under the SBOE's statutory authority to adopt regulations governing the "conduct" of Board business. NRS §361.375(9); NRS §233B.040(1). However, to the extent the 2010 equalization regulations purport to expand the jurisdiction of the SBOE, to create new powers over county assessors and others, or to define statutory terms, they are unauthorized by any legislative directive. To that extent, they usurp the plenary regulation making authority of the Tax Commission under NRS §360.090 and are void and unenforceable. *See, e.g., Diageo-Guinness USA, Inc. v. State Bd. of Equalization*, 140 Cal.Rptr.3d 358, 364 (Cal.App. 2012).

of a statute. *See, e.g., Brown v. Bank of America, N.A., 457 F.Supp.2d 82, 88 (2006).* Neither this Court nor any other court has ever needed 3600 words to "construe" a statute. The 2010 equalization regulations, like the valuation regulation in *LB Properties*, establish, or at least purport to establish, new substantive rules for equalization.

2. The SBOE Confuses "Interpretive" With "Interpretative."

In claiming that the 2010 equalization regulations are "interpretive," the SBOE primarily relies not on *LB Properties* but rather on the Ninth Circuit decision in *Southern California Edison Company v. F.E.R.C., 770 F.2d 779 (9th Cir. 1985)*. Citing *Southern California Edison*, the SBOE argues that the 2010 equalization regulations are "interpretive" because "they provide procedures and remedies." **SBOE II, p. 28, Ins. 9-10.** "Providing procedures and remedies" is different from the "merely construe" standard articulated by this Court in *LB Properties*, 315 P.3d at 296.

The term "interpretive" actually does not appear anywhere in the *Southern California Edison* opinion. That opinion deals with a different issue raised by the federal Administrative Procedure Act, which distinguishes between "substantive" and "interpretative" regulations and only requires "substantive" rules to satisfy the "notice and comment" requirements. 5 U.S.C. § 553(b)(3)(A). The issue in *Southern California Edison* was whether a FERC regulation was "substantive" or "interpretative" under the APA. Although the SBOE uses "interpretive" and

"interpretative" as though they were the same word, the two words represent different legal standards. The federal APA's distinction between "interpretative" and "substantive" regulations has no bearing whatsoever on whether the 2010 equalization regulations are "interpretive" or "legislative" under Nevada law.

4. The Retroactive Application Of The 2010 Equalization Regulations Is Prohibited.

Respondents cite *LB Properties* not for its "merely construe" standard but rather for its language on retroactive application to the effect that:

Despite the general rule against retroactivity, if a regulation is a first-time interpretive regulation, application to preexisting issues may be permissible. *LB Properties, supra, 315 P.3d at 296.*

Since the 2010 equalization regulations do not "merely construe" NRS §361.395, however, and do not qualify as "interpretive," respondents cannot avail themselves of this possible "exception" to the general bar against retroactive application. *LB Properties, supra, 315 P.3d at 297.*

Even if the equalization regulations could be fairly characterized as "interpretive," their retroactive application would still be barred under *LB Properties*. "Interpretive" regulations can be applied retroactively **only** if (1) they reflect no change in the law or (2) the language authorizes retroactive application. *LB Properties, supra, 315 P.3d at 296.* To try to satisfy these requirements, the SBOE argues that the 2010 equalization regulations "do not change past practice," that "there is no 'explicit break from prior practice'" and that the regulation does

not state that it "could not be retroactively applied." **SBOE II, p. 13, Ins. 8-9; p. 29, Ins. 3-5.** These assertions fly directly in the face of the facts, the SBOE's own description of its "past practice" and the language of the regulations.

The 2010 equalization regulations totally change "past practice" because they create a process where none existed before. This very case survived an initial motion to dismiss because of the absence of any administrative process to exhaust. *Village League to Save Incline Assets v. State ex rel Department of Taxation, No. 43441 (Nev. March 18, 2009).* The SBOE itself describes its "past practice" earlier in the brief as follows:

Prior to the *Bakst* and *Barta* cases and since at least 1975, the State Board heard individual cases and equalized property on the basis of evidence received during individual hearings while the Nevada Tax Commission (NTC) equalized statewide. **SBOE II, p. 21, Ins. 7-10; see also, SSA-VL130-VL136 (Equalization Order (July 12, 2004)).**

The process created by the 2010 equalization regulations which, for all practical purposes, excludes individual taxpayers can only be described as a "change" and an "explicit break" from a past practice of "equalizing" based on individual taxpayer cases. The SBOE further expressly acknowledged the break with past practice in its explanation of the need for delaying the effective date of the regulations to avoid "impos[ing] a new equalization process during the current fiscal year." **RPA003 (Emphasis added.)**

The SBOE is technically accurate in claiming that the 2010 equalization

regulations do not expressly **prohibit** their **retroactive** application. **SBOE II, p. 29, Ins. 3-5.** Under the law, however, retroactive application requires not the absence of a prohibition but rather the affirmative authorization. *LB Properties, supra, 315 P.3d at 296.* The 2010 regulations never use the word "retroactive," never even use the past tense, and, more importantly, expressly **provide** for **prospective** application. **ASA-VL0031-VL0044, VL0044.** Retroactive application is not authorized by the 2010 equalization regulations and is therefore barred as a matter of law. *LB Properties, supra, 315 P.3d at 296; see also Barta, supra, 124 Nev. at 622, 188 P.3d at 1099.*

