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States' Differential Tax Assessment of Agricultural Land Statutes *Nevada*



This material is based upon work supported by the National Agricultural Library, Agricultural Research Service, U.S. Department of Agriculture

A National Agricultural Law Center Research Publication

States' Differential Tax Assessment of Agricultural Land Statutes State of Nevada

[Nev. Rev. Stat. ch. 361A](#)

Current through the end of the 79th Regular Session (2017) of the Nevada Legislature.

GENERAL PROVISIONS

§ 361A.010. Definitions.

As used in this chapter, the terms defined in NRS 361A.020 to 361A.065, inclusive, have the meanings ascribed to them in those sections except where the context otherwise requires.

§ 361A.020. “Agricultural real property” defined.

1. “Agricultural real property” means:

(a) Land devoted exclusively for at least 3 consecutive years immediately preceding the assessment date to agricultural use.

(b) Land leased by the owner to another person for agricultural use and composed of any lot or parcel which:

(1) Includes at least 7 acres of land devoted to accepted agricultural practices; or

(2) Is contiguous to other agricultural real property owned by the lessee.

(c) Land covered by a residence or necessary to support the residence if it is part of a qualified agricultural parcel.

2. The term does not include any land with respect to which the owner has granted and has outstanding any lease or option to buy the surface rights for other than agricultural use, except leases for the exploration of geothermal resources as defined in NRS 361.027, mineral resources or other subsurface resources, or options to purchase such resources, if such exploration does not interfere with the agricultural use of the land.

3. As used in this section, “accepted agricultural practices” means a mode of operation that is common to farms or ranches of a similar nature, necessary for the operation of such farms or ranches to obtain a profit in money and customarily utilized in conjunction with agricultural use.



§ 361A.030. “Agricultural use” defined.

1. “Agricultural use” means the current employment of real property as a business venture for profit, which business produced a minimum gross income of \$5,000 from agricultural pursuits during the immediately preceding calendar year by:
 - (a) Raising, harvesting and selling crops, fruit, flowers, timber and other products of the soil;
 - (b) Feeding, breeding, management and sale of livestock, poultry, or the produce thereof, if the real property used therefor is owned or leased by the operator and is of sufficient size and capacity to produce more than one-half of the feed required during that year for the agricultural pursuit;
 - (c) Operating a feed lot consisting of at least 50 head of cattle or an equivalent number of animal units of sheep or hogs, for the production of food;
 - (d) Raising furbearing animals or bees;
 - (e) Dairying and the sale of dairy products; or
 - (f) Any other use determined by the Department to constitute agricultural use if such use is verified by the Department.

The term includes every process and step necessary and incident to the preparation and storage of the products raised on such property for human or animal consumption or for marketing except actual market locations.

2. As used in this section, “current employment” of real property in agricultural use includes:
 - (a) Land lying fallow for 1 year as a normal and regular requirement of good agricultural husbandry;
 - (b) Land planted in orchards or other perennials prior to maturity; and
 - (c) Land leased or otherwise made available for use by an agricultural association formed pursuant to chapter 547 of NRS.

§ 361A.031. “Converted to a higher use” defined.

1. “Converted to a higher use” means:
 - (a) A physical alteration of the surface of the property enabling it to be used for a higher use;
 - (b) The recording of a final map or parcel map which creates one or more parcels not intended for agricultural or open-space use;



- (c) The existence of a final map or parcel map which creates one or more parcels not intended for agricultural or open-space use; or
 - (d) A change in zoning to a higher use made at the request of the owner.
2. The term does not apply to any portion of the parcel that continues to qualify as agricultural or openspace real property.
 3. The term does not include leasing the land to or otherwise permitting the land to be used by an agricultural association formed pursuant to chapter 547 of NRS.
 4. As used in this section:
 - (a) “Final map” has the meaning ascribed to it in NRS 278.0145.
 - (b) “Parcel map” has the meaning ascribed to it in NRS 278.017.

§ 361A.0315. “Golf course” defined.

