

TAX TOPICS

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PROPERTY TAXES IN NEVADA

Nevada property taxpayers have recently received a "Notice of Assessment" from their County Assessor. The notice indicates any changes in the assessed valuation of their property. This issue of *TAX TOPICS* charts the changes in assessed values and property tax rates since the "tax shift".

A History of Nevada's Property Tax Since the Tax Shift

Prior to 1979, the property tax rate in all urban areas was at or near the constitutional limit of \$5.00 per \$100 assessed valuation (Table 1, 1978-79). The 1979 Legislature adopted a plan to statutorily reduce the tax rate to \$3.64 per \$100 of assessed value. The result was a reduction of property tax revenue for local governments, including schools, which was offset by increased appropriations from the state's general fund.

The 1981 Legislature further reduced property tax rates, in what is known as the "Tax Shift", whereby counties and cities received less property tax and more sales tax. Property tax revenue that could be received by a local government was "capped". To offset the reduction in property tax revenues, the statewide combined sales and use tax rate was increased from 3.5 to 5.75 percent. (As of October, 2000 the combined statewide rate was 6.5 percent, although with local options the rate in some counties is 7.25 percent.)

The 1981-82 property tax rates have proven to be the lowest rates for most Nevada property owners. Between 1978-79 and 1981-82, property tax rates decreased per \$100 of assessed value, from \$5.00 to \$2.20 in the City of Las Vegas; from \$5.00 to \$1.71 in the City of Reno; from \$4.83 to \$1.07 in Carson City; and from \$5.00 to \$1.57 in Elko. See table 1, page 2 for the rate history and table 2, page 2 for the assessed value history.

Since that time however, tax rates have steadily increased for four reasons:

1. Legislatively approved increases.
2. Voter approved bond issues and operating overrides.

3. Increased reliance on tax rates for special districts.
4. Declining property tax revenues in some rural areas which has caused increased rates.

The Effective Tax Rate

The table on page 5 shows the changes in the effective statewide tax rates for the same time periods as the other tables. Effective tax rates are used to express the relationship between net property taxes and the true market value of the property.

Understanding Nevada's Property Tax

Included in this issue of *TAX TOPICS* is the Association's publication *Understanding Nevada's Property Tax System*, where you will find answers to questions ranging from "how your value is determined" --- to --- "how to file an appeal". You will also find this publication on the Association's web site at:

www.nevadataxpayers.org.

SAVE THE DATE . . .
FEBRUARY 28, 2000

AND

JOIN US AT THE CARSON NUGGET FOR
NTA'S ANNUAL MEETING AND LEGISLATIVE
DINNER. DETAILS WILL BE MAILED TO ALL
MEMBERS IN JANUARY.

Table 1 summarize the increases in property tax rates since the “tax shift”. Table 2 shows the growth in the assessed value for the same time periods. As stated previously, the increase in rates are due to any or all of the following reasons: (1) legislatively approved increases; (2) voter approved bond issues and operating overrides; (3) increased reliance on property tax rates for special districts; and (4) declining property tax revenues in some jurisdictions, which when the formula to calculate the property tax rate is applied, can result in an increase in the property tax rate.

TABLE 1

COMBINED PROPERTY TAX RATE (\$ Per \$100 Assessed Valuation) IN CITIES AND TOWNS									
City/ Town	1978-79	1981-82	1983-84	1987-88	1989-90	1991-92	1995-96	2000-01	% of Increase 1981/82-2000/01
Carson City	\$4.83	\$1.07	\$1.52	\$1.94	\$2.04	\$2.73	\$2.55	\$2.65	148%
Fallon	\$5.00	\$1.45	\$1.56	\$2.05	\$2.29	\$2.71	\$2.44	\$3.35	131%
Las Vegas	\$5.00	\$2.20	\$2.56	\$2.64	\$2.92	\$2.92	\$3.02	\$3.17	44%
N. Las Vegas	\$5.00	\$2.17	\$2.42	\$2.67	\$2.82	\$3.06	\$3.06	\$3.38	56%
Henderson	\$5.00	\$1.81	\$2.21	\$2.38	\$2.66	\$2.81	\$2.79	\$2.56	41%
Boulder City	\$5.00	\$1.79	\$2.12	\$2.14	\$2.31	\$2.28	\$2.29	\$2.92	63%
Mesquite	\$5.00	\$1.90	\$2.47	\$2.77	\$2.82	\$2.30	\$2.27	\$2.50	32%
Gardnerville	\$4.39	\$1.72	\$2.00	\$2.26	\$2.36	\$2.57	\$2.78	\$2.65	54%
Elko	\$5.00	\$1.57	\$1.88	\$2.45	\$2.93	\$2.86	\$3.08	\$3.02	93%
Winnemucca	\$4.88	\$1.48	\$2.30	\$2.46	\$2.70	\$3.14	\$3.41	\$2.86	93%
Battle Mountain	\$5.00	\$1.41	\$2.28	\$3.01	\$2.74	\$3.26	\$3.24	\$3.19	126%
Caliente	\$5.00	\$1.58	\$2.16	\$2.31	\$2.88	\$3.35	\$3.32	\$3.64	131%
Yerington	\$5.00	\$1.50	\$2.27	\$2.00	\$2.81	\$3.08	\$3.16	\$3.22	115%
Hawthorne	\$5.00	\$1.31	\$1.69	\$1.95	\$2.38	\$2.67	\$2.93	\$3.64	178%
Tonopah	\$4.89	\$1.53	\$1.98	\$1.97	\$2.77	\$2.94	\$3.41	\$3.64	138%
Lovelock	\$5.00	\$1.77	\$2.38	\$2.41	\$2.22	\$3.38	\$3.64	\$3.64	106%
Virginia City	\$4.99	\$1.34	\$1.68	\$2.61	\$2.53	\$2.78	\$2.93	\$2.85	113%
Reno	\$5.00	\$1.36	\$1.69	\$2.25	\$2.69	\$3.02	\$3.25	\$3.45	154%
Sparks	\$5.00	\$1.71	\$1.95	\$2.34	\$2.71	\$3.19	\$3.40	\$3.35	96%
Ely	\$5.00	\$1.04	\$1.54	\$2.28	\$2.33	\$2.56	\$3.64	\$3.64	250%

