

MOBILE HOME TAXATION



Bulletin No. 119

LEGISLATIVE COMMISSION
OF THE
LEGISLATIVE COUNSEL BUREAU
STATE OF NEVADA

September 1974

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Assembly Concurrent Resolution No. 35—Messrs. Dini and Getto

FILE NUMBER...**111**...

ASSEMBLY CONCURRENT RESOLUTION—Directing legislative
commission to study mobile home taxation.

WHEREAS, Nevada's system of property taxation has come under criticism with respect to its application to taxation of mobile homes; and

WHEREAS, The legislature believes that an investigation into the methods, procedures and bases of taxation of mobile homes is necessary in order that mobile homes be fairly taxed to bring about the maximum permissible revenues for the state; now, therefore, be it

Resolved by the Assembly of the State of Nevada, the Senate concurring, That the legislative commission is hereby directed to study the methods, procedures and bases of taxation of mobile homes and submit appropriate recommendations and suggested legislation to the 58th session of the Nevada legislature.

REPORT OF THE LEGISLATIVE COMMISSION

TO THE MEMBERS OF THE 58TH SESSION OF THE NEVADA LEGISLATURE:

This report is submitted in compliance with Assembly Concurrent Resolution No. 35 of the 57th Session of the Nevada Legislature, which directed the Legislative Commission to study the methods, procedures and bases of taxation of mobile homes.

The Legislative Commission appointed a subcommittee to make the study and recommend appropriate legislation to the next session of the legislature. Senator Eugene V. Echols was designated chairman of the subcommittee and the following legislators were named as members: Assemblymen Robert R. Barengo, William Bickerstaff, Robert V. Broadbent, Virgil M. Getto, Paul W. May and James E. Smalley.

In this report, the subcommittee has attempted to present its findings and recommendations briefly and concisely. We feel that if the report were voluminous and filled with statistical tables, its value as a useful guide to busy legislators may be less effective. Our minutes, parallel studies and our files contain extensive data that support our findings and recommendations.

The subcommittee was assisted in its study by contributions made and suggestions provided by representatives of business affected by the study, by public officials and by members of the public generally. The subcommittee acknowledges the special contribution made by Mr. James C. Lien, Assistant Secretary of the Nevada Tax Commission, and Mr. Clifford Jackson, Assistant Chief of the tax commission's Division of Assessment Standards Valuation.

The report is transmitted to the members of the 1975 legislature for their consideration and appropriate action.

Respectfully submitted,

Legislative Commission
Legislative Counsel Bureau
State of Nevada

SUMMARY OF RECOMMENDATIONS

After evaluating the several methods, procedures and bases of mobile home taxation, the Legislative Commission's Subcommittee for Study of Mobile Home Taxation recommends for the consideration of the 58th Session of the Nevada Legislature:

1. That ad valorem property taxation of mobile homes be retained.
2. That all mobile homes be assessed and taxed as real property at the option of the owner, but the taxes so assessed should not become a lien on land owned by anyone other than the mobile home owner.
3. That mobile home owners be granted similar benefits in the quarterly payment of property taxes and a redemption period for delinquent taxes as are enjoyed by other homeowners. The increasing permanence of mobile homes has become such that differentiation of the basis of mobility has lost much of its vitality.
4. That stratified depreciation for mobile homes be studied now with the object of implementation in the near future.
5. That the city-county relief tax generated by mobile homes be returned to the county of placement if different from the county of sale to help finance community services.
6. That a 5-day trip permit issued by the county assessor replace the current license plate to close off present opportunities for "skipping."
7. That the Nevada Tax Commission "computerize" its valuation program for mobile homes. Computerization is now warranted by the rapid growth in Nevada's mobile home population.

REPORT OF THE LEGISLATIVE COMMISSION'S SUBCOMMITTEE
FOR STUDY OF MOBILE HOME TAXATION

1. Introduction

In 1973, the 57th Session of the Nevada Legislature adopted Assembly Concurrent Resolution No. 35, which directed the Legislative Commission to study the methods, procedures and bases of taxation of mobile homes and to submit appropriate recommendations and suggested legislation to the next session of the legislature. To pursue the study, the Legislative Commission appointed a subcommittee chaired by Senator Eugene V. Echols, and composed of the following members: Assemblymen Robert R. Barengo, William Bickerstaff, Robert V. Broadbent, Virgil M. Getto, Paul W. May, and James E. Smalley.

With a budget of \$1,500 the subcommittee held four public hearings: in Reno on January 8, 1974; in North Las Vegas on February 16, 1974; in Fallon on February 19, 1974; and in Carson City on March 30, 1974. On May 18, 1974, the subcommittee met in executive session to adopt its recommendations to the Legislative Commission. The unexpended budget now amounts to an estimated \$129.

In passing Assembly Concurrent Resolution No. 35, the legislature recognized that the property taxation of mobile homes in Nevada had come under criticism and warranted an investigation into its methods, procedures and bases. The objective of the legislature is fairness in the taxation of mobile homes. The purpose of this study is to pinpoint problem areas and produce recommendations for legislation to further that objective.

Since its first meeting in January, the subcommittee has amassed and reviewed a considerable amount of material on mobile home taxation. Besides the testimony of witnesses at the meetings, it includes the statutory law of each state taxing mobile homes, impact studies from cities outside Nevada, legislative reports from other states, the 1970 Census Bureau statistics on mobile homes in Nevada, depreciation studies prepared by the Nevada Tax Commission, and articles from various law reviews and mobile home trade journals.

This material is available in the files of the Legislative Counsel Bureau and is not attached to this report. The subcommittee feels that if the report were voluminous and filled with statistical tables, its value as a useful guide to busy legislators may be less effective. For this reason, the report focuses on specific problem areas and the recommendations made by the subcommittee.

2. Mobile Home Population in Nevada

In recent years, the production of conventional housing has declined with the rise in building costs and the difficulty in obtaining financing. The effect of decreased building is compounded by the growing need for housing due to new family formations. The mobile home has become an increasingly popular solution to this housing problem.

In 1970 the U. S. Bureau of the Census counted 20,662 mobile homes in Nevada. This gave Nevada the third largest unit population among the mountain states and the sixth largest among both mountain and Pacific states. Of that number, 12,669 were located in Nevada's urban areas, 7,781 in rural nonfarm areas and 212 in rural farm areas. A substantial number of these mobile homes were owner occupied: 17,063 in 1970. In that year only 3,599 were occupied by renters.

By 1974, mobile homes in Nevada numbered over 38,000 and their use is expected to double in 10 years. (See Exhibit A.)

3. Overview of Mobile Home Taxation in Other States

There are so many statutory tax approaches to mobile homes that they can only be best described in general categories. Changes in the law quickly outdate any survey. The increasing numbers of mobile homes have sparked many legislative inquiries. But there is as yet no consensus among the states as to the proper method of taxing mobile homes.

(a) Constitutional Provisions

The taxation of mobile homes in other states is sometimes specifically subject to constitutional limitations. Arizona, by a constitutional amendment in 1968, levies an ad valorem

tax on mobile homes but exempted them from a license tax. Florida's constitution exempts mobile homes from ad valorem taxes but subjects them to a license tax. In Arkansas it is constitutionally impermissible to tax one species of property higher than another of equal value. Every kind of property must be assessed and taxed at the same rate. A similar provision in the Colorado constitution had to be amended to permit a graduated specific tax on mobile homes. Kansas currently is considering a constitutional amendment like Colorado's to permit a separate classification of several types of personal property, including mobile homes, whereby such property is subject to some form of specific tax in lieu of an ad valorem tax.

(b) Methods of Mobile Home Taxation

(1) Specific Tax

One form of this method imposes a fixed rate against all mobile homes regardless of the differences among them. Another form levies a graduated rate which varies as a function of some characteristic of the mobile home. Classifications could be based on age, weight, length, wheel base, floor space or some aspect of the vehicle's value so long as the tax is not based on an assessment of value which is the basis of the ad valorem tax. The specific tax may be called an ownership tax, registration fee or license fee. It may be imposed in addition to or in lieu of an ad valorem tax or the owner may be permitted to opt for an ad valorem tax in lieu of the specific tax where the mobile home has become a fixture to the land.

(2) Ad Valorem Tax

A salient feature of the ad valorem method of taxation is that the rate is a local mill levy calculated by dividing the needs of the taxing power by the assessed value of all property subject to taxation. Usually the rates are the aggregate of all lawful levies applicable at the situs of the property.

Many states have adopted the ad valorem method of taxing mobile homes with variations in the formula used to compute the tax, the definition of the kind of vehicle to be taxed and the circumstances under which it may be taxed as part of the real property.

Statutory definitions in many states exclude motor homes, slide-in and chassis-mounted truck campers, travel trailers and mobile homes as stock-in-trade in the hands of dealers from any ad valorem tax. Arizona includes chassis-mounted and slide-in truck campers and travel trailers. Indiana includes motor homes. Florida distinguishes prefab or modular housing units not manufactured upon an integral chassis or undercarriage for travel over highways. They are taxed as real property even though they are transported over the roads to a site for erection or use.

Several states levy an ad valorem tax on all mobile homes as real property regardless of their actual mobility or ownership of the land on which they are placed. In many other states, mobile homes are not taxed as real property unless they become permanently attached to the land as defined by the state's fixture laws or by a special statutory definition which usually requires that the mobile home be placed upon a permanent foundation on land owned by the mobile home owner. Iowa requires the destruction or modification of the vehicular frame to make it permanent but flatly prohibits conversion to real property when the mobile home is encumbered.

(c) Bases of Mobile Home Taxation

(1) Specific Tax

The rates of specific taxes levied upon mobile homes either in addition to or in lieu of the ad valorem tax range from \$2 in Kansas to \$6.50 for single wides and \$12.50 for double wides in Arizona. Florida's specific tax (license fee) varies as a function of the size of the house trailer from \$20 for those under 35 feet to \$80 for those exceeding 65 feet.

The specific tax in Colorado varies as a function of the age of the mobile home. Iowa semiannually multiplies the number of square feet of floor space in the mobile home by 10 cents for the first 5 years after the year of manufacture. For the 6th through 9th year, the semiannual tax is 90 percent of the tax liability computed in the 1st year and for the 10th or more years, 80 percent.

