
SENATE BILL NO. 477—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 18, 1999

Referred to Committee on Taxation

SUMMARY—Raises tax on rental of transient lodging within Washoe County to pay certain costs related to promotion of tourism. (BDR S-1641)

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 taxation; raising the tax on the rental of transient lodging within Washoe County to pay certain costs related to the promotion of tourism; and providing other matters properly relating thereto.

1 WHEREAS, The legislature hereby finds and declares that a general law
2 cannot be made applicable for all provisions of this act because of the
3 economic and geographical diversity of the local governments of this state,
4 the unique growth patterns in those local governments and the special
5 conditions experienced in Washoe County related to the need to revitalize
6 specific areas of Washoe County; now, therefore,

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

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11 **Section 1.** 1. A tax at the rate of:

12 (a) Three percent of the gross receipts from the rental of transient
13 lodging is hereby imposed in:

14 (1) The unincorporated area of Washoe County; and

15 (2) Each incorporated city in Washoe County, except in the district
16 described in NRS 268.780 to 268.785, inclusive.

17 (b) Two percent of the gross receipts from the rental of transient lodging
18 is hereby imposed in the district described in NRS 268.780 to 268.785,
19 inclusive.

20 2. The tax imposed pursuant to this section must be:

1 (a) In addition to all other taxes imposed on the revenue from the rental
2 of transient lodging in Washoe County and the incorporated cities in
3 Washoe County;

4 (b) Collected and enforced in the same manner as provided for the
5 collection of the tax imposed by NRS 244.3352; and

6 (c) Paid to the Treasurer of Washoe County, who shall distribute the
7 proceeds from the tax in the manner set forth in section 2 of this act.

8 3. As used in this section, "gross receipts from the rental of transient
9 lodging" does not include the tax imposed or collected from paying guests
10 pursuant to this section.

11 **Sec. 2.** The proceeds of the tax imposed pursuant to section 1 of this
12 act and any applicable penalty or interest must be distributed as follows:

13 1. The sum of \$1,500,000 and, beginning June 1, 2000, and each year
14 thereafter, an additional amount equal to \$1,500,000 multiplied by the
15 percentage by which the proceeds of the tax imposed pursuant to section 1
16 of this act increased during the immediately preceding 12-month period, if
17 any, must be paid to the Reno/Sparks Convention and Visitors Authority to
18 be used for the marketing and promotion of tourism in Washoe County,
19 until such time as the Truckee Meadows Tourism Facility and
20 Revitalization Steering Committee identifies particular capital improvement
21 projects pursuant to section 4 of this act. After the Truckee Meadows
22 Tourism Facility and Revitalization Steering Committee identifies
23 particular capital improvement projects pursuant to section 4 of this act, the
24 money described in this subsection must, notwithstanding the provisions of
25 NRS 279.619, be used to pay the principal and interest on notes, bonds or
26 other obligations issued by the Reno Redevelopment Agency to fund the
27 acquisition, establishment, construction or expansion of the projects so
28 identified.

29 2. The remainder of the proceeds of the tax, after the amount described
30 in subsection 1 is distributed pursuant to that subsection, must be paid to
31 the Reno/Sparks Convention and Visitors Authority to support the
32 expansion and remodeling of the Reno/Sparks Convention Center.

33 **Sec. 3.** 1. The Truckee Meadows Tourism Facility and
34 Revitalization Steering Committee, consisting of nine members, is hereby
35 created. The membership of the Committee consists of:

36 (a) Three persons appointed by the Board of Directors of the
37 Reno/Sparks Convention and Visitors Authority, one of whom must be a
38 member of the Nevada Resort Association who represents properties
39 outside the district described in NRS 268.780 to 268.785, inclusive, and
40 two of whom must represent the interests of Sparks, Washoe County, the
41 motel industry or general business.

42 (b) Three members of the Reno Redevelopment Agency, appointed by
43 the Chairman of the Agency.

1 (c) Three persons appointed by the Nevada Resort Association from
2 those members of the Association whose properties are located in the
3 district described in NRS 268.780 to 268.785, inclusive.

4 2. The Committee shall elect a chairman from among its members.

5 3. A vacancy on the Committee must be filled by appointment by a
6 majority of the remaining members of the Committee. A person selected to
7 fill a vacancy pursuant to this subsection must have the same qualifications
8 as those of the member replaced.

9 4. The Committee shall meet at least quarterly or by a call of the
10 chairman or majority of the members of the Committee.

11 5. Members of the Committee serve without compensation, except that
12 while engaged in the business of the Committee, each member may be paid
13 the per diem allowance and travel expenses provided for state officers and
14 employees generally, as the budget of the Reno Redevelopment Agency
15 allows.

16 **Sec. 4.** The Truckee Meadows Tourism Facility and Revitalization
17 Steering Committee shall develop a master plan which identifies:

18 1. Proposed capital improvement projects that the Committee
19 determines to be advisable to promote tourism in Washoe County; and

20 2. The method or methods pursuant to which the proposed capital
21 improvement projects identified in subsection 1 will be financed.

22 Capital improvement projects identified pursuant to this section must be
23 located in the district described in NRS 268.780 to 268.785, inclusive.

24 **Sec. 5.** This act becomes effective on June 1, 1999.