

ASSEMBLY BILL NO. 320—ASSEMBLYMAN PERKINS

MARCH 21, 2005

Referred to Committee on Commerce and Labor

SUMMARY—Proposes to authorize Legislature to prescribe temporary exemptions from sales and use taxes to provide for sales tax holidays. (BDR 32-1201)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: 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 retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to authorize the Legislature to prescribe temporary exemptions from sales and use taxes to provide for sales tax holidays; contingently authorizing the Legislature to prescribe temporary exemptions from the Local School Support Tax Law and certain analogous taxes; 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.** At the general election on November 7, 2006, a
- 2     proposal must be submitted to the registered voters of this State to
- 3     amend the Sales and Use Tax Act, which was enacted by the 47th
- 4     Session of the Legislature of the State of Nevada and approved by
- 5     the Governor in 1955, and subsequently approved by the people of
- 6     this State at the general election held on November 6, 1956.
- 7     **Sec. 2.** At the time and in the manner provided by law, the
- 8     Secretary of State shall transmit the proposed act to the several
- 9     county clerks, and the county clerks shall cause it to be published
- 10    and posted as provided by law.



1     **Sec. 3.** The proclamation and notice to the voters given by the  
2 county clerks pursuant to law must be in substantially the following  
3 form:

4         Notice is hereby given that at the general election on  
5 November 7, 2006, a question will appear on the ballot for the  
6 adoption or rejection by the registered voters of the State of the  
7 following proposed act:

8         AN ACT to amend an Act entitled "An Act to provide  
9 revenue for the State of Nevada; providing for sales  
10 and use taxes; providing for the manner of collection;  
11 defining certain terms; providing penalties for  
12 violation, and other matters properly relating thereto."  
13 approved March 29, 1955, as amended.  
14

15                 THE PEOPLE OF THE STATE OF NEVADA  
16                 DO ENACT AS FOLLOWS:  
17

18         Section 1. The above-entitled act, being chapter 397,  
19 Statutes of Nevada 1955, at page 762, is hereby amended by  
20 adding thereto a new section to be designated as section 53,  
21 immediately following section 52, to read as follows:

22         Sec. 53. *1. There are exempted from the taxes*  
23 *imposed by this act the gross receipts from the sale of,*  
24 *and the storage, use or other consumption in this State*  
25 *of, such tangible personal property as may be prescribed*  
26 *by the Legislature which is sold during such a temporary*  
27 *period as may be prescribed by the Legislature.*

28         *2. A legislative act prescribing any tangible*  
29 *personal property or temporary period for the purposes*  
30 *of subsection 1:*

31                 *(a) Must comply with the requirements of any*  
32 *interstate agreements regarding the administration of*  
33 *sales and use taxes to which this State is a member.*

34                 *(b) Shall not be deemed to amend, annul, repeal, set*  
35 *aside, suspend or in any way make inoperative any*  
36 *provision of this act or require a direct vote of the people*  
37 *to become effective.*

38         Sec. 2. Section 21 of the above-entitled act, being  
39 chapter 397, Statutes of Nevada 1955, at page 766, is hereby  
40 amended to read as follows:

41         Sec. 21. *1.* It is unlawful for any retailer to  
42 advertise or hold out or state to the public or to any  
43 customer, directly or indirectly, that the tax or any part  
44 thereof will be assumed or absorbed by the retailer , ~~for~~  
45 that *if applicable* it will not be added to the selling price of



1 the property sold , or that if added it or any part thereof  
2 will be refunded.

3 2. Any person violating any provision of this section  
4 is guilty of a misdemeanor.

5 Sec. 3. Section 38 of the above-entitled act, being  
6 chapter 397, Statutes of Nevada 1955, at page 769, is hereby  
7 amended to read as follows:

8 Sec. 38. It is unlawful for any retailer to advertise or  
9 hold out or state to the public or to any customer, directly  
10 or indirectly, that the tax or any part thereof will be  
11 assumed or absorbed by the retailer , ~~for~~ that *if applicable*  
12 it will not be added to the selling price of the property sold  
13 , or that if added it or any part thereof will be refunded.

