



NEVADA DEPARTMENT OF TAXATION  
Division of Local Government Services

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# REAL PROPERTY TRANSFER TAX

1<sup>st</sup> QUARTER FY 2018-2019 REPORT  
July 1, 2018 to September 30, 2018

Division of Local Government Services

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Department of Taxation  
Division of Local Government Services  
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# RESULTS

## Background

The Real Property Transfer Tax (RPTT) is collected in each county when deeds<sup>1</sup> are presented for recording, with some exceptions<sup>2</sup>. Tax rates vary in each county<sup>3</sup> and range from \$1.95 to \$2.55 per \$500 of value<sup>4</sup> or fraction thereof. The amounts collected are then distributed to various funds at the county and State levels. The statutes related to RPTT are contained in Nevada Revised Statutes (NRS) Chapter 375. The regulations for the tax are contained in Nevada Administrative Code (NAC) Chapter 375. For a more complete description of the tax, please refer to the next section, Administration of the Real Property Transfer Tax.

## Tax Totals

The following table shows the total tax<sup>5</sup> by county for the 1<sup>st</sup> quarter (July 1, 2018 to September 30, 2018) of Fiscal Year 2018-2019 (FY18-19). Approximately 92.92% (~\$47.29 million) of the total tax (~\$50.9 million) for the 1<sup>st</sup> Quarter of FY18-19 relates to transactions in Clark County and Washoe County.

County	1st Quarter Amount <sup>6</sup>	1st Quarter %
<b>Grand Total</b>	<b>50,896,275.60</b>	<b>100.00%</b>
Clark	40,171,249.05	78.93%
Washoe	7,118,651.65	13.99%
Douglas	1,214,822.70	2.39%
Lyon	620,987.25	1.22%
Carson City	531,729.90	1.04%
Nye	369,928.65	0.73%
Elko	350,883.00	0.69%
Churchill	209,190.20	0.41%
Humboldt	108,626.70	0.21%
Storey	82,855.50	0.16%
White Pine	43,791.15	0.09%
Pershing	22,506.90	0.04%
Lincoln	19,345.95	0.04%
Lander	18,214.95	0.04%
Mineral	8,899.80	0.02%
Eureka	4,592.25	0.01%
Esmeralda <sup>7</sup>	0.00	0.00%

<sup>1</sup> Per NRS 375.010(1)(b) a deed essentially means any instrument that transfers an estate or present interest in real property, regardless of the name of the document, with certain exceptions.

<sup>2</sup> Non-taxable events (exceptions) are listed in NRS 375.010(1)(b), exemptions are listed in NRS 375.090

<sup>3</sup> See Table in the next section "Calculation and Collection of Tax" for a table of the rates and distribution in each county.

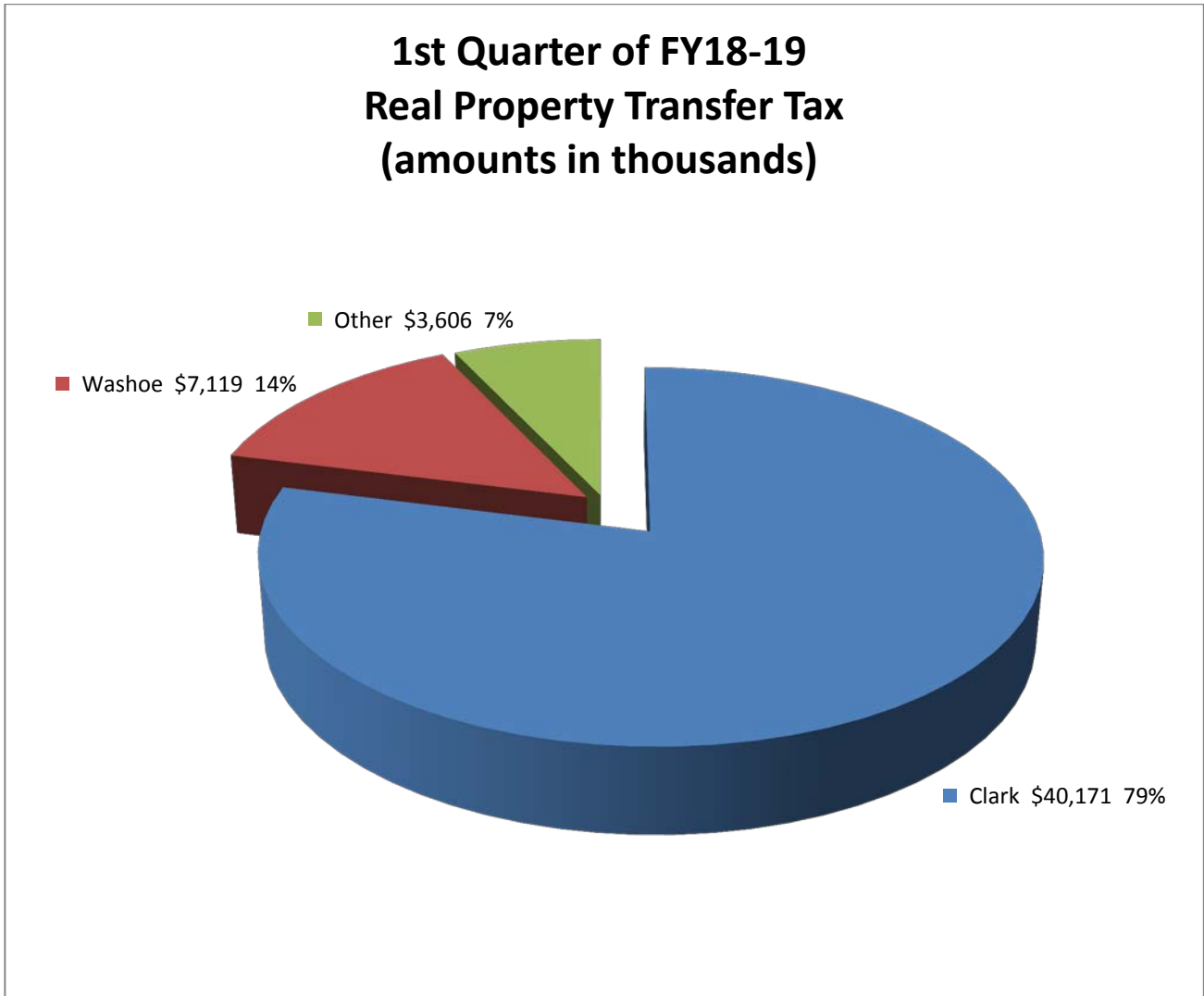
<sup>4</sup> NRS 375.020 through 375.026 impose tax "for each \$500 of value or fraction thereof...if the consideration or value of the interest or property conveyed exceeds \$100"

<sup>5</sup> Amounts in table are from Recorders Monthly Report; minor adjustments for refunds or timing differences are excluded

<sup>6</sup> Amounts include amended monthly reports received as of issue date of this report.

<sup>7</sup> Esmeralda County recorder failed to submit the monthly Real Property Transfer Tax Report required per NAC 375.400

The total tax for the 1<sup>st</sup> Quarter of FY18-19 is depicted graphically below:



Transactions in Washoe County and Clark County account for approximately 92.92% of the total Real Property Transfer Tax in FY18-19. Transactions in the other 15 counties account for the remaining 7.08%. The total tax is approximately \$50,896,000.

