
ASSEMBLY BILL NO. 328—ASSEMBLYMEN SETTELMAYER,
GOEDHART, CHRISTENSEN; ANDERSON, COBB,
GUSTAVSON, HAMBRICK, KIRKPATRICK, PIERCE, STEWART
AND WOODBURY

MARCH 13, 2009

JOINT SPONSORS: SENATORS AMODEI, HARDY AND RAGGIO

Referred to Committee on Taxation

SUMMARY—Provides for an abatement of the ad valorem taxes levied on a single-family residence purchased by a first-time homeowner at a foreclosure sale. (BDR 32-164)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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

AN ACT relating to the taxation of property; providing for an abatement of the ad valorem taxes levied on a single-family residence purchased by a first-time homeowner at a foreclosure sale; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill exempts a first-time homeowner who purchases a single-family
2 residence in Nevada at a foreclosure sale from the property taxes levied on the
3 residence for the first year after the date of purchase, if the property is used as the
4 primary residence of the homeowner.

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

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

3 *The Legislature hereby finds and declares that the payment of*
4 *ad valorem taxes levied on a residence purchased by a first-time*



* A B 3 2 8 *

1 *homeowner at a foreclosure sale for the first year after that*
2 *purchase constitutes a severe economic hardship within the*
3 *meaning of subsection 10 of Section 1 of Article 10 of the Nevada*
4 *Constitution. The Legislature therefore directs an abatement of*
5 *taxes for such homeowners as follows:*

6 *1. If the owner of a single-family residence which is the*
7 *primary residence of the owner purchases the residence at a*
8 *foreclosure sale and has never been an owner of a residence*
9 *before that purchase occurs, the owner is entitled to a complete*
10 *abatement of all the ad valorem taxes levied on the property which*
11 *become due within 1 year after the date of that purchase.*

12 *2. For the purposes of this section, an owner of a single-*
13 *family residence who is entitled to an abatement of taxes pursuant*
14 *to this section shall be deemed to have elected to pay taxes in*
15 *installments as provided in NRS 361.483 for the fiscal year*
16 *immediately following the fiscal year in which the owner*
17 *purchases the residence if:*

18 *(a) The election was made to pay taxes in installments as*
19 *provided in NRS 361.483 for the fiscal year in which the owner*
20 *purchases the residence; and*

21 *(b) The owner is entitled to the abatement pursuant to this*
22 *section of any, but less than all, of those installments that become*
23 *due for the fiscal year in that the owner purchases the residence.*

24 *3. For the purposes of NRS 489.531, 489.621 and 489.631,*
25 *the amount of any taxes abated pursuant to this section shall be*
26 *deemed by a county assessor to have been paid.*

27 *4. The Nevada Tax Commission shall adopt such regulations*
28 *as it deems appropriate for the proper administration of this*
29 *section.*

30 *5. As used in this section:*

31 *(a) "Foreclosure sale" means a sale of property to enforce the*
32 *payment of any debt secured by a mortgage or lien on the*
33 *property, including the exercise of a trustee's power of sale*
34 *pursuant to NRS 107.080.*

35 *(b) "Primary residence of the owner" means a residence*
36 *which:*

37 *(1) Is designated by the owner as the primary residence of*
38 *the owner in this State, exclusive of any other residence of the*
39 *owner in this State; and*

40 *(2) Is not rented, leased or otherwise made available for*
41 *exclusive occupancy by any person other than the owner of the*
42 *residence and members of the family of the owner of the*
43 *residence.*

44 *(c) "Single-family residence" means a parcel or other unit of*
45 *real property or unit of personal property which is intended or*



1 *designed to be occupied by one family with facilities for living,*
2 *sleeping, cooking and eating.*

3 (d) *“Unit of personal property” includes, without limitation,*
4 *any:*

5 (1) *Mobile or manufactured home, whether or not the*
6 *owner thereof also owns the real property upon which it is located;*
7 *or*

8 (2) *Taxable unit of a condominium, common-interest*
9 *community, planned unit development or similar property,*

10 *↪ if classified as personal property for the purposes of this*
11 *chapter.*

12 (e) *“Unit of real property” includes, without limitation, any*
13 *taxable unit of a condominium, common-interest community,*
14 *planned unit development or similar property, if classified as real*
15 *property for the purposes of this chapter.*

16 **Sec. 2.** The provisions of this act do not apply to any taxes
17 imposed for any period ending on or before June 30, 2009.

18 **Sec. 3.** This act becomes effective upon passage and approval.