(2) Ad Valorem Tax

Generally the basis of the ad valorem tax is an assessment of the value of the item taxed. The tax is a percentage of the assessed value. It is in the computation of this value that the greatest variation among the states is found. Some states assess mobile homes in the same manner as motor vehicles. Others assess them in the same manner as real property while those states, constitutionally required to adopt a uniform rate of assessment, assess all property alike.

Most states begin the computation with the manufacturer's suggested retail price. "Blue books" or other handbooks are available from the industry or are sometimes developed by the state itself to provide this information. Arizona uses the price reflected on the federally required base price list. Colorado computes the gross taxable value as 75 percent of the retail delivered price exclusive of state and local sales taxes whenever the factory list price is unavailable. Arkansas plans to appraise mobile homes by the square foot cost of a complete mobile home in place, starting with its retail price and including dealer's markup and reasonable delivery and setup costs. Colorado reduces the gross taxable value by 20 percent to reflect the value of the furnishings. Most states make no adjustment to the gross taxable value of the mobile home to reflect the value of its furnishings.

Many states then reduce the gross taxable value to reflect depreciation in the life of the mobile home. Arkansas is considering a straight line schedule for

classes of mobile homes based upon a comparison with industry standards and degrees and quality of finish. Indiana bases its depreciation rate on the age of the mobile home, i.e., the difference between the year of manufacture and the year of assessment. Arizona's Department of Property Valuation has developed a depreciation scale with a 15-year life span and a 18 percent bottom depreciation limit.

The depreciated value is usually the "assessed value" against which the tax rate is applied to determine the tax liability. But Colorado reduces the depreciated value still further by a factor of 30 percent before arriving at the assessed value of mobile homes over 32 feet long or over 8 feet wide. Arizona taxes 25 percent of the depreciated value for commercial or rental units and 18 percent of the depreciated value of owner occupied units.

The tax rate as indicated above is usually a local mill rate calculated annually by dividing the needs of the taxing power by the assessed value of all property subject to taxation within its jurisdiction. In Iowa, the county sets a tax rate within a range set by the legislature. In Oregon and Florida, constitutional provisions effectively prevent the legislature from levying property taxes for state purposes. California's license tax rate on mobile homes is 2 percent of market value.

(d) Procedures

The enforcement of mobile home taxation appears to be a major problem for most states. This is because the mobile home unit is less often on the road where it is visible by law enforcement officers and is now more difficult to locate. Tax assessors in many states have complained that they do not have the resources to conduct a physical inspection of each mobile home within their territory. Procedures have been developed to aid in the location of the mobile home within the taxing jurisdiction.

Some states require mobile home dealers to furnish monthly sales reports to the local taxing agency. These reports identify the purchaser, the mobile home unit and its gross selling price. In one state, a \$50 fine is assessed for failure to report. In Arizona a financial institution applying for title must notify the appropriate county assessor of the unit's actual location.

Other states require the mobile home owner to apply for a placement or relocation permit and levy a fine as high as \$200 for failure to comply. The permit may be issued by the county assessor or the state motor vehicle department. In either case a copy of the permit goes to the assessor where the unit is being moved from and moved to. Owners must present proof of assessment and payment of all taxes before movement and, where the movement is out-of-state, current taxes must be paid.

Georgia requires its mobile home owners to make annually a return of the "true market value" of the unit. Illinois taxpayers annually list their personal property, but the local assessor fixes their "fair cash value."

Other states require mobile home park owners to report the placement of a mobile home within 5 days.

In most states some sort of tag, decal or plate is issued for display on the mobile home unit as proof of the payment of taxes.

4. Overview of Mobile Home Taxation in Nevada

Mobile homes in Nevada are subject both to sales and use tax and the ad valorem personal property tax. When a mobile home is purchased new or used in this state, it is subject to a sales tax pursuant to NRS chapters 372, 374 and 377 (if applicable). When brought into the state new, the mobile home is subject to a use tax under the same chapters. The sales tax is levied against a mobile home each time it is sold in this state.

A mobile home is subject to registration and licensing as a vehicle only when moved upon the highway. The vehicle registration fee is paid in addition to the sales and use tax and the ad valorem personal property tax.

The county assessors locate mobile home units both by physical inspection and by records supplied following the sale of a unit. When a new, used or rebuilt mobile home is sold in the state, a report of sales is filed with the Department of Motor Vehicles. The department forwards a copy of the report of sale to the assessor to notify him that a mobile home has been purchased for placement in his county.

The personal property tax must be paid within 30 days from the date of purchase unless the owner satisfies the county assessor that he owns real estate within the county of sufficient value to pay the taxes on both his real and personal property. In assessing the mobile home, the county assessor uses a single depreciation schedule developed and adopted by the Nevada Tax Commission which is responsible under NRS 361.325 for fixing and establishing the valuation of all mobile homes in the state. When the tax is paid, a tax stamp is placed in a prescribed spot on the mobile home to make it conspicuous for inspection.

5. Basic Policy Considerations in Mobile Home Taxation in Nevada

Since they serve as housing for a progressively larger percentage of the population each year, mobile homes have important economic effects on the community as a whole. The primary criticism leveled against them seem to be that they create a tax burden on the communities in which they are placed--that mobile homes are not paying their "fair share" of the cost of community services. If communities are to permit the use of mobile homes as residences, their occupants must be expected to support local budgets and should be taxed on the same basis as other residents unless adequate reasons can be found for disparate treatment.

There is concern in many communities that mobile homes are a burden on schools and other public services. Most of the money acquired by local government to provide such services

is derived from the property tax and, since mobile homes cost less, the property taxes assigned to them are lower than those assigned to conventional housing.

Understandably, any feeling that certain groups enjoy the same services but do not contribute their fair share towards its cost leads inevitably to resentment. Many mobile home owners in Nevada feel this resentment and argue that it is not justified. Some of the hostility comes from the fact that property taxes paid by the mobile home owner are not as visible to the public as are the taxes on conventional homes. In Nevada, mobile homes as personal property are not placed on the secured rolls which are published as a matter of public record. Nor is the sales tax mobile homes pay similarly published.

Mobile home owners point out that mobile home park development raises real property tax revenue by increasing the value of commercial property. They pay the real property tax indirectly when the tax is passed on to them in the rent charged for spaces in the parks. Many complain that they do not actually receive local services and that such services as street maintenance and lighting and security protection are often provided by the park owners with the cost passed on to the space renters.

Studies show that earlier fears of an invasion by a transient population with many children have not proved true. In fact, because of their limited income and the limited space in a mobile home, this type of housing has attracted primarily young marrieds and retirees with few children. A 1966 study by the Nevada Tax Commission indicated that there are few school age children per mobile home in the parks surveyed, and a more recent private study in the Reno-Sparks area has shown a similar result. There is other evidence that homes in a high density urban mobile home park are probably contributing more as a group towards the expense of community services than the single family conventional dwellings in the same area. Community services are so expensive that, in general, the single family dwelling--whether mobile or conventional--does not "pay its way" but is subsidized by business, commercial property and apartment houses.

Evidence before the subcommittee clearly indicates that most mobile home owners are paying as much ad valorem property tax as can be fairly charged them. Under the constitution, they pay at the same millage and the same assessment ratio as do conventional home owners.

The only difference in the computation is the rate of depreciation. It is clear that the market value of a mobile home generally declines at a much faster rate than a comparable conventional home. If the current depreciation schedule used for mobile homes is reasonably accurate, then it cannot be expected that mobile homes pay more ad valorem property tax. The subcommittee finds that the current schedule is reasonably accurate given the Nevada Tax Commission's present data processing limitations. Computerization and stratified depreciation as discussed below will introduce more accuracy. Mobile homes as a group simply cost less, and the property taxes assigned to them in fairness must be lower than those assigned to conventional housing.

It was considered that even if mobile homes are paying as much ad valorem property tax as can be fairly charged them, if that amount is not enough to spread the cost of services more evenly among residents in the community, then mobile home owners should be asked to pay in addition to the property tax a specific tax or fee based on the value of services received. There are serious problems in such a proposal.

Because the mill rate is governed by local needs, the ad valorem property tax seems best suited to reflecting the general level of local services than is any uniform, state-wide schedule of fees. Certainly taxing mobile homes solely on the basis of the value of services received would displace the longstanding concept of taxation according to ability to pay. The high costs of community services must be shared, but by each according to his ability to pay. The best measure of that ability, it is fairly well agreed, is the value of one's property and this, of course, is the basis of the "ad valorem" ("according to value") property tax.

To levy an additional tax solely on mobile homes would probably require amending article 10, section 1 of the Nevada constitution which mandates a uniform and equal rate of assessment and taxation for all forms of property. Constitutional amendment in Nevada is a very slow process.

Another problem is that most mobile home owners, like many other residents in the community, are financially unable to pay additional taxes. Most of them are young marrieds or retirees with limited or fixed incomes which have been seriously affected by inflation.

Another difficult problem is pointed out in a Yale Law Journal article:¹

An attempt to make mobile home residents responsible inter se for the additional expenses attributable to them by adoption of a fee system would involve conceptually difficult accounting problems. For example, what proportion of local administrative expense, or police or fire protection costs are really attributable to mobile home residents? Should the cost of municipal recreation facilities be allocated equally to owners who reside in parks furnishing extensive recreational facilities and those who depend on the public facilities? If this special tax treatment of mobile home residents is justified by their potential mobility, should they be required to contribute to permanent community improvements? Should their contribution be limited to a portion of current depreciation? Difficult as these problems may be, an approximate allocation of costs can doubtless be made.⁶⁴ The fundamental objection to taxing mobile homes through fees based on the value of services received lies not in the conceptual difficulties of allocation but in the special treatment of these residents. So long as other dwellings are taxed by an ad valorem property tax, the fee system is subject to the same criticism made of taxing mobile homes as motor vehicles or personal property: It discriminates between residents.