D. Mass Retroactive Reappraisal Is Neither A Reasonable Interpretation Of The Statute Nor An Appropriate Remedy.

1. Mass Retroactive Reappraisal Is Neither A Reasonable Nor An Appropriate Equalization Remedy.

An order for mass retroactive reappraisal is neither reasonable nor appropriate nor consistent with the public policies that underlie property taxation. The most persuasive argument against a mass retroactive reappraisal remedy is the complete absence in a comprehensive Nevada property tax statutory system of any authority for such a remedy. Not only are there **no** statutory provisions authorizing do-over reappraisals⁴ of any kind, there are also, significantly, **no** statutory

⁴ The Court should note that there are a few references in the property tax statutes to "reappraisals." Those references, however, are to new appraisals of the same property in subsequent years. Property values change and property, under the law, must be "reappraised" and values updated to reflect those changes. There

provisions protecting the due process rights of taxpayers whose property would be subject to such a do-over reappraisal.

a. An Order For Reappraisals Is Inappropriate And Unreasonable Because There Are No Statutory Due Process Protections For Reappraisals.

It is universally understood that taxes are a taking of property which requires due process. The Nevada Legislature has adopted several provisions to protect the rights of taxpayers upon the initial yearly valuation of their real property. NRS §361.300(6) requires that, prior to December 18 of the preceding year, the taxpayer receive a notice of the assessed value. The taxpayer has until January 15 of the following year to file an appeal of that valuation with the county board of equalization. *NRS §361.356*. A copy of the appraisal and supporting documents must be provided at taxpayer request on 15 days' notice. *NRS §361.227(9)*⁵. The county board hears taxpayer appeals in the month of February. *NRS §361.340(11)* Depending on when the assessed value notices are sent out, the taxpayer property owner has from 50-75 days to prepare for the hearing before the county board.

The Legislature, however, has enacted no due process provisions whatsoever

are no references in the Nevada tax statutes to "do-over" reappraisals, or, in other words, the preparation of more than one appraisal for property applicable to a single tax year.

⁵ The 15 days is required because the Assessor does not prepare individual appraisals of properties in the ordinary course. In a mass appraisal system, individual appraisals are prepared only if a taxpayer makes a request under the statute. **SSA-VL137 (Washoe County Assessor letter to Incline taxpayers (2004)).**

for "do-over" reappraisals. There is no statutory provision for notice to the taxpayer property owner of a "do-over" valuation, no procedure for obtaining information about that valuation or for challenging that valuation, no procedure for reassembling the county board of equalization to hear such challenges, no provision for taking a further appeal from the county board to the state board.

The SBOE is a creature of statute and its jurisdiction and authority are bounded by legislative intent as expressed in the statutory language. *Nevada Power Co. v. District Court*, 120 Nev. 948, 956, 102 P.3d 578, 583 (2004). The legislative intent here is clear. The Nevada Legislature would not have granted the SBOE the jurisdiction to order county assessors to conduct "do-over" reappraisals without enacting the required due process safeguards to protect taxpayer property owners.

Under the SBOE's reappraisal order, the assessor is required to report the new "reappraisal" valuations only to the SBOE. **APX(2)0408-0409**. Taxpayers will be able to learn their new assessed valuation only at the time and to the extent the SBOE makes the assessor's report a public record. Taxpayers will have no access to the basis for the new valuation. Although the previously established values are admittedly void and of no effect, a taxpayer will have no process other than by extraordinary writ to review the "reappraisal" valuations **unless** those valuations are higher than the void and meaningless existing values. If the new valuations are higher, the SBOE will schedule a hearing on 10 days' notice at which the taxpayer can appear but, without any access to the basis for the new

valuation, can make no effective challenge to the new valuation.⁶

When increased valuations are approved over ineffective taxpayer objections, the increased assessments will create lien issues as well. Under NRS §361.450, any tax is a perpetual lien on the property attaching on July 1 of the year for which the taxes are levied and immediately becoming "superior to all other liens, claims, encumbrances and titles on the property." Over more than 10 years, some properties will have been sold, perhaps more than once. Purchasers of property may suddenly find themselves not only owing property taxes for years when they did not own the property but also in violation of warranties of lien free status required to obtain financing.

The SBOE argues that there is no due process violation on these facts because this is equalization not the individual appraisal process. But the SBOE cannot have it both ways. At the direction of the SBOE, the County Assessor provided lists of properties to be reappraised. There was a list for each of the three years in issue: 2003/2004, 2004/2005 and 2005/2006. Although the Assessor did not provide a total number of properties, each of the lists consists of 180+ pages and each page identifies approximately 30 properties. Three lists of approximately 5,400 properties each means a total of about 16,000 reappraisals. The SBOE

⁶ The SBOE purports to "correct" taxpayers and point out that the statute provides for 30 days' notice. But the 30 days came about by amendment in the 2013 Legislature and specifically applied **only** to tax years after 2013. See **RPA198**. Furthermore, with no taxpayer right to the basis for the reappraised valuation, even 30 days violates the basic tenets of due process.

cannot order some 16,000 individual property "reappraisals" by the Assessor and then fairly claim that this matter does not involve individual appraisals or the accompanying due process rights of taxpayers.

b. The SBOE Lacks The Jurisdiction To Order Reappraisals Conducted Under Different Valuation Regulations Than The Initial Appraisals.