## Distribution of Tax

The following table shows the distribution of the tax for the 1<sup>st</sup> Quarter (July 1, 2018 to September 30, 2018) of FY18-19. The “Level of Government” heading indicates where the tax is ultimately used.

<i>Level of Govt</i>	<i>State</i>	<i>County</i>	<i>County</i>	<i>County</i>	<i>State</i>	<i>County</i>
	<b>General Fund<sup>8</sup></b>	<b>Collection Allowance<sup>9</sup></b>	<b>Consolidated Tax<sup>10</sup></b>	<b>School District<sup>11</sup></b>	<b>Low Income Housing<sup>12</sup></b>	<b>Local Govt Tax Act<sup>13</sup></b>
<b>Total<sup>14</sup></b>	<b>27,116,990.41</b>	<b>273,799.91</b>	<b>11,589,344.19</b>	<b>9,452,294.90</b>	<b>2,106,587.22</b>	<b>357,598.68</b>
Clark	20,274,429.40	204,873.37	8,664,938.42	9,452,294.90	1,574,712.96	-
Washoe	4,469,089.51	44,847.51	1,909,934.24	-	347,390.20	347,390.20
Douglas	801,782.98	8,139.31	342,701.48	-	62,320.40	-
Lyon	409,851.59	4,160.61	175,180.50	-	31,856.65	-
Carson City	350,941.73	3,562.59	150,001.00	-	27,277.74	-
Nye	244,152.91	2,478.52	104,356.87	-	18,977.34	-
Elko	231,582.78	2,350.92	98,984.09	-	18,000.30	-
Churchill	131,329.61	1,317.90	56,125.73	-	10,208.48	10,208.48
Humboldt	71,693.62	727.80	30,643.59	-	5,572.55	-
Storey	54,684.63	555.13	23,373.54	-	4,250.49	-
White Pine	28,902.16	293.40	12,353.48	-	2,246.49	-
Pershing	14,854.55	150.80	6,349.20	-	1,154.60	-
Lincoln	12,768.33	129.62	5,457.49	-	992.45	-
Lander	12,021.87	122.04	5,138.44	-	934.43	-
Mineral	5,873.87	59.63	2,510.63	-	456.56	-
Eureka	3,030.89	30.77	1,295.47	-	235.58	-
Esmeralda <sup>15</sup>	-	-	-	-	-	-

<sup>8</sup> Per NRS 375.023, the tax rate includes \$1.30 per \$500 of value or fraction thereof for the State General Fund. The amount in the table is net of the collection allowance per NRS 375.023(4).

<sup>9</sup> Per NRS 375.023(4), counties are entitled to 1% of the State’s \$1.30 portion of the taxes collected to defray the County’s administrative costs associated with the tax.

<sup>10</sup> Per NRS 375.020, the tax rate includes \$0.65 per \$500 of value or fraction thereof. Of this amount, \$0.55 (NRS 375.070(1)(c) is distributed to the Local Government Tax Distribution Account, where it is combined with the proceeds of other taxes and becomes part of the Consolidated Tax or CTX (See NRS 360.660). The CTX is ultimately distributed back to counties. The remaining \$0.10 (NRS 375.070(1)(a)) is distributed to the state administered Low-Income Housing program created per NRS 319. In Clark County an additional \$0.60 is added which is distributed to the Clark County School District NRS 375.070(1)(b).

<sup>11</sup> Ultimately distributed to the County School District. See previous note.

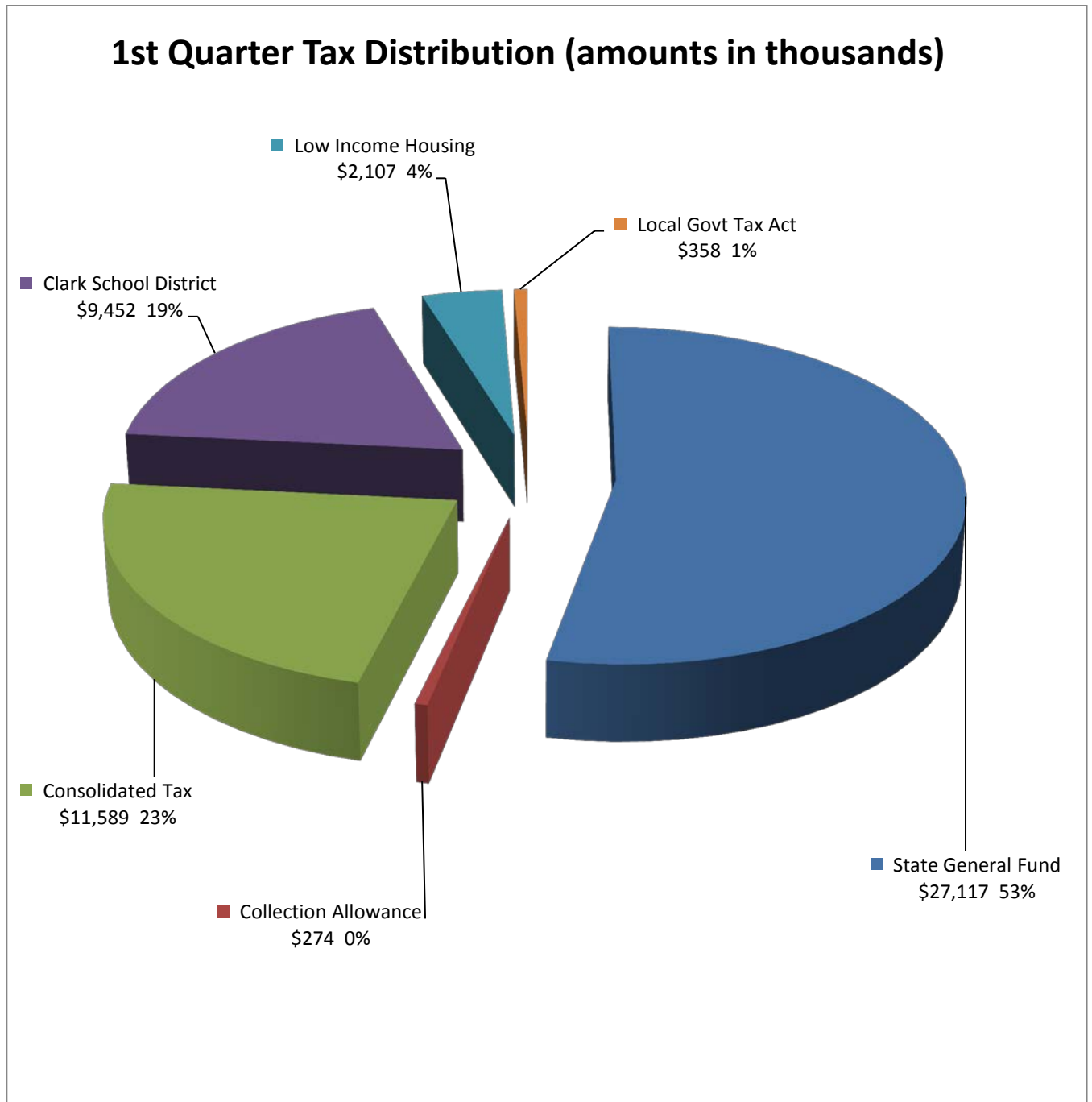
<sup>12</sup> Ultimately distributed to the State account for Low-Income Housing, created pursuant to NRS 319.500. See note 7.

