

ASSEMBLY BILL NO. 301—ASSEMBLYMEN SIBLEY,
HARDY AND CHRISTENSEN

MARCH 21, 2005

Referred to Committee on Growth and Infrastructure

SUMMARY—Increasing value of veterans' exemptions from personal property tax and governmental services tax. (BDR 32-1002)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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; removing veterans from the classes of persons whose exemption from personal property tax is reduced by the amount of the exemption from the governmental services tax allowed those persons; increasing to 100 percent the veterans' exemption from the governmental services tax; 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 361.1565 is hereby amended to read as follows:

361.1565 The personal property tax exemption to which a surviving spouse, blind person ~~[-veteran]~~ or surviving spouse of a disabled veteran is entitled pursuant to NRS 361.080, 361.085 ~~[-361.090]~~ or 361.091 is reduced to the extent that he is allowed an exemption from the governmental services tax pursuant to ~~[-chapter 371 of NRS.]~~ **NRS 371.101, 371.102 or 371.104.**

Sec. 2. NRS 371.103 is hereby amended to read as follows:

371.103 1. Vehicles, to the extent of ~~[\$2,000]~~ **100 percent of** determined valuation, registered by any actual bona fide resident of the State of Nevada who:



(a) Has served a minimum of 90 days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1975, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or between December 20, 1989, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;

(b) Has served a minimum of 90 continuous days on active duty none of which was for training purposes, who was assigned to active duty at some time between January 1, 1961, and May 7, 1975;

(c) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; ~~for~~

(d) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the government of the United States, regardless of the number of days served on active duty ~~for~~; or

(e) Incurred a permanent service-connected disability of not less than 60 percent,

➤ and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. ~~For the purpose of this section, the first \$2,000 determined valuation of vehicles in which such a person has any interest shall be deemed to belong to that person.~~

~~3.~~ A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he is an actual bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is claimed in no other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, ➤ to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

~~4.~~ 3. Persons in actual military service are exempt during the period of such service from filing annual affidavits of exemption



1 and the Department shall grant exemptions to those persons on the
2 basis of the original affidavits filed. In the case of any person who
3 has entered the military service without having previously made and
4 filed an affidavit of exemption, the affidavit may be filed in his
5 behalf during the period of such service by any person having
6 knowledge of the facts.

7 ~~{5-}~~ 4. Before allowing any veteran's exemption pursuant to the
8 provisions of this chapter, the Department shall require proof of
9 status of the veteran, and for that purpose shall require production of
10 an honorable discharge or certificate of satisfactory service or a
11 certified copy thereof, or such other proof of status as may be
12 necessary. *If the veteran is claiming a permanent service-*
13 *connected disability, the Department shall also require a*
14 *certificate from the Department of Veterans Affairs that the*
15 *veteran incurred a permanent service-connected disability, which*
16 *shows the percentage of that disability.*

17 ~~{6-}~~ 5. If any person files a false affidavit or produces false
18 proof to the Department, and as a result of the false affidavit or false
19 proof a tax exemption is allowed to a person not entitled to the
20 exemption, he is guilty of a gross misdemeanor.

21 ~~{7- Beginning with the 2005-2006 Fiscal Year, the monetary~~
22 ~~amounts in subsections 1 and 2 must be adjusted for each fiscal year~~
23 ~~by adding to each amount the product of the amount multiplied by~~
24 ~~the percentage increase in the Consumer Price Index (All Items)~~
25 ~~from December 2003 to the December preceding the fiscal year for~~
26 ~~which the adjustment is calculated.]~~

27 **Sec. 3.** NRS 371.104 is hereby amended to read as follows:

28 371.104 1. ~~{A}~~ *The surviving spouse of a* bona fide resident
29 of the State of Nevada who ~~{has}~~ incurred a permanent service-
30 connected disability and ~~{has been}~~ *was* honorably discharged from
31 the Armed Forces of the United States, ~~{or his surviving spouse,}~~ is
32 entitled to ~~{a veteran's}~~ *an* exemption from the payment of
33 governmental services taxes on vehicles of the following determined
34 valuations:

35 (a) If ~~{he has a disability of}~~ *the disability was* 100 percent, the
36 first \$20,000 of determined valuation.

37 (b) If ~~{he has a disability of}~~ *the disability was* 80 to 99 percent,
38 inclusive, the first \$15,000 of determined valuation.

39 (c) If ~~{he has a disability of}~~ *the disability was* 60 to 79 percent,
40 inclusive, the first \$10,000 of determined valuation.