In addition to the due process issues, the Equalization Order in this matter creates additional constitutional violations by directing that the new appraisals be performed under current year regulations. Under ordinary conditions, appraisal is a trailing process. Properties at Incline Village/Crystal Bay were appraised in 2002 for the tax years 2003-2004 through 2007-2008. The appraisal "problem" that resulted in the *Bakst* and *Barta* decisions was the absence of vacant land at Incline Village/Crystal Bay to support a comparable sales valuation of the land portion of residential property. The Assessor adopted methodologies to deal with that "problem" but those methodologies were not used elsewhere in Washoe County or in other Counties and had not been promulgated in Tax Commission regulation for uniform use throughout the State. As this Court wrote in *Bakst, supra*:

As of 2002, the Tax Commission had not fully complied with its statutory duty to establish regulations that the county assessors could adopt for circumstances in which comparable rates might be difficult to determine. 122 Nev. at 1414, 148 P.3d at 725.

Since the Washoe County Assessor could not perform constitutional appraisals under the existing 2002 regulations, the SBOE, in its Equalization Order, directs

the assessor to perform new appraisals of certain Incline Village/Crystal Bay properties using 2003 temporary regulations for 2003-2004 and apparently 2004 permanent regulations for 2004-2005 and 2005-2006. Since no other property in Incline Village or elsewhere in the state was appraised for 2003-2004 using the 2003 temporary regulations, or for 2004-2005 using the 2004 permanent regulations, the result is and can only be new non-uniform and unconstitutional valuations. The only difference between these new unconstitutional valuations and the unconstitutional valuations set aside in *Bakst* and *Barta* is that these are "equalization" non-uniformities and are thus, in the SBOE's view at least, for all practical purposes, non-reviewable by the courts.

The constitutional issues raised by any order of reappraisal and the additional constitutional issues raised by the terms of this particular Equalization Order of reappraisal cannot be overcome. Under the Nevada tax statutes and decisional law and the policies reflected in both, there can be no credible argument that an order of reappraisal is an authorized remedy, let alone that it is either "reasonable" or "appropriate." This is not a close question. The SBOE's reappraisal order is outside its jurisdiction and against the law.

2. Respondents' Cases Do Not Support Their Claim That Reappraisal Is Reasonable Or Appropriate.

Respondents cite four cases for the proposition that a reappraisal order is a "reasonable and appropriate" remedy. **SBOE I, p. 27, lns. 21-23; SBOE II, pp.**

29-31. None of the cases supports their argument.

In *Kindsfater v. Butte County*, 458 N.W.2d 347 (S.D. 1990), the parties stipulated to an order requiring properties to be revalued. It may be "reasonable" or "appropriate" for a court to order reappraisals that have been agreed to by the parties. There was certainly no such agreement in the present case.

McNayr v. State ex rel. Dupont Plaza Center, Inc., 166 So.2d 142 (Fla. 1964), did not involve an order for the reappraisal or reassessment of property. The Dade County Assessor had valued property at 100% of market value and then put it on the assessment roll at 50% of that value. The Florida Supreme Court affirmed a writ of mandamus issued by the trial court compelling the assessor to follow the law. The Court wrote as follows:

The Dade County Tax Assessor testified that just value of property may be accomplished by doubling the present values fixed on the tax roll and this may be done without significant delay and its accomplishment is a relatively simple matter. The Tax Assessor having arrived at the just valuation of property for his tax roll does not have the discretion to adopt 50% of it as the value for ad valorem tax purposes. 166 So.2d at 144.

There was no order for reappraisal. The assessor was simply ordered to correct the assessment roll. There was also no retroactive application. The *McNayr* writ was issued in 1964 and ordered the correction of the 1964 tax roll.

Village of Ridgely Park v. Bergen County Board of Taxation, 157 A.2d 829 (N.J. 1960), involved an interlocutory determination that, upon proper proof,

the plaintiff municipality "would" be entitled to an order compelling the assessor to follow the law and assess property at 100% of its true value. *157 A.2d at 832*. The New Jersey Court made very clear, however, that any such order which might be issued could only involve future assessments because "retroactive reassessments of all property would entail disorder hurtful to the public interest." *Id.* Respondents' have totally misconstrued the *Ridgefield Park* opinion.

Coan v. Board of Assessors of Beverly, 211 N.E.2d 50 (Mass. 1965), similarly involved a **court** (not agency) order requiring the assessors to follow the law and assess all property at 100% of value and directing a **prospective** revaluation of all property. *211 N.E.2d at 52*. Nothing in any of the respondents' cases supports their proposition that an order for the mass reappraisal of property going back ten years is a "reasonable" interpretation of the Board's equalization "jurisdiction" under NRS §361.395. No such cases can be cited because no such cases exist.

