

JOE LOMBARDO Governor GEORGE KELESIS Chair, Nevada Tax Commission SHELLIE HUGHES Executive Director

STATE OF NEVADA DEPARTMENT OF TAXATION Web Site: <u>https://tax.nv.gov</u> Call Center: (866) 962-3707

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March 11, 2024

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RENO OFFICE 4600 Kietzke Lane, Suite L235 Reno, NV 89502 Phone: (775) 687-9999 Fax: (775) 688-1303

To: All Assessors

Re: Approval of Exemptions, as authorized under NRS 361.068(2) where Administrative Costs Exceed Revenue from Tax on Personal Property for Application FY 2024-2025

The matter 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 (the "Commission") for consideration on March 6, 2024. This matter came before the Commission for approval.

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 2024-2025.

APPEAL RIGHTS

Pursuant to NRS 360.245(5), a decision of the Commission is a final decision for purposes of judicial review. If you disagree with this Decision, you may be entitled to judicial review of the Decision as set forth in NRS 233B.130. This general information is provided to you pursuant to NRS 360.291 and as a matter of courtesy only. You, or your counsel, should ascertain with more particularity your legal rights and obligations with regard to this Decision and appeal from this Decision.

FOR THE COMMISSION: IE HUG Executive Director

Nevada Department of Taxation

March 11, 2024

CERTIFICATE OF SERVICE

I hereby certify that on this day I served the foregoing Decision Letter upon all parties of record in this proceeding as follows:

By emailing a copy thereof:

Carson City Assessor's Office - Kimberly Adams, kadams@carson.org Churchill County Assessor's Office – Denise Mondhink-Felton, denise.felton@churchillcountyny.gov Clark County Assessor's Office - Briana Johnson, bap@clarkcountynv.gov Douglas County Assessor's Office - Trent Tholen, ttholen@douglasnv.us Elko County Assessor's Office - Janet Iribarne, jiribarne@elkocountynv.net Esmeralda County Assessor's Office - Kathleen Keyes, kkeyes@esmeraldacountyny.org Eureka County Assessor's Office - Mike Mears, mmears@eurekacountynv.gov Humboldt County Assessor's Office - Andy Heiser, andy.heiser@humboldtcountynv.gov Lander County Assessor's Office – Lura Duvall, assessor@landercountyny.org Lincoln County Assessor's Office - Cydney Dwire, cdwire@lincolnnv.com Lyon County Assessor's Office - Troy Villines, tvillines@lyon-county.org Mineral County Assessor's Office - Kevin Chisum, assessor@mineralcountynv.org Nye County Assessor's Office - Sheree Stringer, sstringer@nyecountyny.gov Pershing County Assessor's Office - Laureen Basso-Cerini, lcerini@pershingcountynv.gov Storey County Assessor's Office - Jana Seddon, jseddon@storeycounty.org Washoe County Assessor's Office - Chris Sarman, csarman@wahoecounty.gov White Pine Assessor's Office - Burton Hilton, bhilton@whitepinecountyny.gov

Dated at Carson City, Nevada, the <u>11</u> day of <u>March</u> 2024.

da, Administrative Assistant IV ada Department of Taxation

NEVADA TAX COMMISSION March 6, 2024

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

<u>AUTHORITY</u>: 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 2023-2024 fiscal year. The results of the survey are as follows:

- The cost to collect an individual tax bill in all the counties ranges from \$1.43 to \$13.91.
- The mean total cost of an individual tax bill is \$7.04, down from the prior year of \$8.21.
- The median total cost of an individual tax bill is \$6.91, up from the prior year of \$7.94.
- Array:

=< \$	10.00	(14)			> \$10.00 (3)					
Carson City	\$	7.64	Eureka	\$ 2.30	Nye	\$13.91				
Churchill	\$	9.46	Humboldt	\$ 5.11	Pershing	\$ 5.98				
Clark	\$	6.91	Lander	\$ 11.50	Storey	\$ 8.05				
Douglas	\$	1.94	Lincoln	\$ 6.77	Washoe	\$ 4.94				
Elko	\$	8.07	Lyon	\$ 11.99	White Pine	\$ 5.85				
Esmeralda	\$	1.43	Mineral	\$ 6.92						