<sup>13</sup> The Local Government Tax Act (LGTA) was passed in 1991 and can be found in the Special Acts section at the following link. <http://leg.state.nv.us/SpecialActs/48-LocalGovernmentTax1991.html>. See Section 32. Please also see the updated LGTA of 1993. This act allows certain counties, by local ordinance, to levy an additional tax of \$0.10 per \$500 of value or fraction thereof. Currently only Churchill County and Washoe County levy the tax. The tax is ultimately distributed back to the County through the Tax Distribution Fund.

<sup>14</sup> Reported distributions may vary slightly from reported tax totals due to rounding.

<sup>15</sup> Esmeralda County recorder failed to submit the monthly Real Property Transfer Tax Report required per NAC 375.400.

The distribution of the tax for the 1<sup>st</sup> Quarter of FY18-19 is depicted graphically as follows:



The proceeds allocated to the State General Fund (net of collection allowance) and to Low-Income Housing are ultimately used at the State level. The remaining proceeds are ultimately used at the local government level.





# Exemptions

The total number of deeds filed with the County Recorders for the 1<sup>st</sup> Quarter of FY18-19 (July 1, 2018 through September 30, 2018) are shown in the following tables together with the number of each type of exemption. The exemption numbers correspond with the subparagraphs of NRS 375.090 as follows:

**NRS 375.090 Exemptions.** The taxes imposed by [NRS 375.020](#), [375.023](#) and [375.026](#) do not apply to:

1. A mere change in identity, form or place of organization, such as a transfer between a business entity and its parent, its subsidiary or an affiliated business entity if the affiliated business entity has identical common ownership.
  2. A transfer of title to the United States, any territory or state or any agency, department, instrumentality or political subdivision thereof.
  3. A transfer of title recognizing the true status of ownership of the real property, including, without limitation, a transfer by an instrument in writing pursuant to the terms of a land sale installment contract previously recorded and upon which the taxes imposed by this chapter have been paid.
  4. A transfer of title without consideration from one joint tenant or tenant in common to one or more remaining joint tenants or tenants in common.
  5. A transfer, assignment or other conveyance of real property if the owner of the property is related to the person to whom it is conveyed within the first degree of lineal consanguinity or affinity.
  6. A transfer of title between former spouses in compliance with a decree of divorce.
  7. A transfer of title to or from a trust without consideration if a certificate of trust is presented at the time of transfer.
  8. Transfers, assignments or conveyances of unpatented mines or mining claims.
  9. A transfer, assignment or other conveyance of real property to a corporation or other business organization if the person conveying the property owns 100 percent of the corporation or organization to which the conveyance is made.
  10. A conveyance of real property by deed which becomes effective upon the death of the grantor pursuant to [NRS 111.655](#) to [111.699](#), inclusive.
  11. The making, delivery or filing of conveyances of real property to make effective any plan of reorganization or adjustment:
    - (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C. §§ 101 et seq.;
    - (b) Approved in an equity receivership proceeding involving a railroad, as defined in the Bankruptcy Act; or
    - (c) Approved in an equity receivership proceeding involving a corporation, as defined in the Bankruptcy Act,  
↳ if the making, delivery or filing of instruments of transfer or conveyance occurs within 5 years after the date of the confirmation, approval or change.
  12. A transfer to an educational foundation. As used in this subsection, “educational foundation” has the meaning ascribed to it in subsection 3 of [NRS 388.750](#).
  13. A transfer to a university foundation. As used in this subsection, “university foundation” has the meaning ascribed to it in subsection 3 of [NRS 396.405](#).
  14. A transfer to a library foundation. As used in this subsection, “library foundation” has the meaning ascribed to it in [NRS 379.0056](#).
- (Added to NRS by [1967, 1761](#); A [1969, 569](#); [1971, 246](#); [1985, 862, 2046](#); [1991, 1122, 2053](#); [1993, 2308, 2624](#); [1995, 716, 1037](#); [2001, 1593](#); [2003, 3486](#); [2003, 20th Special Session, 172, 174](#); [2005, 962, 2057, 2488](#); [2007, 3393](#); [2009, 1112](#); [2011, 1354](#); [2017, 525](#))

Number of Exemptions for the 1st quarter of fiscal year (FY18-19), together with calculation of the ratio of the number of transfers (exempt and non-exempt) in each county to the number of transfers statewide, the ratio of the number of exempt transfers to the total (exempt and non-exempt) transfers in each county, and the percentage of transfers qualified for exemption in each county are shown in the following table. The table is sorted by total transfers.

County	% of Total Transfers	Total Transfers	Exempt Transfers	% of Total Exemptions	% of Transfers Exempted
<b>Total</b>	<b>100.00%</b>	<b>59,812</b>	<b>19,157</b>	<b>100.00%</b>	<b>32.03%</b>
Clark	77.95%	46,625	13,831	72.20%	29.66%
Washoe	10.25%	6,128	2,694	14.06%	43.96%
Douglas	2.48%	1,482	439	2.29%	29.62%
Nye	2.45%	1,464	585	3.05%	39.96%
Lyon	1.96%	1,173	450	2.35%	38.36%
Elko	1.41%	846	274	1.43%	32.39%
Carson City	1.02%	610	283	1.48%	46.39%
Churchill	0.61%	366	144	0.75%	39.34%
Humboldt	0.52%	313	134	0.70%	42.81%
Pershing	0.37%	219	62	0.32%	28.31%
White Pine	0.25%	148	63	0.33%	42.57%
Storey	0.20%	120	53	0.28%	44.17%
Lincoln	0.18%	105	51	0.27%	48.57%
Lander	0.12%	74	32	0.17%	43.24%
Mineral	0.12%	73	37	0.19%	50.68%
Eureka	0.11%	66	25	0.13%	37.88%
Esmeralda*	0.00%	0	0	0.00%	0.00%

\*Esmeralda County Recorder failed to submit the monthly Real Property Transfer Tax Report required by NAC 375.400.