1. “Golf course” means:
 - (a) Real property that may be used for golfing or golfing practice by the public or by the members and guests of a private club; and
 - (b) Improvements to that real property, including, without limitation, turf, bunkers, trees, irrigation, lakes, lake liners, bridges, practice ranges, golf greens, golf tees, paths and trails.
2. The term does not include:
 - (a) A commercial golf driving range that is not operated in conjunction with a golf course.
 - (b) A clubhouse, pro shop, restaurant or other building that is associated with a golf course.

§ 361A.032. “Higher use” defined.

“Higher use” means any use other than agricultural use or open-space use.

§ 361A.040. “Open-space real property” defined.

“Open-space real property” means:

1. Land:
 - (a) Located within an area classified pursuant to NRS 278.250 and subject to regulations designed to promote the conservation of open space



and the protection of other natural and scenic resources from unreasonable impairment; and

(b) Devoted exclusively to open-space use.

2. The improvements on the land described in subsection 1 that is used primarily to support the open-space use and not primarily to increase the value of surrounding developed property or secure an immediate monetary return.
3. Land that is used as a golf course.
4. Land regarding which the owner has granted and has outstanding a lease of surface water rights appurtenant to the property to a political subdivision of this State for a municipal use, if the land was agricultural real property at the time the lease was granted.

§ 361A.050. “Open-space use” defined.

“Open-space use” means the current employment of land, the preservation of which use would conserve and enhance natural or scenic resources, protect streams and water supplies, maintain natural features which enhance control of floods or preserve sites designated as historic by the Office of Historic Preservation of the State Department of Conservation and Natural Resources. The use of real property and the improvements on that real property as a golf course shall be deemed to be an open-space use of the land. The use of land to lease surface water rights appurtenant to the property to a political subdivision of this State for a municipal use shall be deemed to be an open-space use of the land, if the land was agricultural real property at the time the lease was granted.

§ 361A.060. “Owner” defined.

“Owner” means any person having a legal or equitable freehold estate in agricultural or open-space real property, including a contract vendee of a land sales contract respecting the property, but excluding a lessee or tenant of the property.

§ 361A.065. “Parcel” defined.

“Parcel” means a contiguous area of land that is designated by a county assessor as a parcel for assessment purposes.

§ 361A.090. Legislative declaration.

1. It is the intent of the Legislature to:
 - (a) Constitute agricultural and open-space real property as a separate class for taxation purposes; and



(b) Provide a separate plan for:

- (1) Appraisal and valuation of such property for assessment purposes; and
- (2) Partial deferred taxation of such property with tax recapture as provided in NRS 361A.280 and 361A.283.

2. The Legislature hereby declares that it is in the best interest of the State to maintain, preserve, conserve and otherwise continue in existence adequate agricultural and open-space lands and the vegetation thereon to assure continued public health and the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of the State and its citizens.

3. The Legislature hereby further finds and declares that the use of real property and improvements on that real property as a golf course achieves the purpose of conserving and enhancing the natural and scenic resources of this State and promotes the conservation of open space.

ASSESSMENT OF AGRICULTURAL PROPERTY

§ 361A.100. Application by owner.

Any owner of real property may apply to the county assessor for agricultural use assessment and the payment of taxes on such property as provided in this chapter.

§ 361A.110. Filing, contents and execution of application.

1. Any application for agricultural use assessment must be filed on or before June 1 of any year:

(a) With the county assessor of each county in which the property is located, if the property contains 20 acres or more.

(b) With the Department, if the property contains less than 20 acres.

2. Except as otherwise provided in this subsection, a new application to continue that assessment is required on or before June 1 following any change in ownership or conversion to a higher use of any portion of the property. If the property is divided, an owner who retains a portion qualifying as agricultural real property is not required to file a new application to continue agricultural use assessment on the portion retained unless any part of that portion is converted to a higher use.

3. The application must be made on forms prepared by the Department and supplied by the county assessor and must include such information as may be required to determine the entitlement of the applicant to agricultural use assessment. Each application must contain an



affidavit or affirmation by the applicant that the statements contained therein are true. The application must prominently contain the printed statement "This property may be subject to liens for undetermined amounts."

4. The application may be signed by:

- (a) The owner of the agricultural real property, including tenants in common or joint tenants.
- (b) Any person, of lawful age, authorized by an executed power of attorney to sign an application on behalf of any person described in paragraph (a).
- (c) The guardian or conservator of an owner or the executor or administrator of an owner's estate.

