SENATE BILL NO. 287–SENATOR PORTER

MARCH 1, 1999

Referred to Committee on Taxation

SUMMARY—Revises procedures for imposition of additional tax on fuel for jet or turbine-powered aircraft. (BDR 32-1106)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to taxes on fuels; revising procedures pursuant to which a board of county commissioners may impose an additional tax on fuel for jet or turbine-powered aircraft; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 365.203 is hereby amended to read as follows:

365.203 1. A board of county commissioners may by ordinance, but not as in a case of emergency, impose a tax of not more than:

(a) Four cents per gallon on fuel for jet or turbine-powered aircraft sold, distributed or used in the county ***;*** ~~[, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election;]~~ and

(b) Eight cents per gallon on aviation fuel.

~~[A county may combine this question with questions submitted pursuant to NRS 244.3351, 278.710, 371.045 or 377A.020, or any combination thereof.~~

~~2. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of~~

~~occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.~~

~~[3.]~~ ***2.*** A tax imposed pursuant to this section must be imposed on all taxpayers at the same rate. The county shall not allow any discounts, exemptions or other variance of the rate of the tax for any taxpayer except for the state or a political subdivision of the state.

~~[4.]~~ ***3.*** Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

Sec. 2. NRS 371.045 is hereby amended to read as follows:

371.045 1. A board of county commissioners may by ordinance, but not as in a case of emergency, after receiving the approval of a majority of the registered voters voting on the question at a primary, general or special election, impose a supplemental privilege tax of not more than 1 cent on each $1 of valuation of the vehicle for the privilege of operating upon the public streets, roads and highways of the county on each vehicle based in the county except:

(a) A vehicle exempt from the motor vehicle privilege tax pursuant to this chapter; or

(b) A vehicle subject to NRS 706.011 to 706.861, inclusive, which is engaged in interstate or intercounty operations.

2. A county may combine this question with questions submitted pursuant to NRS 244.3351, 278.710 ~~[, 365.203]~~ or 377A.020, or any combination thereof.

3. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.

4. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. Except as otherwise provided in subsection 6 and NRS 371.047, the county shall use the proceeds of the tax to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects or underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, within the boundaries of the county or within 1 mile outside those boundaries if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county;

(b) Payment of principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

6. The county may expend the proceeds of the supplemental privilege tax authorized by this section and NRS 371.047, or any borrowing in anticipation of that tax, pursuant to an interlocal agreement between the county and the regional transportation commission of the county with respect to the projects to be financed with the proceeds of the tax.

7. As used in this section, “based” has the meaning ascribed to it in NRS 482.011.

Sec. 3. NRS 377A.020 is hereby amended to read as follows:

377A.020 1. The board of county commissioners of any county may enact an ordinance imposing a tax for a public transit system or for the construction, maintenance and repair of public roads, or both, pursuant to NRS 377A.030. The board of county commissioners of any county whose population is less than 400,000 may enact an ordinance imposing a tax to promote tourism pursuant to NRS 377A.030.

2. An ordinance enacted pursuant to this chapter may not become effective before a question concerning the imposition of the tax is approved by a majority of the registered voters of the county voting upon the question which the board may submit to the voters at any general election. A county may combine the questions for a public transit system and for the construction, maintenance and repair of public roads with questions submitted pursuant to NRS 244.3351, 278.710 **[**~~, 365.203~~**]** or 371.045, or any combination thereof. The board shall also submit to the voters at a general election any proposal to increase the rate of the tax or change the previously approved uses for the proceeds of the tax.

3. Any ordinance enacted pursuant to this section must specify the date on which the tax must first be imposed or on which an increase in the rate of the tax becomes effective, which must not be earlier than the first day of the second calendar month following the approval of the question by the voters.