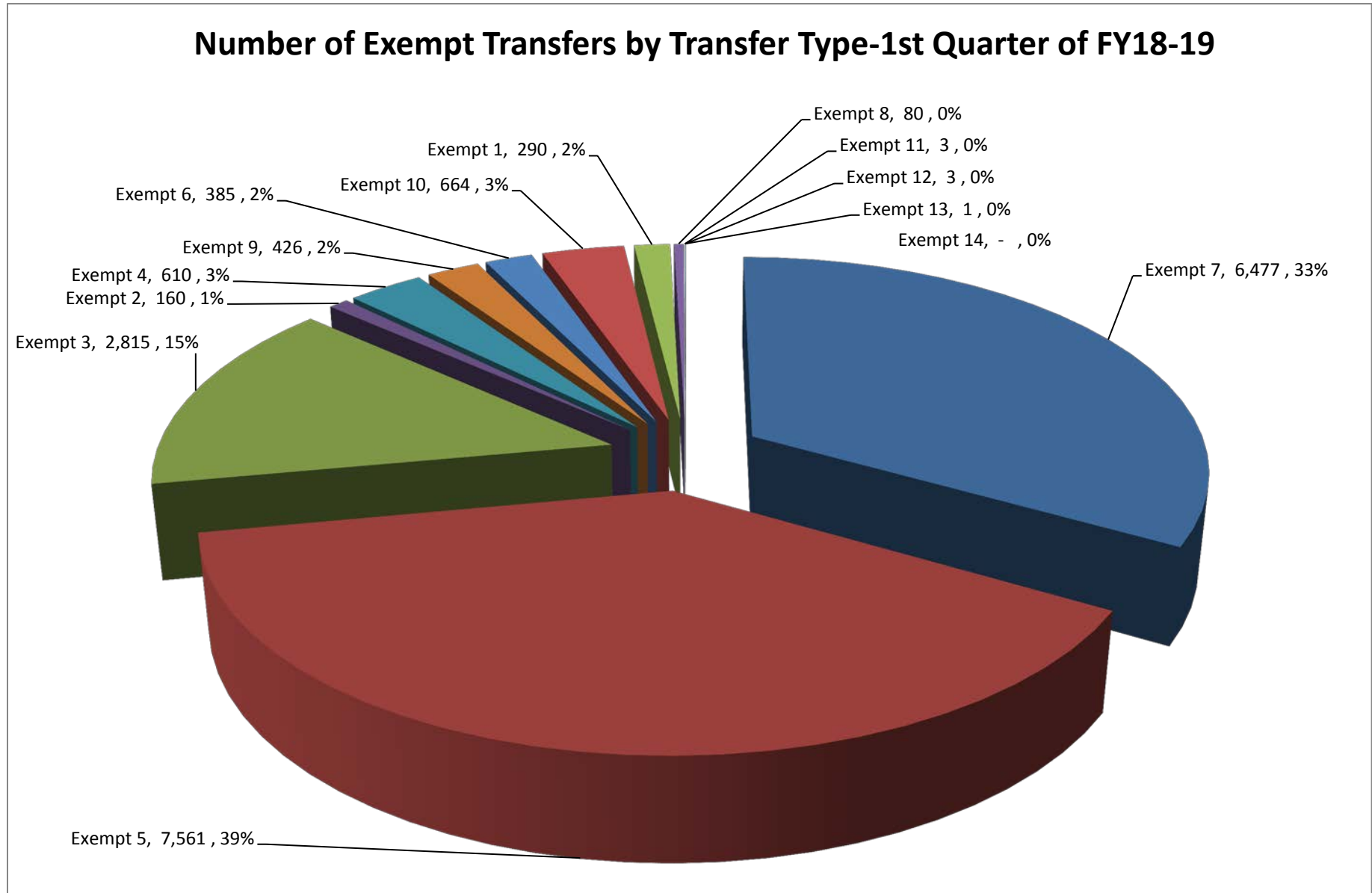
Per the tables and graphs under the heading “Tax Totals,” transactions in Washoe County and Clark County account for approximately 92.92% of the tax dollars. The above table indicates that transactions in Washoe County and Clark County account for approximately 88.20% of the total number of transfers. Transactions in the other 15 counties account for approximately 11.80% of the total number of transfers.

Additional information about the number of transfers qualified for each exemption (e.g. 1= exemption per NRS 375.090(1)) is also shown in the table. The table is sorted by total exempt transactions.

County	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<b>Total</b>	<b>210</b>	<b>205</b>	<b>2,802</b>	<b>576</b>	<b>7,363</b>	<b>371</b>	<b>6,380</b>	<b>54</b>	<b>555</b>	<b>637</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>0</b>
Clark	144	131	1,969	411	5,750	221	4,407	3	422	370	0	1	2	0
Washoe	40	23	375	68	787	80	1,154	6	74	85	2	0	0	0
Nye	3	5	92	18	190	12	191	9	8	57	0	0	0	0
Lyon	9	24	78	23	146	13	133	0	6	18	0	0	0	0
Douglas	2	1	68	9	102	8	210	0	18	20	1	0	0	0
Carson City	4	0	48	14	98	6	96	0	5	12	0	0	0	0
Elko	4	2	51	10	98	7	73	7	8	14	0	0	0	0
Churchill	1	4	29	5	47	9	29	4	0	16	0	0	0	0
Humboldt	0	1	24	3	51	4	21	3	2	25	0	0	0	0
Pershing	1	0	24	4	18	2	4	8	1	2	0	0	0	0
White Pine	0	4	14	0	19	3	8	4	9	2	0	0	0	0
Storey	0	5	12	5	10	0	17	0	1	3	0	0	0	0
Lincoln	0	2	5	0	17	3	21	0	0	3	0	0	0	0
Mineral	1	2	2	5	9	2	3	6	0	7	0	0	0	0
Lander	0	0	5	1	12	0	8	4	1	1	0	0	0	0
Eureka	1	1	6	0	9	1	5	0	0	2	0	0	0	0
Esmeralda*	0	0	0	0	0	0	0	0	0	0	0	0	0	0

\*Esmeralda County Recorder failed to submit the monthly Real Property Transfer Tax Report required by NAC 375.400.

The following chart shows the number of exemptions by category for the 1<sup>st</sup> Quarter FY18-19.



# Historical Trends

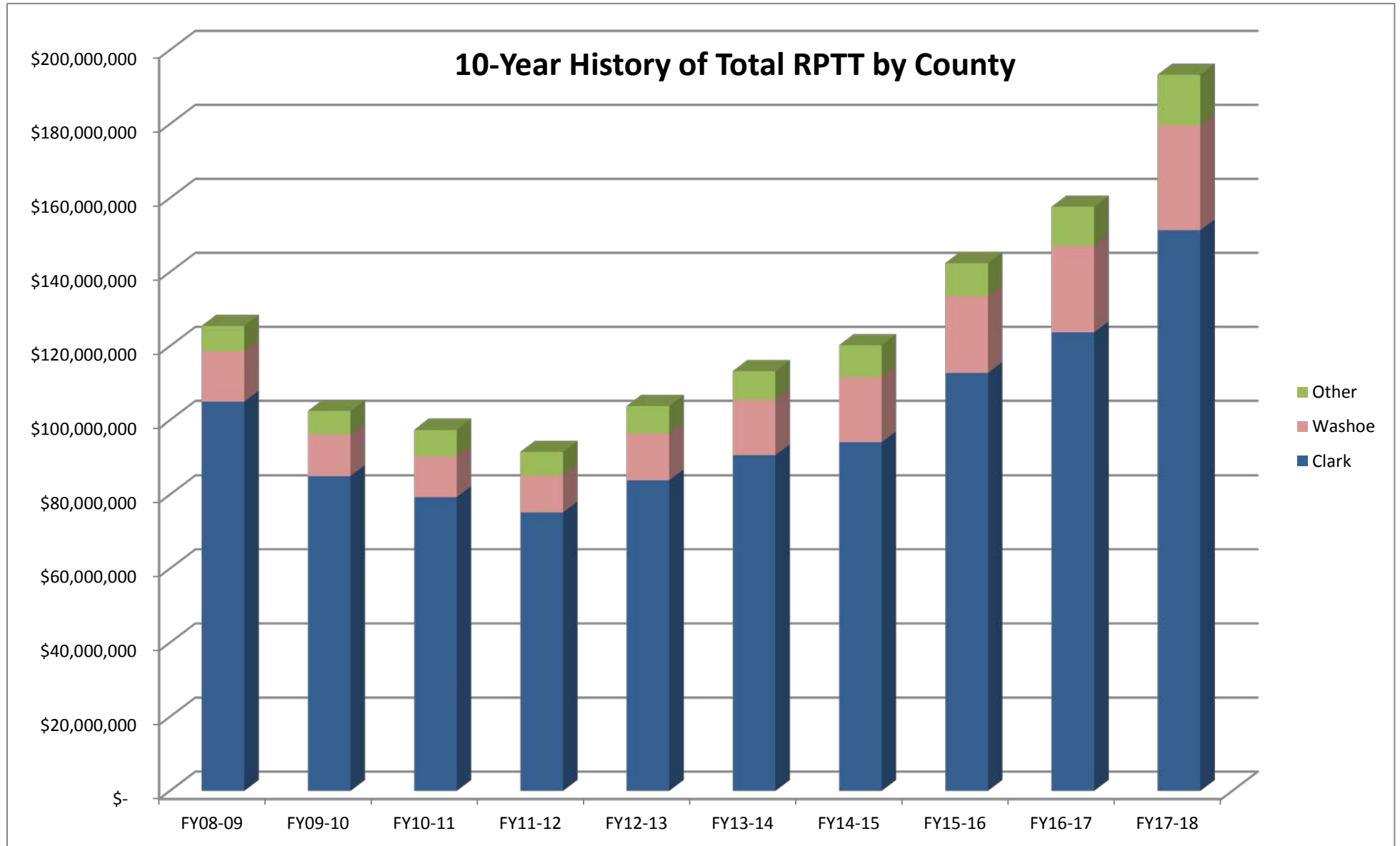
The following table shows the tax for the last ten fiscal years<sup>16</sup> sorted by FY17-18 totals.

