

ASSEMBLY BILL NO. 429—ASSEMBLYMEN
HORNE AND ATKINSON

MARCH 25, 2005

Referred to Committee on Ways and Means

SUMMARY—Requires Department of Motor Vehicles to carry forward person's excess credit for payment of registration fees and governmental services taxes under certain circumstances. (BDR 43-306)

FISCAL NOTE: Effect on Local Government: No.
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 motor vehicles; requiring the Department of Motor Vehicles to carry forward a person's excess credit for the payment of registration fees and governmental services taxes under certain circumstances; 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. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Revolving Account for Excess Registration Credit is hereby created as a special account in the State Highway Fund.

2. Excess registration credit must be deposited in the State Highway Fund for credit to the Account.

3. Within the Account, the Department shall maintain a separate record for each person for whom excess registration credit is carried forward.

4. The Account is restricted to the purposes of:

(a) The deposit of excess registration credit;

(b) The maintenance, recording and safekeeping of such credit for the benefit of persons for whom the credit is carried forward; and



1 (c) *The withdrawal of excess registration credit to be applied*
2 *toward the registration of another vehicle by a person for whom*
3 *such credit is carried forward.*

4 5. *The Department may use the money it receives from*
5 *commissions retained pursuant to subsections 5 and 10 of*
6 *NRS 482.399:*

7 (a) *To pay the costs of administering the Account; and*

8 (b) *For the administration of this chapter as authorized by the*
9 *Legislature pursuant to subsection 5 of NRS 482.180.*

10 6. *As used in this section "excess registration credit" means a*
11 *registration fee or governmental services tax, or both, carried*
12 *forward by a person as described in subsections 5 and 10 of*
13 *NRS 482.399.*

14 **Sec. 2.** NRS 482.399 is hereby amended to read as follows:

15 482.399 1. Upon the transfer of the ownership of or interest
16 in any vehicle by any holder of a valid registration, or upon
17 destruction of the vehicle, the registration expires.

18 2. The holder of the original registration may transfer the
19 registration to another vehicle to be registered by him and use the
20 same regular license plate or plates or special license plate or plates
21 issued pursuant to NRS 482.3667 to 482.3823, inclusive, or
22 482.384, on the vehicle from which the registration is being
23 transferred, if the license plate or plates are appropriate for the
24 second vehicle, upon filing an application for transfer of registration
25 and upon paying the transfer registration fee and the excess, if any,
26 of the registration fee and governmental services tax on the vehicle
27 to which the registration is transferred over the total registration fee
28 and governmental services tax paid on all vehicles from which he is
29 transferring his ownership or interest. Except as otherwise provided
30 in NRS 482.294, an application for transfer of registration must be
31 made in person, if practicable, to any office or agent of the
32 Department or to a registered dealer, and the license plate or plates
33 may not be used upon a second vehicle until registration of that
34 vehicle is complete.

35 3. In computing the governmental services tax, the
36 Department, its agent or the registered dealer shall credit the portion
37 of the tax paid on the first vehicle attributable to the remainder of
38 the current registration period or calendar year on a pro rata monthly
39 basis against the tax due on the second vehicle or on any other
40 vehicle of which the person is the registered owner. If any person
41 transfers his ownership or interest in two or more vehicles, the
42 Department or the registered dealer shall credit the portion of the tax
43 paid on all of the vehicles attributable to the remainder of the
44 current registration period or calendar year on a pro rata monthly
45 basis against the tax due on the vehicle to which the registration is



1 transferred or on any other vehicle of which the person is the
2 registered owner. The certificates of registration and unused license
3 plates of the vehicles from which a person transfers his ownership or
4 interest must be submitted before credit is given against the tax due
5 on the vehicle to which the registration is transferred or on any other
6 vehicle of which the person is the registered owner.

7 4. In computing the registration fee, the Department or its
8 agent or the registered dealer shall credit the portion of the
9 registration fee paid on each vehicle attributable to the remainder of
10 the current calendar year or registration period on a pro rata basis
11 against the registration fee due on the vehicle to which registration
12 is transferred.

13 5. If the amount owed on the registration fee or governmental
14 services tax on the vehicle to which registration is transferred is less
15 than the credit on the total registration fee or governmental services
16 tax paid on all vehicles from which a person transfers his ownership
17 or interest ~~§~~ and:

18 (a) *The amount of the credit exceeds the amount owed by \$100*
19 *or less, no refund may be allowed by the Department ~~§~~ ; or*

20 (b) *The amount of the credit exceeds the amount owed by more*
21 *than \$100, the difference between the amount of the credit and the*
22 *amount owed must be carried forward, deposited in the Revolving*
23 *Account for Excess Registration Credit created by section 1 of this*
24 *act and held in the Account for the benefit of the transferor. The*
25 *Department shall allow such a transferor to apply the sum held for*
26 *his benefit in the Account, less 6 percent of the difference, which*
27 *must be retained by the Department as a commission, toward the*
28 *registration of any other vehicle. The 6-percent commission*
29 *described in this paragraph is in addition to any money withheld*
30 *by or credited to the Department pursuant to subsection 6 of*
31 *NRS 482.180.*

32 6. If the license plate or plates are not appropriate for the
33 second vehicle, the plate or plates must be surrendered to the
34 Department or registered dealer and an appropriate plate or plates
35 must be issued by the Department. The Department shall not reissue
36 the surrendered plate or plates until the next succeeding licensing
37 period.