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

Carson City	14%	Eureka	9%	Nye	11%	
Churchill	16%	Humboldt	8%	Pershing	12%	
Clark	5%	Lander	9%	Storey	23%	
Douglas	7%	Lincoln	12%	Washoe	11%	
Elko	8%	Lyon	8%	White Pine	7%	
Esmeralda	18%	Mineral	20%	Centrally-Assessed	d Carlines	45%

• Total dollar amount exempted in FY 23-24 \$ \$77,749.09 from counties; \$295.50 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.

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Line	Description	Sta	tewide Totals	Carson City	Churchill	Clark	Douglas	Elko	Esmeralda	Eureka	Humboldt	Lander	Lincoln	Lyon	Mineral	Nye	Pershing	Storey	Washoe	White Pine
1 N	umber of PP Accounts Billed in 18-19 (Line 1)		148,849	5,341	3,384	77,552	3,360	7,988	632	704	3,213	1,428	1,152	4,978	499	7,294	1,205	810	27,864	1,445
2 N	umber of PP Accounts on Unsecured Roll (Line 2)		139,983	5,154	2,763	77,552	2,827	7,742	514	188	1,882	1,145	508	4,304	435	5,861	586	-	27,863	659
3 N	umber of PP Accounts exempted (Line 3)		11,946	738	532	4,186	230	662	115	60	251	123	139	405	99	812	139	190	3,159	106
4 To	tal Tax Dollar Amount exempted (Line 4)	\$	77,749.09	2,532	1,988.54	21,058.46	1,242.49	3,149	558.79	324.91	1,486.00	23,363.00	241.22	4,864.28	346.31	3,262.08	580.05	416.15	11,970.01	364.94
5 Pe	ercent PP Accounts exempted (Line 3 / Line 1)		8.03%	14%	16%	5%	7%	8%	18%	9%	8%	9%	12%	8%	20%	11%	12%	23%	11%	7%
6 Pe	ercent PP Accounts on Unsecured Roll (L2/L1)		94.04%	96%	82%	100%	84%	97%	81%	27%	59%	80%	44%	86%	87%	80%	49%	0%	100%	46%
7 A	verage Tax Dollar Amount exempted (L4 / L3)	\$	6.51	\$ 3.43	\$ 3.74	\$ 5.03	\$ 5.40	\$ 4.76	\$ 4.86	\$ 5.42	\$ 5.92	\$ 189.94	\$ 1.74	\$ 12.01	\$ 3.50	\$ 4.02	\$ 4.17	\$ 2.19	\$ 3.79	\$ 3.44
8 N	umber of FTE Employees (Line 5)		245.00	8	8	120	9	19	2	3	8	4	3	9	3	16	3	3	23	4
9 N	umber of Persons performing activities (Line 6)		57.00	8	1	4	2	12	1	2	4	1	2	3	1	8	4	1	2	1.0
Pe	ercent of Persons performing activities in Lines 8-13																			
10 to	Total FTE (Line 9/Line 8)		23%	100%	13%	3%	22%	63%	50%	67%	50%	25%	67%	33%	33%	50%	133%	33%	9%	25%
11 A	verage Wage Per Hour for Persons on Line 8	\$	28.04	\$21.00	25.87	\$ 42.72	\$ 32.60	\$ 26.19	\$ 14.35	\$ 27.00	\$ 28.00	\$ 23.70	\$ 33.32	\$ 39.43	\$ 16.25	\$ 50.12	\$ 36.29	\$ 30.31	\$-	\$ 29.54
12 A	verage Wage Per Hour for Persons on Line 9	\$	22.58	\$29.54	-	\$ 42.72	\$ 32.60	\$ 26.19	\$ 14.35	\$ 27.00	\$ 35.00	\$ 23.70	\$ 18.63	\$-	\$ 16.25	\$ 37.63	\$ 20.39	\$ 30.31	\$-	\$ 29.54