5. The county assessor shall not approve an application unless the application is signed by each owner of record or his or her representative as specified in subsection 4. Additional information may be required of the applicant if necessary to evaluate his or her application.

§ 361A.120. Independent determination of use; regulations; notice of determination; recording of approved applications.

1. Upon receipt of an application, the county assessor or the Department shall make an independent determination of the use of the owner's real property. The assessor or the Department shall consider the use of the property by its owner or occupant together with any other agricultural real property that is a part of one agricultural unit being operated by the owner or occupant. The assessor or the Department shall consider the use of agricultural real property which is not contiguous to the owner's real property only if that property has been in agricultural use for at least 2 months during the 2 years preceding the receipt of the application.

2. The assessor or the Department may inspect the property and request such evidence of use and sources of income as is necessary to make an accurate determination of use. The assessor or the Department may deny the application when the owner or occupant refuses to permit the inspection or furnish the evidence.

3. The Department shall provide by regulation for a more detailed definition of agricultural use, consistent with the general definition given in NRS 361A.030, for use by county assessors or the Department in determining entitlement to agricultural use assessment.

4. The county assessor or the Department shall send to the applicant a written notice of the determination within 10 days after determining the applicant's entitlement to agricultural use assessment. If an applicant seeking agricultural use assessment on property located in more than one county is refused such assessment in any one county, the applicant may withdraw his or her application for such assessment in all other counties.

5. The county assessor or the Department shall record the application with the county recorder within 10 days after its approval.



§ 361A.130. Determination of value for agricultural use; notification of assessment.

1. If the property is found to be agricultural real property, the county assessor shall determine its value for agricultural use and assess it for taxes to be collected in the ensuing fiscal year at 35 percent of that value.
2. The agricultural use assessment must be maintained in the records of the assessor and must be made available to any person upon request. The property owner must be notified of the agricultural use assessment in the manner provided for notification of taxable value assessments. The notice must contain the following statement: Deferred taxes will become due on this parcel if it is converted to a higher use.

§ 361A.140. Classification of agricultural property; valuations for each classification.

1. On or before the first Monday in October of each year, the Nevada Tax Commission shall:
 - (a) Define the classifications of agricultural real property.
 - (b) Except as otherwise provided in paragraph (c), determine the valuations for each classification on the basis provided in NRS 361.325.
 - (c) Provide for the determination of the value of the land covered by a residence or necessary to support the residence in the same manner as other real property pursuant to NRS 361.227.
 - (d) Prepare a bulletin listing all classifications and values thereof for the following assessment year.
2. The county assessors shall classify agricultural real property utilizing the definitions and applying the appropriate values published in the Tax Commission's bulletin.

§ 361A.150. Disqualification of property.

1. The county assessor shall enter on the assessment roll the valuation based on agricultural use until the property becomes disqualified for agricultural use assessment by:
 - (a) Notification by the applicant to the assessor to remove the agricultural use assessment pursuant to NRS 361A.270;
 - (b) Sale or transfer to an owner making it exempt from ad valorem property taxation;
 - (c) Removal of the agricultural use assessment by the assessor upon discovery that the property is no longer in agricultural use; or
 - (d) Failure to file an application as provided in NRS 361A.110.



2. Except as otherwise provided in paragraph (b) of subsection 1, the sale or transfer to a new owner or transfer by reason of death of a former owner does not operate to disqualify agricultural real property from agricultural use assessment so long as the property continues to be used exclusively for agricultural use, if the new owner applies for agricultural use assessment in the manner provided in NRS 361A.110.

3. Within 30 days after agricultural real property becomes disqualified under subsection 1, the county assessor shall send a written notice of disqualification by certified mail with return receipt requested to each owner of record. The notice must contain the nonagricultural assessed value for the ensuing fiscal year.

§ 361A.160. Appeal of determination.

The determination of use and agricultural use assessment in each year are final unless appealed in the manner provided in chapter 361 of NRS for complaints of overvaluation, excessive valuation or undervaluation.

ASSESSMENT OF OPEN SPACE

§ 361A.170. Designations or classifications of property for open-space use; procedures and criteria.