Sec. 4. NRS 244.3351 is hereby amended to read as follows:

244.3351 1. Except as otherwise provided in subsection 2 of NRS 244.3359, in addition to all other taxes imposed on the revenue from the rental of transient lodging, a board of county commissioners may by ordinance, but not as in a case of emergency, impose a tax at the rate of 1 percent of the gross receipts from the rental of transient lodging pursuant to either paragraph (a) or (b) as follows:

(a) After receiving the approval of a majority of the registered voters of the county voting on the question at a special, primary or general election, the board of county commissioners may impose the tax throughout the county, including its incorporated cities, upon all persons in the business of providing lodging. The question may be combined with a question submitted pursuant to NRS 278.710, **[**~~365.203,~~**]** 371.045 or 377A.020, or any combination thereof.

(b) After receiving the approval of a majority of the registered voters who reside within the boundaries of a transportation district created pursuant to NRS 244A.252, voting on the question at a special, primary or general district election, the board of county commissioners may impose the tax within the boundaries of the transportation district upon all persons in the business of providing lodging. The question may be combined with a question submitted pursuant to NRS 278.710.

2. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board of county commissioners is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.

3. The ordinance imposing the tax must include all the matters required by NRS 244.3352 for the mandatory tax, must be administered in the same manner, and imposes the same liabilities, except:

(a) Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax; and

(b) The governmental entity collecting the tax **[**~~must~~**]** ***shall*** transfer all collections to the county and may not retain any part of the tax as a collection or administrative fee.

Sec. 5. NRS 278.710 is hereby amended to read as follows:

278.710 1. A board of county commissioners may by ordinance, but not as in a case of emergency, impose a tax for the improvement of transportation on the privilege of new residential, commercial, industrial and other development pursuant to paragraph (a) or (b) as follows:

(a) After receiving the approval of a majority of the registered voters of the county voting on the question at a special election or the next primary or general election, the board of county commissioners may impose the tax throughout the county, including any such development in incorporated cities in the county. A county may combine this question with a question submitted pursuant to NRS 244.3351, ~~[365.203,]~~ 371.045 or 377A.020, or any combination thereof.

(b) After receiving the approval of a majority of the registered voters who reside within the boundaries of a transportation district created pursuant to NRS 244A.252, voting on the question at a special or general district election or primary or general state election, the board of county commissioners may impose the tax within the boundaries of the district. A county may combine this question with a question submitted pursuant to NRS 244.3351.

2. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board of county commissioners is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board of county commissioners to provide an essential service to the residents of the county.

3. The tax imposed pursuant to this section must be at such a rate and based on such criteria and classifications as the board of county commissioners determines to be appropriate. Each such determination is conclusive unless it constitutes an arbitrary and capricious abuse of discretion, but the tax imposed must not exceed $500 per single-family dwelling unit of new residential development, or the equivalent thereof as determined by the board of county commissioners, or 50 cents per square foot on other new development. If so provided in the ordinance, a newly developed lot for a mobile home shall be considered a single-family dwelling unit of new residential development.

4. The tax imposed pursuant to this section must be collected before the time a certificate of occupancy for a building or other structure constituting new development is issued, or at such other time as is specified

in the ordinance imposing the tax. If so provided in the ordinance, no certificate of occupancy may be issued by any local government unless proof of payment of the tax is filed with the person authorized to issue the certificate of occupancy. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. In a county in which a tax has been imposed pursuant to paragraph (a) of subsection 1, the revenue derived from the tax must be used exclusively to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects and underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, within the boundaries of the county or within 1 mile outside those boundaries if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county;

(b) The principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

6. In a transportation district in which a tax has been imposed pursuant to paragraph (b) of subsection 1, the revenue derived from the tax must be used exclusively to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects and underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, within the boundaries of the district or within such a distance outside those boundaries as is stated in the ordinance imposing the tax, if the board of county commissioners finds that such projects outside the boundaries of the district will facilitate transportation within the district;

(b) The principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

7. The county may expend the proceeds of the tax authorized by this section, or any borrowing in anticipation of the tax, pursuant to an interlocal agreement between the county and the regional transportation commission of the county with respect to the projects to be financed with the proceeds of the tax.

8. The provisions of chapter 278B of NRS and any action taken pursuant to that chapter do not limit or in any other way apply to any tax imposed pursuant to this section.

Sec. 6. This act becomes effective on July 1, 1999.

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