	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18
<b>Total</b>	<b>\$125,473,123.05</b>	<b>\$102,479,032.88</b>	<b>\$97,451,899.65</b>	<b>\$91,555,410.38</b>	<b>\$103,806,790.53</b>	<b>\$113,251,556.14</b>	<b>\$120,225,322.55</b>	<b>\$142,415,861.66</b>	<b>\$157,638,265.20</b>	<b>\$193,355,236.71</b>
CLARK	\$104,987,657.80	\$85,006,222.45	\$79,337,410.50	\$75,173,556.50	\$83,853,906.75	\$90,636,710.40	\$94,168,621.05	\$112,731,935.01	\$123,714,132.30	\$151,322,638.05
WASHOE	\$13,573,497.00	\$11,257,946.06	410,943,230.05	\$9,910,474.93	\$12,686,613.60	\$14,885,138.14	\$17,482,779.25	\$20,731,955.45	\$23,367,835.20	\$28,364,200.00
DOUGLAS	\$1,695,928.65	\$1,714,878.45	\$1,780,599.60	\$1,574,651.35	\$2,237,118.00	\$2,508,009.85	\$2,507,451.50	\$2,650,769.65	\$2,955,353.70	\$3,631,227.60
LYON	\$1,363,978.20	\$1,154,696.40	\$1,183,072.80	\$941,914.35	\$1,074,019.05	\$1,366,253.85	\$1,407,088.80	\$1,573,053.30	\$1,730,024.40	\$2,530,900.46
CARSON CITY	\$788,195.75	\$881,450.70	\$685,290.45	\$826,474.35	\$950,829.75	\$1,022,137.35	\$1,118,584.35	\$1,268,476.95	\$1,919,884.20	\$2,112,372.60
NYE	\$1,035,619.89	\$836,748.55	\$692,554.20	\$661,397.10	\$689,625.30	\$620,380.80	\$655,240.95	\$891,536.10	\$1,220,425.05	\$1,425,040.50
ELKO	\$759,552.30	\$694,227.30	\$774,791.55	\$993,248.10	\$1,037,288.85	\$983,363.55	\$1,039,336.35	\$995,749.95	\$1,156,170.60	\$1,344,747.30
STOREY	\$344,079.35	\$148,882.50	\$151,499.40	\$305,682.00	\$112,557.90	\$207,376.65	\$495,855.75	\$217,955.40	\$345,655.05	\$1,096,290.00
CHURCHILL	\$302,973.60	\$272,486.80	\$1,373,664.00	\$274,482.70	\$337,844.10	\$264,390.55	\$326,661.35	\$453,173.00	\$513,838.65	\$624,792.85
HUMBOLDT	\$264,691.06	\$220,888.23	\$210,432.30	\$390,138.45	\$396,148.35	\$331,244.55	\$444,299.70	\$316,017.00	\$300,247.35	\$322,662.60
PERSHING	\$85,031.70	\$41,377.05	\$51,902.55	\$102,137.10	\$89,704.90	\$61,206.60	\$162,805.50	\$86,219.25	\$71,804.85	\$140,985.00
WHITE PINE	\$74,454.90	\$78,076.05	\$108,872.40	\$81,995.55	\$111,198.75	\$111,664.80	\$101,031.45	\$174,396.30	\$113,415.90	\$123,592.95
LANDER	\$60,317.40	\$45,748.96	\$64,515.75	\$85,569.90	\$91,143.98	\$79,066.65	\$136,217.25	\$94,953.30	\$72,288.45	\$97,209.35
EUREKA	\$15,730.65	\$21,411.83	\$13,417.95	\$119,802.15	\$29,653.65	\$32,365.75	\$29,782.35	\$74,856.60	\$37,857.30	\$75,972.00
LINCOLN	\$76,683.75	\$44,089.50	\$55,649.10	\$59,239.05	\$59,434.05	\$42,098.55	\$115,796.85	\$90,784.20	\$78,563.55	\$75,583.95
MINERAL	\$30,669.60	\$47,759.40	\$15,646.80	\$39,089.70	\$40,969.50	\$28,048.80	\$26,947.05	\$58,026.15	\$26,902.20	\$41,449.20
ESMERALDA*	\$14,061.45	\$12,142.65	\$9,350.25	\$15,557.10	\$8,734.05	\$72,099.30	\$6,823.05	\$6,004.05	\$13,866.45	\$25,572.30

\*Esmeralda County Recorder failed to submit the monthly Real Property Transfer Tax Report required by NAC 375.400.

<sup>16</sup> Amounts in table are calculated from Recorders Monthly Report; minor adjustments for refunds and timing differences are excluded.

