

ASSEMBLY JOINT RESOLUTION NO. 16—COMMITTEE ON ELECTIONS,
PROCEDURES, ETHICS, AND CONSTITUTIONAL AMENDMENTS

(ON BEHALF OF THE LEGISLATIVE COMMITTEE FOR LOCAL
GOVERNMENT TAXES AND FINANCE)

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Proposes to amend Nevada Constitution to provide
requirements for enactment of property and sales tax
exemptions. (BDR C-422)

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.

ASSEMBLY JOINT RESOLUTION—Proposing to amend the
Nevada Constitution to provide requirements for the
enactment of property and sales tax exemptions.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF
NEVADA, JOINTLY, That a new section, designated Section 6, be
added to Article 10 of the Nevada Constitution to read as follows:

*Sec. 6. 1. The Legislature shall not enact an
exemption from any ad valorem tax on property or excise
tax on the sale, storage, use or consumption of tangible
personal property sold at retail unless the Legislature finds
that the exemption:*

*(a) Will achieve a bona fide social or economic purpose
and the benefits of the exemption are expected to exceed any
adverse effect of the exemption on the provision of services
to the public by the State or a local government that would
otherwise receive revenue from the tax from which the
exemption would be granted; and*

*(b) Will not impair adversely the ability of the State or a
local government to pay, when due, all interest and
principal on any outstanding bonds or any other obligations*



1 *for which revenue from the tax from which the exemption*
2 *would be granted was pledged.*

3 *2. In enacting an exemption from any ad valorem tax*
4 *on property or excise tax on the sale, storage, use or*
5 *consumption of tangible personal property sold at retail, the*
6 *Legislature shall:*

7 *(a) Ensure that the requirements for claiming the*
8 *exemption are as similar as practicable for similar classes of*
9 *taxpayers; and*

10 *(b) Provide a specific date on which the exemption will*
11 *cease to be effective.*