III. The SBOE's Interlocutory Order For Mass Retroactive Reappraisal Is "Ripe" For Review Because Taxpayers Have No Adequate Remedy In A Final Decision.

The County argues that the issues in this case are not "ripe" for review. That argument addresses only an interlocutory order in a "contested case." If respondents are correct and the matter before the SBOE was not a "contested case," then the ripeness argument is mooted. Respondents are certainly entitled to argue

alternative theories. The context of those theories just needs to be clarified so that their merits may be given proper consideration by this Court.

"Unripe" is essentially just a different label for the "lack of an adequate remedy in review of the final decision" established by statute as a prerequisite to interlocutory judicial review. *NRS §233B.130(b)*. No additional "ripeness" overlay can be imposed on the statutory right to interlocutory review.

Respondents argue that taxpayers will have an "adequate remedy" in review of the final SBOE determination and mock taxpayers' concern about the unnecessary expenditure of public funds on mass reappraisals that are outside the jurisdiction of the SBOE. **County Brief, p. 31**. This Court can distinguish, even if respondents cannot, between the taxpayers' efforts to vindicate their rights against unconstitutional government action and the expenditure of public funds complying with an extra-jurisdictional order. Taxpayers spent their own money to pursue their rights. Taxpayers did not force Washoe County or the SBOE to defend the unconstitutional actions of government officials or to unsuccessfully appeal adverse decisions to this Court. Taxpayers not only paid their own legal expenses but ultimately paid for unwise governmental decisions as well. Respondents apparently want to continue the unnecessary expenditure of public funds notwithstanding the availability of interlocutory review.⁷

⁷ The County respondents inexplicably propose that the SBOE appoint an independent third-party appraiser to "alleviate" the unnecessary expenditure of

The lack of an adequate remedy in this case is not just a matter of the unnecessary and wasteful expenditure of public funds. The jurisdiction of the SBOE to order county assessors to complete mass reappraisals going back ten years may not even be challengeable on a final decision. Under NRS §233B.130 and NRS §361.410, review of a final decision is limited to the findings made by the SBOE in that final decision. Furthermore, requiring taxpayers to wait to challenge the reappraisal jurisdiction of the SBOE after a final decision, if available at all, would still impose further delay and expense on taxpayers who have already been pursuing equalization in this matter since 2003, through two district court dismissals followed by subsequent reversals and remands by this Court. In *Taft Corners Associates, Inc.*, 632 A.2d 649, 652 (Vt.1993), involving a similar provision of the Vermont administrative procedures statutes, the Vermont Supreme Court reversed the trial court and approved interlocutory review of an intermediate agency order. The Vermont Court wrote as follows:

[W] here an agency has clearly exceeded its jurisdiction in an intermediate ruling, interlocutory review is appropriate. *Id.*

Respondents also argue that taxpayers have an adequate remedy in the ability to challenge any increased valuation that results from the reappraisal

public funds concern of taxpayers. **County Brief, p. 31, fn. 4.** Whether the 16,000 or so "reappraisals" are done "in-house" by the Washoe County Assessor or out-sourced to a third-party appraiser or appraisers, the cost will be borne by the taxpayers and, absent SBOE jurisdiction for such an order, that cost will be just as unnecessary.

process. The constitutional inadequacies of that "remedy" are described in some detail above at pages 23-28. The issue, however, is not whether the ultimate decision is reviewable but whether the remedy is adequate if review of the jurisdictional and other threshold issues raised by the interlocutory order is delayed or completely barred by a final decision.

Although "ripeness" is not at issue here, the requirements of the ripeness doctrine are clearly met. In *Matter of T.R.*, 119 Nev. 646, 651, 80 P.3d 1276, 1279 (2003), this Court identified "[t]he factors to be weighed in deciding whether a case is ripe for judicial review [to] include: (1) the hardship to the parties of withholding judicial review, and (2) the suitability of the issues for review." The issue of the SBOE's jurisdiction is plainly suitable for court review. There are no undetermined or disputed facts involved. The "hardship" to taxpayers of deferring review of the mass reappraisal order is also indisputable. *See also Hernandez v. Bennett-Haron*, 128 Nev. Adv. Op. 54, 287 P.3d 305 (2012); *County of Clark, ex rel. UMC v. Upchurch*, 114 Nev. 749, 752-753, 961 P.2d 754, 756-757 (1998).

In raising the spectre of the "collateral order" doctrine, the County misapprehends its application. The "collateral order" doctrine applies to preclude review in the **appellate court** of a decision by a **district court** remanding a matter to an administrative agency. *See, e.g., State Taxicab Authority v. Greenspun*, 109 Nev. 1022, 862 P.2d 423 (1993) (order remanding matter to agency for taking of additional evidence not a final, appealable order). Here, for example, if the district

court had remanded this case to the SBOE for reconsideration based on the procedural anomalies, the "collateral order" doctrine would have barred immediate review of that decision by this Court. No such decision occurred here, however, and the collateral order doctrine is inapplicable.