1. Toward An Equitable and Workable Program of Mobile Home Taxation, 71 Yale L.J. 710 (1962).

The ideal tax system strives towards the goal of horizontal equity: the property tax should affect equally all those who own similar kinds of property of the same value. There is certainly much disagreement over the similarities and dissimilarities between mobile and conventional homes. In Nevada they are classified separately as personal and real property. But both are assessed and taxed at a uniform and equal rate. Depreciation is different, but understandably so. It is in the payment and collection of the ad valorem tax that disparate treatment appears. The conventional home owner may pay his property taxes in arrears in quarterly installments and may redeem his home within 2 years prior to a forced sale for delinquent taxes. His mobile home counterpart without real estate in the county sufficient to cover both his real and personal property taxes must pay the current personal property tax in one lump sum and has no redemption period. Under NRS 361.535, his home may be seized for unpaid taxes and sold by the assessor within 25 days.

The subcommittee noted that subsequent sales of mobile homes are subject to the sales tax, while such sales of conventional homes are subject to a substantially smaller real property transfer tax. The subcommittee does not recommend exempting mobile homes from the sales and use tax of NRS chapter 372.

The subcommittee recommends assessing and taxing all mobile homes as real property at the option of the owner. Subsequent sales of such mobile homes should be exempt from the sales and use tax imposed by NRS chapters 374 and 377. It also recommends that mobile home owners be granted similar benefits in the quarterly payment of taxes and a redemption period for delinquent taxes as are enjoyed by other homeowners.

The reasonableness of the separate classification of mobile homes probably should depend on their actual, not potential, mobility. The question is, how immobile must a home be to escape the "mobile" classification? The subcommittee recognized that as mobile homes have become increasingly permanent, differentiation on the basis of mobility has lost much of its vitality.

6. Taxation of Mobile Homes as Real Property

In deciding to recommend that all mobile homes be assessed and taxed as real property at the option of the owner, the subcommittee reviewed three approaches taken in other states to the taxation of mobile homes as real estate.

In Pennsylvania, the mobile home is taxed as real property to the owner of the home only when it is permanently attached to the land. Texas also charges the tax to the owner of the mobile home, but the real property tax is levied regardless of whether the home is attached to the land. Finally, New York includes the value of any mobile home attached or not in the assessment of the land on which it rests, regardless of who owns the land.

Collection of the mobile home tax would be easier in New York where it is always a lien upon someone's land. But making someone else ultimately responsible for another's tax seems the least socially acceptable and legally sound of the approaches. The New York Court of Appeals, however, rejected the due process argument made against this approach on the rationale that the mobile home park owner could pass the increased tax onto the mobile home owner, the one who rightfully should pay the tax by a rent increase or an amendment to the lease. The U. S. Supreme Court backed the highest New York court's decision by dismissing an appeal from the case.

In Nevada, the New York approach of taxing a person for property he does not own would probably result in lengthy litigation. The subcommittee recommends that the property tax be levied at the option of the owner against the mobile home as real property in his hands. The tax should not become a lien on land he does not own. (See Bill "A".)

Having decided that a real property tax on mobile homes should be charged only to the mobile home owner, the subcommittee next considered whether permanent attachment of the mobile home to the land should be required. There would be the same difficulty with including the value of even a permanently attached mobile home in the assessment of land not owned by the mobile home owner. Thus, the effect of a requirement for permanent attachment would be to exclude all landless mobile home owners from

real property tax treatment. The subcommittee felt that if it were legally sound, all mobile home owners should have an opportunity to opt for such treatment.

Seemingly the only objection to treating permanently attached and nonattached mobile homes alike as real property for tax purposes is that mobile homes do not fit the traditional definition of real property. The definition of real property has always encompassed land and those objects permanently affixed to land. The Nevada Supreme Court has adhered to such a definition and in the absence of legislative direction would probably not treat the mobile home as real property unless it was somehow permanently attached to the land--either actually or constructively.

Under the fixture doctrine, courts may consider a structure constructively attached to land upon balancing the degree of physical attachment, the appropriateness of the realty to the article attached and the intention of the parties. Many courts focus almost exclusively on the parties' intention and consider the other two factors as evidence of such intent.

What constitutes permanent attachment can be whatever the legislature reasonably says it is, because clearly the legislature has power to classify and define what property is taxable as real property. But the question of what should constitute permanent attachment is very difficult and there is little authority for an answer in the country, or in Nevada. There have been informal discussions between the county assessors and the Nevada Tax Commission as to possible criteria. Physical attachment to a foundation, qualification for FHA financing and compliance with certain building code requirements have been suggested. But there is no consensus.

The practice among the county assessors, pursuant to NRS 361.-562, is to put a mobile home on the secured roll at the request of the owner if the mobile home is placed on land--whether permanently attached or not--owned by the mobile home owner and having sufficient value to cover both his personal and real property tax liability. Tax payments in quarterly installments would be available and, since the value of the mobile home is included in the assessment of the land, a

2-year redemption period would probably apply to the mobile home also. Where the mobile home is located on land owned by the mobile home owner, the only significance in saying that no mobile home is taxed as realty in Nevada is that all mobile homes, no matter where or how placed, are depreciated under the same schedule and are subject to the sales tax even when sold with the land. For otherwise full real property treatment of a mobile home, the owner need only own land. In practice and in statutory law permanent attachment is not required.

The subcommittee recommends that all mobile home owners have an opportunity to opt for certain benefits of real property treatment with certain qualifications as explained below, regardless of land ownership or permanent attachment, provided only that when the land on which the unit is placed is not owned by the mobile home owner, the taxes on the mobile home become a lien only on the mobile home. The legislature has the power to define what property shall be taxable as real property. The recommendation avoids the problem of taxing one person for the property of another and the problem of determining appropriate criteria for permanent attachment. Proposed bill "A" would effect this recommendation.

7. Quarterly Payment of Taxes

Regardless of the option taken under proposed bill "A", all mobile home owners should also be able to choose between paying the property tax in single or quarterly installments. Under NRS 361.482 and 361.505, payment of the current year's taxes in a single installment is required except when land is owned. Initially a mobile home buyer must meet within 30 days of purchase a sales tax and a property tax bill which must be paid in full. Many mobile home owners living on fixed incomes are experiencing great difficulty in paying the full amount all at once.

In weighing the relative permanence of mobile homes today, the subcommittee recommends that taxes against unsecured mobile homes be collected during the fiscal year for which they are levied even though payment may be made in quarterly installments. Proposed bill "B" would effect this recommendation.

8. One-year Redemption Period for Delinquent Taxes

Regardless of the option taken under proposed bill "A", all mobile home owners should also be able to redeem their homes prior to a forced sale for delinquent taxes. The mobile home owner has no opportunity to redeem. Under NRS 361.535, his home may be sold absolutely within 25 days of seizure for delinquent taxes. "Skipping" to evade taxes can be made more difficult through the trip permit system recommended and proposed in bill "F". The subcommittee feels that the greater number of mobile home owners who are law-abiding should not lose their homes because of a temporary inability to pay taxes on the ground that a few might skip to evade the tax.

Again, in weighing the relative permanence of mobile homes, the subcommittee recommends a 1-year redemption period for all mobile homes instead of the 2-year period given real property under NRS 361.565. Proposed bill "C" would effect this recommendation.

9. Stratified Depreciation of Mobile Homes

(a) Depreciation of Mobile Homes in Nevada

Both mobile and conventional homes are subject to the same tax rate of up to \$5 for every \$100 of assessed value and the same assessment ratio of 35 percent of full cash value. This equality is mandated by article 10, section 1 of the Nevada constitution. The only differences in the manner in which the property tax is computed for the two forms of housing lies in the rate of depreciation and the frequency of assessment. Mobile homes are depreciated faster and assessed annually, while the conventional homes are assessed every 5 to 10 years.

The tax commission has pointed out that the difference in frequency of assessment is likely to change in the near future. Litigation on this issue is becoming more plentiful and a trend is developing toward annual assessments of all types of property. Annual assessments are already a reality in many states and are in the progressing stages of development in Washoe and Clark counties.

To understand depreciation generally, a clear distinction must be made between the "market value" of a mobile home and its "intrinsic value." "Market value" is what a willing buyer pays a willing seller for a particular mobile home in an arms-length transaction. The "intrinsic value" speaks to the condition or quality of the mobile home itself at the time of sale. There is considerable disagreement over the construction quality of mobile homes generally. Normally market value will decline as intrinsic value declines, unless the demand is so great that most people are willing to pay more than the intrinsic value would warrant. This is just what appears to be happening to mobile homes in Nevada today.

Market value is used in ad valorem taxation because it is deemed to be the fairest measure of one's ability to pay property taxes. Thus, the goal of any depreciation schedule is to reflect market value as accurately as possible.

Under NRS 361.325 the Nevada Tax Commission is charged with fixing and establishing the valuation for assessment purposes of all mobile homes in the state. Pursuant to this responsibility, in May of each year, the tax commission determines and adopts a single depreciation schedule which the county assessors apply to all mobile homes assessed, regardless of whether the home is on a foundation with wheels removed or on land owned by the mobile home owner. For the 1971-72 tax year, county assessors used a straight line 8 percent depreciation schedule based on a 10-year life and having a 20 percent residual value. Under this schedule, the mobile home was depreciated 8 percent each year for 10 years, at which point it reached 20 percent good. The mobile home would remain at 20 percent good for tax purposes from that point on for the balance of its life. (See Exhibit B.)

This schedule was revised for tax year 1972-73. Market data then indicated that mobile homes were experiencing a sharper depreciation in their early years than 8 percent

each year. Also their service life had become longer as evidenced by actual sales data showing that between 10 and 20 years after their initial sale, mobile homes were still selling well above 20 percent of their original suggested retail price. To reflect these changes in the market, the tax commission developed a "curved" line depreciation schedule in 1972-73 based on a 20-year life and having a residual value of 20 percent good reached in 20 years. (See Exhibit B.)

This schedule was in turn revised for tax year 1973-74. Sales data from Nevada counties used for the first time and from the Official Mobile Home Market Report showed that mobile homes were depreciating less rapidly in their earlier years, so the 1972-73 schedule was adjusted to curve less sharply in those years. (See Exhibit B.) This schedule has been readopted unchanged for use in tax year 1974-75. The extension of the service life from 12 to 20 years in 1972-73 and the flattening of the curve in the early years of depreciation in 1973-74 had the effect of increasing the assessed valuation of many mobile homes during those periods.