14 Sec. 4. This act becomes effective on January 1, 2007.

15 **Sec. 4.** The ballot page assemblies and the paper ballots to be  
16 used in voting on the question must present the question in  
17 substantially the following form:

18 Shall the Sales and Use Tax Act of 1955 be amended to  
19 authorize the Legislature to prescribe temporary exemptions  
20 from sales and use taxes to become effective without voter  
21 approval?

22 Yes ☐ No ☐

23 **Sec. 5.** The explanation of the question which must appear on  
24 each paper ballot and sample ballot and in every publication and  
25 posting of notice of the question must be in substantially the  
26 following form:

27  
28 (Explanation of Question)

29 The proposed amendment to the Sales and Use Tax Act of  
30 1955 would authorize the Legislature to prescribe temporary  
31 exemptions from sales and use taxes to become effective  
32 without voter approval. If this proposal is adopted, the  
33 Legislature has provided that the Local School Support Tax  
34 Law and certain analogous taxes on retail sales will be  
35 amended to authorize the Legislature to prescribe temporary  
36 exemptions from those taxes.

37 **Sec. 6.** If a majority of the votes cast on the question is yes,  
38 the amendment to the Sales and Use Tax Act of 1955 becomes  
39 effective on January 1, 2007. If less than a majority of votes cast on  
40 the question is yes, the question fails and the amendment to the  
41 Sales and Use Tax Act of 1955 does not become effective.

42 **Sec. 7.** All general election laws not inconsistent with this act  
43 are applicable.



1     **Sec. 8.** Any informalities, omissions or defects in the content  
2 or making of the publications, proclamations or notices provided for  
3 in this act and by the general election laws under which this election  
4 is held must be so construed as not to invalidate the adoption of the  
5 act by a majority of the registered voters voting on the question if it  
6 can be ascertained with reasonable certainty from the official returns  
7 transmitted to the office of the Secretary of State whether the  
8 proposed amendment was adopted by a majority of those registered  
9 voters.

10    **Sec. 9.** Chapter 374 of NRS is hereby amended by adding  
11 thereto a new section to read as follows:

12     **1. *There are exempted from the taxes imposed by this chapter***  
13 ***the gross receipts from the sale of, and the storage, use or other***  
14 ***consumption in a county of, such tangible personal property as***  
15 ***may be prescribed by the Legislature which is sold during such a***  
16 ***temporary period as may be prescribed by the Legislature.***

17     **2. *A legislative act prescribing any tangible personal property***  
18 ***or temporary period for the purposes of subsection 1 must comply***  
19 ***with the requirements of any interstate agreements regarding the***  
20 ***administration of sales and use taxes to which this State is a***  
21 ***member.***

22     **Sec. 10.** NRS 374.120 is hereby amended to read as follows:

23     374.120 1. It is unlawful for any retailer to advertise or hold  
24 out or state to the public or to any customer, directly or indirectly,  
25 that the tax or any part thereof will be assumed or absorbed by the  
26 retailer , ~~for~~ that ***if applicable*** it will not be added to the selling  
27 price of the property sold , or that if added it or any part thereof will  
28 be refunded.

29     2. Any person violating any provision of this section is guilty  
30 of a misdemeanor.

31     **Sec. 11.** NRS 374.210 is hereby amended to read as follows:

32     374.210 It is unlawful for any retailer to advertise or hold out  
33 or state to the public or to any customer, directly or indirectly, that  
34 the tax or any part thereof will be assumed or absorbed by the  
35 retailer , ~~for~~ that ***if applicable*** it will not be added to the selling  
36 price of the property sold , or that if added it or any part thereof will  
37 be refunded.

38     **Sec. 12.** NRS 374.265 is hereby amended to read as follows:

39     374.265 “Exempted from the taxes imposed by this chapter,”  
40 as used in NRS 374.265 to 374.355, inclusive, ***and section 9 of this***  
41 ***act*** means exempted from the computation of the amount of taxes  
42 imposed.



1     **Sec. 13.** Sections 9 to 12, inclusive, of this act become  
2 effective on January 1, 2007, only if the proposal submitted  
3 pursuant to sections 1 to 5, inclusive, of this act is approved by the  
4 voters at the general election on November 7, 2006.