13 A	verage Wage Per Hour for Persons on Line 10	\$	24.95	\$31.20	22.85	\$ 42.72	\$ 29.11	\$ 26.55	\$ 14.35	\$ 27.00	\$ 27.00	\$ 18.22	\$ 18.63	\$ 37.30	\$ 16.25	\$ 37.63	\$ 20.39	s -	\$ 25.45	\$ 29.54
	verage Wage Per Hour for Persons on Line 11	\$	27.42	\$23.44	22.29	\$ 45.49	\$ 32.60	\$ 26.28	\$ 14.35	\$ 27.00	\$ 35.00	\$ -	\$ 33.32	\$ 39.43	\$ 16.25	\$ 41.02	\$ 20.39	\$ 30.31	\$ 29.51	\$ 29.54
	verage Wage Per Hour for Persons on Line 12	\$	27.36	\$27.62	22.29	\$ 45.49	\$ 32.60	\$ 35.43	\$ 14.35	\$ 27.00	\$ 28.00	\$ -	\$ 18.63	\$ 39.43	\$ 16.25	\$ 41.02	\$ 17.89	\$ 30.31	\$ 29.51	\$ 39.23
16 A	verage Wage Per Hour for Persons on Line 13	Ś	7.85	\$0.00	-	\$ 79.41	\$ -	\$ 24.59	\$ -	s -	\$ -	Ś -	Ś -	Ś -	\$ -	s -	\$ -	Ś -	\$ 29.51	Ś -
	an-hours worked on Activity in Line 8		1.093	16	8	200	18	16.00	3.00	8	4	150	100	12	10	520	16	2	-	10
	an-hours worked on Activity in Line 9		1,627	504	-	300	10	40.00	5.00	8	100	150	20	-	40	260	40	115	-	35
	an-hours worked on Activity in Line 10		9,019	398	1,120	4,800	45	694.00	7.00	8	95	30	80	107	60	520	100	-	860	95
20 M	an-hours worked on Activity in Line 11		3,100	40	80	450	6	421.00	4.00	8	100	-	20	411	15	260	150	70	1,030	35
	an-hours worked on Activity in Line 12		7,168	45	120	4,400	20	231.00	2.00	8	10	-	20	823	5	260	8	12	1,144	60
	an-hours worked on Activity in Line 13		810	-		100		350.00	-		-	-		_		-	-	-	360	-
	otal Man-hours worked on All Activities (Line 14)		22,817	1,003	1,328	10,250	99	1,752.00	21.00	40.00	309.00	330.00	240.00	\$ 1,353.00	130.00	1,820.00	314.00	199.00	3,394.00	235.00
	tal Labor Cost for Activity in Line 8	Ś	44.985.57	\$336.00	206.96	\$8,544.00	\$586.80	\$419.04	\$43.05	\$216.00	\$112.00	\$3,555.00	\$3.332.00	\$473.16	\$162.50	\$26,062.40	\$580.64	\$60.62	\$0.00	\$295.40
	otal Labor Cost for Activity in Line 9	Ś	52,767,02	\$15,093.12	-	\$12,816.00	\$326.00	\$1.047.60	\$71.75	\$216.00	\$3,500.00	\$3,555.00	\$372.60	\$0.00	\$650.00	\$9,783.80	\$815.60	\$3,485,65	\$0.00	\$1,033.90
	tal Labor Cost for Activity in Line 10	Ś	319,312.81	\$12,731.03	25,592.00	\$205,056.00	1	\$18,425.70	\$100.45	\$216.00	\$2,565.00	\$546.60	\$1,490.40	\$3,991.10	\$975.00	\$19,567.60	\$2,039.00	\$0.00	\$21,887.00	\$2,806.30
	tal Labor Cost for Activity in Line 11	Ś	102,613.13	\$937.60	1,783.20	\$20,470.50		\$11,062.35	\$57.40	\$216.00	\$3,500.00	\$0.00	\$666.40	\$16,205.73	\$243.75	\$10,665.20	\$3,058.50	\$2,121.70	\$30,395.30	\$1,033.90