In formulating the 1973-74 mobile home depreciation schedule, the tax commission staff reviewed a total of 459 sales from several counties in the state and referred to information contained in the Official Mobile Home Market Report. The report is a comprehensive nationwide market study which is considered to offer an accurate method of determining the rate of depreciation. The current market selling price of a used unit is compared with the suggested retail price quoted in the market report. Then for each sale, the percentage difference between the current sale price, taking into consideration the year it was sold and the model, and the suggested retail price of that model when new is computed and marked on a graph. By linking the most concentrated marks of the graph, an approximate depreciation curve reflecting average depreciation of the average mobile home is obtained.

The number of sales reviewed (459) were considered to be a statistically sufficient sample for the purpose and is close to the number the present staff can adequately

process. It is recognized that a larger sampling could be developed with computer aids and would yield a more accurate schedule.

(b) Stratification

Since no two mobile homes depreciate in market value at exactly the same rate, any single depreciation schedule applied, as is Nevada's, to all mobile homes must be at best an average rate for the average home. The effect of using such a schedule is that many mobile homes will be assessed at a value either higher or lower than what was actually paid for the unit. There is strong evidence that this effect could be reduced if different categories of mobile homes were depreciated at speeds which more accurately reflected the actual rate for each mobile home. This system of depreciation has long been used for conventional homes. Different categories or "stratas" of conventional homes are assigned longer or shorter service lives as are justified by their price, quality of construction and other factors, and are consequently depreciated at different rates. This is the "stratification" method of depreciation.

Stratification assumes a direct relationship between "market value" and "intrinsic value" as discussed above. With adequate maintenance, the better built the home, the more slowly it should depreciate in both intrinsic and market value. In depreciating the better quality home, a schedule based on a longer service life would be used; for the poor quality unit, a shorter service life would be appropriate. Age-life tables prepared from a study of the 1971 market by the American Mobile Home Appraisal Company suggests that the point where the resale value of used mobile homes begins to drop below 20 percent of their original suggested retail price may occur anywhere between 15 to 33 years after its initial sale. Under stratification there would be a series of depreciation schedules, each based upon a service life falling somewhere within such a range.

The length of the service life which should be assigned to any one category or "stratum" of mobile homes must depend on several factors. Quality of construction could be used to differentiate groups of mobile homes, but there is considerable disagreement as to what the differences in quality are, or even that such differences exist. Many believe that most mobile homes are poorly constructed and that the price differential among them is due to optional decorations and other frills. The selling price of the mobile home would be another differentiating factor that would again have to be used in conjunction with other factors such as the make and model of the mobile home.

Such shortening or extending the service life of mobile homes from the present 20-year period would probably have the general effect of lowering taxes on less expensive, poorer quality mobile homes and of raising taxes on the more expensive, better quality units. The state and county would stand to lose and gain tax revenue accordingly.

The tax commission has been studying the feasibility of stratification. But its findings are as yet inconclusive. Without computer assistance, it has not been able to gather a large enough sampling of data from all the counties to determine whether the cheaper, poorer quality mobile homes do in fact depreciate at a faster rate than the more expensive, better quality units. The commission feels that an in-depth study would indicate such a difference.

A computer analysis program would be required to develop the necessary strata delineations and depreciation schedules. For this reason, the subcommittee recommends that the legislature request the tax commission to budget for a computerized valuation program for mobile homes. (See Proposed Bill "G".) The subcommittee finds that data currently available does indicate a strong possibility that stratification will result in more accurate, and therefore fairer, depreciation of mobile homes. A legislative request that the tax commission conduct an in-depth study of stratification is recommended. Proposed bill "D" would effect this recommendation.

10. Redistribution of City-County Relief Tax Generated by
Mobile Homes

When a mobile home is purchased new or used in Nevada, it is subject to a combined sales tax of up to 3 1/2 percent pursuant to NRS chapters 372, 374, and 377. When brought new into the state, the mobile home is subject to a use tax under the same chapters. The sales tax is levied against a mobile home each time it is sold in this state. "Occasional sales" of mobile homes between private individuals, however, are exempt from the sales tax if it is not one of three such transactions within a year. When a third sale of personal property within a 12-month period is made, the three transactions become subject to the sales tax. It is not known how much tax revenue is lost through the exemption on occasional sales because it is difficult to determine how many such sales are taking place.

NRS chapter 372 provides for a sales and use tax of 2 percent. All moneys collected under the chapter are deposited in the state treasury to the credit of the sales tax fund. It should be noted that this law was enacted by referendum and can only be amended through a referendum.

An additional 1 percent sales and use tax is levied for local school support under NRS chapter 374. Moneys collected under the chapter are deposited in the state treasury to the credit of the local school support fund. The amount collected in each county, less 1 percent of it retained by the state for administration, is returned to each county for local school support. The amount collected for out-of-state businesses not maintaining a fixed place of business within the state is deposited in the state's distributive school fund for educational purposes.

An additional 1/2 percent sales and use tax may be levied at the option of each county for city-county relief. One percent of the tax collected in each county opting for the tax is deposited in the state general fund for administering the tax. The remainder is returned to each county for city and county general purpose use. It is the city-county relief tax generated by mobile homes which the subcommittee recommends be distributed to the county of the mobile home's placement if different from the county of sale.

The subcommittee finds that there is a need to distribute the sales tax generated by a mobile home to the county which ultimately will have to provide it with community services. Some communities are having difficulty financing the services needed for their rapidly expanding mobile home populations, particularly when the homes are widely scattered rather than grouped in parks. The town of Dayton in Lyon County is a case in point. The town is a "bedroom" community for Carson City with a high mobile home population. Most of these homes were purchased in Carson City and other counties which received the tax revenue from their sale. Lyon County, which must provide services for the homes, received none of this revenue. Besides relieving financial hardship, it is felt that returning the sales tax generated by mobile homes to the county where it is located would help relieve some of the resentment against mobile homes.

It is not known how much revenue in sales and use taxes is generated by mobile homes. Records of these sales are combined with sales of boats, campers and even drugstores. We know only that last fiscal the state deposited \$46,539,432 of sales tax into the general fund. And a private informal poll of 16 mobile home dealers in the Reno-Sparks-Carson City area suggests that the sales tax collected there in fiscal 1972 could have totaled as much as \$712,800. There is also not enough information about the distribution of mobile homes throughout the state to determine how much revenue would be relocated and to which counties.

The subcommittee feels it should limit its recommendation for redistribution to the city-county relief tax. The 2-percent sales and use tax is an important source of revenue for the state's general fund (37.7 percent) and much of it is spent on education, roads and other services in the counties. Some of it is appropriated out of the general fund for the state distributive school fund. The 1-percent local school support tax is returned to the county but may only be used for school purposes. A redistribution of this tax would have no dollar impact on the county receiving it. Local available funds produced by mandatory taxes are subtracted from the basic support guarantee money provided each school district from the state distributive school fund. Thus, a gain of one dollar of local school support tax in a county results in a loss to that county of one dollar of school district basic support guarantee money.

The 1/2-percent city-county relief tax is apportioned between the county and the cities within the county that enacts it. It may be used for general county or city purposes. The subcommittee recommends distributing this tax to the county of a mobile home's placement if different from the county of sale.

The Nevada Tax Commission indicates that the procedures and costs of administering this redistribution would be manageable. The mobile home dealer's report of sale would have to name the county of sale and the county of placement. All mobile home tax revenue data would have to be isolated and computer processed to determine the amount of revenue each county should receive. It is uncertain at this point that redistributing the city-county relief tax alone would relocate enough money to the counties of placement to make the redistribution economically feasible. The subcommittee, of course, makes its recommendation on the condition that such feasibility be shown. Proposed bill "E" would effect this recommendation.

11. Licensing Mobile Homes to Prevent Skips

A mobile home may not be moved on Nevada roads or highways unless it is registered and licensed by the Department of Motor Vehicles. Unless the mobile home is inventory in the hands of a manufacturer or dealer, the owner must register it and purchase a \$5.50 trailer license plate. The license plate is issued only when the owner presents a receipt or certified letter from the county assessor showing that all personal property taxes on the home have been paid. The plate must be displayed on the rear of the mobile home during transport and the home may be seized if moved in violation of these requirements. Registration and licensing are now the primary means for preventing "skips"--moving the mobile home to evade taxes. Although the subcommittee feels strongly that the majority of law-abiding mobile home owners should not be denied such recommended benefits as quarterly payment of taxes or a redemption period for delinquent taxes because a small minority skip, it is recognized that the acceptability of these programs as well as mobile home taxation generally is improved by stopping skips.

Under the present registration and licensing system, there are several ways by which mobile homes can be moved to evade taxes:

1. Normally a dealer may move a mobile home on a dealer's plate only from and to his lot. Some dealers apparently are moving "trade-ins" directly from mobile home park to park on their plate and in these cases the opportunity to check payment of taxes is lost.
2. The \$5.50 license plate is issued for the duration of the current registration period, which could be up to 1 year. Some transporters are removing the plate from homes they know will be parked at least that long and thus carry extra plates for use on other mobile homes. Once more the opportunity to check payment of taxes is lost.
3. The Department of Motor Vehicles issues only one type of plate for all trailers, including mobile homes. If a mobile home owner happens to have a plate that was issued for his small utility trailer, he can switch the plate to his mobile home to evade his taxes.
4. A mobile home transported on a "lowboy" is not touching the highway and perhaps is technically not being "moved on the highway." It has been suggested that in such cases a license plate for the mobile home may not be required at all. With such movement, the opportunity for checking the payment of taxes is once more lost.

Stricter enforcement of the present law does not seem to be possible for two reasons. One is that the Nevada Highway Patrol is primarily and properly concerned with enforcing the traffic laws. Peace officers likewise properly have more pressing concerns. Commercial enforcement is somewhat more complicated. Motor carriers hauling mobile homes come under NRS chapter 706 with its many exemptions and exceptions. The field agents of the Motor Carrier Division are more familiar with that chapter, but they number 23 for the entire state. The result is that the average number of mobile homes caught and impounded for violation of the registration and licensing laws is only one or two a year. Complaints of skips from the county assessors suggest many more go uncaught.

