

STEVE SISOLAK
Governor
JAMES DEVOLLD
Chair, Nevada Tax Commission
MELANIE YOUNG
Executive Director

STATE OF NEVADA DEPARTMENT OF TAXATION

Web Site: https://tax.nv.gov

1550 College Parkway, Suite 115 Carson City, Nevada 89706-7937 Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE

Grant Sawyer Office Building, Suite1300 555 E. Washington Avenue Las Vegas, Nevada 89101 Phone: (702) 486-2300 Fax: (702) 486-2373 RENO OFFICE 4600 Kietzke Lane Building L, Suite 235 Reno, Nevada 89502 Phone: (775) 687-9999 Fax: (775) 688-1303

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

Fax: (702) 486-3377

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 2021-2022	'n

NOTICE OF DECISION

Appearances

On March 8, 2021, Kelson Powell, Property Appraiser 2 with the 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 8, 2021. 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 2021-2022.

BY THE NEVADA TAX COMMISSION THIS 15th DAY OF MARCH, 2021.

Melanie Young, Executive Director

cc: County Assessors

Melanie Cloung

NEVADA TAX COMMISSION March 8, 2021

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 2020-2021 fiscal year. The results of the survey are as follows:

- The cost to collect an individual tax bill in all the counties ranges from \$.91 to \$17.67.
- The mean total cost of an individual tax bill is \$6.22, down from the prior year of \$6.85.
- The median total cost of an individual tax bill is \$6.68, down from the prior year of \$6.76.
- Array:

	=< §	510.00 (1:	3):		\$10.00> < \$19	ð.99 (4):
Carson City	\$	8.68	Humboldt	\$ 2.93	Lyon	\$ 12.38
Churchill	\$	7.88	Lander	\$ 5.56	Nye	\$ 12.69
Clark	\$	6.68	Lincoln	\$ 5.56	Pershing	\$ 14.97
Douglas	\$	2.73	Mineral	\$ 2.96	White Pine	\$ 17.67
Elko	\$	3.45	Storey	\$ 7.23		
Esmeralda	\$	0.90	Washoe	\$ 2.25		
Eureka	\$	1.66				

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

Carson City	17%	Eureka	14%	Nye	5%
Churchill	16%	Humboldt	11%	Pershing	10%
Clark	9%	Lander	10%	Storey	22%
Douglas	34%	Lincoln	9%	Washoe	13%
Elko	10%	Lyon	16%	White Pine	10%
Esmeralda	18%	Mineral	8%	Centrally-As	ssessed Carlines 43%

• Total dollar amount exempted in FY 20-21 \$94,063 from counties; \$297 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.

