



STATE OF NEVADA
DEPARTMENT OF TAXATION

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In the Matter of:)
Approval of Exemptions, as authorized)
Under NRS 361.068(2) where Administrative)
Costs Exceed Revenue from Tax on)
Personal Property for Application FY 2023-2024)

NOTICE OF DECISION

Appearances

Victoria Salas, Property Appraiser 2 with Locally Assessed Properties Division, appeared on behalf of the Department of Taxation.

Summary

The matter of the approval of the level of exemption of personal property based on the amount of taxes due for personal property compared to the cost of collecting those taxes as provided for in NRS 361.068(2), came before the Nevada Tax Commission (Commission) on March 6, 2023. The Commission reviewed the Billing Cost Survey and the report of the Department.

DECISION

The Commission, having considered all evidence and testimony pertaining to the matter, hereby adopts an exemption amount, pursuant to NRS 361.068(2). The taxes due for personal property which are \$10.00 or less are exempt from collection for FY 2023-2024.

BY THE NEVADA TAX COMMISSION THIS 6TH DAY OF MARCH, 2023.

Shellie Hughes, Executive Director

cc: County Assessors

NEVADA TAX COMMISSION

March 6, 2023

TOPIC: Determination of the amount of personal property to be exempted; that amount that is less than the cost of collecting the taxes.

AUTHORITY: Nevada Revised Statute 361.068 (2), allows the Nevada Tax Commission to exempt from taxation that personal property for which the annual taxes would be less than the cost of collecting those taxes. If such an exemption is provided, the Nevada Tax Commission shall annually determine the average cost of collecting property taxes in this state. This average cost must be used in determining the applicability of the exemption.

EXPLANATION: The Division of Local Government Services of the Department of Taxation conducted a survey of county assessors and treasurers to determine the cost of collecting property taxes in this state during the 2022-2023 fiscal year. The results of the survey are as follows:

- The cost to collect an individual tax bill in all the counties ranges from \$1.19 to \$22.31.
- The mean total cost of an individual tax bill is \$8.21, up from the prior year of \$6.55.
- The median total cost of an individual tax bill is \$7.94, up from the prior year of \$6.92.
- Array:

=< \$10.00 (13):

\$10.00> < \$22.99 (4):

Carson City	\$ 8.43	Eureka	\$ 7.94	Lincoln	\$ 4.88
Churchill	\$ 10.01	Humboldt	\$ 4.16	Lyon	\$ 15.46
Clark	\$ 6.74	Lander	\$ 8.70	Nye	\$ 14.49
Douglas	\$ 2.26	Mineral	\$ 4.28	Pershing	\$ 22.31
Elko	\$ 8.07	Storey	\$ 9.66	White Pine	\$ 6.81
Esmeralda	\$ 1.19	Washoe	\$ 4.18		

- Percent of tax bills exempted compared to number of accounts in previous year, using \$10.00 level of exemption:

Carson City	15%	Eureka	9%	Nye	13%
Churchill	14%	Humboldt	8%	Pershing	11%
Clark	6%	Lander	8%	Storey	22%
Douglas	6%	Lincoln	7%	Washoe	11%
Elko	8%	Lyon	11%	White Pine	9%
Esmeralda	15%	Mineral	12%	Centrally-Assessed Carlines	8%

- Total dollar amount exempted in FY 22-23 \$56,023.40 from counties; \$43.57 from Centrally-Assessed Carlines.

RECOMMENDATION:

Based on the survey and the resulting median and mean costs, the Department recommends that personal property bills of \$10.00 or less be exempted from taxation by authority of NRS 361.068 (2). This amount will eliminate most personal property billings that are not cost effective. By statute, the billing cost is reviewed annually, and adjustments made as needed.