The second circumstance making stricter enforcement of the present licensing requirements more difficult is that there is nothing about the license plate itself which clues an enforcement official that the plate he sees is not the proper plate for that mobile home. To be sure, the officer must stop the mobile home and compare the plate number with the registration certificate. Stopping any large number of mobile homes would clearly place an unacceptable burden on enforcement and on the movement of mobile homes.

For all these reasons, the subcommittee recommends replacing the present license plate requirements for mobile homes with a special \$2 trip permit. The trip permit should be issued only by the county assessor and be good for only 5 days. It should be displayed on the rear of the mobile home with its expiration date clearly visible to an enforcement officer driving a safe distance behind the mobile home. Moreover, the permit should be made and displayed in such a way that it will be rendered unusable when removed from the mobile home. "Lowboy" movement as discussed above could be covered by defining movement to include the situation where no part of the mobile home touches the highway. Finally, exceptions to the trip permit requirements properly should be made for mobile homes moved through the state from and to points outside Nevada, into Nevada with a valid license plate or permit from another state, and those moved with a dealer's plate or motor convoy carrier plate when the movement is from a place of manufacture to a dealer's lot, from one dealer's lot to another and from a dealer's lot to the delivery address of the mobile home buyer. Proposed bill "F" would effect these recommendations.

12. Computerized Valuation Program for Mobile Homes

Efficient and informed policymaking must be based upon reliable and sufficient data. There is relatively little systematic collection and analysis of statistical data on mobile homes in Nevada either at the state or local level. We do not have enough reliable data with which to judge the mobile homes' impact on community services. Often what data has been accumulated is generally difficult to retrieve and is uninterpreted. The present size of Nevada's mobile home population and its continued rapid growth makes a computerized valuation program for mobile homes essential. Such a program

is now needed to provide the collection and analysis of statistical data necessary for impact studies, stratified depreciation specifically and mobile home appraisal generally.

The tax commission does not need any additional equipment or "hardware" for a mobile home computerized valuation program. It already has access to the state's computer facility. But a systems analyst would be needed to develop the program. Since the commission already has the expertise required to administer the program, it estimates its costs for computerizing its mobile home valuation program would be under \$50,000. The subcommittee recommends passage of a resolution directing the tax commission to budget for a computerized valuation program for mobile homes.

To develop this program, the tax commission could expect to receive cooperation from other state agencies. Cooperation would be needed primarily in the area of gathering, exchanging and processing information. The tax commission felt that a legislative resolution requesting cooperation in joint efforts between itself and other state agencies in aid of a computerized valuation program for mobile homes would be helpful. The subcommittee recommends such a resolution. Proposed bill "G" would effect both recommendations.

Respectfully submitted,

Senator Eugene V. Echols, Chairman
Assemblyman Robert R. Barengo
Assemblyman William Bickerstaff
Assemblyman Robert V. Broadbent
Assemblyman Virgil M. Getto
Assemblyman Paul W. May
Assemblyman James E. Smalley

Exhibits

MOBILE HOME TRENDS AND MOBILE HOMES
AS A PROPORTION OF THE TOTAL HOUSING STOCK

<u>Counties</u>	<u>Mobile Homes (1960)</u>	<u>Mobile Homes (1970)</u>	<u>% Increase 10 years</u>	<u>% of 1960 Housing Stock</u>	<u>% of 1970 Housing Stock</u>
Churchill	205	622	203.4	7.2	16.7
Douglas	163	333	104.3	8.2	10.7
Lyon	123	497	304.1	5.9	17.0
Storey	18	31	72.2	5.8	8.7
Carson City	220	677	207.7	8.8	13.2
Total	729	2,160	196.3	7.5	14.2

SOURCE: 1960 and 1970 Census
From "Initial Housing
Report," Carson River
Basin Council of
Governments, 1972.

NEVADA Mobile Home Depreciation Schedule

For Tax Years 1971-72, 1972-73, 1973-74, 1974-1975

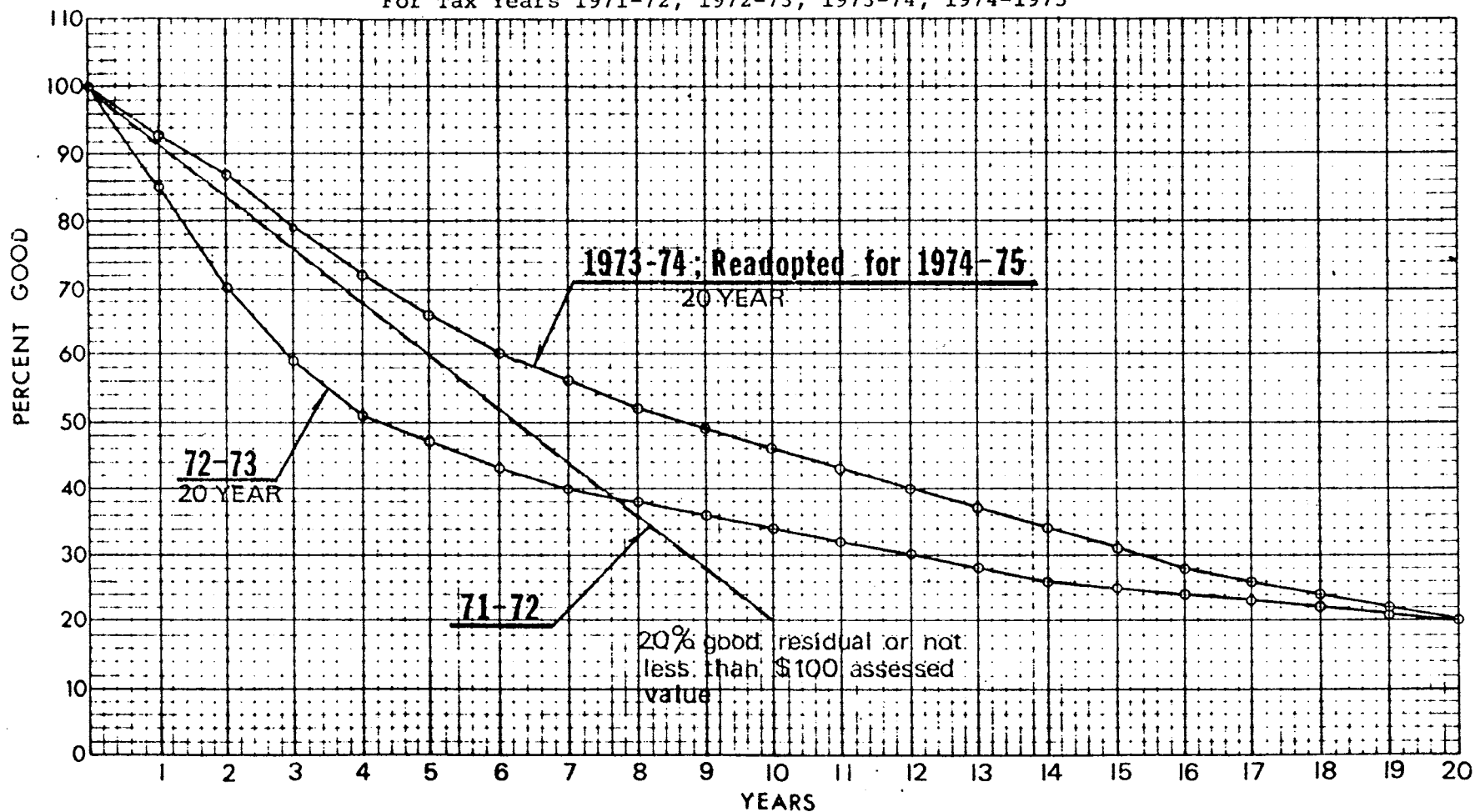


Exhibit B

Suggested Legislation

Bill A

SUMMARY--Provides option of assessing and taxing mobile homes as real property. Fiscal Note: No. (BDR 32-97)

AN ACT relating to mobile homes; providing for assessment and taxation of mobile homes as real property at option of owner; providing procedure for exercising the option; prohibiting encumbrance of certain land by tax lien on mobile home; exempting certain mobile homes from local school support tax and city-county relief tax; providing a definition; 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 361 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. The owner of any mobile home defined in NRS 361.561 may file with the county assessor by May 1st of any fiscal year a statement declaring his desire to have such mobile home assessed and taxed as real property under this chapter for each succeeding year. If the declarant's mobile home is placed upon land owned by the declarant, the Nevada tax commission and the county assessor shall classify, assess and tax the mobile home as an improvement to the land. If the declarant's mobile home is

placed upon land owned by any person other than the declarant, the mobile home shall be listed by the county assessor on a separate listing to be known as the mobile home roll and published with the real property tax roll and assessed and taxed separately and apart from the land as real property under this chapter in the hands of the owner of the mobile home. As used in this subsection, the term "placed" shall not be construed to require permanent attachment to the land.

2. The value of any mobile home shall not be included in the assessment of the land on which it is located, unless both the land and the mobile home are owned by the same person. If the owner of the mobile home is not the owner of the land, the mobile home shall be assessed separately and apart from the land and taxes assessed shall be a liability of the owner of the mobile home, and not a liability of the landowner. Land on which a mobile home is located shall not be subject to execution for the collection of taxes assessed against a mobile home unless both are owned by the same person.

3. A mobile home assessed and taxed as real property under this section shall not be subject to any tax not levied on other real property in the political subdivision, except that such mobile home is tangible personal property with respect to

Chapter 397, Statutes of Nevada 1955, known as the "Sales and Use Tax Act."

Sec. 2. NRS 361.482 is hereby amended to read as follows:

361.482 1. When an ad valorem tax on property is levied by the legislature for a designated fiscal year, such tax shall be collected, in one sum or in installments as provided by this chapter, during the designated fiscal year upon:

[1.] (a) Property assessed during that fiscal year which is not placed upon the secured roll.

[2.] (b) Property assessed during the preceding fiscal year which was placed upon the secured roll.

2. The taxes assessed against a mobile home placed on the mobile home roll under section 1 of this act shall be collected during the fiscal year for which such taxes are levied.

