



STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

BRIAN SANDOVAL
Governor
JOAN LAMBERT
Chair, Nevada Tax Commission
DEONNE E. CONTINE
Executive Director


LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE
2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

Guidance Letter 16-002

Date: May 23, 2016

To: County Assessors

From: Terry E. Rubald, Deputy Executive Director, Department of Taxation 

CC: Deonne Contine, Executive Director, Department of Taxation
Cesar O. Melgarejo, Veterans Policy Analyst, Office of Governor Brian Sandoval

Subject: Veterans' Exemptions Reporting (AB 62 – 2015 session)

SUMMARY:

The 2015 Legislature passed AB 62 requiring various state agencies to provide the Interagency Council on Veterans' Affairs certain information about veterans. In particular, the Department of Taxation must provide the total number of veterans receiving tax exemptions pursuant to NRS 361.090, 361.091, 361.155, 371.103 and 371.104.

The Department relies on county assessors for the data required. This Guidance Letter recommends a reporting process from the assessors to the Department, including reporting deadlines, to enable the Department to fulfill the requirements of AB 62. In addition, this Guidance Letter provides guidance on which tax rolls and tax years should be included in the report; and it explains how to count or tally veterans receiving tax exemptions. An example of the reporting form is also included.

AUTHORITY FOR THIS LETTER:

NRS 360.250(2)(a): The Nevada Tax Commission may confer with, advise and direct county assessors, sheriffs as ex officio collectors of licenses and all other county officers having to do with the preparation of the assessment roll or collection of taxes or other revenues as to their duties.

AB 62 (2015), Sec. 28. Each state agency and regulatory body shall submit such information to the Council not later than November 30 of each year and shall provide the information in aggregate and in digital form, and in a manner such that the data is capable of integration by the Council.

12. The Department of Taxation shall provide the total number of veterans receiving tax exemptions pursuant to NRS 361.090, 361.091, 361.155, 371.103 and 371.104.

STATUTORY REFERENCES:

NRS 361.090, Veterans' exemptions

NRS 361.0905, Waiver of veteran's exemption; designation of any amount of exemption for credit to Gift Account for veterans homes in southern or northern Nevada

NRS 361.091, Exemption for veteran who has incurred a service-connected disability.

NRS 361.155, Exemptions: Filing of claims and designations; duration and amount; assessment and penalty for erroneous grant or renewal; review of late or denied claim.

NRS 371.103, Exemption of vehicle registered by veteran; transfer of exemption to veteran's current spouse.

NRS 371.104, Exemptions for veteran with a disability and surviving spouse; transfer of exemption to veteran's current spouse.

BACKGROUND:

A qualifying veteran may claim an exemption of property value which may be applied to property taxes (NRS 361.090) and/or to the governmental services tax ("GST") for licensed vehicles (NRS 371.103) or both. The amount of the exemption in 2015-2016 equaled \$2,560 in assessed value for property taxes or a \$102.00 deduction from the GST. The amount of assessed value or determined value for GST must be adjusted annually to reflect the percentage increase in the Consumer Price Index ("CPI") year over year.

Similarly, a qualifying disabled veteran may claim an exemption of property which may be applied to property taxes (NRS 361.091) and/or to the GST for licensed vehicles (NRS 371.104). The amount of the exemption varies on a sliding scale depending on the extent of the veteran's disability. The amount as adjusted by the CPI in 2015-16 was as follows:

Disability of 100%	\$25,600 assessed value or \$1,024 GST
Disability of 80 to 99%	\$19,200 assessed value or \$ 768 GST
Disability of 60 to 79%	\$12,800 assessed value or \$ 512 GST

When applying for the exemption, the qualifying veteran may select a portion of the exempt value to be applied to licensed vehicles subject to the GST and/or to property on the secured roll or on the unsecured roll subject to the property tax. See the attached example from the Carson City Assessor's office.

