
ASSEMBLY BILL NO. 163—ASSEMBLYMAN CARPENTER

FEBRUARY 23, 2007

Referred to Committee on Government Affairs

SUMMARY—Amends the Charter of the City of Elko to revise provisions concerning taxes on the rental of transient lodging. (BDR S-216)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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.

AN ACT relating to the City of Elko; amending the city charter to revise the provisions governing the distribution and use of the proceeds from the tax on the rental of transient lodging imposed by the City of Elko; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that the overall rate of tax imposed on the gross income
2 received from the rental of transient lodging in the City of Elko is 11 percent. (Elko
3 Mun. Code § 4-6-2) Existing law sets forth the manner in which the proceeds from
4 the tax on the rental of transient lodging imposed by the City must be allocated and
5 requires that 4.125 percent of the gross income received from the rental of transient
6 lodging (out of the total of 11 percent) be paid by the City of Elko to the Elko
7 Convention and Visitors Authority. (Elko Mun. Code §§ 4-6-10(2), 4-6-10(7))
8 Thus, a total of 37.5 percent (4.125 percent divided by 11 percent) of the total
9 revenue received from the tax on the rental of transient lodging imposed by the City
10 of Elko is required to be paid to the Authority.

11 **Section 1** of this bill provides that the Authority must receive not less than 37.5
12 percent of the total revenue received by the City from the tax on the rental of
13 transient lodging imposed by the City of Elko unless: (1) the City Council imposes
14 an additional tax on the rental of transient lodging or increases the overall rate of
15 taxation on the rental of transient lodging; and (2) the proceeds of any such
16 additional tax or rate increase are allocated for a purpose other than for the benefit
17 of the Authority. The Authority is required to spend at least 42 percent (1.75
18 percent divided by 4.125 percent) of the revenue it receives from the proceeds of
19 the tax on the rental of transient lodging to promote tourism and related activities.



* A B 1 6 3 *

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The Charter of the City of Elko, being chapter 276, Statutes of Nevada 1971, at page 474, is hereby amended by adding thereto a new section to be designated as section 8.030, immediately following section 8.020, to read as follows:

Sec. 8.030 Allocation of taxes imposed on the gross receipts from the rental of transient lodging.

1. Except as otherwise provided in subsection 2, the Elko Convention and Visitors Authority or its successor, if any, must receive not less than 37.5 percent of the total proceeds of all taxes imposed by the City on the gross receipts from the rental of transient lodging.

2. The Elko Convention and Visitors Authority or its successor, if any, may receive less than 37.5 percent of the total proceeds of all taxes imposed by the City on the gross receipts from the rental of transient lodging if:

(a) The City Council:

(1) Imposes an additional tax on the gross receipts from the rental of transient lodging; or

(2) Increases the overall rate of the existing taxes on the gross receipts from the rental of transient lodging; and

(b) The proceeds of the additional tax or rate increase described in paragraph (a) are allocated by law for a purpose other than for the benefit of the Elko Convention and Visitors Authority.

3. Out of the total amount of the revenue that the Elko Convention and Visitors Authority receives pursuant to subsection 1 or 2, as applicable, the Authority shall spend at least 42 percent of the revenue to advertise resources related to tourism, including, without limitation, available accommodations, transportation, entertainment, natural resources and climate, and to promote special events related thereto.

Sec. 2. Section 8.020 of the Charter of the City of Elko, being chapter 276, Statutes of Nevada 1971, as amended by chapter 51, Statutes of Nevada 2001, at page 466, is hereby amended to read as follows:

Sec. 8.020 Revenue ordinances. ~~{The}~~ *Except as otherwise provided in section 8.030 of this Charter, the* City Council may pass and enact all ordinances necessary to carry into effect the revenue laws in the City and to enlarge, fix and determine the powers and duties of all officers in relation thereto.



1 **Sec. 3.** This act becomes effective on July 1, 2007.

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