1. Property used as a golf course is hereby designated and classified as open-space real property and must be assessed as an open-space use.

2. Land regarding which the owner has granted and has outstanding a lease of surface water rights appurtenant to the property to a political subdivision of this State for a municipal use, if the land was agricultural real property at the time the lease was granted, is hereby designated and classified as openspace real property and must be assessed as an open-space use.

3. In addition to the designation and classification of property as open-space real property pursuant to subsections 1 and 2, the governing body of each city or county shall, from time to time, specify by resolution additional designations or classifications under its master plan that are designed to promote the conservation of open space, the maintenance of natural features for control of floods and the protection of other natural and scenic resources from unreasonable impairment.

4. The board of county commissioners shall, from time to time, adopt by ordinance procedures and criteria which must be used in considering an application for open-space use assessment based on a designation or classification adopted pursuant to subsection 3. The criteria may include requirements respecting public access to and the minimum size of the property.

§ 361A.180. Application by owner.



Any owner of real property may apply to the county assessor for open-space use assessment based on a designation or classification adopted pursuant to subsection 3 of NRS 361A.170 and the payment of taxes on such property as provided in this chapter.

§ 361A.190. Filing, contents and execution of application.

1. Any application for open-space use assessment must be filed on or before June 1 of any year with the county assessor of each county in which the property is located. A new application to continue that assessment is required on or before June 1 following any change in ownership or from approved openspace use of any portion of the property. If the property is divided, an owner who retains a portion of the property must file a new application in order to continue open-space use assessment on the portion retained.
2. The application must be made on forms prepared by the Department and supplied by the county assessor and must include a description of the property, its current use and such other information as may be required to determine the entitlement of the applicant to open-space use assessment. Each application must contain an affidavit or affirmation by the applicant that the statements contained therein are true.
3. The application may be signed by:
 - (a) The owner of the open-space real property, including tenants in common or joint tenants.
 - (b) Any person, of lawful age, authorized by a duly executed power of attorney to sign an application on behalf of any person described in paragraph (a).
 - (c) The guardian or conservator of an owner or the executor or administrator of an owner's estate.
4. The county assessor shall not accept an application unless the application is signed by each owner of record or his or her representative as specified in subsection 3. The assessor may require such additional information of the applicant as is necessary to evaluate his or her application.

§ 361A.200. Action on application by governing bodies of county and city: Procedure.

1. The county assessor shall refer each application for open-space use assessment to the board of county commissioners, and if any part of the property is located within an incorporated city to the governing body of the city, within 10 days after its filing.
2. The governing body of the city shall consider the application in a public hearing. The governing body shall use the applicable procedures and criteria adopted pursuant to NRS 361A.170 and recommend its approval or denial to the board of county commissioners no later than 90 days after receipt of the application.



3. The board of county commissioners shall consider the application in a public hearing. The board shall use the applicable procedures and criteria adopted pursuant to NRS 361A.170 and weigh the benefits to the general welfare of preserving the current use of the property against the potential loss in revenue which may result from approving the application. The board may set such conditions as it reasonably may require upon its approval of the application.
4. At least 10 days' notice of the time and place of any public hearing held pursuant to this section shall be published in a newspaper of general circulation in the county.
5. The board may approve the application with respect to only part of the property, but if any part of the application is denied, the applicant may withdraw the entire application.
6. The board shall approve or deny an application no later than March 31 of each year. An application on which action by the board is not completed by March 31 is approved.

§ 361A.210. Orders of approval or denial by board of county commissioners.

1. Within 10 days after the board approves an application for open-space use assessment, it shall:
 - (a) Send copies of the order of approval to the county assessor and the applicant.
 - (b) Record the order of approval with the county recorder.
2. When the board denies an application, it shall, within 10 days after denial, send an order of denial to the applicant listing its reasons for denial.

§ 361A.220. Determination of value for open-space use; notification of assessment.

1. If property is to be assessed as open-space real property, the county assessor shall determine its value for open-space use and assess it for taxes to be collected in the ensuing fiscal year at 35 percent of that value.
2. The open-space use assessment must be maintained in the records of the assessor and must be made available to any person upon request. The property owner must be notified of the open-space use assessment in the manner provided for notification of taxable value assessments. The notice must contain the statement: Deferred taxes will become due on any portion of this parcel which is converted to a higher use.