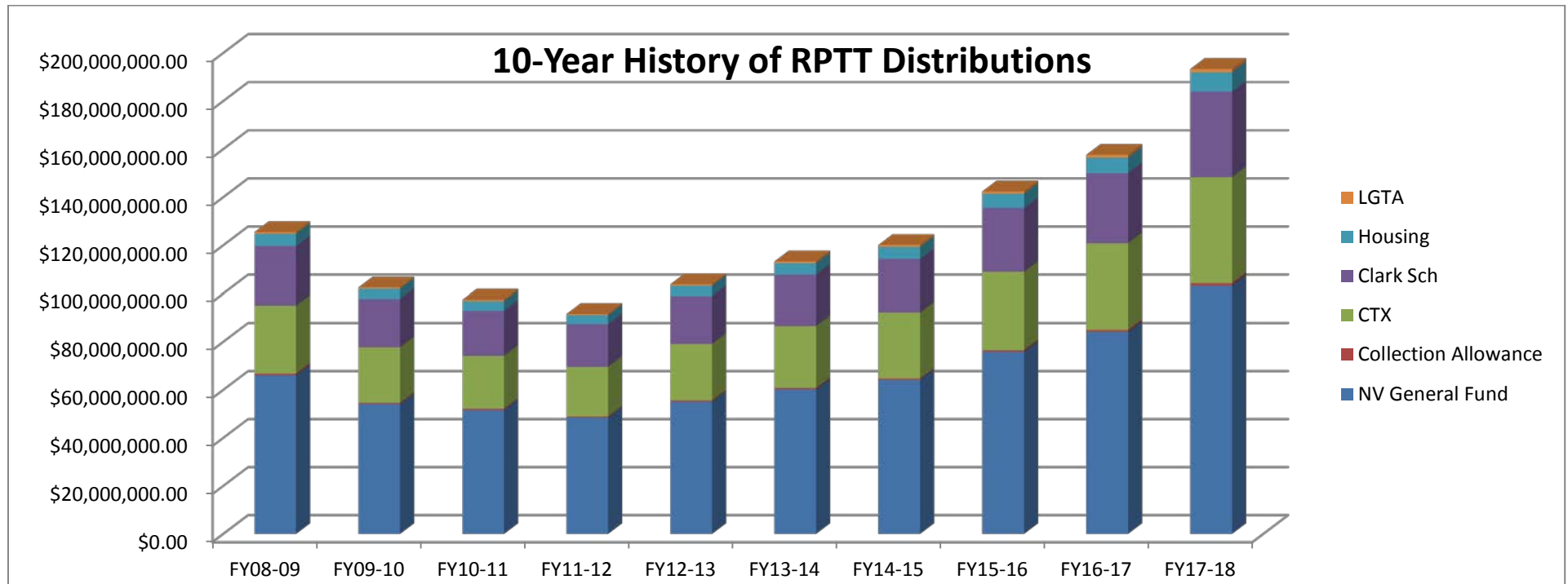
Historical Trends depicted graphically as follows.



The following table shows the distribution of the tax over the last ten fiscal years.<sup>17</sup>

	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18
<b>Total</b>	<b>\$125,473,123.05</b>	<b>\$102,479,032.88</b>	<b>\$97,451,899.65</b>	<b>\$91,555,410.38</b>	<b>\$103,806,790.53</b>	<b>\$113,251,556.14</b>	<b>\$120,125,322.55</b>	<b>\$142,415,861.66</b>	<b>\$157,638,265.20</b>	<b>\$193,356,541.07</b>
NV General Fund	\$66,061,540.87	\$54,063,971.70	\$51,601,076.70	\$48,424,653.77	\$55,071,139.29	\$60,182,938.16	\$64,151,502.86	\$75,805,804.52	\$84,059,460.39	\$103,180,604.97
Collection Allow.	\$667,288.29	\$546,100.72	\$521,223.00	\$489,137.92	\$556,274.13	\$607,908.47	\$547,994.98	\$765,715.20	\$848,681.10	\$1,041,768.27
Consolidated Tax	\$28,231,427.72	\$23,104,261.41	\$22,051,742.18	\$20,694,296.48	\$23,534,674.91	\$25,719,204.34	\$27,415,172.16	\$32,395,642.96	\$35,925,569.13	\$44,097,641.01
Clark School Dist.	\$24,702,978.31	\$20,001,464.11	\$18,667,626.00	\$17,687,895.65	\$19,730,331.00	\$21,326,284.80	\$22,157,322.60	\$26,525,161.18	\$29,109,935.33	\$35,606,216.73
Low-Income Hous.	\$5,132,986.86	\$4,200,774.80	\$4,009,407.67	\$3,762,599.36	\$4,279,031.80	\$4,676,218.97	\$4,984,576.75	\$5,890,116.90	\$6,530,197.82	\$8,015,647.24
Local Gov't Tax Act	\$676,901.00	\$562,460.14	\$600,824.10	\$496,827.20	\$635,339.40	\$739,001.40	\$868,753.20	\$1,033,420.90	\$1,165,425.68	\$1,414,662.85

The following chart shows the distribution of the tax over the last ten fiscal years.



<sup>17</sup> Amounts in table are calculated from Recorders Monthly Report; minor adjustments for refunds and timing differences are excluded. Reported distributions may vary slightly from reported tax totals due to rounding. Data is not complete due to Esmeralda County recorder failure to submit monthly Real Property Transfer Tax Reports required by NAC 375.400.

Real Property Transfer Tax 1<sup>st</sup> Quarter FY18-19 Report

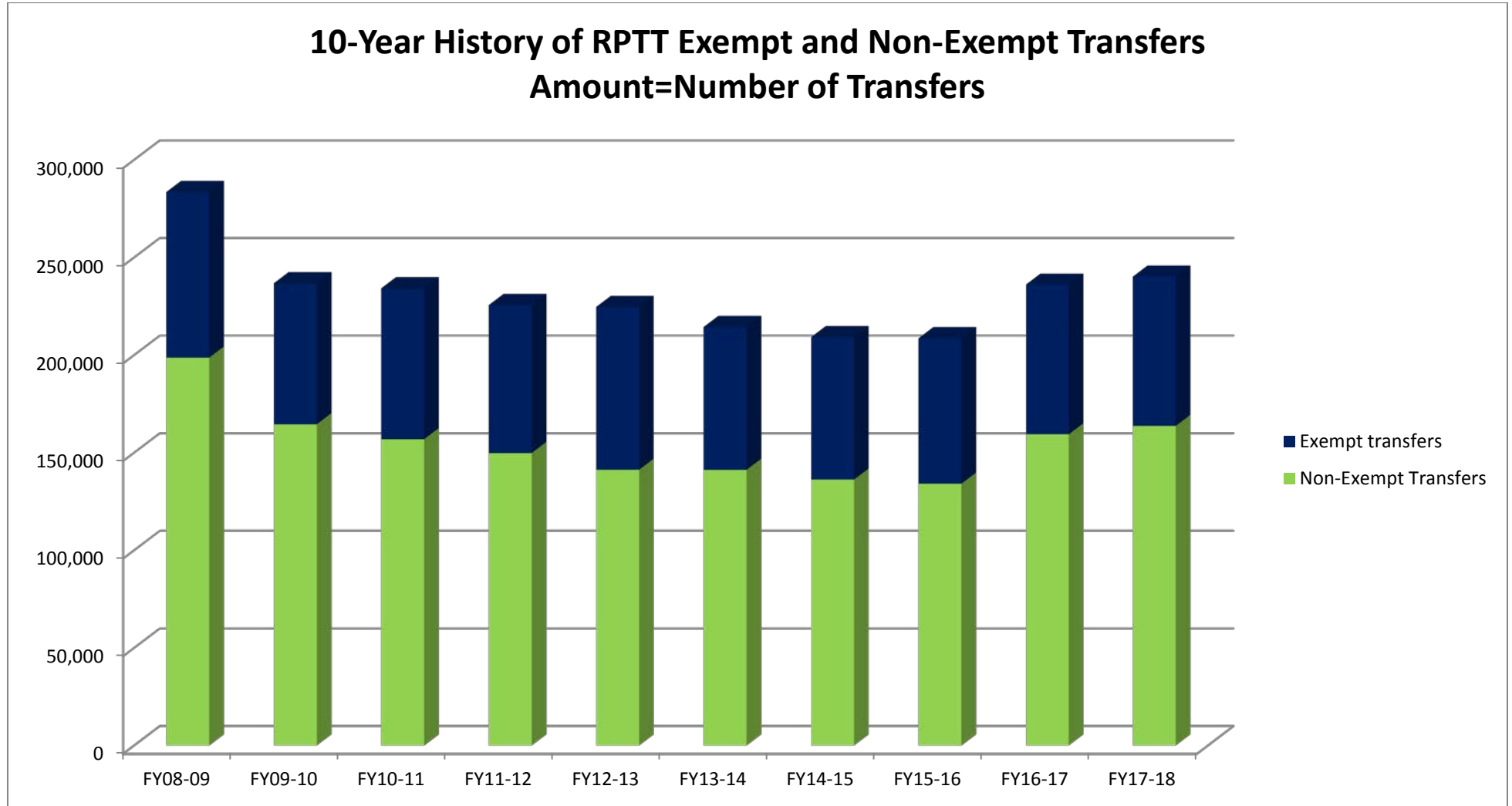
The following table shows the total number of transfers and the exempt transfers over the last ten years sorted by the 2017-18 total transfers.

