

ASSEMBLY BILL NO. 420—ASSEMBLYMEN PARKS, GIUNCHIGLIANI,
MORTENSON, ANDERSON, BUCKLEY, OCEGUERA, PERKINS
AND SMITH

MARCH 24, 2005

Referred to Committee on Transportation

SUMMARY—Revises provisions governing imposition and collection of certain fees on short-term lease of passenger car. (BDR 43-557)

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 the leasing of passenger cars; revising the provisions governing the imposition and collection of certain fees on the short-term lease of a passenger car; 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.** NRS 482.313 is hereby amended to read as follows:
2 482.313 1. Upon the lease of a passenger car by a short-term
3 lessor in this State, the short-term lessor:
4 (a) Shall charge and collect from the short-term lessee:
5 (1) A governmental services fee of 6 percent of the total
6 amount for which the passenger car was leased, excluding the items
7 described in subsection 7; and
8 (2) Any fee required pursuant to NRS 244A.810 or
9 244A.860; and
10 (b) May charge and collect from the short-term lessee a recovery
11 surcharge not to exceed 4 percent of the total amount for which the
12 passenger car was leased, excluding the items described in
13 subsection ~~18.1~~ 7, as reimbursement for vehicle licensing fees and
14 taxes paid by the short-term lessor.



1 ↪ The amount of any fee charged pursuant to this subsection must
2 be indicated in the lease agreement.

3 2. The fees due from a short-term lessor to the Department of
4 Taxation pursuant to subsection 1 are due on the last day of each
5 calendar quarter. On or before the last day of the month following
6 each calendar quarter, the short-term lessor shall:

7 (a) File with the Department of Taxation, on a form prescribed
8 by the Department of Taxation, a report indicating the total amount
9 of:

10 (1) Each of the fees collected by the short-term lessor
11 pursuant to paragraph (a) of subsection 1 during the immediately
12 preceding calendar quarter;

13 (2) Recovery surcharges, if any, collected by the short-term
14 lessor pursuant to paragraph (b) of subsection 1 during the
15 immediately preceding calendar quarter; and

16 (3) Vehicle licensing fees and taxes paid by the short-term
17 lessor pursuant to this chapter during the immediately preceding
18 calendar quarter.

19 (b) Remit to the Department of Taxation, the fees collected by
20 the short-term lessor pursuant to paragraph (a) of subsection 1
21 during the immediately preceding calendar quarter.

22 3. Except as otherwise provided in a contract made pursuant to
23 NRS 244A.820 or 244A.870, the Department of Taxation shall
24 deposit all money received from short-term lessors pursuant to the
25 provisions of this section with the State Treasurer for credit to the
26 State General Fund.

27 4. To ensure compliance with this section, the Department of
28 Taxation may audit the records of a short-term lessor.

29 5. The provisions of this section do not limit or affect the
30 payment of any taxes or fees imposed pursuant to the provisions of
31 this chapter.

32 6. The Department of Motor Vehicles shall, upon request,
33 provide to the Department of Taxation any information in its records
34 relating to a short-term lessor that the Department of Taxation
35 considers necessary to collect the fees described in subsection 1.

36 7. For the purposes of charging and collecting the
37 governmental services fee described in subparagraph (1) of
38 paragraph (a) of subsection 1 ~~the following items must not be~~

39 ~~included in the total amount for which the passenger car was leased:~~
40 ~~—(a) The amount of any recovery surcharge charged and collected~~

41 ~~pursuant to paragraph (b) of subsection 1;~~
42 ~~—(b) The amount of any charge for fuel used to operate the~~

43 ~~passenger car;~~
44 ~~—(c) The amount of any fee or charge for the delivery,~~
45 ~~transportation or other handling of the passenger car;~~



~~—(d) The amount of any fee or charge for insurance, including, without limitation, personal accident insurance, extended coverage or insurance coverage for personal property;~~

~~—(e) The amount of any charges assessed against a short term lessee for damages for which the short term lessee is held responsible; and~~

~~—(f) The amount of any fee charged and collected pursuant to subparagraph (2) of paragraph (a) of subsection 1.~~

~~8. For the purposes of charging and collecting]~~ **and** the recovery surcharge described in paragraph (b) of subsection 1, the following items must not be included in the total amount for which the passenger car was leased:

(a) The amount of ~~[the fees]~~ **each fee and recovery surcharge** charged and collected pursuant to ~~[paragraph (a) of]~~ subsection 1;

(b) The amount of any charge for a collision damage waiver or a similar instrument that acts as a waiver of the short-term lessor's right to collect from the short-term lessee for any damage to the passenger car;

(c) The amount of any charge for fuel used to operate the passenger car;

(d) The amount of any fee or charge for the delivery, transportation or other handling of the passenger car;

(e) The amount of any fee or charge for insurance, including, without limitation, personal accident insurance, extended coverage or insurance coverage for personal property;

(f) The amount of any charges assessed against a short-term lessee for damages for which the short-term lessee is held responsible; and

(g) The amount of any concession fee or charge that the short-term lessor:

(1) Is required to pay to do business at an airport, if applicable; and

(2) Passes on to the short-term lessee of the passenger car.