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

Bill B

SUMMARY--Provides an election to pay property tax levied against certain mobile homes in quarterly installments. Fiscal Note: No. (BDR 32-95)

AN ACT relating to property tax; amending NRS 361.483 to provide an election to pay the property tax levied against a mobile home not placed upon the secured roll in quarterly installments; 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. NRS 361.483 is hereby amended to read as follows:

361.483 1. Taxes assessed upon the real property tax roll and upon mobile homes defined in NRS 361.561 are due and payable on the 1st Monday of July.

2. [Taxes] Such taxes may be paid in four equal installments. If a person elects to pay in quarterly installments, the first installment is due and payable on the 1st Monday of July, the second installment on the 1st Monday of October, the third installment on the 1st Monday of January, and the fourth installment on the 1st Monday of March.

3. If any person charged with taxes which are a lien on real property or mobile homes placed on the mobile home roll fails to pay:

(a) Any one quarter of such taxes on or before the day such taxes become due and payable, there shall be added thereto a penalty of 2 percent.

(b) Any two quarters of such taxes, together with accumulated penalties, on or before the day the later of such quarters of taxes becomes due, there shall be added thereto a penalty of 3 percent of the two quarters due.

(c) Any three quarters of such taxes, together with accumulated penalties, on or before the day the latest of such quarters of taxes becomes due, there shall be added thereto a penalty of 4 percent of the three quarters due.

(d) The full amount of such taxes, together with accumulated penalties, on or before the 1st Monday of March, there shall be added thereto a penalty of 5 percent of the full amount of such taxes.

Sec. 2. NRS 361.505 is hereby amended to read as follows:

361.505 1. Each county assessor, when he assesses the property of any person or persons, company or corporation liable to taxation who does not own real estate within the county of sufficient value, in the county assessor's judgment, to pay the taxes on both his or their real and personal

property, shall proceed immediately to collect the taxes on the personal property so assessed [.] , except as to mobile homes as provided in NRS 361.483. The county assessor shall prorate the tax on personal property brought into or entering the state or county for the first time during the fiscal year by reducing the tax one-twelfth for each full month which has elapsed since the beginning of the fiscal year. The person paying such taxes shall not be thereby deprived of his right to have such assessment equalized, and if, upon such equalization, the value is reduced, the taxes paid shall be refunded to such person from the county treasury, upon the order of the board of county commissioners, in proportion to the reduction of the value made.

2. If, at the time of such assessment of personal property, the board of county commissioners has not as yet levied the tax based upon the full combined tax rate for the taxable year to which such assessment is applicable, the total amount of the tax to be collected by the county assessor shall be determined by use of the then current state ad valorem tax rate and the regular combined tax rate for the county, city and school district as levied and applied for the preceding taxable year. The county treasurer shall apportion the tax as other taxes are apportioned.

3. Nothing contained in this section or any other statute shall be construed as prohibiting the county assessor from prorating the count on livestock situated within the state for a portion of a year.

Sec. 3. NRS 361.562 is hereby amended to read as follows:

361.562 1. Upon receipt of every report of sales of mobile homes from a dealer, the department of motor vehicles shall immediately give written notice to the county assessor of each county in which is contained the address of a purchaser of a mobile home as shown in such report.

2. If the purchaser of a mobile home or slide-in camper does not register and license the mobile home or slide-in camper upon taking possession, pursuant to the provisions of NRS 482.397, and pay the personal property tax thereon, he shall, within 30 days from the date of purchase of such mobile home or slide-in camper:

(a) Pay to the county assessor all personal property taxes levied against such mobile home or slide-in camper and its contents [; or] , except as provided in NRS 361.483; or

(b) Satisfy the county assessor that he owns real estate within the county of sufficient value, in the county assessor's judgment, to pay the taxes on both his real and personal property.

3. The county assessor shall collect the tax required to be paid by subsection 2, in the manner prescribed by law for the collection of other personal property taxes [.] , except as to mobile homes as provided in NRS 361.483.

Bill C

SUMMARY--Provides redemption period for mobile homes prior to seizure and sale for delinquent taxes. Fiscal Note: No. (BDR 32-101)

AN ACT relating to property taxes; providing a 1-year redemption period for mobile homes prior to seizure and sale to satisfy taxes and costs; providing procedures for redemption, seizure and sale; 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. NRS 361.535 is hereby amended to read as follows:

361.535 1. If the person or persons, company or corporation so assessed shall neglect or refuse to pay such taxes on demand of the county assessor, the county assessor or his deputy shall seize sufficient of the personal property of the person or persons, company or corporation so neglecting or refusing to pay to satisfy the taxes and costs.

2. The county assessor shall post a notice of such seizure, with a description of the property, in three public places in the township or district where it is seized, and shall, at the expiration of 5 days, proceed to sell at public auction, at

the time and place mentioned in the notice, to the highest bidder, for lawful money of the United States, a sufficient quantity of such property to pay the taxes and expenses incurred. For this service the county assessor shall be allowed from the delinquent person a fee of \$3.

3. If the personal property seized by the county assessor or his deputy, consists of a [mobile home, house trailer or] boat, the county assessor shall publish a notice of such seizure once during each of 2 successive weeks in a newspaper of general circulation in the county. If the legal owner of such property is someone other than the registered owner, [and the name and address of the legal owner can be ascertained from the records of the department of motor vehicles,] the county assessor shall, prior to such publication, send a copy of such notice by registered or certified mail to such legal owner. The cost of such publication and notice shall be charged to the delinquent taxpayer. Such notice shall state:

(a) The name of the owner, if known.

(b) The description of the property seized, including the make, model and color and the serial number, motor number, body number or other identifying number.

(c) The fact that such property has been seized and the reason for such seizure.

(d) The amount of the taxes due on such property and the penalties and costs as provided by law.

(e) The time and place at which such property is to be sold.

flush After the expiration of 5 days from the date of the second publication of such notice, such property shall be sold at public auction in the manner provided in subsection 2 for the sale of other personal property by the county assessor.

4. Upon payment of the purchase money, the county assessor shall deliver to the purchaser of the property sold, with a certificate of the sale, a statement of the amount of taxes or assessment and the expenses thereon for which the property was sold, whereupon the title of the property so sold shall vest absolutely in the purchaser.

5. Mobile homes as defined in NRS 361.561 shall not be seized or sold under this section except as provided in sections 5, 7, and 8 of this act.

Sec. 2. Chapter 361 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 8, inclusive, of this act.

Sec. 3. 1. If any person required to pay a personal property tax under the provisions of NRS 361.562, 361.563 or 361.5642 neglects or refuses to pay such tax on demand of the county assessor, the county assessor or tax receiver shall give notice in the manner and form provided in this section.

2. Such notice shall be published once during each of 4 successive weeks in a newspaper of general circulation in the county. If the legal owner of the mobile home is someone other than the registered owner and the name and address of the legal owner can be ascertained from the records of the department of motor vehicles, the county assessor or tax receiver shall, prior to such publication, send a copy of such notice by registered or certified mail to such legal owner. The cost of such publication and notice shall be charged to the delinquent taxpayer. Such notice shall state:

(a) The name of the owner, if known.

(b) The description of the mobile home on which such taxes are a lien, including the make, model, color and serial number, body number or other identifying number.

(c) The amount of the taxes due on the mobile home 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, at 1:30 p.m. of the

day following the last day notice is to be published pursuant to this section, will issue to the county treasurer, as trustee for the state and county, a certificate authorizing him to hold the property, subject to redemption within 1 year after the date of the trustee certificate by payment of the taxes and accruing taxes, penalties and costs, together with interest at a 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 sections 3 to 8, inclusive, of this act.

Sec. 4. 1. Pursuant to the notice given as provided in section 3 of this act and at the time so noticed, the tax receiver shall make out his certificate authorizing the county treasurer as trustee for the state and county to hold the mobile home described therein for the period of 1 year after the date of the trustee certificate unless sooner redeemed.

2. The certificate should specify:

(a) The amount of delinquency, including the amount and year of assessment;

(b) The taxes and the penalties and costs added thereto, and that interest thereon will be added at the rate of 10 percent per annum from the date due until paid; and

(c) The name of the owner or taxpayer, if known.

3. The certificate shall state, and it is hereby provided:

(a) That the mobile home may be redeemed by the owner or his successor in interest within 1 year from the date of the trustee certificate; and

(b) That if not redeemed, the mobile home shall be seized and sold as provided in sections 3 to 8, inclusive, of this act.

4. A copy of the trustee certificate shall be filed immediately with the department of motor vehicles.

5. Such certificate does not authorize the county treasurer to seize or sell the mobile home or put the taxpayer or his successor in interest out of possession except as provided in sections 5, 7, and 8 of this act.

Sec. 5. 1. If the county assessor has evidence that such person owing such taxes is about to absent himself from the county or is about to convey his mobile home with intent fraudulently to evade the payment of such taxes, the county assessor shall go before the district court and make an affidavit of:

(a) The fact of assessment;

(b) The amount of taxes due and owing;

(c) The fact of neglect or refusal to pay the same, or
turn out property sufficient to pay the same and cost of sale;
and

(d) The evidence required by this subsection.

2. If it appears to the court that the delinquent taxpayer
is about to absent himself from the county or is about to
convey his mobile home with intent fraudulently to evade the
payment of such taxes, the court shall enter an order direct-
ing the sheriff to seize the mobile home and deliver it into
the possession of the county assessor or tax receiver. The
county assessor or tax receiver shall then proceed to post
notice and sell the mobile home in the same manner as is pro-
vided in NRS 361.535.

Sec. 6. 1. Upon a redemption by the owner of the mobile
home or his successor in interest by payment to the county
assessor or the tax receiver of the taxes and accruing taxes,
penalties and costs, together with interest at a rate of 10
percent per annum from date due until paid as provided by law,
the county assessor or tax receiver shall execute and deliver
to him a certificate of redemption showing that the taxes,
penalties, costs and interest for which a lien is claimed
have been paid.

2. The county assessor or tax receiver shall file immediately a copy of the certificate of redemption with the department of motor vehicles.

Sec. 7. 1. When the redemption period has expired and no redemption has been made, the county assessor or tax receiver shall prepare and file a notarized certificate in the district court for the county in which the mobile home is located. The certificate shall state:

(a) The name of the owner, if known.

(b) The description of the mobile home encumbered by the tax lien, including the make, model, color and serial number, body number or other identifying number.

