

SENATE BILL NO. 493—COMMITTEE ON LEGISLATIVE
OPERATIONS AND ELECTIONS

(ON BEHALF OF THE LIEUTENANT GOVERNOR)

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Provides certain tax incentives for registered motion picture companies. (BDR 18-354)

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 economic development; providing that certain fees relating to the operation of motor vehicles do not apply to a motion picture company; clarifying that certain sales to a motion picture company are not taxable transactions; 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 231.128 is hereby amended to read as follows:
2 231.128 1. Before a motion picture company begins
3 production of a motion picture in this State, the motion picture
4 company must:
5 (a) Register with the Division of Motion Pictures; and
6 (b) Obtain any applicable permits otherwise required by other
7 agencies and political subdivisions of this State.
8 2. The registration filed with the Division of Motion Pictures
9 must:
10 (a) Contain a provision which provides that the motion picture
11 company agrees to pay, within 30 days after the filming of the
12 motion picture is completed in this State, all of the debts and



1 obligations incurred by the motion picture company in the
2 production of the motion picture in this State.

3 (b) Be signed by:

4 (1) A person who is authorized to enter into an agreement on
5 behalf of the motion picture company; and

6 (2) The Administrator of the Division of Motion Pictures or,
7 in a county whose population is 400,000 or more, by the head of the
8 department or agency within that county which is authorized to
9 issue business licenses on behalf of the county.

10 **3. After the registration is filed with the Division of Motion**
11 **Pictures pursuant to subsection 2, the Division shall issue a letter**
12 **of registration to the motion picture company.**

13 **Sec. 2.** NRS 366.220 is hereby amended to read as follows:

14 366.220 1. Except as otherwise provided in this chapter, it is
15 unlawful for any:

16 (a) Special fuel supplier, special fuel dealer or special fuel user
17 to sell or use special fuel within this State unless the special fuel
18 supplier, special fuel dealer or special fuel user is the holder of a
19 special fuel supplier's, special fuel dealer's or special fuel user's
20 license issued to him by the Department.

21 (b) Person to be a:

22 (1) Special fuel exporter unless the person is the holder of a
23 special fuel exporter's license issued to him by the Department.

24 (2) Special fuel transporter unless the person is the holder of
25 a special fuel transporter's license issued to him by the Department.

26 2. ~~The~~ **Except as otherwise provided in subsection 3, the**
27 Department may adopt regulations relating to the issuance of any
28 special fuel supplier's, special fuel dealer's, special fuel exporter's,
29 special fuel transporter's or special fuel user's license and the
30 collection of fees therefor.

31 **3. A motion picture company that is registered pursuant to**
32 **NRS 231.128 and engaged in the making of a motion picture is**
33 **exempt from the imposition of any fees for a special fuel user's**
34 **license. If the motion picture company or a person affiliated with**
35 **the motion picture company wishes to claim the exemption from**
36 **the fee, the motion picture company or person claiming the**
37 **exemption must give a copy of the letter of registration of**
38 **the motion picture company to the Department when applying for**
39 **the special fuel user's license.**

40 **Sec. 3.** NRS 366.223 is hereby amended to read as follows:

41 366.223 1. A special fuel user may, in lieu of causing a motor
42 vehicle that has a declared gross weight in excess of 26,000 pounds
43 to be licensed pursuant to the provisions of NRS 366.220, obtain a
44 temporary permit for special fuel from a vendor authorized to issue
45 permits pursuant to NRS 481.051 before entering the State or



1 immediately upon entering the State. ~~The~~ *Except as otherwise*
2 *provided in subsection 2, the* fee for a temporary permit for special
3 fuel is \$30 and is not refundable.

4 2. *A motion picture company that is registered pursuant to*
5 *NRS 231.128 and engaged in the making of a motion picture is*
6 *exempt from the imposition of the \$30 fee imposed pursuant to*
7 *subsection 1 for any motor vehicle used in the making of the*
8 *motion picture. If the motion picture company or a person*
9 *affiliated with the motion picture company wishes to claim the*
10 *exemption from the fee, the motion picture company or person*
11 *claiming the exemption must give a copy of the letter of*
12 *registration of the motion picture company to the vendor issuing*
13 *the temporary permit for special fuel.*

14 3. Except as otherwise provided in subsection ~~3.1~~ 4, a
15 temporary permit for special fuel authorizes the operation of such a
16 motor vehicle over the highways of this State from point of entry to
17 point of exit for not more than 24 consecutive hours.

18 ~~3.1~~ 4. The Department may issue to the owner or operator of a
19 common motor carrier of passengers a temporary permit for special
20 fuel that authorizes the operation of the motor carrier for not more
21 than 120 consecutive hours.