§ 361A.225. Determination of value for open-space use of real property used as golf course.

1. For the purposes of NRS 361A.220, the value for open-space use of real property used as a golf course in a fiscal year is equal to the sum of:
 - (a) The value of the land; and



- (b) The value of the improvements made to the real property before that fiscal year as adjusted for obsolescence,

determined in accordance with the manual established pursuant to subsection 2.

2. The Nevada Tax Commission shall establish a manual for determining the value for open-space use of real property used as a golf course. The manual must:

- (a) Require the use of such standards and modifiers, as published or furnished by the Marshall and Swift Publication Company, as the Nevada Tax Commission determines to be applicable.
- (b) For the purpose of determining the value of the land, define various classifications of golf courses and provide for the valuation of each such classification in a manner that is consistent with the provisions of NRS 361.227, except that the value of the land must not be determined to exceed the product of \$2,860 per acre multiplied by 1 plus the percentage change in the Consumer Price Index (All Items) for July 1 of the current year as compared to July 1, 2004.
- (c) For the purpose of determining the value of the improvements made to the real property, require the use of such factors as the Nevada Tax Commission determines to be appropriate. Those factors must include, for the purpose of determining obsolescence, a factor for golf courses that are not used on a consistently frequent basis each month of the year, which is based upon the actual number of rounds of golf played on the golf course in relation to the number of rounds that could have been played under optimum conditions.

§ 361A.230. Disqualification of property.

1. The county assessor shall enter on the assessment roll the valuation based on open-space use until the property becomes disqualified for open-space use assessment by:

- (a) Sale or transfer to an owner making it exempt from ad valorem property taxation;
- (b) Removal of the open-space use assessment by the assessor, with the concurrence of the board, upon discovery that the property is no longer in the open-space use;
- (c) If the open-space use assessment is based on the designation and classification of the property pursuant to subsection 1 of NRS 361A.170, the cessation of the use of the property for golfing or golfing practice, except for:
 - (1) A seasonal closure of the property to such use;
 - (2) A temporary closure of the property for maintenance or repairs; or



(3) A temporary closure of the property, upon notification of the county assessor, for not more than 12 months for any other purpose that is incidental to such use or necessary for the continuation of such use; or

(d) If the open-space use assessment is based on a designation or classification adopted pursuant to subsection 3 of NRS 361A.170:

(1) Notification by the applicant to the assessor to remove the open-space use assessment; or

(2) Failure to file a new application as provided in NRS 361A.190.

2. Except as otherwise provided in paragraph (a) of subsection 1, the sale or transfer to a new owner or transfer by reason of death of a former owner does not operate to disqualify open-space real property from open-space use assessment so long as the property continues to be used exclusively for an open-space use. If the open-space use assessment is based on a designation or classification adopted pursuant to subsection 3 of NRS 361A.170, the new owner must apply for open-space use assessment in the manner provided in NRS 361A.190.

3. Whenever open-space real property becomes disqualified under subsection 1, the county assessor shall send a written notice of disqualification by certified mail with return receipt requested to each owner of record. The notice must contain the assessed value for the ensuing fiscal year.

§ 361A.240. Appeal from determination; equalization of assessment.

1. The determination of use and the open-space use assessment in each year are final unless appealed.

2. If the application for an open-space use assessment is based on a designation or classification adopted pursuant to subsection 3 of NRS 361A.170, the applicant for the open-space assessment is entitled to:

(a) Appeal the determination made by the board of county commissioners to the district court in the county where the property is located, or if located in more than one county, in the county in which the major portion of the property is located, as provided in NRS 278.0235.

(b) Equalization of the open-space use assessment in the manner provided in chapter 361 of NRS for complaints of overvaluation, excessive valuation or undervaluation.

§ 361A.250. Redetermination of use: Complaint; hearing; order; judicial review.

1. Any person claiming that any open-space real property is no longer in the approved open-space use may file a complaint and proof of the claim with the board of county commissioners of the county or counties in which the property is located. The complaint



and proof must show the name of each owner of record of the property, its location, description and the use in which it is claimed to be.

