

PUBLIC COMMENT FOR AUGUST 19, 2021 CLGF MEETING

I ask that this statement be included in the minutes of this meeting.

My public comment is regarding the apparently deceptive financial practices of Nye County and the Town of Belmont, which, with the full knowledge and backing of Nye County defrauds the government, and its citizens, of tax revenues.

The invented Town of Belmont is not a legitimate governmental entity or local government as defined by statute. The Town of Belmont has no one to be accountable and responsible for their financial actions and decisions. No records of the fiscal information of this bogus entity have ever been provided to the Department of Taxation.

For over eight years the Nye County Board of County Commissioners claimed to be the governing body of the Unincorporated Town of Belmont, even though the Town of Belmont is not, and has never been an unincorporated town.

This fictitious entity of the Town of Belmont purchased and holds title to property in Nye County, even though it has no budget, has never had a budget and the Department of Taxation has no financial records of this entity. No audits of its financial records has ever occurred.

Nye County has gone so far as to allow this phantom entity to be a tax-exempt entity so that it does not pay property transfer taxes or any property taxes.

Nowhere in the statutes of this state are there provisions for imaginary entities to be landowners or considered as being tax-exempt.

Written requests on the questionable financial practices of Nye County have been sent to the Department of Taxation, Tax Commission and Committee on Local Government Finance on several occasions over the past year and a half. Even though the Department of Taxation is statutorily mandated (NRS 360.293) to respond within 30 days, in writing, to any written requests from taxpayers, no written responses have ever been received regarding these issues.

Therefore, I have submitted a petition for an advisory opinion from the Department. According to the Chair of the Tax Commission, this request has been forwarded to the Attorney General's Office.

I look forward to the prompt written responses from the Department of Taxation, Tax Commission and Committee on Local Government Finance to these submitted written requests and the courtesy, fairness, and common-sense treatment of concerns of a taxpayer as are mandated by statute (NRS 360.291).

Respectfully,

Neal Jones
njones14791@gmail.com

June 1, 2021

Via Certified Mail / Return Receipt Requested:

7020 0090 0002 1106 5047

Marvin Leavitt, Chairman Committee on Local Government Finance
STATE OF NEVADA DEPARTMENT OF TAXATION
1550 College Parkway Suite 115
Carson City, Nevada 89706

Re: Belmont, Nye County, Nevada

Dear Mr. Leavitt:

I am writing to request that the State of Nevada Department of Taxation and its affiliated Boards investigate the financial improprieties that occur in Nye County associated with the Town of Belmont, et al. I am a property owner in Belmont and a taxpayer to the County on those properties.

I have attempted to address my concerns and issues with Nye County, but they seem to ignore the concerns of their tax paying citizens or attempt to deflect any attempts to gain answers through denial or obfuscation. The County Commissioner for our district refuses to even respond to requests to have the issues related to Belmont placed on their agenda so that we may have open discussions in their meetings. The County Manager has stated that I am required to have a commissioner sponsor my requests to have an item placed on the agenda for the Nye County Board of County Commissioners (BoCC) meetings.

For the past eight years, the Nye County BoCC has stated on every one of their agendas that they were the governing body of the Unincorporated Town of Belmont. This was amazing in the fact that **Belmont is not an unincorporated town**, never has been. Finally, they have removed this reference from their agenda since it was a false statement that they were claiming. The many other underlying issues related to Belmont still exist.

The Nye County District Attorney's Office, in an attempt to justify Nye County's actions in Belmont, stated in a public meeting, that Belmont had been created as a town in 1844, under United States Congressional authority. As had to be pointed out to the County, that in 1844 these lands still belonged to the Republic of Mexico, so the U.S. Congress did not have any authority to create the town.

In response to a public records request, the Department of Taxation acknowledged that they have no records associated with the Town of Belmont.

NRS 269.520 defines "Town or Unincorporated Town". Nye County has stated that the Town of Belmont does not have a budget, because they do not have a tax rate associated with the town. The Town of Belmont has no means to generate any revenue for the town to use. Somehow, the Town of Belmont has paid for and owns property in Nye County. Additionally, the Town of Belmont is considered to be a tax-exempt entity, so they do not pay transfer or property taxes. When asked through public records requests for records of how these properties were acquired and paid for, the County's response is "We have no records responsive to your request".

