

Assembly Bill No. 418—Committee on
Growth and Infrastructure

CHAPTER.....

AN ACT relating to taxation; authorizing the Board of County Commissioners of Clark County to increase sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department; 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. This act may be cited as the Clark County Sales and Use Tax Act of 2005.

Sec. 2. The Legislature hereby finds and declares that:

1. Nevada continues to be the fastest-growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month;

2. The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of these residents, so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;

3. The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;

4. A majority of the voters in Clark County approved at the November 2, 2004, general election Advisory Question No. 9, indicating their support for an increase in the sales tax of up to one-half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;

5. It is intended that 80 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic;

6. It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:

(a) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;

(b) The provision of training for all police officers employed by the department that includes, without limitation, training related to:

(1) Methods that may be used to analyze, respond to and solve problems commonly confronted by police officers in the community;

(2) The cultural and racial diversity of the residents of the community;

(3) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and

(4) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and

(c) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services;

7. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the County related to the need to employ and equip more police officers; and

8. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. “Act” means the Clark County Sales and Use Tax Act of 2005.

Sec. 5. “Board” means the Board of County Commissioners of Clark County.

Sec. 6. “County” means Clark County.

Sec. 7. “County Treasurer” means the County Treasurer of Clark County.

Sec. 8. “Department” means the Department of Taxation created pursuant to NRS 360.120.

Sec. 9. 1. The Board may enact an ordinance imposing a local sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.

2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:

(a) Allocated among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, “population” means the estimated annual population determined pursuant to NRS 360.283.

(b) Used only as approved pursuant to section 13 of this act and only for the purposes set forth in this section unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 293.482, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

Sec. 10. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of:

(a) One-quarter of 1 percent if the date on which the tax must first be imposed is on October 1, 2005; and

(b) Up to an additional one-quarter of 1 percent if the date on which the increased rate must first be imposed is on or after October 1, 2009, and if the Legislature first approves the increased rate,

→ the total rate not to exceed one-half of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that exempts from the tax the gross receipts from the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed, which must not be earlier than the first day of the second calendar month following the effective date of the ordinance.

Sec. 11. (Deleted by amendment.)

Sec. 12. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

Sec. 13. 1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

(a) The proposed use of the money conforms to all provisions of this act; and

(b) The proposed use will not replace or supplant existing funding for the police department.

2. The body designated to approve an expenditure for:

(a) The Boulder City Police Department is the City Council of the City of Boulder City;

(b) The Henderson Police Department is the City Council of the City of Henderson;

(c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;

(d) The Mesquite Police Department is the City Council of the City of Mesquite; and

(e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining whether a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to paragraph (a), (b), (d) or (e) of subsection 2, shall determine whether the amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department.

4. In determining whether a proposed use meets the requirements set forth in paragraph (b) of subsection 1, a body designated pursuant to paragraph (c) of subsection 2 shall determine whether:

(a) The amount approved for expenditure by the City of Las Vegas for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act or any money collected pursuant to an additional ad valorem tax approved by the voters pursuant to NRS 280.265, is equal to or greater than the amount determined by multiplying the sum of the amounts approved for expenditure by both the City of Las Vegas and Clark County for the support of the police department during the immediately preceding fiscal year by the percentage of the expense of the operating and maintaining the police department apportioned to the City of Las Vegas for the fiscal year pursuant to NRS 280.201; and

(b) The amount approved for expenditure by the County for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act or any money collected pursuant to an additional ad valorem tax approved by the voters pursuant to NRS 280.265, is equal to or greater than the amount determined by multiplying the sum of the amounts approved for expenditure by both the City of Las Vegas and the County for the support of the police department during the immediately preceding fiscal year by the percentage of the expense of operating and maintaining the police department apportioned to the County for the fiscal year pursuant to NRS 280.210.

Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund a percentage of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax. The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

Sec. 15. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

Sec. 16. 1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.

2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.

3. The County Treasurer upon receipt of the money remitted to him pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

Sec. 17. 1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into a special revenue fund created for the use of the proceeds from the tax authorized by this act.

2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.

3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

Secs. 18-19. (Deleted by amendment.)

Sec. 20. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

Sec. 21. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.

2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.

3. This act must not be construed to repeal or otherwise affect any other law or part thereof.

4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.

5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 22. (Deleted by amendment.)

Sec. 23. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of enacting ordinances and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2005, for all other purposes.

2. This act expires by limitation on October 1, 2025.