38 7. If application for transfer of registration is not made within
39 60 days after the destruction or transfer of ownership of or interest
40 in any vehicle, the license plate or plates must be surrendered to the
41 Department on or before the 60th day for cancellation of the
42 registration.

43 8. ~~§~~ *Except as otherwise provided in subsection 10, if* a
44 person cancels his registration and surrenders to the Department his
45 license plates for a vehicle, the Department shall, in accordance with



1 the provisions of subsection 9, issue to the person a refund of the
2 portion of the registration fee and governmental services tax paid on
3 the vehicle attributable to the remainder of the current calendar year
4 or registration period on a pro rata basis.

5 9. The Department shall issue a refund pursuant to subsection 8
6 only if the request for a refund is made at the time the registration is
7 cancelled and the license plates are surrendered, the person
8 requesting the refund is a resident of Nevada, the amount eligible
9 for refund exceeds \$100, and evidence satisfactory to the
10 Department is submitted that reasonably proves the existence of
11 extenuating circumstances. For the purposes of this subsection, the
12 term "extenuating circumstances" means circumstances wherein:

13 (a) The person has recently relinquished his driver's license and
14 has sold or otherwise disposed of his vehicle.

15 (b) The vehicle has been determined to be inoperable and the
16 person does not transfer the registration to a different vehicle.

17 (c) The owner of the vehicle is seriously ill or has died and the
18 guardians or survivors have sold or otherwise disposed of the
19 vehicle.

20 (d) Any other event occurs which the Department, by regulation,
21 has defined to constitute an "extenuating circumstance" for the
22 purposes of this subsection.

23 *10. If a person cancels his registration, surrenders to the*
24 *Department his license plates for a vehicle and would otherwise*
25 *qualify for a refund pursuant to subsection 9 but for the absence*
26 *of evidence proving extenuating circumstances, the amount that*
27 *would otherwise be eligible for refund must be carried forward,*
28 *deposited in the Revolving Account for Excess Registration Credit*
29 *created by section 1 of this act and held in the Account for the*
30 *benefit of the person who cancelled his registration and*
31 *surrendered his license plates. The Department shall allow such a*
32 *person to apply the sum held for his benefit in the Account, less 6*
33 *percent of the amount that would otherwise be eligible for refund,*
34 *which must be retained by the Department as a commission,*
35 *toward the registration of any other vehicle. The 6-percent*
36 *commission described in this subsection is in addition to any*
37 *money withheld by or credited to the Department pursuant to*
38 *subsection 6 of NRS 482.180.*

39 **Sec. 3.** NRS 371.230 is hereby amended to read as follows:

40 371.230 Except as otherwise provided in NRS 371.1035,
41 482.180 or 482.181, *or section 1 of this act*, money collected by the
42 Department for governmental services taxes and penalties pursuant
43 to the provisions of this chapter must be deposited with the State
44 Treasurer to the credit of the Motor Vehicle Fund.



1 **Sec. 4.** NRS 408.235 is hereby amended to read as follows:

2 408.235 1. There is hereby created the State Highway Fund.

3 2. Except as otherwise provided in subsection 6 of NRS
4 482.180 , *subsection 5 of section 1 of this act* and NRS 482.1805,
5 the proceeds from the imposition of any:

6 (a) License or registration fee and other charges with respect to
7 the operation of any motor vehicle upon any public highway, city,
8 town or county road, street, alley or highway in this State; and

9 (b) Excise tax on gasoline or other motor vehicle fuel,

10 ➔ must be deposited in the State Highway Fund and must, except
11 for costs of administering the collection thereof, be used exclusively
12 for administration, construction, reconstruction, improvement and
13 maintenance of highways as provided for in this chapter.

14 3. The interest and income earned on the money in the State
15 Highway Fund, after deducting any applicable charges, must be
16 credited to the Fund.

17 4. Costs of administration for the collection of the proceeds for
18 any license or registration fees and other charges with respect to the
19 operation of any motor vehicle must be limited to a sum not to
20 exceed 22 percent of the total proceeds so collected.

21 5. Costs of administration for the collection of any excise tax
22 on gasoline or other motor vehicle fuel must be limited to a sum not
23 to exceed 1 percent of the total proceeds so collected.

24 6. All bills and charges against the State Highway Fund for
25 administration, construction, reconstruction, improvement and
26 maintenance of highways under the provisions of this chapter must
27 be certified by the Director and must be presented to and examined
28 by the State Board of Examiners. When allowed by the State Board
29 of Examiners and upon being audited by the State Controller, the
30 State Controller shall draw his warrant therefor upon the State
31 Treasurer.

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