(c) That the property taxes assessed against the mobile home have been unpaid for a period in excess of 1 year as provided in section 4 of this act.

(d) That all notice and publication requirements have been satisfied.

(e) The amount of taxes due on the mobile home and the penalties and costs as provided by law.

(f) A statement that such amounts have not been paid.

(g) The address of the place where the mobile home may be

delivered by the sheriff into the possession of the county assessor or tax receiver.

(h) A request that the district court enter an order directing the sheriff of the county in which the mobile home is located to take possession and seize the mobile home on behalf of the county.

2. The district court, immediately upon filing of the certificate, shall enter the order directing the sheriff to seize the mobile home and deliver possession to the county assessor or tax receiver as indicated in the certificate.

Sec. 8. 1. Upon taking possession of the mobile home, the county assessor or tax receiver shall proceed to post notice and sell the mobile home in the same manner as is provided in NRS 361.535.

2. The county assessor or tax receiver shall file a copy of the certificate of sale provided in NRS 361.535 with the department of motor vehicles.

Sec. 9. Chapter 482 of NRS is hereby amended by adding thereto a new section which shall read as follows:

1. Upon receipt of a trustee certificate required by section 4 of this act, the department shall file the certificate and indicate on it the date and time of receipt. It shall maintain an index and file of the certificates.

2. From the date and time of receipt of a trustee certificate, the unpaid taxes, penalties and costs, and interest certified by the tax receiver constitutes a lien on and a security interest in the mobile home on behalf of the state and county until paid. The lien is valid against holders of prior perfected security interests, attaching creditors and subsequent transferees and when perfected by filing in accordance with this section constitutes constructive notice of the lien claimed. When a lien is perfected under this section, the department shall send written notification of the lien to all holders of prior perfected security interests as shown on the mobile home's certificate of title. The notice shall be sent no later than ten days after the filing of the lien.

3. Upon receipt of a certificate of redemption or a certificate of sale required respectively by sections 6 and 8 of this act, showing that the taxes, penalties, costs, and interest for which a lien is claimed have been paid, the department shall indicate in writing on the filed trustee certificate the fact of payment, shall attach the certificate of redemption to the trustee certificate, shall remove both documents from its lien file to a separate file and shall make a written entry in its index indicating the satisfaction of the lien.

At the same time, it shall send written notification to the registered owner of the mobile home of the action it has taken.

4. The department shall not issue a certificate of ownership for a mobile home encumbered by a tax lien under this section until a certificate of redemption or certificate of sale is filed as required by this section.

Sec. 10. NRS 361.5644 is hereby amended to read as follows:

361.5644 1. If the purchaser or owner of a mobile home or slide-in camper fails to comply with the provisions of paragraph (a) or (b) of subsection 2 of NRS 361.562 or with the provisions of NRS 361.563 or 361.5642 within the required time the county assessor shall collect a penalty, which shall be added to the tax and collected therewith in the amount of 10 percent of the tax due, plus:

(a) If the tax on a mobile home is paid within 1 month after it is due, \$3, and if paid on a slide-in camper or travel trailer within 1 month, \$1.

(b) If the tax on a mobile home is paid more than 1 month after it is due, \$3 for each full month or final fraction of a month which has elapsed, and if paid on a slide-in camper or travel trailer more than 1 month after it is due, \$1 for each such month.

2. If any person required to pay a personal property tax under the provisions of NRS 361.562, 361.563 or 361.5642 neglects or refuses to pay such tax on demand of the county assessor, the county assessor or his deputy shall seize the [mobile home or] slide-in camper upon which such taxes are due and proceed in accordance with the provisions of NRS 361.535.

3. The tax is due and the tax and any penalty shall be computed for each fiscal year from:

(a) The date of purchase within or importation into this state, under NRS 361.562 and 361.563.

(b) July 1, under NRS 361.5642.

Bill D

SUMMARY--Directs the Nevada tax commission to study the stratification method of depreciating mobile homes. (BDR 99)

SENATE CONCURRENT RESOLUTION--Directing the Nevada tax commission to conduct an in-depth study of the stratification method of depreciating mobile homes.

WHEREAS, The actual service life of mobile homes appears to vary with several factors including quality of construction; and

WHEREAS, All mobile homes subject to the personal property tax in Nevada are presently depreciated on the basis of a twenty-year-service life which represents the average serviceable life of the average mobile home; and

WHEREAS, Available data does indicate that better equity in taxation could be achieved if mobile homes were grouped into categories and depreciated, as are conventional homes, on the category or strata basis which more closely reflects the actual service life of each mobile home; and

WHEREAS, The Nevada tax commission pursuant to its statutory responsibility to fix and establish the valuation for assessment purposes of all mobile homes in the state has been studying the stratification method of depreciating mobile homes; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY
CONCURRING, That the Nevada tax commission conduct an in-depth
study of the stratification method of depreciating mobile homes,
and be it further

RESOLVED, That copies of this resolution be prepared and
transmitted forthwith by the legislative counsel to the Nevada
tax commission.

Bill E

SUMMARY--Provides for the distribution of a portion of the county-city relief tax collected from the sale of a mobile home to the county of its location if different from the county of sale. Fiscal Note: No. (BDR 32-96)

AN ACT relating to the county-city relief tax; amending NRS 377.050 to provide for the distribution of a portion of the tax collected from the sale of a mobile home to the county of its location if different from the county of sale; providing a definition; 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. 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 in the form of remittances made payable to the Nevada tax commission.

2. The tax commission 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, 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]

(I) Plus any fees, taxes, interest and penalties collected in another county from the sale of mobile homes, as defined in NRS 361.561, which are located in that county;

(II) Less any fees, taxes, interest and penalties collected in that county from the sale of mobile homes, as defined above, which are located in another county;

(III) 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.

Bill F

SUMMARY--Provides for a mobile home trip permit in lieu of registration and licensing requirements. Fiscal Note: No. (BDR 43-100)

AN ACT relating to mobile homes; regulating certain mobile homes used on highways and roads by requiring a 5-day trip permit in lieu of the vehicle registration and license number plate requirements of NRS chapter 482; providing a definition; providing exceptions; providing conditions, requirements, and procedures relating to issuance and use of the permit; providing powers and duties of county assessors and the department of motor vehicles respecting such permits; providing for enforcement; providing a penalty; repealing NRS 482.-397, relating to registration and licensing of mobile homes; 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 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

Sec. 2. Towing, pushing or otherwise propelling a mobile home upon a highway or road, whether or not any part of the mobile home touches the highway or road, is a movement of the mobile home on the highways or roads within the provisions of sections 2 to 8, inclusive, of this act.

Sec. 3. 1. Sections 4 to 8, inclusive, of this act do not apply to mobile homes moved:

(a) Through this state from and to points outside Nevada.

(b) Into this state with a valid license plate or permit from another state.

(c) With a dealer's license plate or with a motor convoy carrier license plate, when the movement is from:

(1) The mobile home's place of manufacture to the place of business of a mobile home dealer licensed under this chapter;

(2) One dealer lot to another; or

(3) A dealer lot to the place of delivery to that dealer's buyer.

2. Except as provided in subsection 1, no mobile home shall be moved upon the highways or roads of this state through use of a dealer or motor convoy carrier license plate unless a proper trip permit is obtained and displayed as required by sections 4 to 8, inclusive, of this act.

Sec. 4. 1. Except as provided in section 3 of this act, the owner of any mobile home moved upon any highway or road in this state shall, prior to such movement, apply to the county assessor for a mobile home trip permit. The assessor of the county from where the mobile home is to be moved shall

issue a trip permit upon application presented in such form as approved by the director, payment of a fee of \$2, and proof satisfactory to the assessor of ownership and that all property taxes levied against such mobile home and its contents have been paid.

2. If the mobile home had situs in any other county of this state during any of the preceding 2 tax years, before the assessor issues a permit, the owner must produce proof satisfactory to the assessor that all property taxes levied against the mobile home and its contents in such other counties have been paid.

3. The mobile home trip permit shall authorize movement over the highways and roads for a period of not more than 5 consecutive days following the day of issuance and shall be used in lieu of the vehicle registration and vehicle license number plate requirements of this chapter.

Sec. 5. 1. The application for a mobile home trip permit shall contain such information as required by the department, and shall contain the name of the owner of the mobile home, the make, model and serial number of the mobile home, the location of the place from which it was moved, the address of the place to which it is to be moved, the expiration date of the permit and the signature of the county assessor.

2. The county assessor issuing the trip permit shall forward within 10 days after the time of movement a copy of the application to the assessor of the county where the mobile home will be located unless the mobile home is to leave this state.

3. The county assessor shall also provide a copy of the application for use by the operator of the vehicle moving the mobile home and such operator shall keep his copy of the application in his possession at all times during such movement.

Sec. 6. 1. The department shall determine the size, shape and form of the mobile home trip permit. Each permit shall bear the month and day of expiration in numerals of sufficient size to be plainly readable from a reasonable distance during daylight.

2. The mobile home trip permit shall be prominently displayed on the rear of the mobile home in the manner prescribed by the department at all times during which the mobile home is moved upon any highway or road. The permit shall be made and displayed in such a manner that the permit is rendered unusable when removed from the mobile home.

Sec. 7. 1. The department shall provide each county assessor with a sufficient quantity of application and permit forms.

2. The assessor shall remit the fee collected for the trip permit monthly to the department for deposit in the state highway fund.

Sec. 8. 1. Any person who moves a mobile home in violation of the provisions of sections 2 to 8, inclusive, of this act is guilty of a misdemeanor.

2. If a mobile home is moved upon any highway or road in the state in violation of any of the provisions of the department, any member of the Nevada highway patrol or any peace officer in the state shall seize and hold such mobile home until presented with a copy of the application and trip permit required by sections 2 to 8, inclusive, of this act.

Sec. 9. Chapter 487 of NRS is hereby amended by adding thereto a new section which shall read as follows:

The provisions of this chapter shall apply to mobile homes subject to sections 4 to 8, inclusive, of this act.

Sec. 10. NRS 361.562 is hereby amended to read as follows:

361.562 1. Upon receipt of every report of sales of mobile homes from a dealer, the department of motor vehicles shall immediately give written notice to the county assessor of each county in which is contained the address of a purchaser of a mobile home as shown in such report.