APPLICATION:

1. *The Department requests the Veterans' Exemption Report be submitted by assessors to the Department by **September 30** each year.*

NRS 361.155 requires all claims for personal tax exemptions to be filed on or before June 15 annually. Such claims are applied to the taxes due for the current fiscal year beginning on July 1st. Therefore the most current information for the current fiscal year is available after July 1st. AB 62 requires the Department to submit the final report to the Interagency Council on Veterans' Affairs no later than November 30 each year. Because county assessors already have the burden of other reporting requirements during October and November required by NRS 361.390, as well as preparations for closing the assessment roll in December pursuant to NRS 361.300, the Department recommends a

September 30th deadline to minimize conflict with other duties. This will also allow the Department time to compile the information into a final report.

2. The number of veterans receiving a property tax exemption should be based on information from the current year secured roll and/or the prior year unsecured roll.

The Department seeks the most current available information. For example, if a veteran applied for an exemption on June 15, 2016, the property value available for exemption would come from the 2016-2017 secured roll and the 2015-2016 unsecured roll which closed on April 30, 2016. Thus, for purposes of providing the most up-to-date information on the Veterans' Exemption Report by September 30, the information should come from the current fiscal year secured roll and the prior year unsecured roll.

The alternative is to report the same fiscal year for both the secured and unsecured rolls. By September 30 of any given year, however, the data for the secured roll would be over a year old. Therefore, the Department requests the count of veterans receiving the exemption come from the most current data, which is the current fiscal year secured roll and the prior year unsecured roll.

3. The count or tally of veterans' exemptions must be based on the type of statutory authority granting the exemption.

AB 62 specifically listed NRS 361.090, 361.091, 361.155, 371.103 and 371.104. The count is based on those veterans whose exemptions were actually applied to the property tax or the GST, instead of those who might have applied for the exemption and then did not take it. In order to minimize duplicating the count, if the veteran applied for the exemption under NRS 361.090 or 361.091 for property taxes, and the exemption was applied to property on both the secured roll and the unsecured roll, the veteran should be counted only once. However, in the event a veteran received an exemption from both property tax and the GST, the veteran must be counted twice, once under NRS 361.090 or 361.091 and once under NRS 371.103 or 371.104 because we are counting the number of veterans per type of exemption.

To help achieve consistency throughout the state, four examples follow which illustrate the Department's suggestions for proper reporting:

- 1. A veteran applies for a property tax exemption under NRS 361.090 for the tax roll year 2016-17 and is approved but does not exercise the approved exemption associated with his/her application. No veteran's exemption would be counted for the 2016-17 roll year.*
- 2. A veteran applies for exemptions and exercises the approved exemption for property taxes under NRS 361.090 for the tax roll year 2016-17 as well as for vehicle registration under NRS 371.103 for the same roll year. Two exemptions would be counted for this veteran, one for each statutory category.*
- 3. A veteran applies for and exercises an approved exemption for two property tax exemptions under NRS 361.090 for the 2015-16 tax year – both applied to property taxes on the unsecured roll. One exemption would be counted for this veteran and it would be reported for the 2015-16 unsecured roll.*
- 4. A veteran applies for and exercises an approved exemption for two property tax exemptions under NRS 361.090 for the 2015-16 tax year – one applied to property taxes on the secured roll and one applied to property taxes on the unsecured roll. This veteran would be counted only once. Since the secured roll is closed well in advance of the unsecured roll, the Department suggests applying a hierarchy which first counts the exemption on the secured roll instead of the unsecured roll.*

Additionally, exemptions for veterans' organizations per NRS 361.095 should not be included in any of the categories. During initial reporting in November 2015, a flawed, brief description on the Department's form describing Veterans Home Gifts per NRS 361.0905 created confusion. The form has since been revised to lessen confusion in the future.

REPORTING FORM EXAMPLE:

In the table below, please report the number of veterans exemptions granted for the 2016-17 secured roll, 2015-16 unsecured roll, and 2015-16 registered vehicles.