IV. The SBOE's Equalization Decisions Are Subject To Court Review.

This Court has already decided that equalization is a quasi-judicial function of the SBOE. *Marvin v. Fitch*, 126 Nev. Adv. Op. 18, 232 P.3d 425 (2010). In *Marvin*, of course, the SBOE argued that equalization was quasi-judicial in order to cloak its individual members with quasi-judicial immunity. **APX(6)01046-01047**. This Court agreed, articulating the policy considerations as follows:

NRS Chapter 361 clearly demonstrates the Legislature's intent that the equalization process be open to the public and that the individual taxpayer be given notice of and the opportunity to participate in the State Board's valuation of his or her property. To conclude that the State Board's equalization process is a purely administrative function rather than a quasi-judicial function may preclude a taxpayer's ability to participate in this process. If the equalization process was determined to be administrative, Nevada's taxpayers in general would not be assured of their adversarial right to participate in the meetings, present evidence, provide testimony, or seek judicial review. By concluding that the State Board's equalization process is quasi-judicial, we honor the Legislature's intent and safeguard every taxpayer's right to meaningfully participate in the annual equalization process. *Marvin*, 232 P.3d at 432-433.

On the instant appeal, however, the SBOE wants its equalization process to be administrative and tries to get around *Marvin* by completely misrepresenting the

decision. According to the SBOE,

The *Marvin* Court discussed equalization within the context of NRS 361.355 for disputing an unequal assessment which an individual property owner could appeal to the county board of equalization or State Board. The valuation would not be developed by a State Board act of equalization pursuant to NRS 361.395. **SBOE I, p. 18, Ins. 8-12.**

The SBOE then argues that:

The Marvin Court did not address the procedures of a State Board hearing regarding statewide equalization except to the extent of notice pursuant to NRS 361.395(2). *Id.* at 431. **SBOE I, p. 21, Ins. 15-17.**

The argument is directly at odds with the language of the opinion. The opinion makes a single, passing reference to NRS §361.355⁸; the complaint which gave rise to the *Marvin* decision makes no reference at all to NRS §361.355. In the opinion, this Court makes it clear that, although the district court had conflated the two claims brought by the Marvin plaintiffs, judicial review and civil rights/§1983, the appeal was strictly "confined to the application of absolute immunity to the Taxpayers' §1983 civil rights claim alleging that individual State Board members are liable because they refused to equalize property valuations **pursuant to NRS 361.395.**" *Marvin*, 232 P.3d at 428 (Emphasis added.)

⁸ NRS 361.355 authorizes a taxpayer to complain about the **undervaluation** of another taxpayer's property. The claims made by taxpayers represented by the Village League have always been claims that their property was over-valued or improperly valued, not that some other taxpayer's property was undervalued.

The *Marvin* Court did not address the process created by the 2010 equalization regulations because those regulations did not exist at the time. The SBOE ignored the policy considerations outlined by this Court in adopting those regulations which virtually exclude the taxpayer from any participation at all, let alone meaningful participation. Furthermore, as discussed above at pages 15-16, the 2010 equalization regulations are unauthorized because the SBOE's regulation making authority is limited to the "conduct" of SBOE business.

In any event, whether decisions under the 2010 equalization regulations are reviewable on judicial review and whether the issue of quasi-judicial immunity for individual members of the Board is reopened by the adoption of those regulations are issues for a future case. The 2010 equalization regulations were not applied in this case and, by their own terms, could not have been applied. *See* pages 16-18. This equalization proceeding was governed by the writ of mandamus which clearly directed an adversarial proceeding.

NRS §233B.032 defines "contested case" as "a proceeding . . . in which the legal rights, duties or privileges of a party are required by law to be determined by an agency after an opportunity for hearing. . . ." All aspects of that definition are satisfied in this case. The SBOE was required by the Writ of Mandate to hold public hearings on the equalization grievances submitted by individual taxpayers and to determine those grievances. **APX(1)00049-00050**, The SBOE notice of the equalization hearing complied with NRS §233B.120. That notice expressly

solicited "evidence" and "testimony" from taxpayers with equalization grievances. **APX(1)00054-00056.** Taxpayers responded to that notice with filed grievances. At the hearing, in accordance with NRS §233B.123, witnesses were sworn, testimony given and documents offered in evidence. **SSA-VL123-VL129; SSA-VL102-VL122.** The evidence in this matter is reflected in the administrative record and three supplements, consisting of a total of 11 CDs filed by the SBOE under NRS §233B.131. **SSA-VL102-VL122.** An oral decision was made, followed by a written decision expressly based on the SBOE's consideration of "all the evidence, documents and testimony pertaining to the equalization of properties." **APX(2)00399-00410, 00405.** In accordance with NRS §233B.125, the decision included "findings of fact and conclusions of law, separately stated." **Id.** This equalization matter was a contested case and the SBOE decision is reviewable under NRS Chapter 233B.

V. The SBOE Followed An Unlawful Procedure.

The SBOE makes several arguments to justify its irregular and haphazard procedure in hearing taxpayer equalization grievances. First of all, the SBOE argues essentially that procedure does not matter because there was no "contested case." **SBOE II, p. 42-43.** The "contested case" issue is addressed above at pages 36-37. "Unlawful procedure" is a ground under NRS §233B.135(3) to set aside a decision in a "contested case." Until taxpayers sought judicial review, this matter was never described as "just an information seeking process." In any event, even if

this matter were not a "contested case," taxpayers are entitled to a fair and lawful procedure.