2. If the purchaser of a mobile home or slide-in camper does not [register and license the mobile home or slide-in camper upon taking possession, pursuant to the provisions of NRS 482.397, and] pay the personal property tax thereon, upon taking possession, he shall, within 30 days from the date of purchase of such mobile home or slide-in camper:

(a) Pay to the county assessor all personal property taxes levied against such mobile home or slide-in camper and its contents; or

(b) Satisfy the county assessor that he owns real estate within the county of sufficient value, in the county assessor's judgment, to pay the taxes on both his real and personal property.

3. The county assessor shall collect the tax required to be paid by subsection 2, in the manner prescribed by law for the collection of other personal property taxes.

Sec. 11. NRS 361.5641 is hereby amended to read as follows:

361.5641 Whenever any person who has purchased a mobile home or slide-in camper on which he is required to pay a personal property tax [, either as a condition precedent to registration pursuant to NRS 482.397 or] under the provisions of NRS 361.562 or 361.563, establishes to the satisfaction of the county assessor that he has paid the personal property

tax for the current fiscal year on another mobile home or slide-in camper which he has sold or exchanged, the county assessor shall allow as a credit against the personal property tax required to be paid an amount equal to one-twelfth of the personal property tax previously paid multiplied by the number of full months remaining in the current fiscal year after the sale or exchange of the mobile home or slide-in camper on which such tax was paid.

Sec. 12. 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;

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.

Sec. 13. NRS 481.145 is hereby amended to read as follows:

481.145 1. The Nevada highway patrol shall be composed, in addition to the personnel provided by NRS 481.140, of supplementary patrolmen to the extent permitted by the moneys which are available for such purposes in the special fund created by [subsection 10 of] NRS 482.480.

2. The director shall appoint such additional patrolmen as soon after the beginning of each fiscal year as he can determine the amount of moneys which are available for this purpose. Salaries, travel and subsistence payments shall be as provided in NRS 481.170.

Sec. 14. NRS 482.206 is hereby amended to read as follows:

482.206 1. Except as provided in subsection 4, every passenger car and motorcycle, and every trailer or semi-trailer having an unladen weight of 3,500 pounds or less, except a converter dolly, shall, and every motortruck having an unladen weight of 5,000 or less pounds may be registered for a period of 12 consecutive months beginning the first day of the month after the first registration by the owner in this state.

2. Every [mobile home and] travel trailer shall be registered for a period of 1 year commencing August 1 and ending July 31 of the following year.

3. Every other vehicle shall be registered on a calendar year basis.

4. Upon the application of the owner of a fleet of vehicles of a type referred to in subsection 1, the director may permit such an owner to register such fleet on a calendar year basis.

Sec. 15. NRS 482.385 is hereby amended to read as follows:

482.385 1. Except as otherwise provided in NRS 482.390, a nonresident owner of a vehicle of a type subject to registration under this chapter, owning any vehicle which has been duly registered for the current year in the state, country or other place of which the owner is a resident and which at all times when operated in this state has displayed upon it the registration number plate or plates issued for such vehicle in the place of residence of such owner, may operate or permit the operation of such vehicle within this state without any registration thereof in this state under the provisions of this chapter and without the payment of any registration fees to the state.

2. Nothing in this section shall be construed:

(a) To prohibit the use of manufacturers' or dealers' license plates issued by any state or country by any nonresident in the operation of any vehicle on the public highways of this state.

(b) To require registration of vehicles of a type subject to registration under this chapter operated by nonresident common motor carriers of persons or property, contract motor carriers of persons or property, or private motor carriers of property as stated in NRS 482.390.

3. When a person, formerly a nonresident, becomes a resident of this state, he shall, within 45 days after becoming a resident, apply for the registration of any vehicle which he owns and which is operated in this state.

4. A person registering a vehicle pursuant to the provisions of subsections 3 or 5 of this section or pursuant to NRS 482.390 shall be assessed the registration fees and privilege tax, as required by the provisions of chapter 371 and chapter 482 of NRS. He shall be allowed credit on such taxes and fees for the unused months of his previous registration. The fee provided in subsection [10] 9 of NRS 482.480 shall not be prorated. Those fees that are to be prorated will be prorated based upon Nevada registration fees and privilege

taxes and reduced by one-twelfth for each month remaining on the registration period in the state of former residence.

5. If a vehicle is used in this state for a gainful purpose, the owner shall immediately apply to the department for registration, except as provided in NRS 482.390, 482.395 and NRS 706.801 to 706.861, inclusive.

6. An owner registering a vehicle under the provisions of this section shall surrender the existing nonresident license plates and registration certificates to the department for cancellation.

Sec. 16. NRS 482.480 is hereby amended to read as follows:

482.480 There shall be paid to the department for the registration or transfer of registration of motor vehicles, trailers and semitrailers, fees according to the following schedule:

1. For each stock passenger car, bus and each reconstructed or specially constructed passenger car, regardless of weight or number of passenger capacity, a registration fee of \$5.50.

2. For every motorcycle, the sum of \$3.50.

3. For every motortruck having an unladen weight of 3,500 pounds or less, as shown by a public weighmaster's certificate, a registration fee of \$9.

4. For every trailer or semitrailer having an unladen weight of 1,000 pounds or less, a flat registration fee of \$2.50. For every trailer having an unladen weight of more than 1,000 pounds, but not more than 3,500 pounds, a flat registration fee of \$5.50. For every trailer or semitrailer having an unladen weight of more than 3,500 pounds and less than 4,000 pounds, fees according to the following schedule:

3,501 to and including 3,549 pounds.....	\$8
3,550 to and including 3,649 pounds.....	10
3,650 to and including 3,749 pounds.....	12
3,750 to and including 3,849 pounds.....	14
3,850 to and including 3,949 pounds.....	16
3,950 to and including 3,999 pounds.....	18

5. For every motortruck having an unladen weight of more than 3,500 pounds and less than 5,050 pounds, fees according to the following schedule:

3,501 to and including 3,549 pounds.....	\$10
3,550 to and including 3,649 pounds.....	12
3,650 to and including 3,749 pounds.....	14
3,750 to and including 3,849 pounds.....	16
3,850 to and including 3,949 pounds.....	18
3,950 to and including 3,999 pounds.....	20
4,000 to and including 5,049 pounds.....	25

6. For every trailer or semitrailer having an unladen weight of 4,000 pounds or more, except mobile homes, and for every motortruck having an unladen weight of 5,050 pounds or more, 50 cents per 100 pounds, or major fraction thereof, of unladen weight as shown by a public weighmaster's certificate. At the time of weighing, each vehicle shall have in place each and every accessory and appliance belonging to and used on such vehicle in the transportation of property. Whenever a camper is attached to a motortruck the camper shall be considered as a load and the fees imposed by this section upon the motortruck shall be based on the unladen weight of the motortruck, exclusive of the camper.

7. [For every mobile home, the registration fee shall be \$5.50.

8.] Except as provided in subsection [9,] 8, for each transfer of registration the fee shall be \$2.

[9.] 8. The fee for transfer of a registration to any motor vehicle enumerated in subsection 6 shall be \$2 plus the excess, if any, of the fee which would have been payable for an original registration of such vehicle over the fee paid for registration of the vehicle from which the registration is transferred.

[10.] 9. For each stock passenger car, bus, reconstructed or specially constructed passenger car, motorcycle, motor-truck and truck tractor there shall be an additional fee of \$2 for each registration, which shall be placed in a special fund to be used only for the purposes specified in NRS 481.145.

Sec. 17. NRS 706.806 is hereby amended to read as follows:

706.806 As used in NRS 706.801 to 706.861, inclusive:

1. "Department" means each agency of this state, or of any political subdivision of this state, administering the fee involved.
2. "Fee" means each registration fee and tax imposed by this state, except motor vehicle fuel taxes, motor carrier regulation and licensing fees, and the additional fee imposed by subsection [10] 9 of NRS 482.480.
3. "Mileage" includes mileage in this state and in all other states.
4. "Operator" includes the owner or operator of any vehicle.
5. "Person" includes any individual, firm, copartnership, joint venture, association, corporation, estate trust, business trust, receiver, syndicate or any other group or combination acting as a unit.

6. "Plan" means a plan adopted by any state or states for the proration of fees on a basis to effectuate the principles set forth in NRS 706.826.

7. "Reciprocity" means that this state and another state, as to vehicles registered in each other, extend substantial or complete freedom from payment of fees with respect to vehicles registered in the other state.

8. "State" includes the states of the United States, the District of Columbia, the territories of the United States, the states, territories and federal district of Mexico, and the provinces of Canada.

9. "Vehicle" includes every vehicle of a type required to be registered under the laws of this state.

Sec. 18. NRS 482.397 is hereby repealed.

Bill G

SUMMARY--Directs Nevada tax commission to budget for computerized property valuation program. (BDR 98)

SENATE CONCURRENT RESOLUTION--Directing the Nevada tax commission to budget for a computerized property valuation program and join in cooperative efforts with other state agencies in aid of such program.

WHEREAS, Nevada's mobile home population has grown to over 38,000 and can be expected to continue to expand rapidly with attendant demand for governmental consideration of increasingly complex economic and political issues in the area of mobile home taxation; and

WHEREAS, Efficient and informed policymaking based upon reliable and sufficient data is a critical prerequisite to the resolution of such problems; and

WHEREAS, With the growth of Nevada's mobile home population, commerce relating to mobile homes is becoming an important segment of Nevada's economy and this growth now necessitates computerization of Nevada's mobile home valuation program; and

WHEREAS, The Nevada tax commission is charged by law to fix and establish the valuation for assessment purposes of all mobile homes in the state and has access to a computer facility that could be put to this purpose; and

WHEREAS, A computer-assisted property appraisal system is currently under study by the Nevada tax commission and several local government units in the state and has been employed successfully in other states; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the Nevada tax commission budget for a computerized valuation program for mobile homes; and be it further

RESOLVED, That all agencies of the state and its political subdivisions cooperate with the Nevada tax commission in gathering and processing such information, and in such other joint efforts, as may reasonably aid the computerized valuation program for mobile homes, and be it further

RESOLVED, That copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the Nevada tax commission.