Nye County District Attorney's Office solution to this issue was to tell the BoCC that the DA's Office would just write a resolution to change the name on the deeds for these properties into the County's name. We are still waiting for this action to take place and the legal justification the County uses for these actions and their communications with the legal owners of these properties when the legal owners do not exist.

Requests for answers from the Nye County Treasures Office have also been futile.

The outside auditor for the County replied that there were answers to these questions but would not provide these answers in writing.

At the November 10, 2020, BoCC meeting, the secretary for the Belmont Town Advisory Board (BTAB) stated in that meeting that the BTAB had paid for these properties from the budget that the County had given the Town of Belmont, to use as they saw fit. The County cannot provide any records of when these expenditures were discussed, voted on or approved. The County has repeatedly stated that Belmont does not have a budget, because they have no tax rate, because DTax has not assigned a tax rate for Belmont. The BTAB has no records of ever approving or authorizing anyone to expend funds, that they do not have, to acquire any properties.

The NRS allows for a local government to make application to be able to acquire properties for public use and public good. No application to acquire these properties by the Town of Belmont was ever made, according to Nye County. Since the Town of Belmont is not a legitimate local governmental entity, how is it they are allowed to act as one, with no transparency and without being responsible and accountable to the public?

How is a non-existent entity allowed to take these actions? How does a phantom entity get authorized to act as if they are legitimate? Why, when the tax paying public requests answers to these questions, the County ignores those requests? Nye County cannot claim ignorance to the activities of the Town of Belmont. Nye County maintains and monitors a post office box for this nonexistent entity of the Town of Belmont. The County Manager, Tim Sutton, claims to be the contact person for this phantom Town of Belmont governmental entity. Nye County cannot, or will not, provide any records of who the Town of Belmont governmental entity is made up of. Nye County claims the Belmont Town Advisory Board is a separate governmental body and is not overseen by Nye County. Nye County condones and enables these irresponsible, and possibly illegal, actions of the Town of Belmont.

These issues have been previously brought to the attention of Mr. Jeffrey Mitchell of DTax, in an email of May 19, 2020. Mr. Mitchell had promised to investigate other financial irregularities in Nye County, I added my concerns on Belmont at that time. This investigation seems to have fallen by the wayside.

So, I am again asking the Department of Taxation to investigate these fraudulent financial activities of Nye County and the Town of Belmont and provide a written response so the public can be assured that our tax monies are being handled properly, transparently and in accordance with the laws of this State.

The tax paying public does not seem to be able to get honest answers out of Nye County government. Whether it is the BoCC or the County Administration.

- The County allows nonexistent entities to act with impunity.
- \$300,000 of marijuana tax revenue is unaccounted for (brought to DTax's attention at the January 2020 Tax Commission meeting).
- We are required to pay taxes for the Nye County Water District Governing Board, in accordance with NRS 542, according to the County Treasurer. But, NRS 542 has never been codified and does not exist. So why are we required to pay for something according to a statute that does not exist?
- Recent tax delinquent auctions for properties in Nye County have been held. Properties in Belmont were sold for prices far in excess of the delinquent taxes. These surplus revenues are supposed to be earmarked for that specific community. But, once again, the monies for Belmont do not seem to be traceable. Maybe it's that way in the rest of the County as well.

Nye County acts and continues to act as if they are not required to abide by the laws of this State. Nye County needs to clean up its financial house, but does not seem willing, or capable, of doing this.

This is why I am asking the State of Nevada Department of Taxation to investigate, report and take the necessary actions to address these issues.

If there is any questions or information that I can provide, please feel free to contact me at the address below.

Thank you in advance for your anticipated attention to these matters. I look forward to a written response from you or your office regarding these issues.

Respectfully,

Neal Jones
njones14791@gmail.com

Cc: James C. DeVold, Nevada Tax Commission, Chair
Melanie Young, Executive Director, Nevada Department of Taxation