TABLE 2

TOTAL ASSESSED VALUATION OF NEVADA COUNTIES (Add 000)								
County	1978-79	1981-82	1983-84	1987-88	1989-90	1991-92	1995 - 96	2000-01
CarsonCity	\$198,450	\$321,393	\$370,491	\$464,931	\$508,834	\$563,544	\$738,281	\$978,806
Churchill	66,441	93,656	122,355	191,616	242,205	280,762	354,384	403,920
Clark	2,889,911	4,469,791	5,643,489	8,361,685	9,980,577	12,964,606	18,909,831	33,616,437
Douglas	226,680	509,894	519,315	689,320	752,156	598,658	1,143,675	1,469,944
Elko	164,827	219,189	260,519	424,982	534,814	587,802	671,773	996,339
Esmeralda	17,093	21,973	28,823	35,307	40,983	40,018	45,948	48,087
Eureka	37,377	72,411	69,047	188,782	421,992	496,394	1,022,679	545,398
Humboldt	80,592	136,870	163,403	224,772	415,083	481,860	469,391	608,542
Lander	40,155	56,618	66,624	94,173	129,179	193,392	241,975	399,115
Lincoln	30,656	38,028	45,528	46,266	48,770	55,083	78,072	85,887
Lyon	97,698	147,497	178,476	238,180	275,962	316,288	425,487	672,214
Mineral	29,386	40,530	70,054	86,529	87,881	104,083	175,707	92,635
Nye	104,573	207,465	285,332	347,552	454,343	584,661	566,582	754,032
Pershing	40,414	50,349	77,000	87,286	138,336	124,180	145,157	183,426
Storey	13,557	31,661	38,822	46,481	52,085	57,856	87,611	124,874
Washoe	1,592,159	2,670,858	3,095,037	3,934,200	4,391,118	4,700,274	5,863,539	8,624,387
White Pine	46,303	63,071	72,809	81,173	111,070	108,515	162,241	145,246
TOTAL	\$5,676,275	\$9,150,959	\$11,117,123	\$15,552,236	\$18,585,397	\$22,557,997	\$31,102,336	\$49,749,248

BALLOT QUESTION RESULTS

Our previous issue of *TAX TOPICS* detailed the state wide and local ballot questions. Following are the election results. Due to rejected ballots and/or rounding, the percentage totals in some cases do not equal 100%.

		STATE WIDE BALLOT QUESTIONS	YES	%	NO	%
Registered Voters:	874,304	#1. Economic Development	234,104	40.5	341,288	59.1
Votes Cast: 70.15 %	613,360	#2. Protection of Marriage	412,688	69.5	180,077	30.3
		#9. Medical Marijuana	381,947	65.2	202,211	34.5