The SBOE says that the procedure was not unlawful because taxpayers had the opportunity to provide evidence. **SBOE II, p. 43, lns. 3-4.** In fact, taxpayers took that opportunity and were rebuffed and ignored by the SBOE. Until the first hearing, it was not clear what standard the SBOE was going to use to determine equalization. Taxpayers proposed a geographic standard which had been both used in the past by the SBOE and had been prescribed by the SBOE for county boards of equalization. **APX(1)00084-00092; NAC 361.624.** The evidence called for by taxpayers would show that history. When the SBOE focus instead was the use of methodologies identified as unconstitutional in *Bakst*, that evidence was also in the prior proceedings before the Board, as called for by taxpayers.

The SBOE takes the position that, prior to the adoption of the 2010 equalization regulations, it performed its statewide duty of equalization by looking at individual cases and applying the rules in individual cases to similarly situated property. **SBOE II, p. 21, lns. 7-10.** Following that contemporaneous practice, the SBOE should have looked at the individual contested cases before the Board for the years in issue, recognized that the values in those individual cases should have been reset to their constitutional 2002-2003 levels and then extended that rule to similarly situated properties at Incline Village/Crystal Bay. For the 2003-2004 tax year, for example, if the SBOE had ruled correctly that the valuation of the *Bakst*

residence was unconstitutional and void, it would have, in the exercise of its equalization duty, extended that ruling to other Incline Village/Crystal Bay properties similarly valued using unauthorized methodologies and then, because those properties encompassed the bulk of properties in the area, further extended that ruling to the entire geographic area. For the 2006-2007 tax year, for example, in light of this Court's *Bakst* decision, the County Board of Equalization reset residential values across the entirety of Incline Village/Crystal Bay and that equalization decision has been affirmed and implemented. *Berrum v. Otto*, 127 Nev. Adv. Op. 30, 255 P.3d 1269 (2011).

Taxpayers accordingly identified materials that were in the possession of the Board and which were, in fact, produced, at least in part, at the third hearing. **APX(1)00091-00092; APX(2)00314.** It was clear, however, from the first hearing that the SBOE did not intend to review any evidence cited by taxpayers. None of the evidence requested from SBOE records was even provided at the first hearing. When some evidence was produced at the third hearing, the SBOE appraiser members simply made jokes about reviewing it. **APX(2)00315.**

The SBOE says that, when the Chairman asked for evidence that unauthorized valuation methods were used on all Incline properties, taxpayer counsel responded "[y]ou have all of that information in the records of this Board for those years." **SBOE II, p. 43, Ins. 4-8.** The SBOE, however, does not complete the dialogue, which continued, with taxpayer counsel identifying specific

evidence as follows:

There were 17 cases [in 2003-2004] that were taken all the way to the Supreme Court, but there were more than 100 cases before this Board, and in every one of those 100 cases you will find an unconstitutional methodology being used. **APX(1)00160.**

This exchange took place at the first hearing at which no part of the record evidence requested by taxpayers was provided. The Chairman, however, did not ask the Department to provide the record for a single one of those cases so that the statement of Village League counsel might be tested. Instead the Chairman attacked League counsel, demanding to know where counsel got that information and if counsel was an expert appraiser. **APX(1)00161-00163.**

The SBOE suggests that the individual case records would not be relevant to the broader issues of equalization but that is a pretext. The SBOE and the Department know as well as the Assessor and taxpayers that, in a mass appraisal system, properties are not appraised individually and that the files of individual cases contain evidence of the broader use of the unconstitutional methodologies. **See, e.g., SSA-VL138.** Furthermore, both taxpayers and the assessor made aggregate presentations incorporated in each of the individual cases. The assessor prepared summaries of the 2002 appraisal at Incline Village/Crystal Bay and those summaries are also in the record. **See, e.g., SSA-VL140-VL223.**

The SBOE says that "identification of the evidence is part of advocacy." **SBOE II, p. 43, Ins. 11-12.** Surely, examining the identified evidence is part of a

lawful procedure in the determination of a matter, whether the adjudicator is a judge or the SBOE. Although it became a moot point after the Assessor acknowledged the use of *Bakst* valuation methodologies in the 2002 appraisal of all single family residential properties and some condominium properties at Incline Village/Crystal Bay, the SBOE made no effort whatsoever to look at any part of the record. They made no demands upon the Department as their statutory staff to provide information from the record that was "unavailable" only because the Department failed to provide it. The evidence requested by taxpayers from SBOE records, at least some of it, was eventually made part of the record but not until this matter was in the district court. **SSA-VL102-VL122.**

The SBOE also incorrectly argues that the decision made at the second hearing was "applying the formula suggested by Incline." **SBOE II, p. 44, lns.** The "formula" that was the basis for the decision at the second hearing paralleled previous decisions made by the Board itself for the 2006-2007 and 2007-2008 tax years. **APX(1)00201-00202.**

The Assessor, however, did not want to change values based on a generalized ruling from the SBOE and requested an order from the SBOE that identified specific properties. **APX(1)00220-00221.** The Board agreed that the Assessor would provide taxpayer names and parcel numbers at a subsequent hearing for specific ratification of the decision that had been made. **APX(1)00221.**

The third hearing was supposed to be a fairly routine approval of the

Assessor's taxpayer lists. To the surprise of Incline Village/Crystal Bay taxpayers and at least to one Board member, Member Marnell, the third hearing was conducted not only as if no decision had been made but as though an entirely different decision had been made and only needed a formal vote of approval.