41 2. For the purpose of this section, the first \$20,000 of
42 determined valuation of vehicles in which an applicant has any
43 interest, shall be deemed to belong entirely to that person.

44 3. A person claiming the exemption shall file annually with the
45 Department in the county where the exemption is claimed an



affidavit declaring that ~~he is~~ *the disabled veteran was, at the time of his death*, a bona fide resident of the State of Nevada who ~~meets~~ *met* all the other requirements of subsection 1 . ~~and that the exemption is claimed in no other county within this State.~~ After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

4. Before allowing any exemption pursuant to the provisions of this section, the Department shall require proof of the ~~applicant's~~ *disabled veteran's* status, and for that purpose shall require production of:

(a) A certificate from the Department of Veterans Affairs that the veteran ~~has~~ incurred a permanent service-connected disability, which shows the percentage of that disability; and

(b) Any one of the following:

(1) An honorable discharge;

(2) A certificate of satisfactory service; or

(3) A certified copy of either of these documents.

5. A ~~surviving spouse~~ *person* claiming an exemption pursuant to this section must file with the Department in the county where the exemption is claimed an affidavit declaring that:

(a) The surviving spouse was married to and living with the disabled veteran for the 5 years preceding his death;

(b) ~~The disabled veteran was eligible for the exemption at the time of his death; and~~

~~—(c)—~~ The surviving spouse has not remarried ~~—~~ ; and

(c) The exemption is claimed in no other county within this State.

➔ The affidavit required by this subsection is in addition to the certification required pursuant to subsections 3 and 4. After the filing of the original affidavit required by this subsection, the county assessor shall mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

6. ~~If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 371.103.~~

~~—7.—~~ If any person makes a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof



1 the person is allowed a tax exemption to which he is not entitled, he
2 is guilty of a gross misdemeanor.

3 ~~§ 7.~~ 7. Beginning with the 2005-2006 Fiscal Year, the
4 monetary amounts in subsections 1 and 2 must be adjusted for each
5 fiscal year by adding to each amount the product of the amount
6 multiplied by the percentage increase in the Consumer Price Index
7 (All Items) from December 2003 to the December preceding the
8 fiscal year for which the adjustment is calculated.

9 **Sec. 4.** NRS 482.216 is hereby amended to read as follows:

10 482.216 1. Upon the request of a new vehicle dealer, the
11 Department may authorize the new vehicle dealer to:

12 (a) Accept applications for the registration of the new motor
13 vehicles he sells and the related fees and taxes;

14 (b) Issue certificates of registration to applicants who satisfy the
15 requirements of this chapter; and

16 (c) Accept applications for the transfer of registration pursuant
17 to NRS 482.399 if the applicant purchased from the new vehicle
18 dealer a new vehicle to which the registration is to be transferred.

19 2. A new vehicle dealer who is authorized to issue certificates
20 of registration pursuant to subsection 1 shall:

21 (a) Transmit the applications he receives to the Department
22 within the period prescribed by the Department;

23 (b) Transmit the fees he collects from the applicants and
24 properly account for them within the period prescribed by the
25 Department;

26 (c) Comply with the regulations adopted pursuant to
27 subsection 4; and

28 (d) Bear any cost of equipment which is necessary to issue
29 certificates of registration, including any computer hardware or
30 software.

31 3. A new vehicle dealer who is authorized to issue certificates
32 of registration pursuant to subsection 1 shall not:

33 (a) Charge any additional fee for the performance of those
34 services;

35 (b) Receive compensation from the Department for the
36 performance of those services;

37 (c) Accept applications for the renewal of registration of a motor
38 vehicle; or

39 (d) Accept an application for the registration of a motor vehicle
40 if the applicant wishes to:

41 (1) Obtain special license plates pursuant to NRS 482.3667
42 to 482.3825, inclusive; or

43 (2) Claim the exemption from the governmental services tax
44 provided pursuant to NRS ~~361.1565~~ **371.103** or **371.104** to
45 veterans and their relations.



1 4. The Director shall adopt such regulations as are necessary to
2 carry out the provisions of this section. The regulations adopted
3 pursuant to this subsection must provide for:

4 (a) The expedient and secure issuance of license plates and
5 decals by the Department; and

6 (b) The withdrawal of the authority granted to a new vehicle
7 dealer pursuant to subsection 1 if that dealer fails to comply with the
8 regulations adopted by the Department.

9 **Sec. 5.** This act becomes effective on July 1, 2005.