2. The board shall hear the complaint after 10 days' notice of the time to the complainant and each owner of the property.
3. The board shall examine the proof and all data and evidence submitted by the complainant, together with any evidence submitted by the county assessor or any other person. The board shall notify the complainant, each owner of the property and the county assessor of its determination within 10 days after the hearing. It shall direct the county assessor to appraise, value and tax the property for the ensuing fiscal year in a manner consistent with its determination and the provisions of this chapter and, in appropriate cases, order the tax receiver to collect any amounts due under NRS 361A.280 and 361A.283.
4. The determination of the board may be appealed to the district court by the complainant or the owner of the property as provided in NRS 361A.240.

PARTIAL DEFERRED TAXATION AND RECAPTURE OF TAX

§ 361A.265. Prepayment of deferred taxes; estimate of taxes due; appeal by owner; conversion to higher use after secured tax roll has been closed.

1. An owner of property which has received an agricultural or open-space use assessment:
 - (a) Must pay the full amount of deferred taxes calculated pursuant to NRS 361A.280 for any property for which a final map will be recorded pursuant to NRS 278.460 before the date on which the map is recorded, if the existence or recording of the map will result in the conversion of any portion of the property to a higher use.
 - (b) In all other cases may, before the conversion of any portion of the property to a higher use, pay the amount of deferred taxes which would be due upon the conversion of that property pursuant to NRS 361A.280.
2. An owner who desires to pay the deferred taxes must request, in writing, the county assessor to estimate the amount of the deferred taxes which would be due at the time of conversion. After receiving such a request, the county assessor shall estimate the amount of the deferred taxes due for the next property tax statement and report the amount to the owner.
3. An owner who voluntarily pays the deferred taxes may appeal the valuations and calculations upon which the deferred taxes were based in the manner provided in NRS 361A.273.
4. If a parcel that has been created after the secured tax roll has been closed is converted to a higher use, the assessor must change the roll to reflect the changes in the parcel or parcels and assess the new parcel or parcels at taxable value for the following fiscal year. The deferred tax must be assessed pursuant to NRS 361A.280.



§ 361A.270. Owner to notify assessor of cessation of agricultural or open-space use or conversion to higher use; survey of portion of parcel converted to higher use.

1. Within 30 days after a parcel or any portion of a parcel of real property which has received agricultural or open-space use assessment ceases to be used exclusively for agricultural use or the approved openspace use or is converted to a higher use, the owner shall notify the county assessor in writing of the date of cessation or change of that use.

2. In addition to the notice required by subsection 1, an owner of agriculturally assessed land who wishes to have a portion of a parcel converted to a higher use rather than the entire parcel must record and transmit to the county assessor a survey of the portion of the parcel to be converted. The survey must be transmitted to the county assessor at the same time as the notice required by subsection 1. The recordation of a survey pursuant to this subsection does not create a new parcel.

3. The county assessor shall keep a description of any portion of a parcel that is separately converted to a higher use and a record of the taxes paid on that portion of the parcel with the records for the parcel until the remainder of the parcel is converted to a higher use or the parcel becomes inactive.

§ 361A.271. Assessor to give owner notice of determination; contents of notice.

Within 30 days after determining that property has been converted to a higher use, the county assessor shall send a written notice of that determination by certified mail, return receipt requested, to each owner of record. The notice must contain the taxable and assessed values for the next tax roll and all prior years for which a deferred tax or penalty is owed pursuant to NRS 361A.280 or 361A.283.

§ 361A.273. Appeal from determination or valuations.

1. An owner of property who receives a notice of conversion which is postmarked on or after July 1 and before December 16 may appeal in the manner provided in NRS 361.355:

(a) The determination that the property has been converted to a higher use; and

(b) The valuations for the years described in the notice,

to the board of equalization of the county in which the property is located.

2. An owner who receives a notice of conversion which is postmarked on or after December 16 and before July 1 may appeal, not later than July 15 of the ensuing fiscal year:

(a) The determination that the property has been converted to a higher use; or

(b) The valuations for the years described on the notice, directly to the State Board of Equalization.