	tal Labor Cost for Activity in Line 12	ś	293,523.69	\$1,142.52	2,674.80	\$200,156.00	\$652.00	\$8,183.65	\$28.70	\$216.00	\$280.00	\$0.00		\$32,450.89	\$81.25	\$10,665.20	\$143.12	\$363.72	\$33,759.44	\$2,353.80
	otal Labor Cost for Activity in Line 13	ŝ	27.171.10	\$0.00		\$7,941.00	\$0.00	\$8,606.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,623.60	\$0.00
	tal Labor Cost for All Activities (Line 14)	Ś	840.373.32	\$30.240.27	30,256.96	\$454.983.50	\$3.084.03	\$47.744.84	\$301.35	\$1.080.00	\$9.957.00	\$7.656.60	\$6.234.00	\$53.120.88	\$2.112.50	\$76.744.20	\$6,636.86	\$6,031.69	\$96,665.34	\$7,523.30
	ost of Mailers and Printing (Line 15)	š	62.503.50	\$243.79	255.19	\$32.008.00	\$912.80	\$4.488.40	\$25.00	\$200.00	\$1,600.00	\$3.063.00	\$788.80	\$2.815.99	\$1.075.00	\$7.930.00	\$0.00	\$162.56	\$6.884.97	\$50.00
	ost of Postage (Line 16)	ŝ	80.685.22	\$2.439.59	1.511.56	\$38.883.98	\$1.658.90	\$7.326.00	\$398.16	\$341.32	\$1.866.06	\$822.15	\$536.89	\$0.00	\$264.47	\$3.435.46	\$564.98	\$328.60	\$19.597.43	\$709.67
	ost of Delinguent Collection (Line 17)	š	35,946.47	\$2,454.26	-	\$5,102.75	\$847.60	\$2,769.62	\$180.63	\$0.00	\$3,000.00	\$0.00	\$236.84	\$3,735.41	\$0.00	\$3,806.40	\$0.00	\$0.00	\$13,637.96	\$175.00
	ost of Other (a) (Line 19)	é	17,299.30	\$4,654.64	-	\$1,965.00	\$0.00	\$693.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,508.00	\$0.00	\$0.00	\$478.00	\$0.00
	ost of Other (b) (Line 20)	ś	5.693.56	\$784.44		\$3,009.00	\$0.00	\$1,420.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$480.12	\$0.00
35 0	Stor Other (b) (Ene 20)	Ŷ	5,055.50	Ş704.44		\$3,005.00	Ş0.00	Ş1,420.00	Ş0.00		<i>90.00</i>	Ş0.00	Ş0.00	Ş0.00	Ş0.00	Ş0.00	Ş0.00	Ş0.00	9400.12	Ş0.00
36 To	tal Cost of All Personal Property Accounts (Line 22)	\$ 1	1,047,382.68	\$40,816.99	\$32,023.71	\$535,952.23	\$6,503.33	\$64,442.52	\$905.14	\$1,621.32	\$16,423.06	\$16,423.06	\$7,796.53	\$59,672.28	\$3,451.97	\$101,424.06	\$7,201.84	\$6,522.85	\$137,743.82	\$8,457.97
37 A	verage Cost Per Personal Property Account (L36 /L1)	\$	7.04	\$ 7.64	\$ 9.46	\$ 6.91	\$ 1.94	\$ 8.07	\$ 1.43	\$ 2.30	\$ 5.11	\$ 11.50	\$ 6.77	\$ 11.99	\$ 6.92	\$ 13.91	\$ 5.98	\$ 8.05	\$ 4.94	\$ 5.85
		<i>c</i>	C C C		- 10	2		¢ 4.00												
	edian	Ş	6.91		>10		Min	\$ 1.43												
	ean (C37/C2) (Statewide Down)	Ş	7.04		≤10	14	Max	\$ 13.91												

\$ 7.04 \$ 6.99 Mean (C37/C2) (Statewide Down) Mean (D38:T38) (Indiv Counties Across)