~~[9.]~~ **8.** The Executive Director of the Department of Taxation shall:

(a) Adopt such regulations as he determines are necessary to carry out the provisions of this section; and

(b) Upon the request of the Director of the Department of Motor Vehicles, provide to the Director of the Department of Motor Vehicles a copy of any record or report described in this section.

~~[10.]~~ **9.** As used in this section, "vehicle licensing fees and taxes" means:

(a) The fees paid by a short-term lessor for the registration of, and the issuance of certificates of title for, the passenger cars leased by him; and



(b) The basic and supplemental governmental services taxes paid by the short-term lessor with regard to those passenger cars.

Sec. 2. NRS 244A.810 is hereby amended to read as follows:

244A.810 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding ~~any taxes or other fees imposed by a governmental entity.~~ *the items described in subsection 7 of NRS 482.313.*

2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, "replacement vehicle" means a vehicle that is:

(a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and

(b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner's policy of liability insurance for the motor vehicle.

3. Any proceeds of a fee imposed pursuant to this section which are received by a county must be used solely to pay the costs to acquire, improve, equip, operate and maintain within the county a minor league baseball stadium project, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay such costs, including bonds issued to refund bonds issued to pay such costs, or any combination thereof.

4. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.

5. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.

Sec. 3. NRS 244A.860 is hereby amended to read as follows:

244A.860 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 400,000 or more may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger



1 car was leased, excluding ~~any taxes or other fees imposed by a~~
2 ~~governmental entity.~~ *the items described in subsection 7 of*
3 *NRS 482.313.*

4 2. The fee imposed pursuant to subsection 1 must not apply to
5 replacement vehicles. As used in this subsection, "replacement
6 vehicle" means a vehicle that is:

7 (a) Rented temporarily by or on behalf of a person or leased to a
8 person by a facility that repairs motor vehicles or a motor vehicle
9 dealer; and

10 (b) Used by the person in place of a motor vehicle owned by the
11 person that is unavailable for use because of mechanical breakdown,
12 repair, service, damage or loss as defined in the owner's policy of
13 liability insurance for the motor vehicle.

14 3. After reimbursement of the Department pursuant to
15 paragraph (a) of subsection 1 of NRS 244A.870 for its expense in
16 collecting and administering a fee imposed pursuant to this section,
17 the remaining proceeds of the fee which are received by a county
18 must be used to pay the costs to acquire, improve, equip, operate
19 and maintain within the county a performing arts center, or to pay
20 the principal of, interest on or other payments due with respect to
21 bonds issued to pay such costs, including bonds issued to refund
22 bonds issued to pay such costs, or any combination thereof.

23 4. The board of county commissioners shall not repeal or
24 amend or otherwise directly or indirectly modify an ordinance
25 imposing a fee pursuant to subsection 1 in such a manner as to
26 impair any outstanding bonds issued by or other obligations
27 incurred by the county until all obligations for which revenue from
28 the ordinance have been pledged or otherwise made payable from
29 such revenue have been discharged in full or provision for full
30 payment and redemption has been made.

31 5. As used in this section, the words and terms defined in NRS
32 482.053 and 482.087 have the meanings ascribed to them in those
33 sections.

34 **Sec. 4.** A board of county commissioners that adopted an
35 ordinance pursuant to NRS 244A.810 or 244A.860 before the
36 effective date of this section shall, subject to the restrictions on its
37 authority contained in subsection 4 of NRS 244A.810 or subsection
38 4 of NRS 244A.860, amend that ordinance as necessary to carry out
39 the provisions of this act.

40 **Sec. 5.** 1. This section and section 4 of this act become
41 effective on July 1, 2005.

42 2. Except as otherwise provided in subsection 3, sections 1, 2
43 and 3 of this act become effective on October 1, 2005.



1 3. If any bonds issued by or other obligations incurred by a
2 county before October 1, 2005, are secured, in whole or in part, by
3 the proceeds of a fee imposed by an ordinance adopted pursuant to:

4 (a) NRS 244A.810, section 2 of this act becomes effective on
5 the date those bonds and obligations are fully paid as to principal,
6 interest and any other amounts due.

7 (b) NRS 244A.860, section 3 of this act becomes effective on
8 the date those bonds and obligations are fully paid as to principal,
9 interest and any other amounts due.