§ 361A.277. Determination of taxable value when property converted to higher use.

When any portion of agricultural or open-space land is converted to a higher use, the county assessor shall determine its taxable and, as appropriate, agricultural or open-space use values against which to compute the deferred tax for each fiscal year the property was under agricultural or open-space assessment during the current fiscal year and the preceding 6 fiscal years, or such other period as is required pursuant to NRS 361A.283. The taxable values for each year must be comparable for the corresponding years to the taxable values for property similar, including, without limitation, in size, zoning and location, to the portion of property actually converted to a higher use. When agricultural land is converted to a higher use, the agricultural use values for each of the years may be based on the agricultural use for the latest year. When open-space land that is used as a golf course is converted to a higher use, the taxable values for the property must be determined, for the purpose of computing the deferred tax, in accordance with the provisions of NRS 361.227 based upon the assessment of the land as a golf course.

§ 361A.280. Payment of deferred tax when property converted to higher use.

If the county assessor is notified or otherwise becomes aware that a parcel or any portion of a parcel of real property which has received agricultural or open-space use assessment has been converted to a higher use, the county assessor shall add to the tax extended against that portion of the property on the next property tax statement the deferred tax, which is the difference between the taxes that would have been paid or payable on the basis of the agricultural or open-space use valuation and the taxes which would have been paid or payable on the basis of the taxable value calculated pursuant to NRS 361A.277 for each year in which agricultural or open-space use assessment was in effect for the property during the fiscal year in which the property ceased to be used exclusively for agricultural use or approved open-space use and the preceding 6 fiscal years. The county assessor shall assess the property pursuant to NRS 361.227 for the next fiscal year following the date of conversion to a higher use.

§ 361A.283. Period for assessment of deferred tax; penalty for failure of owner to provide assessor with required notice.

1. If the county assessor determines that the deferred tax for any fiscal year or years was not assessed in the year it became due, he or she may assess it anytime within 5 fiscal years after the end of the fiscal year in which a parcel or portion of a parcel was converted to a higher use.
2. If the county assessor determines that a parcel was assessed for agricultural or open-space use rather than at full taxable value for any fiscal year in which it did not qualify for agricultural or open-space assessment, he or she may assess the deferred tax for that year anytime within 5 years after the end of that fiscal year.
3. A penalty equal to 20 percent of the total accumulated deferred tax described in



subsections 1 and 2 must be added for each of the years in which the owner failed to provide the written notice required by NRS 361A.270. The county assessor may waive this penalty if he or she finds extenuating circumstances sufficient to justify the waiver.

§ 361A.286. Lien for deferred tax and penalty.

1. The deferred tax and penalty assessed pursuant to NRS 361A.280 and 361A.283 are a perpetual lien until paid as provided in NRS 361.450. If the property continues to be used exclusively for agricultural use or approved open-space use for 7 fiscal years after the date of attachment, the lien for that earliest year expires. The lien is for an undetermined amount until the property is converted and the amount is determined pursuant to NRS 361A.280. Any liens calculated and recorded before July 1, 1989, for property that had not been converted shall be deemed to have expired on that date.

2. If agricultural or open-space real property receiving agricultural or open-space use assessment is sold or transferred to an ownership making it exempt from taxation ad valorem, any such liens for deferred taxes must, unless the property is sold or transferred to the Nevada System of Higher Education, a school district or another local governmental entity, be paid in full before the transfer of ownership if the property is converted to another use.

3. The provisions of this section do not apply to any portion of agricultural or open-space real property if the deferred tax and any penalty have been paid pursuant to NRS 361A.265.

4. Each year, the county assessor must record a list of parcel numbers and owner's names for all parcels on which a lien exists pursuant to subsection 1.

§ 361A.290. Seller to notify buyer of lien for deferred taxes; personal liability for deferred taxes.

1. If there are deferred taxes that have not been paid under the provisions of NRS 361A.265, 361A.280 or 361A.283 at the time real property is sold or transferred, the seller must notify the buyer in writing that there is a lien for deferred taxes on the property.

2. The owner of the property as of the date on which the deferred taxes become due pursuant to this chapter is liable for the deferred taxes.