	FY08-09		FY09-10		FY10-11		FY11-12		FY12-13		FY13-14		FY14-15		FY15-16		FY16-17		FY17-18	
	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans	Total Trans	Exempt Trans
<b>TOTAL</b>	<b>283,526</b>	<b>84,783</b>	<b>236,769</b>	<b>72,212</b>	<b>234,218</b>	<b>77,262</b>	<b>225,585</b>	<b>75,773</b>	<b>224,646</b>	<b>83,352</b>	<b>214,375</b>	<b>73,122</b>	<b>209,178</b>	<b>72,933</b>	<b>208,612</b>	<b>74,463</b>	<b>236,102</b>	<b>76,721</b>	<b>240,202</b>	<b>76,516</b>
CLARK	239,143	64,371	190,504	52,570	188,531	56,145	178,268	54,857	176,144	60,095	165,692	52,051	159,886	51,293	158,614	52,257	184,635	54,363	187,734	54,313
WASHOE	20,378	9,113	22,460	9,178	23,231	10,207	23,412	10,125	24,001	11,619	23,701	10,329	22,964	10,588	24,352	11,138	24,966	11,172	25,244	11,140
NYE	4,550	2,114	4,453	1,990	3,245	1,969	3,233	1,964	3,554	2,049	4,051	2,053	5,390	2,253	4,982	2,190	5,073	2,287	5,745	2,448
DOUGLAS	5,734	2,272	6,100	2,096	5,512	2,120	6,497	2,106	6,268	2,325	6,524	1,921	6,268	2,068	5,801	1,934	5,665	1,815	5,093	1,702
LYON	3,553	1,637	3,530	1,525	3,583	1,639	3,558	1,470	3,591	1,628	3,417	1,458	3,773	1,543	3,602	1,587	3,959	1,700	4,451	1,864
ELKO	2,907	1,217	2,679	1,182	2,589	1,154	3,156	1,213	3,249	1,283	3,067	1,318	2,998	1,174	3,127	1,253	3,332	1,268	3,539	1,287
CARSON CITY	1,863	1,202	2,056	1,186	2,094	1,241	2,230	1,214	2,317	1,344	2,134	1,092	2,203	1,142	2,329	1,167	2,617	1,309	2,497	1,136
HUMBOLDT	1,277	592	1,202	555	1,296	655	1,033	729	683	652	1,162	552	1,131	570	1,085	537	1,224	597	1,342	651
CHURCHILL	1,205	735	1,011	537	1,161	681	1,142	613	1,359	831	1,308	752	1,263	685	1,338	686	1,349	621	1,313	587
PERSHING	713	325	630	241	866	275	712	289	876	269	716	283	777	320	662	315	689	267	715	250
WHITE PINE	508	288	496	299	509	294	521	301	558	320	595	355	556	328	664	382	592	290	596	281
STOREY	401	246	390	202	353	177	361	172	397	202	395	176	435	184	428	222	423	205	532	250
LANDER	365	172	310	126	294	128	396	158	442	162	450	195	414	189	409	172	386	188	336	145
LINCOLN	255	165	265	172	287	180	282	143	396	188	325	191	394	246	436	217	355	193	329	139
MINERAL	329	196	327	179	297	197	342	175	328	170	319	161	301	166	342	157	353	195	274	117
ESMERALDA*	166	66	197	98	209	127	255	171	231	127	232	146	219	113	230	142	264	152	235	119
EUREKA	179	72	159	76	161	73	187	73	252	88	287	89	206	71	211	107	220	99	227	87

\*Esmeralda County Recorder failed to submit the monthly Real Property Transfer Tax Report required by NAC 375.400.



The following chart shows the number of exempt and non-exempt transfers over the last ten years.



Data is not complete due to Esmeralda County recorder failure to submit monthly Real Property Transfer Tax Reports required by NAC 375.400.

## Reconciliation

Pursuant to NAC 375.400, County Recorders must provide the Department the following information each month:

- Total number of deeds subject to RPTT during the prior month;
- Total taxes collected during the prior month;
- Total number of exemptions granted by type of exemption;
- Such other information that may be useful in coordinating the collection and administration of the taxes (under this category, a line item on the report form for the total collection allowance that may be retained by the county, based on the General Fund taxes collected during the prior month and the school district portion for Clark County)

Pursuant to NRS 375.023(3), County Treasurers must remit a portion of the amounts collected to the State Controller for distribution to various accounts in the State books and records. Counties retain a portion of the amount collected. See “Distribution of Tax” above for a complete explanation of the distribution.

The Department prepares a quarterly reconciliation of the tax. The Department prepares a workpaper with the expected distribution of the funds per the Recorder’s Report. The expected collection allowance is reconciled to the collection allowance reported by the Recorder. The expected distributions to the State, including CTX, General Fund, Low Income Housing, and LGTA amounts, are compared with the State Controller’s records and the County Treasurer remittance reports. Any discrepancies are investigated and brought to the attention of the County Recorder, County Treasurer, or State Controller, as needed. The expected Clark County School District portion is reconciled to the school district amount reported by the Recorder.

During the Department’s reconciliation process minor differences between the Recorder’s monthly report and the state reports are investigated, documented and resolved. The majority of differences are “timing differences” between periods that do not impact total tax. Occasionally, there are permanent differences such as refunds to taxpayers pursuant to NRS 375.150, NRS 375.290, NRS 375.310 or calculation errors that may impact total tax. During the 1<sup>st</sup> quarter of FY18-19, permanent differences amounted to less than 0.05% of the total reported amount and are not considered material for purposes of this report, except for Esmeralda County.

The expected distribution from Esmeralda County to the State in April 2018 for portions of amounts collected in January, February and March 2018 (3<sup>rd</sup> Qtr. FY2017-18), was \$20,448.92, per the Recorder’s monthly Reports. The actual distribution in April 2018 was \$7,315.92, or \$13,133.00 short. In addition, the distribution of the \$7,315.92 received to the State General Fund, CTX and LIH was materially in error. Information needed to reconcile the Recorder’s Reports to the State distributions was not provided as requested. The Esmeralda County Recorder and the Esmeralda County Treasurer have not corrected the discrepancies. The investigation will remain open.

