

SENATE BILL NO. 259—SENATOR COFFIN

MARCH 22, 2005

Referred to Committee on Taxation

SUMMARY—Provides for postponement of payment of increase in property taxes. (BDR 32-1183)

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

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

AN ACT relating to taxation; providing for the postponement of the payment of an increase in property taxes; and providing other matters properly relating thereto.

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

1 **Section 1.** Chapter 361 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 8, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 8, inclusive, of this act, unless*
5 *the context otherwise requires, “claim” means a claim for the*
6 *postponement of the payment of an increase in property tax filed*
7 *pursuant to section 3 of this act.*

8 **Sec. 3.** *1. The owner of any parcel of real property in this*
9 *State may file a claim to postpone the payment of all or any part of*
10 *the amount by which the property tax imposed on the property*
11 *increased from the immediately preceding fiscal year if the owner*
12 *determines that the payment of that amount during the current*
13 *fiscal year would create a severe economic hardship for the owner.*

14 *2. A claim must be filed with the county treasurer of the*
15 *county in which the property is located on a form provided by the*
16 *Department or county treasurer.*

17 **Sec. 4.** *1. A county treasurer shall, within 30 days after*
18 *receiving a claim:*

19 *(a) Issue to the claimant a certificate of postponement; and*



1 (b) Cause to be recorded with the county recorder of the
2 county in which the property is located a copy of the certificate of
3 postponement. The postponement of the payment of the increase
4 in property tax becomes effective on the date on which the
5 certificate is filed with the county recorder.

6 2. A certificate of postponement must be in a form prescribed
7 pursuant to section 8 of this act and must include:

8 (a) The name of the claimant;

9 (b) A legal description of the property for which the claimant
10 filed the claim;

11 (c) The amount of the property tax that will be postponed; and

12 (d) Such other information as the Department may require.

13 **Sec. 5. 1.** The amount of any property tax postponed
14 pursuant to sections 2 to 8, inclusive, of this act is a perpetual lien
15 against the property on which it was imposed until the tax and any
16 penalties and interest which may accrue thereon are paid.

17 2. The lien attaches from the date on which a certificate of
18 postponement is recorded with the county recorder of the county
19 in which the property is located pursuant to section 4 of this act.

20 3. The amount of property tax postponed must be collected in
21 the manner provided in this chapter for all taxable property in this
22 State upon becoming due and payable pursuant to sections 2 to 8,
23 inclusive, of this act.

24 4. Except as otherwise provided in subsection 9 of NRS
25 361.483, no penalties or interest accrue on the amount of property
26 tax postponed pursuant to sections 2 to 8, inclusive, of this act
27 during the period of postponement.

28 **Sec. 6.** A claimant who has postponed the payment of an
29 increase in property tax pursuant to sections 2 to 8, inclusive, of
30 this act may submit to the county treasurer of the county in which
31 the property is located a request for a statement of the total
32 amount postponed as of the date of the request. Upon the receipt
33 of such a request, the county treasurer shall prepare such a
34 statement and provide the claimant with a copy of the statement.

35 **Sec. 7. 1.** The amount of any property tax postponed
36 pursuant to sections 2 to 8, inclusive, of this act becomes due and
37 payable on the date the claimant sells or otherwise disposes of his
38 interest in the property or dies, whichever occurs first.

39 2. Payments on the amount of property tax postponed may be
40 made at any time before that amount becomes due and payable,
41 and may be made pursuant to a plan for payment in installments
42 in accordance with the regulations adopted pursuant to section 8
43 of this act.

44 **Sec. 8. 1.** The Nevada Tax Commission shall adopt such
45 regulations as it deems appropriate to carry out the provisions of



1 *sections 2 to 8, inclusive, of this act, including, without limitation,*
2 *regulations prescribing:*

3 *(a) The contents and form of a claim and a certificate of*
4 *postponement; and*

5 *(b) Any requirements for:*

6 *(1) The payment of the amount of any property tax*
7 *postponed when that amount becomes due and payable pursuant*
8 *to sections 2 to 8, inclusive, of this act; and*

9 *(2) A plan for the payment in installments of the amount of*
10 *property tax postponed pursuant to sections 2 to 8, inclusive, of*
11 *this act.*

12 *2. The Department shall administer the provisions of sections*
13 *2 to 8, inclusive, of this act, and may approve any form used by a*
14 *county treasurer for filing a claim.*

15 **Sec. 9.** NRS 361.450 is hereby amended to read as follows:

16 361.450 1. Except as otherwise provided in subsection 3,
17 every tax levied under the provisions of or authority of this chapter
18 is a perpetual lien against the property assessed until the tax and any
19 penalty charges and interest which may accrue thereon are paid.
20 Notwithstanding the provisions of any other specific statute, such a
21 lien is superior to all other liens, claims, encumbrances and titles on
22 the property, including, without limitation, interests secured
23 pursuant to the provisions of chapter 104 of NRS, whether or not the
24 lien was filed or perfected first in time.

