

Roadmap to NEVADA PROPERTY TAXES

General Assessment Overview

Nevada operates on a fiscal year with an assessment date of July 1. Property is assessed at 35% of its taxable (or “full cash”) value, and all property is required to be reappraised at least once every five years. The assessor determines a property’s taxable (“full cash”) value using a market adjusted cost approach to value and a standard rate of depreciation.

Values for each year between a reappraisal are adjusted by factors approved by the State Tax Commission. Additional appraisals may occur when improvements, new construction, or change in use or zoning occurs.

Local government revenues are limited by partial tax abatements (or “caps”) established in 2005 by legislation. The caps limit the increase in property taxes from the previous year to 3% for owner-occupied single-family homes and residential rental property with rents at or below HUD fair market rents, and no more than 8% for all other property. The exception is new construction, which is assessed for the first year.

While Nevada is a disclosure state, property sales do not trigger a reassessment, and property taxes are not affected because of the property tax caps in place. However, real estate transactions are subject to a one-time transfer tax, with rates varying by county.

Notice of Assessment

Assessor will mail out Notices of Assessment on or before December 18. The notice shows the taxable and assessed value of the real property and any personal property included on the secured roll. The assessed value is what property taxes are based on for the next fiscal year.

The secured roll is published in a newspaper or mailed to taxpayers on or before the first day of January.

Property Tax Appeals

Once notices of assessments are issued, property owners have until January 15 to file an appeal. There are several options to contest a property’s value.

First, a property owner can attend a hearing before the County Board of Equalization. Property owners will be notified of their hearing date at least 10 days prior. The burden of proof lies with the property owner to show that the valuation is not at taxable value and/or the taxable value exceeds full cash value. The taxpayer must provide the correct value and present evidence to support it. Hearings are usually concluded by the end of February.

It is not necessary to be represented by an attorney or accountant; however, anyone representing the property who is not the owner must have signed authorization.

If the property owner is not satisfied with the County Board of Equalization’s decision, the property owner may file a Petition for Review of Assessed Valuation to the State Board of Equalization. This petition must be filed by March 10. The State Board will begin hearings the fourth Monday in March and hold as many hearings as necessary to complete all appeals before November 1.

A property owner disagreeing with the determination or calculation of the partial abatement to their property can file a written petition for review with the county assessor. The partial abatement petition must be filed by June 30.

If the taxpayer still disagrees with the value, the taxpayer can file an appeal to the Nevada Tax Commission, who will appoint a hearing officer to hear the case.

Tax Bills

Tax bills are issued July 15 and can be paid in four installments.

Because of the current real estate market conditions and the tax cap legislation enacted in 2005, Nevada has become more and more disconnected from relying on assessed values to calculate property taxes.

Current year taxes are calculated by determining the lesser of the assessed tax amount (assessed value multiplied by the tax rate) or last year’s tax amount multiplied by the tax cap increase percentage that is assigned by the county each year.

If the assessed tax amount exceeds the applicable cap amount, the property tax due will be adjusted and lowered by the county treasurer before property tax bills are mailed out.

Nevada also caps the property tax rate. Currently, the maximum rate is \$3.66 per \$100 of assessed value.

Personal Property

Taxpayers with personal property assets are required to submit a declaration form to the assessor each year. **Declaration forms are due July 31.** Inventory is exempt. Failure to file will lead to the assessor estimating the taxable value of the property.

Taxpayers whose personal property is assessed before December 15, but disagree with the assessment, can file an appeal to the County Board of Equalization prior to January 15. For any personal property assessed after December 15, the owner can file an appeal directly to the State Board of Equalization before May 15.

Even if an appeal has been filed, taxpayers must still pay their personal property tax, which is due prior to the appeal hearing. A formal written protest must be submitted at the same time of the tax payment. Failure to pay will result in interest and penalties.

Personal property taxes are calculated in the same way as real property and are subject to the same caps. Depreciation schedules adopted by the Tax Commission are used to determine personal property taxable values. The same tax rate is used for both secured and unsecured property.

Nevada Tax Calendar

Real Estate

<i>Assessment Date</i>	<i>Jul 1</i>
<i>Value Notices</i>	<i>Nov - Dec</i>
<i>Appeal Deadline</i>	<i>Jan 15</i>
<i>Tax Bills Issued</i>	<i>Jul 15</i>
<i>Tax Bills Due</i>	<i>Third Monday in Aug (First Installment) First Monday in Oct (Second Installment) First Monday in Jan (Third Installment) First Monday in Mar (Fourth Installment)</i>

Personal Property

<i>Assessment Date</i>	<i>Jul 1</i>
<i>Tax Returns Due</i>	<i>Jul 31</i>
<i>Tax Bills Issued</i>	<i>Jul 15</i>
<i>Tax Bills Due</i>	<i>Aug 16 (or 30 days after notices)</i>