		1			I	T	T													
Line	Description	Stat	tewide Totals	Carson City	Churchill	Clark	Douglas	Elko	Esmeralda	Eureka	Humboldt	Lander	Lincoln	Lyon	Mineral	Nye	Pershing	Storey	Washoe	White Pine
1	Number of PP Accounts Billed in 19-20 (Line 1)		148,846	4,874	4,141	74,880	3,926	7,733	725	727	3,100	1,630	904	4,960	1,102	8,178	1,486	895	28,286	1,299
2	Number of PP Accounts on Unsecured Roll (Line 2)		139,794	4,855	3,184	74,880	3,388	7,462	679	212	1,895	1,630	544	4,085	654	6,550	825	2	28,285	664
3	Number of PP Accounts exempted (Line 3)		16,636	826	676	6,735	1,325	756	131	100	332	169	83	775	87	421	151	198	3,735	136
4	Total Tax Dollar Amount exempted (Line 4)	\$	94,062.76	4,143	3,753.74	43,402.69	7,315.00	4,658	645.36	76.00	2,552.00	119.27	298.25	4,826.00	324.64	3,393.45	350.85	510.50	17,297.17	396.84
5	Percent PP Accounts exempted (Line 3 / Line 1)		11.18%	17%	16%	9%	34%	10%	18%	14%	11%	10%	9%	16%	8%	5%	10%	22%	13%	10%
6	Percent PP Accounts on Unsecured Roll (L2/L1)		93.92%	100%	77%	100%	86%	96%	94%	29%	61%	100%	60%	82%	59%	80%	56%	0%	100%	51%
7	Average Tax Dollar Amount exempted (L4 / L3)	\$	5.65	\$ 5.02	\$ 5.55	\$ 6.44	\$ 5.52	\$ 6.16	\$ 4.93	\$ 0.76	\$ 7.69	\$ 0.71	\$ 3.59	\$ 6.23	\$ 3.73	\$ 8.06	\$ 2.32	\$ 2.58	\$ 4.63	\$ 2.92
8	Number of FTE Employees (Line 5)		252.00	8	8	131	8	17	2	4	8	4	3	8	3	15	4	4	21	4
9	Number of Persons performing activities (Line 6)		44.45	3	2	6	2	7	1	1	4	1	3	3	1	6	1	2	0	1.0
	Percent of Persons performing activities in Lines 8-13																			
10	to Total FTE (Line 9/Line 8)		18%	38%	25%	5%	25%	41%	50%	25%	50%	25%	100%	38%	33%	40%	25%	50%	2%	25%
	Average Wage Per Hour for Persons on Line 8	\$	20.62	\$32.44	21.83	\$ 39.19	\$ 32.60	\$ -	\$ -		\$ 23.00	\$ 24.19	\$ 16.58	\$ 32.30	\$ 15.75	\$ 24.15	\$ 32.53	\$ 29.24		\$ 25.69
12	Average Wage Per Hour for Persons on Line 9	\$	23.99	\$32.44	21.83	\$ 39.19	\$ 32.60	\$ -	\$ -	\$ 30.44	\$ 30.50	\$ 24.19	\$ 19.53	\$ 32.30	\$ 15.75	\$ 40.59	\$ 32.53	\$ 29.24	\$ 1.00	\$ 25.69
13	Average Wage Per Hour for Persons on Line 10	\$	19.70	\$18.12	20.27	\$ 39.19	\$ 32.60	\$ 26.98	\$ -	\$ -	\$ 22.00	\$ -	\$ 19.53	\$ 36.16	\$ 15.75	\$ 21.81	\$ 32.53	\$ -	\$ 24.30	\$ 25.69
14	Average Wage Per Hour for Persons on Line 11	\$	21.10	\$0.00	21.83	\$ 41.76	\$ 32.60	\$ 26.98	\$ -	\$ -	\$ 30.50	\$ -	\$ 19.53	\$ 32.30	\$ 15.75	\$ 24.15	\$ 32.53	\$ 29.24	\$ 25.80	\$ 25.69
15	Average Wage Per Hour for Persons on Line 12	\$	21.40	\$37.95	21.83	\$ 41.76	\$ 32.60	\$ 26.98	\$ -	\$ -	\$ -	\$ -	\$ 37.71	\$ 32.30	\$ 15.75	\$ 24.15	\$ -	\$ 29.24	\$ 25.80	\$ 37.71
16	Average Wage Per Hour for Persons on Line 13	\$	6.13	\$32.44	-	\$ 71.73	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Man-hours worked on Activity in Line 8		839	16	8	200	20	-	-	-	6	100	80	208	10	40	16	10	-	125
18	Man-hours worked on Activity in Line 9		2,301	152	48	300	10	-	-	8	80	100	80	208	40	880	40	105	-	250
	Man-hours worked on Activity in Line 10		10,544	24	1,120	4,800	-	543.00	-	-	20	-	160	104	60	2,120	500	-	818	275
20	Man-hours worked on Activity in Line 11		2,638	850	80	450	8	91.00	-	-	100	-	40	416	-	160	128	70	120	125
21	Man-hours worked on Activity in Line 12		6,713	40	280	4,400	20	74.00	-	-	-	-	25	832	5	160	-	15	807	55