22 ~~4.1~~ 5. The Department may adopt regulations relating to the
23 issuance of a temporary permit for special fuel pursuant to this
24 section.

25 **Sec. 4.** Chapter 372 of NRS is hereby amended by adding
26 thereto a new section to read as follows:

27 1. *In administering the provisions of this chapter, the*
28 *Department shall not consider the sale, storage, use or other*
29 *consumption of tangible personal property by a motion picture*
30 *company that is registered pursuant to NRS 231.128 and engaged*
31 *in the making of a motion picture to be a transaction that is*
32 *taxable pursuant to the provisions of this chapter.*

33 2. *A motion picture company or person affiliated with the*
34 *motion picture company may give a copy of the letter of*
35 *registration of the motion picture company to the person providing*
36 *the tangible personal property.*

37 **Sec. 5.** Chapter 374 of NRS is hereby amended by adding
38 thereto a new section to read as follows:

39 1. *In administering the provisions of this chapter, the*
40 *Department shall not consider the sale, storage, use or other*
41 *consumption of tangible personal property by a motion picture*
42 *company that is registered pursuant to NRS 231.128 and engaged*
43 *in the making of a motion picture to be a transaction that is*
44 *taxable pursuant to the provisions of this chapter.*



1 2. *A motion picture company or person affiliated with the*
2 *motion picture company may give a copy of the letter of*
3 *registration of the motion picture company to the person providing*
4 *the tangible personal property.*

5 **Sec. 6.** NRS 484.743 is hereby amended to read as follows:

6 484.743 1. The Board of Directors of the Department of
7 Transportation may by resolution authorize the movement of
8 vehicles upon the public highways, including without limitation
9 motor vehicles, tractors, trailers, semitrailers and combinations
10 thereof, of a size and weight in excess of the limits prescribed by
11 this chapter, to such extent as may be authorized by any legislation
12 enacted by the Congress of the United States permitting such
13 increases without forfeiture of this State's eligibility for federal aid
14 in highway construction and maintenance.

15 2. ~~{The}~~ *Except as otherwise provided in subsection 3, the*
16 Board of Directors of the Department of Transportation may by
17 resolution establish a reasonable fee or fees to be charged by the
18 Department for the issuance of permits authorizing the operation of
19 oversize or overweight vehicles as provided in this chapter. The fee
20 or fees so established must be in an amount set so that the aggregate
21 amounts received from the fee or fees do not exceed the estimated
22 costs of administering the permit system.

23 3. *A motion picture company that is registered pursuant to*
24 *NRS 231.128 and engaged in the making of a motion picture is*
25 *exempt from the imposition of any fees for the issuance of a*
26 *permit authorizing the operation of an oversize or overweight*
27 *vehicle used in the making of the motion picture. If the motion*
28 *picture company or a person affiliated with the motion picture*
29 *company wishes to claim the exemption from the fee, the motion*
30 *picture company or person claiming the exemption must give a*
31 *copy of the letter of registration of the motion picture company to*
32 *the Department when applying for the permit.*

33 **Sec. 7.** NRS 484.765 is hereby amended to read as follows:

34 484.765 1. No vehicle operated or moved upon any public
35 highway under the authority of a continuous or multiple trip-limited
36 time permit may exceed a maximum weight of 20,000 pounds on
37 any single axle. ~~{Before}~~ *Except as otherwise provided in*
38 *subsection 3, before* any continuous permit is issued, the applicant
39 shall pay a reasonable fee to be determined by the Department of
40 Transportation or the governing body of any city or county to pay
41 the costs and expenses of conducting an initial investigation of the
42 highway or highways involved.

43 2. If, after issuance of a continuous or multiple trip-limited
44 time permit by the Department of Transportation or the governing
45 body of any city or county, the Department or governing body finds



1 that the traffic authorized by such continuous or multiple trip-
2 limited time permit has caused substantial highway distress, the
3 permit may be revoked summarily, but the revocation does not
4 operate to prevent a subsequent filing of a new application for
5 another continuous or multiple trip-limited time permit.

6 *3. A motion picture company that is registered pursuant to*
7 *NRS 231.128 and engaged in the making of a motion picture is*
8 *exempt from the imposition of any fees established pursuant to*
9 *subsection 1 for any vehicle used in the making of the motion*
10 *picture. If the motion picture company or a person affiliated with*
11 *the motion picture company wishes to claim the exemption from*
12 *the fee, the motion picture company or person claiming the*
13 *exemption must give a copy of the letter of registration of*
14 *the motion picture company to the Department when applying for*
15 *the continuous permit.*



