

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT S.B. 273

SENATE BILL NO. 273—SENATOR RHOADS

MARCH 2, 2001

Referred to Committee on Taxation

SUMMARY—Exempts from local school support tax and certain analogous taxes certain systems designed or adapted to use renewable energy to generate electricity. (BDR 32-641)

FISCAL NOTE: Effect on Local Government: Yes.
 Effect on the State: Yes.

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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; exempting from the local school support tax and certain analogous taxes certain systems designed or adapted to use renewable energy to generate electricity; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 374 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 1. *There are exempted from the taxes imposed by this chapter the*
4 *gross receipts from the sale of, and the storage, use or other consumption*
5 *in this state of, any product or system designed or adapted to use*
6 *renewable energy to generate electricity and all of its integral*
7 *components.*
8 2. *As used in this section:*
9 (a) *“Biomass” means any organic matter that is available on a*
10 *renewable basis, including, without limitation:*
11 (1) *Agricultural crops and agricultural wastes and residues;*
12 (2) *Wood and wood wastes and residues;*
13 (3) *Animal wastes;*
14 (4) *Municipal wastes; and*
15 (5) *Aquatic plants.*
16 (b) *“Fuel cell” means a device or contrivance that, through the*
17 *chemical process of combining ions of hydrogen and oxygen, produces*
18 *electricity and water.*
19 (c) *“Renewable energy” means a source of energy that occurs*
20 *naturally or is regenerated naturally, including, without limitation:*
21 (1) *Biomass;*
22 (2) *Fuel cells;*



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- 1 (3) *Geothermal energy;*
2 (4) *Solar energy;*
3 (5) *Waterpower; and*
4 (6) *Wind.*
5 *The term does not include coal, natural gas, oil, propane or any other*
6 *fossil fuel, or nuclear energy.*
7 (d) *“System designed or adapted to use renewable energy to generate*
8 *electricity” means a system of related components:*
9 (1) *From which at least 75 percent of the electricity generated is*
10 *produced from one or more sources of renewable energy; and*
11 (2) *That is designed to work as an integral package such that the*
12 *system is not complete without one of its related components.*
13 **Sec. 2.** NRS 374.265 is hereby amended to read as follows:
14 “Exempted from the taxes imposed by this chapter,” as used in NRS
15 374.265 to 374.355, inclusive, *and section 1 of this act*, means exempted
16 from the computation of the amount of taxes imposed.
17 **Sec. 3.** 1. This section become effective on July 1, 2001.
18 2. Sections 1 and 2 of this act become effective on July 1, 2001, for the
19 purpose of adopting regulations and on January 1, 2002, for all other
20 purposes.
21 3. This act expires by limitation on June 30, 2003.