22	Man-hours worked on Activity in Line 13		108	8	-	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Total Man-hours worked on All Activities (Line 14)		23,143	1,090	1,536	10,250	58	708.00	-	8.00	206.00	200.00	385.00	\$ 1,768.00	115.00	3,360.00	684.00	200.00	1,745.36	830.00
24	Total Labor Cost for Activity in Line 8	\$	25,316.43	\$506.71	174.64	\$7,838.00	\$652.00	\$365.65	\$30.00	\$0.00	\$138.00	\$2,419.00	\$1,326.40	\$6,718.40	\$157.50	\$966.00	\$520.48	\$292.40	\$0.00	\$3,211.25
25	Total Labor Cost for Activity in Line 9	\$	85,174.68	\$4,930.88	1,047.84	\$11,757.00	\$326.00	\$6,546.54	\$40.00	\$243.52	\$2,440.00	\$2,419.00	\$1,562.40	\$6,718.40	\$630.00	\$35,719.20	\$1,301.20	\$3,070.20	\$0.00	\$6,422.50
26	Total Labor Cost for Activity in Line 10	\$	323,697.96	\$434.88	22,702.40	\$188,112.00	\$0.00	\$14,650.14	\$75.00	\$0.00	\$440.00	\$0.00	\$3,124.80	\$3,760.64	\$945.00	\$46,237.20	\$16,265.00	\$0.00	\$19,886.15	\$7,064.75
27	Total Labor Cost for Activity in Line 11	\$	81,625.27	\$24,671.00	1,746.40	\$18,792.00	\$260.80	\$2,455.18	\$50.00	\$0.00	\$3,050.00	\$0.00	\$781.20	\$13,436.80	\$0.00	\$3,864.00	\$4,163.84	\$2,046.80	\$3,096.00	\$3,211.25
28	Total Labor Cost for Activity in Line 12	\$	249,140.27	\$1,518.00	6,112.40	\$183,744.00	\$652.00	\$1,996.52	\$25.00	\$0.00	\$0.00	\$0.00	\$942.75	\$26,873.60	\$78.75	\$3,864.00	\$0.00	\$438.60	\$20,820.60	\$2,074.05
29	Total Labor Cost for Activity in Line 13	\$	7,432.52	\$259.52	-	\$7,173.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
30	Total Labor Cost for All Activities (Line 14)	\$	772,387.13	\$32,320.99	31,783.68	\$417,416.00	\$1,890.80	\$26,014.03	\$220.00	\$243.52	\$6,068.00	\$4,838.00	\$7,737.55	\$57,507.84	\$1,811.25	\$90,650.40	\$22,250.52	\$5,848.00	\$43,802.75	\$21,983.80
31	Cost of Mailers and Printing (Line 15)	\$	27,391.06	\$518.00	150.00	\$12,350.00	\$6,990.00	\$0.00	\$10.00	\$243.52	\$1,200.00	\$0.00	\$279.70	\$423.00	\$1,122.00	\$1,298.44	\$0.00	\$153.31	\$2,390.59	\$262.50
32	Cost of Postage (Line 16)	\$	84,120.10	\$2,344.62	630.21	\$61,025.00	\$1,500.00	\$700.00	\$351.25	\$720.00	\$1,000.00	\$894.00	\$497.20	\$305.00	\$327.00	\$4,089.00	\$0.00	\$468.96	\$8,855.36	\$412.50
33	Cost of Delinquent Collection (Line 17)	\$	28,136.85	\$1,777.92	-	\$5,435.00	\$350.00	\$0.00	\$75.00	\$0.00	\$800.00	\$2,038.00	\$400.10	\$1,814.00	\$0.00	\$7,728.00	\$0.00	\$0.00	\$7,418.83	\$300.00
34	Cost of Other (a) (Line 19)	\$	9,710.09	\$5,350.48	50.00	\$1,710.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,360.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,239.61	\$0.00
35	Cost of Other (b) (Line 20)	\$	2,667.51	\$0.00	-	\$2,623.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$44.51	\$0.00
36	Total Cost of All Personal Property Accounts (Line 22)	\$	925,710.74	\$42,312.01	32,613.89	\$500,559.00	\$10,730.80	\$26,714.03	\$656.25	\$1,207.04	\$9,068.00	\$9,068.00	\$8,914.55	\$61,409.84	\$3,260.25	\$103,765.84	\$22,250.52	\$6,470.27	\$63,751.65	\$22,958.80
37	Average Cost Per Personal Property Account (L36 /L1)	\$	6.22	\$ 8.68	\$ 7.88	\$ 6.68	\$ 2.73	\$ 3.45	\$ 0.91	\$ 1.66	\$ 2.93	\$ 5.56	\$ 9.86	\$ 12.38	\$ 2.96	\$ 12.69	\$ 14.97	\$ 7.23	\$ 2.25	\$ 17.67

 Median
 \$ 6.68

 Mean (C37/C2) (Statewide Down)
 \$ 6.22

 Mean (D38:T38) (Indiv Counties Across)
 \$ 7.09