The distribution from Esmeralda County to the state in July 2018 (4<sup>th</sup> Qtr. FY17-18) was \$19,954.99, and appears to be distributed incorrectly. The accuracy of the amount could not be determined because the Esmeralda County Recorder did not submit the monthly reports required per NAC 375.400. As of this report, the County still has not submitted the monthly report for June 2018. The distribution of the total amount received to the State General Fund may or may not be materially in error. This second investigation of Esmeralda County will also remain open.

The distribution from Esmeralda County to the state in October 2018 (1<sup>st</sup> Qtr. FY2018-19) was \$3,560.22. The accuracy of the distribution could not be determined because the Esmeralda County Recorder did not submit the monthly reports required per NAC 375.400. As of this report, the County has not submitted the monthly reports for any of the 1<sup>st</sup> quarter months of July, August, or September of 2018. The distribution of the total amount received to the State General Fund may or may not be materially in error. This third investigation of Esmeralda County will also remain open.

# ADMINISTRATION OF THE REAL PROPERTY TRANSFER TAX

## Authority and Oversight

The 20th Special Session of the Nevada State Legislature in 2003 instituted the passage of Senate Bill 8, which authorized an additional tax rate for the State General fund and gave the Department of Taxation administrative authority and oversight. The Department is required by NRS 375.019 to coordinate the collection and administration of the tax. The Nevada Tax Commission adopted regulations governing the Department's authority and oversight as well as the reporting of the Real Property Transfer Tax (RPTT) on March 1, 2004. Refer to NAC 375.400, 410, and 420.

## Calculation and Collection of the Tax

The RPTT was originally imposed in 1968. The tax rates were established in NRS 375.020. NRS 375.020 has been amended from time to time. The current rate is \$0.65 per \$500 of value, or fraction thereof, for counties whose population is less than 700,000. The base rate in all counties of \$0.65 is segregated between county revenue<sup>18</sup> (consolidated tax \$0.55) and State revenue<sup>19</sup> (low-income housing \$0.10). For any county whose population is 700,000 or more, the rate is \$1.25 per \$500 of value or fraction thereof. The only county eligible for the higher rate at the current time is Clark County. The additional \$0.60 per \$500 of value, or fraction thereof, imposed in Clark County is dedicated to the Clark County School District fund for capital projects.

The Local Government Tax Act (LGTA) of 1991 provides an optional tax levy, if county commissioners approve an ordinance to impose a Real Property Transfer Tax, of up to 10 cents for each \$500 of value or fraction thereof. Currently, only Churchill County and Washoe County impose an additional \$0.10 levy.

NRS 375.026, passed by the Legislature in 2003, provides for the imposition of an additional levy of \$0.05 per \$500 of value or fraction thereof. The taxes so levied are for use in the Plant Industry Program as required by NRS 561.355. To date, no counties have levied any taxes for this program.

Finally, NRS 375.023 provides for the imposition of \$1.30 per \$500 of value or fraction thereof for the State General Fund.

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<sup>18</sup> The County Revenue is based on \$0.55 per \$500 of value, or fraction thereof, and is part of the Consolidated Tax.

<sup>19</sup> The State Revenue is based on \$0.10 per \$500 of value, or fraction thereof, and is part of the low income housing program created pursuant to NRS 319.

The following table shows each component of RPTT and when it was implemented.

Entity	Component Type	Effective Date	Rate (per \$500)	Total Rate
Churchill County	County (now Consolidated Tax)	1/1/1968	\$0.55	
	Low Income Housing	7/1/1991	\$0.10	
	LGTA	7/1/1991	\$0.10	
	State General Fund	10/1/2003	<u>\$1.30</u>	<b>\$2.05</b>
Clark County	County (now Consolidated Tax)	1/1/1968	\$0.55	
	School District	8/1/1977	\$0.60	
	Low Income Housing	7/1/1991	\$0.10	
	State General Fund	10/1/2003	<u>\$1.30</u>	<b>\$2.55</b>
Washoe County	County (now Consolidated Tax)	1/1/1968	\$0.55	
	Low Income Housing	7/1/1991	\$0.10	
	LGTA	7/1/1991	\$0.10	
	State General Fund	10/1/2003	<u>\$1.30</u>	<b>\$2.05</b>
All other counties	County (now Consolidated Tax)	1/1/1968	\$0.55	
	Low Income Housing	7/1/1991	\$0.10	
	State General Fund	10/1/2003	<u>\$1.30</u>	<b>\$1.95</b>

## Collection Allowance

Pursuant to NRS 375.023(4), counties are entitled to deduct and withhold a collection allowance for the cost of collecting the tax. Per the 2005 Legislative Session, all counties may deduct 1% of the State's portion of the taxes collected.

The collection allowance is retained by the county and deducted from the amount remitted to the State.

## Distribution of the Tax

All components of the Real Property Transfer Tax, net of the collection allowance, are transmitted to the State Controller, with two exceptions. The first exception is the Plant Industry Program. If and when any taxes are levied for the Plant Industry Program, they must be transmitted directly to the State Treasurer. The second exception is the school district component levied in Clark County, which is transmitted directly to the Clark County Treasurer for ultimate distribution to the School District.

NRS 375.070 requires the tax imposed by NRS 375.020 (the \$0.65 per \$500 of value of fraction thereof) to be transmitted to the State Controller at the end of each quarter. Some counties transmit on a monthly basis and in turn receive back a monthly distribution of the consolidated tax (CTX) component (the \$0.55 per \$500 or fraction thereof). The remaining Low-Income Housing component (\$0.10 per \$500 value or fraction thereof) is distributed to the State housing program.

The State Controller distributes the tax represented by the CTX component to the Local Government Tax Distribution Account, where it is combined with the proceeds of other taxes and becomes part of the Consolidated Tax distribution (CTX) administered by the Department of Taxation pursuant to NRS 360.660. The remaining \$0.10 of the \$0.65 is distributed by the State Controller to the account for Low-Income Housing, created pursuant to NRS 319.500.

The Real Property Transfer Taxes collected pursuant to the Local Government Tax Act (LGTA) are also transmitted to the State Controller and are distributed to the Intergovernmental Trust Fund which accrues interest. The real property transfer taxes are distributed back to the participating counties, along with the proceeds of other types of taxes collected pursuant to LGTA, by the Department of Taxation.

The taxes collected by counties on behalf of the State are distributed by the State Controller to the State General Fund. The taxes collected on behalf of the State, however, are required to be transmitted within 30 days after the end of the calendar quarter *during which the tax was collected*. (NRS 375.023(3)). For instance, taxes collected by the County Recorder in January must be remitted to the State Controller no later than April 30. Taxes collected in January may be remitted monthly as other components of the RPTT are transmitted, but cannot be remitted later than 30 days after the last day of the calendar quarter.

In all counties the County Treasurer or County Controller is currently responsible for transmitting the taxes to the State Controller, and the transmittal report must reflect the time period when the taxes were actually collected by the Recorder, not when the Treasurer or Controller received the monies from the Recorder. If the State conducts an audit, the period to be audited would be when the monies were first received from the taxpayer (“the collection period”). The collection period must balance to the transmittal reports.