The SBOE argues that taxpayers should have known that the decision at the second hearing was "not final" because Member Marnell had said that, if the Board did not agree with the data in the Assessor's report, "there might be some more work to do." **SBOE II, p. 44, Ins. 7-8.** The SBOE's characterization is misleading. The "surprise" at the third hearing had nothing to do with the Assessor's data. Incline Village/Crystal Bay taxpayers have been fighting these tax cases for more than 10 years. They knew what the Assessor's data would contain.

The "surprise" was the apparent pre-hearing determination to reconsider the prior "final" decision and make a new and different decision. That determination had to have been made prior to the third hearing because the Department unexpectedly provided the boxes of evidence previously requested by taxpayers and the two fee appraisers on the Board had their little joke. The Department also came fully prepared with a Department presentation "as an affected party." **APX(2)00323, 00333.** The SBOE, which, at the first two hearings, had limited taxpayer presentations and even denied taxpayer counsel the opportunity to speak, completely reversed itself and allowed counsel unlimited time to speak. **APX(1)00122-00123, 00191; APX(2)00338.** Those actions are consistent only

with a prior determination that the third hearing would be more than ministerial and would, in fact, be used to reverse the "final" decision made at the second hearing. Taxpayers cannot know who made that determination or when but it clearly happened sometime after the second hearing and not in an open meeting. There was no motion for reconsideration.

The SBOE argues that taxpayers "had the opportunity to respond to the information the Assessor provided the State Board." **SBOE II, p. 44, lns. 10-11.** There was nothing in the Assessor's information provided at the third hearing that called for a response. The Assessor merely confirmed his earlier testimony and the statements of taxpayers that the unlawful *Bakst* methodologies were used across the bulk of Incline Village/Crystal Bay residential properties, including all single family residences. Taxpayers had no quarrel with the Assessor's information. Taxpayers, however, had no opportunity to respond to the testimony provided by the Department. In any event, from a due process standpoint, it is not enough to have an opportunity to respond. That opportunity must be meaningful which requires notice of the subject matter to be addressed. In this instance, taxpayers did not come to the third hearing prepared for a rehearing of a decision that had already been emphatically deemed final.

VI. The Appointment of MAI Fee Appraiser Johnson Violated NRS §361.375.

The SBOE argues, first, that the Board can have two appraisers and cite

Fuller v. Board of Supervisors of Wayne County, 185 N.W. 157, 158 (Mich. 1921), for the proposition that appraisers are "better qualified" Board members. **SBOE II, p. 37, Ins. 1-7.** *Fuller*, however, contains no reference whatsoever to appraisers or appraisal. *Fuller* involved a constitutional challenge to overlapping State Boards of Equalization and Tax Commission. *Fuller* is wholly inapposite.

There are two issues here: (1) whether the Nevada SBOE can lawfully have two MAI appraiser members when NRS §361.375 directs the appointment of "one" property appraiser "with a professional designation" and (2) whether MAI appraiser Ben Johnson was qualified for his appointment as the SBOE member "versed in the valuation of centrally assessed properties."

The SBOE argues that Mr. Johnson's predecessor, Russ Hofland, was also an appraiser. **SBOE II, p. 41, Ins. 5-6.** Mr. Hofland's SBOE biography identifies him as a former appraiser but indicates no MAI or other professional designation. More importantly, that biography also shows that Mr. Hofland had:

seven years' experience in mine accounting with Barrick Gold and is currently Project Manager – Accounting for the North American Region. He was previously Accounting Supervisor for Nevada dealing with capital, royalties, net proceeds and property taxes and also Senior Accountant for Barrick Goldstrike Mines Inc. **APX(3)00642; see also, RPA199.**⁹

Former appraiser or not, based on his experience, Mr. Hofland met the requirement

⁹ The Court is asked to take judicial notice of Mr. Hofland's registration with the National Registry of Appraisers reflecting that his license lapsed in 2004.

of being "versed in the valuation of centrally assessed properties." Mr. Johnson does not.

Citing NRS §361.320, the SBOE argues that Mr. Johnson's experience with the "appraisal" of utility easements satisfies the requirement that he be "versed" in the "valuation of centrally assessed properties." **SBOE II, p. 36, Ins. 2-3.** Neither NRS §361.320, however, nor any of the other statutes dealing with valuation by the Nevada Tax Commission of centrally assessed properties contains any reference whatsoever either to "appraisal" or "appraiser." The "valuation of centrally assessed properties" is simply not a function of appraising the real property holdings of centrally assessed businesses.

