

ASSEMBLY BILL NO. 378—ASSEMBLYMAN CARPENTER

MARCH 16, 2007

Referred to Committee on Taxation

SUMMARY—Limits the applicability of taxes on the rental of transient lodging to not more than 31 days of lodging. (BDR 32-1160)

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 taxation; limiting the applicability of taxes on the rental of transient lodging to not more than 31 days of lodging; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides for the imposition of various mandatory and optional
2 taxes on the rental of transient lodging. (NRS 244.3351, 244.3352, 268.096,
3 268.7845, 268.804 and 354.705 and various special and local acts) **Section 1** of this
4 bill limits the applicability of such taxes to the first 31 days of rental by the same
5 paying guest. **Section 3** of this bill provides an exemption from this limitation to
6 provide for the payment of any previously issued bonds that have been secured by
7 the proceeds of a tax that conflicts with this limitation.

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

1 **Section 1.** Chapter 364 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 ***1. No tax or license fee may be imposed in this State on the***
4 ***rental of transient lodging to the same paying guest of the same***
5 ***taxable premises for a continuous period of more than 31 days,***
6 ***except upon the rental of that lodging for not more than those first***
7 ***31 days.***

8 ***2. As used in this section, "taxable premises" means any:***

9 ***(a) Hotel;***



- 1 (b) Motel;
- 2 (c) Apartment;
- 3 (d) Time-share project, except when an owner of a unit in the
- 4 time-share project who has a right to use or occupy the unit is
- 5 occupying the unit pursuant to a time-share instrument as defined
- 6 in NRS 119A.150;
- 7 (e) Apartment hotel;
- 8 (f) Vacation trailer park;
- 9 (g) Campground;
- 10 (h) Park for recreational vehicles; or
- 11 (i) Other establishment that rents rooms or spaces to
- 12 temporary or transient guests.

13 **Sec. 2.** NRS 364.125 is hereby amended to read as follows:

14 364.125 The Nevada Tax Commission shall, by regulation not
15 inconsistent with the provisions of chapters 244 and 268 of NRS ~~§~~
16 **and section 1 of this act**, provide for the collection and enforcement
17 of the taxes imposed on the rental of transient lodging. Those
18 regulations must include:

19 1. A procedure for making refunds and resolving disputes
20 relating to the taxes, including exemptions pertaining thereto; and

21 2. Requirements for keeping records and provisions concerning
22 their inspection and investigation.

23 **Sec. 3.** Notwithstanding any provision of section 1 of this act
24 to the contrary, if:

25 1. The application or terms of any tax or license fee in effect on
26 July 1, 2007, conflict with any provision of section 1 of this act on
27 that date; and

28 2. The proceeds of that tax or license fee have been pledged for
29 the payment of or as security for the payment of any bonds or other
30 obligations issued before that date,

31 ➤ the provisions of section 1 of this act do not apply to that tax or
32 license fee until the date that those bonds or other obligations have
33 been paid in full.

34 **Sec. 4.** This act becomes effective on July 1, 2007.

