



STATE OF NEVADA  
STATE BOARD OF EQUALIZATION

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*Governor*

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SHELLIE HUGHES  
*Secretary*

In the Matter of:

**Hycroft Mining Corporation,  
PETITIONER**

**vs.**

**Nevada Department of Taxation,  
RESPONDENT**

**Case No. 23-107**

**NOTICE OF DECISION**

***Appearances***

Jack Gembach appeared on behalf of Hycroft Mining Corporation (Taxpayer).

Sorin Popa appeared on behalf of the Nevada Department of Taxation (Department).

***Summary***

The matter of Taxpayer's direct appeal regarding the valuation of mining property on the 2022-2023 unsecured tax roll came before the State Board of Equalization (State Board) for hearing on September 28, 2023, in Carson City, Nevada and via Zoom. The property is located in Humboldt County, Nevada.

The State Board, having considered all evidence, documents and testimony pertaining to the jurisdiction of the State Board, hereby makes the following Findings of Fact, Conclusions of Law and Decision.

**FINDINGS OF FACT**

1. The State Board is an administrative body created pursuant to NRS 361.375.
2. Taxpayer and Department were given adequate, proper and legal notice of the time and place of the hearing before the State Board, and the matter was properly noticed pursuant to the Nevada Open Meeting Law.
3. Taxpayer has the burden of proof pursuant to NAC 361.735.

4. On December 2, 2022, the Department transmitted a notice to the Humboldt County Assessor that the assessed value of the property was \$124,309,021 which was based on a taxable value of \$355,168,630.

5. The Taxpayer filed a timely notice of appeal.

6. The Taxpayer sought consideration for additional economic obsolescence given that the mining activity had ceased and there was a reduction in prices for its products.

7. The Department determined that additional obsolescence was not appropriate since the mine was not shut down, it had produced revenue, and it had almost completed the construction of a new leach pad which added additional value.

8. Evidence was provided indicating the leach pad was complete aside from some piping and pumps and that the construction of the leach pad to this point had provided significant additional value to the property.

9. Evidence was presented that pollution control costs were properly taken into account by the Department.

10. Any finding of fact above construed to constitute a conclusion of law is adopted as such to the same extent as if originally so designated.

#### CONCLUSIONS OF LAW

11. Taxpayer and Department are subject to the jurisdiction of the State Board.

12. The State Board has the authority to determine the taxable value of mining property in the State.

13. The mine was not completely shut down because construction of the new leach pad was on-going and the mine had produced revenue. Thus, additional obsolescence or salvage-value obsolescence was not warranted.


14. The construction of the new leach pad provided support for the Department's assessed value of \$124,309,021.

15. Any conclusion of law above construed to constitute a finding of fact is adopted as such to the same extent as if originally so designated.

#### DECISION

Based on the above Findings of Fact and Conclusions of Law and a preponderance of the evidence, the State Board decided by a unanimous vote to deny the Taxpayer's Petition and uphold the Department's assessed value of \$124,309,021.

BY THE STATE BOARD OF EQUALIZATION THIS 15 DAY OF December, 2023.

  
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Shellie Hughes, Secretary