Finally, the *de facto* officer doctrine was developed at common law, has not been codified, is disfavored and subject to various exceptions. The *de facto* official doctrine, for example, is generally held inapplicable where the purpose of the position requirements was to protect people subject to the *de facto* officer's authority. *See, e.g., Daniels v. Industrial Commission*, 775 N.E.2d 936 (Ill. 2002); *U.S. v. Beltran*, 306 F.Supp. 385, 388-390 (N.D.Cal.1969); *cf., U.S. v. Gantt*, 194 F.3d 987, 988 (9th Cir. 1999)("[f]ollowing the modern trend we choose not to ratify the actions of an improperly appointed officer of the United States under the ancient 'de facto officer' doctrine.")

In *Andrade v. Lauer*, 729 F.2d 1475, 1498 (D.C.Cir.1984), the court wrote that it "should avoid an interpretation of the *de facto* officer doctrine that . . . would

render legal norms concerning appointment and eligibility to hold office unenforceable.” According to the *Andrade* court, the *de facto* officer doctrine should not be followed if "two requirements" are met:

First, the plaintiff must bring his action at or around the time that the challenged action is taken. Second, the plaintiff must show that the agency or department involved has had reasonable notice under all the circumstances of the claimed defect in the official's title to office. 729 F.2d at 1498.

Those requirements are met here. Taxpayers challenged Member Johnson at their earliest opportunity as part of the improper procedure followed by the SBOE. Member Johnson entered this proceeding at the beginning of the second hearing. He was introduced simply by name with no description of his background or qualifications. **SSA-VL126.** Taxpayers subsequently learned that Member Johnson was not only a MAI appraiser with little to no experience in the valuation of centrally assessed properties, but was also the son of Steve Johnson, who had been a member of the Board participating in the initial Bakst and Barta decisions that had been reversed. The Department of Taxation which serves as the staff of the Board certainly knew Mr. Johnson's occupation, his lack of experience with the valuation of centrally assessed properties and his relationship to Steve Johnson. Knowing that Chairman Wren had openly stated his disagreement with the *Bakst* and *Barta* decisions, the Department knowingly added Steve Johnson's son to a Board where three votes were all that were needed for a decision. The *de facto*

officer doctrine does not bar the taxpayers' challenge to Member Johnson.

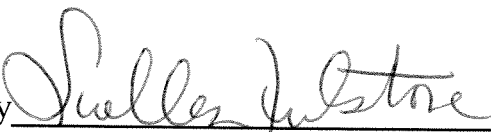
VII. Conclusion.

This is the third time taxpayers have been required to seek relief from this Court in this equalization matter which has been going on for more than ten years. Taxpayers respectfully submit that the Court should reverse the district court and remand this matter with instructions for a remand to the SBOE and the reinstatement of the final decision made at the second hearing.

The Washoe County Assessor has admitted that the values of at some 5000+ properties for each of the tax years 2003-2004, 2004-2005, and 2005-2006 are unconstitutional and void. Sustaining unconstitutional valuations cannot be the tax policy of this State. Taxpayers have not pursued this action to change Nevada tax law or policy. Taxpayers believe that equalization requires that the remedy articulated by this Court in *Bakst* and affirmed in *Barta* be extended to other Incline Village/Crystal Bay homeowner taxpayers whose properties were wrongfully and unconstitutionally valued by the Assessor.

Dated this 6th day of April, 2014.

SNELL & WILMER L.L.P.

By 
Suellen Fulstone

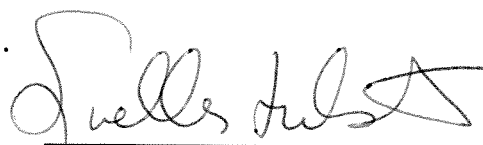
CERTIFICATE OF COMPLIANCE

1. I certify that this brief complies with the formatting requirements of NRAP 32(a)(4), the typeface requirements of NRAP 32(a)(5) and the type style requirements of NRAP 32(a)(6) because it has been prepared in a proportionally spaced typeface using Microsoft Word and Times New Roman 14 font.

2. I further certify that this brief complies with the page-or type-volume limitations of NRAP 32(a)(7) because, excluding the parts of the brief exempted by NRAP 32(a)(7)(C) and pursuant to motion to exceed the type-volume limitation, it contains 11,668 words.

3. I hereby certify that I have read this appellate brief, and to the best of my knowledge, information, and belief, it is not frivolous or interposed for any improper purpose. I further certify that this brief complies with all applicable Nevada Rules of Appellate Procedure, in particular NRAP 28(e), which requires every assertion in the brief regarding matters in the record to be supported by a reference to the page of the transcript or appendix where the matter relied on is to be found. I understand that I may be subject to sanctions in the event that the accompanying brief is not in conformity with the requirements of the Nevada Rules of Appellate Procedure.

DATED this 6th day of April, 2014.

A handwritten signature in dark ink, appearing to read 'Suellen Fulstone', written over a horizontal line.

Suellen Fulstone, Bar No. 1615

CERTIFICATE OF SERVICE

This document was filed electronically with the Nevada Supreme Court on April 6, 2014. Electronic service of this document shall be made in accordance with the Service List as follows:

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