

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

LCB File No. R117-09

October 8, 2009

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

AUTHORITY: §§1-8, NRS 354.107 and 354.594.

A REGULATION relating to the financial administration of local governments; requiring the reporting and reconciliation of the amount of ad valorem property taxes received by a county and the amount of those taxes distributed to the county school district; and providing other matters properly relating thereto.

Section 1. Chapter 354 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 8, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Central assessment roll” means the central assessment roll described in NRS 361.3205.*

Sec. 4. *“Property tax receipts” means receipts from ad valorem property taxes, including, without limitation, any receipts from:*

- 1. Taxes on real and personal property which are paid pursuant to NRS 361.483;*
- 2. Deferred taxes on real property previously held for agricultural or open-space use which are assessed pursuant to NRS 361A.280;*

3. *Taxes on any property that is not on the secured tax roll which are assessed pursuant to NRS 361.505, 361.767, 361.769 or 361.770;*

4. *Taxes on any property that is valued by the Nevada Tax Commission pursuant to NRS 361.320 which are collected pursuant to NRS 361.3205; and*

5. *Taxes on the net proceeds of minerals which are appropriated to a county pursuant to NRS 362.170,*

↳ except that the term does not include any franchise fees, payments for oil or gas leases, fees for hunting or fishing, or payments by the Federal Government in lieu of taxes.

Sec. 5. *On or before August 1 of each fiscal year, the tax receiver of each county shall file with the Department, the Department of Education and the county school district a preliminary summary report of the total amount of property tax receipts for the immediately preceding fiscal year that were received by the county before July 1 of the current fiscal year. Except as otherwise provided in section 8 of this regulation, the report must not duplicate any amounts previously reported pursuant to sections 2 to 8, inclusive, of this regulation during the immediately preceding fiscal year.*

Sec. 6. *The preliminary summary report required by section 5 of this regulation must include:*

1. *The total amount of the property tax receipts of the county classified by type, including:*

(a) *The total amount of taxes collected for the immediately preceding fiscal year attributable to property on the secured tax roll;*

(b) *The total amount of taxes collected for the immediately preceding fiscal year attributable to property on the unsecured tax roll;*

- (c) The total amount of taxes collected for the immediately preceding fiscal year attributable to property on the central assessment roll;*
 - (d) The total amount of taxes on the net proceeds of minerals collected for the immediately preceding calendar year which was distributed to the county pursuant to NRS 362.170;*
 - (e) The total amount of taxes on the net proceeds of minerals collected for the current calendar year which was distributed to the county pursuant to NRS 362.170;*
 - (f) The total amount collected for delinquent taxes attributable to all the fiscal years ending on or before June 30, 2005;*
 - (g) The total amount collected for delinquent taxes attributable to all the fiscal years beginning on or after July 1, 2005, and before the commencement of the current fiscal year;*
 - (h) The total of all the amounts described in paragraphs (a) through (g), inclusive;*
 - (i) The total amount of the pertinent commission paid into the county treasury pursuant to NRS 361.530; and*
 - (j) The result obtained by subtracting the sum described in paragraph (i) from the sum described in paragraph (h).*
- 2. The portions of the property tax receipts of the county distributed for the operation of public schools, using a tax rate of 75 cents on each \$100 of assessed valuation of taxable property, including:*
- (a) The portion of the total amount of taxes collected for the immediately preceding fiscal year attributable to property on the secured tax roll which was distributed to the county school district;*

(b) The portion of the total amount of taxes collected for the immediately preceding fiscal year attributable to property on the unsecured tax roll which was distributed to the county school district;

(c) The portion of the total amount of taxes collected for the immediately preceding fiscal year attributable to property on the central assessment roll which was distributed to the county school district;

(d) The portion of the total amount of taxes on the net proceeds of minerals distributed to the county during the immediately preceding fiscal year pursuant to NRS 362.170 which is available to the county school district for use in the current fiscal year pursuant to subsection 2 of NRS 387.195;

(e) The portion of the total amount of taxes on the net proceeds of minerals collected for the immediately preceding calendar year which was distributed to the county pursuant to NRS 362.170 and subsequently distributed to the county school district;

(f) The portion of the total amount of taxes on the net proceeds of minerals collected for the current calendar year which was distributed to the county pursuant to NRS 362.170 and subsequently distributed to the county school district;

(g) The portion of the total amount collected for delinquent taxes attributable to all the fiscal years ending on or before June 30, 2005, which was distributed to the county school district;

(h) The portion of the total amount collected for delinquent taxes attributable to all the fiscal years beginning on or after July 1, 2005, and before the commencement of the current fiscal year which was distributed to the county school district;

(i) The total of all the amounts described in paragraphs (a) through (h), inclusive;

(j) The total amount of the pertinent commission paid into the county treasury pursuant to NRS 361.530; and

(k) The result obtained by subtracting the sum described in paragraph (j) from the sum described in paragraph (i).

Sec. 7. 1. *On or before August 10 of each fiscal year, a county school district shall provide to the Department, the Department of Education and the tax receiver of the county a report of all the receipts and deductions of the county school district for the immediately preceding fiscal year which pertain to the amounts included in the preliminary summary report filed pursuant to section 5 of this regulation. If the total amounts reported by the county school district pursuant to this subsection differ from the corresponding amounts included in the preliminary summary report by more than 3 percent in any category, representatives of the school district and the tax receiver must jointly determine the reasons for that difference.*

2. *On or before August 15 of each fiscal year, the tax receiver of each county shall:*

(a) Make any adjustments necessary to reconcile the amounts contained in the preliminary summary report filed pursuant to section 5 of this regulation for the immediately preceding fiscal year with the amounts contained in the report filed by the county school district pursuant to subsection 1;

(b) Include in the preliminary summary report an explanation of the reasons for any differences of greater than 3 percent determined pursuant to subsection 1; and

(c) Submit a copy of the preliminary summary report, as revised pursuant to this subsection, to the Department, the Department of Education and the county school district.

Sec. 8. 1. *On or before September 10 of each fiscal year, the tax receiver of each county shall file with the Department, the Department of Education and the county school district a*

final summary report of the total amount of property tax receipts for the immediately preceding fiscal year that were received by the county. The final summary report must include the information described in section 6 of this regulation and the total amount of any property tax receipts for the immediately preceding fiscal year that were received by the county during July and August of the current fiscal year.

2. The amounts reported pursuant to this section must not be duplicated in any preliminary summary report filed pursuant to section 5 of this regulation during any subsequent fiscal year, except that the total amount of any property tax receipts for the immediately preceding fiscal year that were received by the county during July and August of the current fiscal year must be included in and accounted for in the preliminary summary report filed during the next fiscal year.