

**PROPOSED REGULATION OF THE COMMITTEE  
ON LOCAL GOVERNMENT FINANCE**

**LCB File No. R030-05**

July 28, 2005

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

AUTHORITY: §§1-6, NRS 350.009.

A REGULATION relating to local government finance; providing that an affected governmental entity that does not approve or object to certain proposals of another governmental entity which are related to property taxes shall be deemed to have waived its right to object to the proposal under certain circumstances; providing that a debt management commission may limit the amount of time that a municipality may reserve a percentage of the allowable increase in property taxes; requiring the Department of Taxation to determine the tax rate to be used by a debt management commission as the basis for determining the amount of a proposed property tax increase or a proposed reservation of the remaining allowable increase of property taxes; providing that a debt management commission may establish deadlines for the submission of a proposed increase of property taxes or the reservation of the remaining allowable increase of property taxes; and providing other matters properly relating thereto.

**Section 1.** Chapter 350 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this regulation.

**Sec. 2.** *As used in sections 2 to 6, inclusive, of this regulation, unless the context otherwise requires, “commission” means a debt management commission established pursuant to NRS 350.0115.*

**Sec. 3.** *If the governing body of an entity that receives a notification of a proposal that will result in an increase in the rate of property taxes pursuant to subsection 1 of NRS 350.0135 fails, neglects or refuses to adopt a resolution approving or objecting to the proposal*

*described in the notice not later than 45 days after the date of the postmark on the notification, the governing body shall be deemed to have waived its right to object to the proposal.*

**Sec. 4.** *If a commission approves a request of a municipality to reserve a percentage of the remaining allowable increase of property taxes for use in the future pursuant to subsection 7 of NRS 350.0135, the commission may limit the amount of time that such a percentage may be reserved by the municipality.*

**Sec. 5. 1.** *A commission may establish a deadline for the submission by a municipality of a proposal that will result in an increase in the rate of property taxes or a request to reserve a percentage of the remaining allowable increase of property taxes for use in the future.*

*2. If a commission establishes a deadline pursuant to subsection 1, the commission shall notify all municipalities with tax-levying powers within the county of the deadline within 30 days after establishing the deadline.*

**Sec. 6.** *The Department of Taxation shall determine whether a commission may use the rate of property tax for the final approved budget for the current fiscal year or the rate of property tax for the next succeeding fiscal year as the basis for approving or rejecting a proposal that will result in an increase in the rate of property taxes or a request to reserve a percentage of the remaining allowable increase of property taxes for use in the future.*