Item	DESCRIPTION	NO. OF EXEMPTIONS GRANTED
PROPERTY TAXES - SECURED ROLL 2016-17		
1	Veterans (NRS 361.090)	
2	Veterans Home Gifts (NRS 361.0905)	
3	Disabled Veterans (NRS 361.091)	
A.	100%	
B.	80-99%	
C.	60-79%	
D.	Surviving Spouse	
	<i>Total NRS 361.091 Exemptions</i>	-
Secured Total		-
PROPERTY TAXES - UNSECURED ROLL 2015-16		
4	Veterans (NRS 361.090)	
5	Veterans Home Gifts (NRS 361.0905)	
6	Disabled Veterans (NRS 361.091)	
A.	100%	
B.	80-99%	
C.	60-79%	
D.	Surviving Spouse	
	<i>Total NRS 361.091 Exemptions</i>	-
Unsecured Total		-
REGISTERED VEHICLES 2015-16		
7	Veterans (NRS 371.103)	
8	Spouses (NRS 371.103 (2))	
9	Veterans Homes Gifts (NRS 371.1035)	
10	Disabled Veterans (NRS 371.104)	
A.	100%	
B.	80-99%	
C.	60-79%	
D.	Spouses (NRS 371.104 (2))	
E.	Surviving Spouses (NRS 371.104 (6))	
	<i>Total NRS 371.104 Exemptions</i>	-
Registered Vehicle Total		-
EXEMPTION TOTALS (auto calculates)		
GRAND TOTAL		-

The information requested is intended to comply with requirements set forth in AB 62 (2015 legislature) Sec. 28 paragraph 12 stating:
Sec. 28. ...Each state agency and regulatory body shall submit such information to the Council not later than November 30 of each year and shall provide the information in aggregate and in digital form, and in a manner such that the data is capable of integration by the Council.

12. The Department of Taxation shall provide the total number of veterans receiving tax exemptions pursuant to NRS 361.090, 361.091, 361.155, 371.103 and 371.104.



CARSON CITY ASSESSOR'S OFFICE
201 N. CARSON ST., STE #6
CARSON CITY, NV 89701
(775) 887-2130

Exhibit 1 to Guidance
Letter 16-002,
Department of Taxation

VETERAN or DISABLED VETERAN
Application for Personal Exemption

NAME: _____
MAILING ADDRESS: _____

CITY & STATE: _____
ZIP CODE: _____
PHONE NUMBER: _____

1. I established actual bona fide residency in the State of Nevada (must have a current Nevada Driver's License or a Nevada Identification Card).
2. I understand my application for exemption must be filed in the county in which I reside.
I presently reside at: _____
3. I have not claimed an exemption in any other county in Nevada for the current fiscal year.
4. I understand that I must immediately report any change of address to the Carson City Assessor's Office.
5. My Service No. or Social Security No. is: _____
I entered active duty service of the United States on _____, _____ (year), and I was honorably discharged on _____, _____ (year).
6. The assessed valuation is adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (all items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated.

_____ I claim a **Veteran Exemption** exempting property in Carson City from Taxation under the provisions of NRS 361.090. **2015/2016 assessed valuation amount is \$2,560 which corresponds to \$102.00 off the governmental service tax.**

_____ I claim a **Disabled Veteran Exemption** exempting property in Carson City from taxation under the provisions of NRS 361.091 to the extent of assessed valuation per fiscal year as shown below.

2015/2016: _____ (100% permanent service connected disability) \$25,600 (AV) = (\$1024.00 DMV).
 _____ (80-99% permanent service connected disability) \$19,200 (AV) = (\$768.00 DMV).
 _____ (60-79% permanent service connected disability) \$12,800 (AV) = (\$512.00 DMV).

7. I request my exemption be applied as follows:

_____ Motor Vehicle Governmental Service Tax Benefit: for fiscal year _____
 _____ Real Property tax roll, Parcel No. _____ for fiscal year _____
 _____ Mobile Home tax roll, Acct. No. _____ for fiscal year _____
 _____ Personal Property tax roll, Acct. No. _____ for fiscal year _____

8. I affirm and certify under penalty of perjury that the above information is true and correct to the best of my knowledge.

Signed: _____ Date: _____

Witnessed By: _____ Gave voucher: _____ Send voucher: _____