25 2. Except as otherwise provided in this subsection, ~~and~~ NRS
26 361.739 ~~and~~ *and section 5 of this act*, the lien attaches on July 1 of
27 the year for which the taxes are levied, upon all property then within
28 the county. The lien attaches upon all migratory property, as
29 described in NRS 361.505, on the day it is moved into the county. If
30 real and personal property are assessed against the same owner, a
31 lien attaches upon such real property also for the tax levied upon the
32 personal property within the county. A lien for taxes on personal
33 property also attaches upon real property assessed against the same
34 owner in any other county of the State from the date on which a
35 certified copy of any unpaid property assessment is filed for record
36 with the county recorder in the county in which the real property is
37 situated.

38 3. All liens for taxes levied under this chapter which have
39 already attached to a mobile or manufactured home expire on the
40 date when the mobile or manufactured home is sold, except the liens
41 for personal property taxes due in the county in which the mobile or
42 manufactured home was situate at the time of sale, for any part of
43 the 12 months immediately preceding the date of sale.

44 4. All special taxes levied for city, town, school, road or other
45 purposes throughout the different counties of this State are a lien on



1 the property so assessed, and must be assessed and collected by the
2 same officer at the same time and in the same manner as the state
3 and county taxes are assessed and collected.

4 **Sec. 10.** NRS 361.483 is hereby amended to read as follows:

5 361.483 1. Except as otherwise provided in subsection 6 ,
6 ~~and~~ NRS 361.736 to 361.7398, inclusive, *and sections 2 to 8,*
7 *inclusive, of this act,* taxes assessed upon the real property tax roll
8 and upon mobile or manufactured homes are due on the third
9 Monday of August.

10 2. Taxes assessed upon the real property tax roll may be paid in
11 four approximately equal installments if the taxes assessed on the
12 parcel exceed \$100.

13 3. Except as otherwise provided in this section, taxes assessed
14 upon a mobile or manufactured home may be paid in four
15 installments if the taxes assessed exceed \$100.

16 4. If a taxpayer owns at least 25 mobile or manufactured homes
17 in a county that are leased for commercial purposes, and those
18 mobile or manufactured homes have not been converted to real
19 property pursuant to NRS 361.244, taxes assessed upon those homes
20 may be paid in four installments if, not later than July 31, the
21 taxpayer returns to the county assessor the written statement of
22 personal property required pursuant to NRS 361.265.

23 5. Except as otherwise provided in this section and NRS
24 361.505, taxes assessed upon personal property may be paid in four
25 approximately equal installments if:

26 (a) The total personal property taxes assessed exceed \$10,000;

27 (b) Not later than July 31, the taxpayer returns to the county
28 assessor the written statement of personal property required
29 pursuant to NRS 361.265;

30 (c) The taxpayer files with the county assessor, or county
31 treasurer if the county treasurer has been designated to collect taxes,
32 a written request to be billed in quarterly installments and includes
33 with the request a copy of the written statement of personal property
34 required pursuant to NRS 361.265; and

35 (d) The personal property assessed is the property of a business
36 and the business has paid its personal property taxes without
37 accruing penalties for the immediately preceding 2 fiscal years in
38 any county in the State.

39 6. If a person elects to pay in installments, the first installment
40 is due on the third Monday of August, the second installment on the
41 first Monday of October, the third installment on the first Monday
42 of January, and the fourth installment on the first Monday of March.

43 7. If any person charged with taxes which are a lien on real
44 property fails to pay:



1 (a) Any one installment of the taxes on or within 10 days
2 following the day the taxes become due, there must be added thereto
3 a penalty of 4 percent.

4 (b) Any two installments of the taxes, together with accumulated
5 penalties, on or within 10 days following the day the later
6 installment of taxes becomes due, there must be added thereto a
7 penalty of 5 percent of the two installments due.

8 (c) Any three installments of the taxes, together with
9 accumulated penalties, on or within 10 days following the day the
10 latest installment of taxes becomes due, there must be added thereto
11 a penalty of 6 percent of the three installments due.

12 (d) The full amount of the taxes, together with accumulated
13 penalties, on or within 10 days following the first Monday of
14 March, there must be added thereto a penalty of 7 percent of the full
15 amount of the taxes.

16 8. Any person charged with taxes which are a lien on a mobile
17 or manufactured home who fails to pay the taxes within 10 days
18 after an installment payment is due is subject to the following
19 provisions:

20 (a) A penalty of 10 percent of the taxes due; and

21 (b) The county assessor may proceed under NRS 361.535.

22 9. If any property tax postponed pursuant to *the provisions of*
23 NRS 361.736 to 361.7398, inclusive, *or sections 2 to 8, inclusive,*
24 *of this act* becomes due and payable and the person charged with
25 that tax fails to make the required payment within 10 days after it
26 becomes due, there must be added thereto a penalty of 7 percent of
27 the amount of the tax that is due. If the required payment is not paid
28 within 30 days after it becomes due, there must be added thereto all
29 penalties and interest that would have accrued had the property tax
30 not been postponed pursuant to ~~[NRS 361.736 to 361.7398,~~
31 ~~inclusive.] those provisions.~~

32 10. The ex officio tax receiver of a county shall notify each
33 person in the county who is subject to a penalty pursuant to this
34 section of the provisions of NRS 360.419 and 361.4835.

35 **Sec. 11.** 1. This section and section 8 of this act become
36 effective upon passage and approval.

37 2. Sections 1 to 7, inclusive, 9 and 10 of this act become
38 effective on July 1, 2005.