		LOCAL QUESTIONS	YES	%	NO	%
CARSON CITY		<u>County Wide #CC1</u>				
Registered Voters:	26,468	Property Tax For Schools - no tax increase	11,127	59.3	7,642	40.7
Votes Cast: 74.2 %	19,655					
CHURCHILL		<u>County Wide #10</u>				
Registered Voters:	12,020	Museum Addition Tax	3,354	37.8	5,155	58.1
Votes Cast: 73.8 %	8,881	<u>County Wide #11</u>				
		Senior Center Tax	5,713	64.4	2,998	33.8
		<u>County Wide #12</u>				
		Volunteer Fire Department Property Tax	5,762	65.0	2,953	33.3
CLARK		<u>County Wide #1</u>				
Registered Voters:	553,941	Continue Water Fluoridation	156,271	42.8	208,562	57.2
Votes Cast: 69.4 %	384,772	<u>Boulder City #1</u>				
		Capital Improvement	5,441	78.1	1,522	21.9
		<u>City of Henderson #1</u>				
		Public Safety Tax	30,279	49.3	31,143	50.7
		<u>City of Las Vegas #1</u>				
		Fire Protection Tax	66,106	51.5	62,305	48.5
DOUGLAS		<u>County Wide # DC 1</u>				
Registered Voters:	21,561	Sales Tax for Open Space	7,744	42.4	9,789	53.7
Votes Cast: 84.6 %	18,246	<u>Indian Hills G.I.D.</u>				
		Question - Community Center	343	43.2	451	56.8
EUREKA		<u>Advisory Question 1</u>				
Registered Voters:	884	Community Center	315	37.4	511	60.6
Votes Cast: 95.3 %	843					
HUMBOLDT		<u>Precinct #9(Golconda/Valmy) #10</u>				
Registered Voters:	5,908	Number of Board Members	671	56.3	49	38.9
Votes Cast: 86.3 %	5,100					

		LOCAL QUESTION	YES	%	NO	%
LANDER		<u>County Wide #10</u>				
Registered Voters:	2,856	Advisory - Sales Tax Increase	736	35.2	1,356	64.8
Votes Cast: 74.5 %	2,129	<u>County Wide #11</u>				
		Number of Commissioners	848	40.6	1,240	59.4
LYON		<u>County Wide #10</u>				
Registered Voters:	17,298	School Bond Election	6,574	56.4	5,086	43.6
Votes Cast: 69.9 %	12,095	<u>Central Lyon Co. Fire Protection District #11</u>				
		Emergency Medical Services and Fire Protection Tax	1,911	38.1	3,110	61.9
		<u>Central Lyon Co.(Excluding Silver City) #12</u>				
		Parks and Recreation Tax	1,557	31.7	3,347	68.3
		<u>North Lyon Co. Fire Protection District #13</u>				
		Fire Protection Tax	1,315	44.7	1,624	55.3
		<u>Town of Fernley #14</u>				
		Petition for Incorporation to City	1,588	55.5	1,271	44.5
MINERAL		<u>County Wide #1</u>				
Registered Voters:	3,697	Walker Lake Litigation Fund	1,578	72.6	596	27.4
Votes Cast: 80.5 %	2,979					
NYE		<u>Pahrump Community Hospital District #10</u>				
Registered Voters:	18,337	Amendment to Previously Approved Question.	2,803	30.7	6,336	69.3
Votes Cast: 66.8 %	12,259	<u>Town of Pahrump #11</u>				
		Advisory for Incorporation to City	3,695	39.8	5,586	60.2
WASHOE		<u>County Wide #1</u>				
Registered Voters:	181,795	Parks, Open Space and Library Bond	63,103	53.5	54,719	46.4
Votes Cast: 67.3 %	122,454	<u>County Wide #2</u>				
		Regional Justice Center Bond	34,855	29.7	82,332	70.2
		<u>City of Reno #R-1</u>				
		Billboard Prohibition	32,770	56.7	25,022	43.3
		<u>City of Sparks #S1</u>				
		Law Enforcement Tax	8,567	38.9	13,451	61.1
		<u>City of Sparks #S2</u>				
		Fire and Rescue Services Tax	8,944	40.5	13,115	59.5

		LOCAL QUESTIONS		YES	%	NO	%
WHITE PINE		<u>County Wide #1</u>					
Registered Voters:	4,681	Tax Override for Basic Services		555	16.4	2,833	83.6
Votes Cast: 76.8 %	3,596	<u>County Wide #2</u>					
		Gas Tax Increase		291	8.5	3,118	91.5
		<u>County Wide #3</u>					
		Expand Use of Water Litigation Fund		1,886	56.1	1,476	43.9
		<u>County Wide #4</u>					
		Sales Tax for Promotion of Tourism		1,000	29.5	2,392	70.5

Effective Tax Rates Continued from Page 1

TABLE 3

EFFECTIVE TAX RATES				
YEAR	TOTAL ASSESSED VALUATION	TOTAL PROPERTY TAXES PAID	EFFECTIVE TAX RATES	EFFECTIVE TAX RATES AS A % OF FULL CASH VALUE
	(ADD 000)			
1978-79	\$4,783,283	\$225,211,469	\$4.71	1.68
1981-82	9,150,959	155,401,161	\$1.70	1.14
1983-84	11,107,123	235,099,980	\$2.12	0.74
1987-88	15,552,236	364,432,248	\$2.34	0.82
1989-90	18,585,397	481,131,086	\$2.59	0.91
1991-92	22,537,976	626,437,660	\$2.77	0.97
1995-96	31,102,335	886,586,221	\$2.85	1.00
2000-01	\$49,749,248	\$1,509,326,840	\$3.03	1.06

**May the Peace and Joy of the
Holidays be with you now
and throughout the year**

