Nevada Tax Commission

An important source of state revenue derives from general property taxes, which are based on assessed valuations. Prior to 1913 Nevada county assessors determined those values but no two counties assessed property on the same percentage of actual value. The state made several attempts to standardize valuations through boards and agents such as the State Board of Assessors, the State Revenue Board, and the State License and Bullion Tax Agent. A private organization, the Citizen's Economy and Taxation Committee, also made recommendations to resolve the problems. All proved unsatisfactory, resulting in low revenues and a lack of equalization. By 1911-1912, the State experienced serious financial shortfalls.

The Nevada Tax Commission was created by the 1913 Nevada State Legislature to increase revenues and ensure equalization of appraisals and tax rates throughout the state. The Commission consisted of three members; two appointed by the Governor and one designated by the Legislature, who was the First Associate Commissioner of the Railroad Commission. The latter served as chair. The Commission held a series of meetings and compiled an extensive list of recommendations to the 1915 Legislature.

The 1915 Legislature repealed the original Tax Commission Act and instituted a new Commission and regulations designed to give local taxing authorities more input in the matter of equalization. With this charge the Tax Commission retained the original power of assessment over interstate and intercounty property, leaving the assessment of intercounty property to the county assessors, subject to equalization by the State Board of Equalization. The resulting equalization of taxes added hundreds of thousands of acres of land to the tax rolls.

The 1917 Legislature again rewrote the Tax Commission legislation, increasing the number of commissioners to six, consisting of the Governor as chair and six commissioners who were to have specialized expertise in areas such as railroads, land, livestock, mining, business and banking.

The powers of the Commission were strengthened and expanded. The new Tax Commission also sat as the Board of Equalization, which was expanded by the addition of the county assessors. A new procedure was instituted: the Board of Examiners was required to submit to the Tax Commission, a budget estimate of the money necessary to be raised by taxation and other sources of revenue to maintain a stable government. The Tax Commission would then report on whether revenues would be sufficient to pay costs of state government.

Although the new legislation was an improvement, Tax Commission annual reports continued to make recommendations through the 1920s and 1930s for reform of laws dealing with taxation and equalization. In particular the Commission repeatedly requested authorization of a tax law overhaul and tax codification so that the regulations could be published. Although there were many changes made to the tax laws during the

1930s, the Tax Commission experienced difficulty in carrying out legislative mandates with a staff much reduced in size because of the national financial depression.