
ASSEMBLY BILL NO. 528—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 26, 2007

Referred to Committee on Government Affairs

SUMMARY—Clarifies provisions governing the exemption of certain uses of time-share units from taxes on transient lodging. (BDR 20-771)

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 taxation; clarifying that cities and counties are prohibited from imposing taxes on the rental of transient lodging by owners who have a right to occupy or use a time-share unit pursuant to a program for the exchange of occupancy rights among owners or with the owners of time shares in other time-share plans, or both; 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) The types of
4 lodging that are subject to such taxes are required to be defined by ordinance by
5 each county and city or are prescribed in law. Under existing law, a time-share
6 owner is not required to pay taxes on transient lodging when he stays in a time-
7 share unit that is part of his time-share plan. (NRS 244.33565, 268.0195; Douglas
8 County Lodgers Tax Law Act § 25; Tahoe-Douglas Visitor's Authority Act § 15)
9 Programs exist that allow time-share owners to exchange occupancy rights in time-
10 share units in their time-share plans in order to stay in time-share units in different
11 locations. (NRS 119A.590, 119A.600, 119A.620) This bill clarifies that time-share
12 owners who have a right to occupy or use a time-share unit pursuant to a program
13 for the exchange of occupancy rights among owners or with time-share owners in
14 other time-share plans are exempt from taxes on transient lodging.



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

Section 1. NRS 244.33565 is hereby amended to read as follows:

244.33565 1. Each board of county commissioners shall adopt an ordinance that defines the term “transient lodging” for the purposes of all taxes imposed by the board on the rental of transient lodging. The ordinance must specify the types of lodging to which the taxes apply.

2. The definition adopted by the board may include rooms or spaces in any one or more of the following:

(a) Hotels;

(b) Motels;

(c) Apartments;

(d) Time-share projects, except when an owner of a ~~unit~~ *time share* in the time-share project, *or in the time-share plan of which the time-share project is a part*, who has a right to use or occupy ~~the~~ *a* unit is occupying ~~the~~ *a* unit pursuant to a ~~time-share~~ :

(1) *Time-share* instrument as defined in NRS 119A.150; *or*

(2) *Program for the exchange of occupancy rights among owners or with the owners of time shares in other time-share plans, or both, as described in NRS 119A.590, 119A.600 and 119A.620;*

(e) Apartment hotels;

(f) Vacation trailer parks;

(g) Campgrounds;

(h) Parks for recreational vehicles; and

(i) Any other establishment that rents rooms or spaces to temporary or transient guests.

3. The board may provide one or more different definitions pursuant to subsection 1 for different jurisdictions within the county in which the taxes are collected. Unless the governing body of the governmental entity that collects the taxes consents by majority vote to a change, each definition must be consistent with the past practices of the specific jurisdiction in which the taxes are collected.

Sec. 2. NRS 268.0195 is hereby amended to read as follows:

268.0195 1. The governing body of each city shall adopt an ordinance that defines the term “transient lodging” for the purposes of all taxes imposed by the governing body on the rental of transient lodging. The ordinance must specify the types of lodging to which the taxes apply.

2. The definition adopted by the governing body may include rooms or spaces in any one or more of the following:

(a) Hotels;



* A B 5 2 8 *

- 1 (b) Motels;
- 2 (c) Apartments;
- 3 (d) Time-share projects, except when an owner of a ~~unit~~ *time*
- 4 *share* in the time-share project , *or in the time-share plan of which*
- 5 *the time-share project is a part*, who has a right to use or occupy
- 6 ~~the~~ a unit is occupying ~~the~~ a unit pursuant to a ~~time-share~~ :
- 7 (1) *Time-share* instrument as defined in NRS 119A.150; *or*
- 8 (2) *Program for the exchange of occupancy rights among*
- 9 *owners or with the owners of time shares in other time-share*
- 10 *plans, or both, as described in NRS 119A.590, 119A.600 and*
- 11 *119A.620;*
- 12 (e) Apartment hotels;
- 13 (f) Vacation trailer parks;
- 14 (g) Campgrounds;
- 15 (h) Parks for recreational vehicles; and
- 16 (i) Any other establishment that rents rooms or spaces to
- 17 temporary or transient guests.

18 **Sec. 3.** Section 25 of the Douglas County Lodgers Tax Law
19 Act, being chapter 639, Statutes of Nevada 1969, as amended by
20 chapter 496, Statutes of Nevada 1997, at page 2380, is hereby
21 amended to read as follows:

22 Sec. 25. "Taxable premises" defined.

23 "Taxable premises" means any:

- 24 1. Hotel;
- 25 2. Motel;
- 26 3. Apartment;
- 27 4. Time-share project, except when an owner of a ~~unit~~
- 28 *time share* in the time-share project , *or in the time-share*
- 29 *plan of which the time-share project is a part*, who has a
- 30 right to use or occupy ~~the~~ a unit is occupying ~~the~~ a unit
- 31 pursuant to a ~~time-share~~ :

32 (a) *Time-share* instrument as defined in NRS 119A.150;

33 *or*

34 (b) *Program for the exchange of occupancy rights*

35 *among owners or with the owners of time shares in other*

36 *time-share plans, or both, as described in NRS 119A.590,*

37 *119A.600 and 119A.620;*

- 38 5. Apartment hotel;
- 39 6. Vacation trailer park;
- 40 7. Campground;
- 41 8. Park for recreational vehicles; or
- 42 9. Other establishment that rents rooms or spaces to
- 43 temporary or transient guests.



1 **Sec. 4.** Section 15 of the Tahoe-Douglas Visitor's Authority
2 Act, being chapter 496, Statutes of Nevada 1997, at page 2376, is
3 hereby amended to read as follows:

4 Sec. 15. "Taxable premises" means any:

5 1. Hotel;

6 2. Motel;

7 3. Apartment;

8 4. Time-share project, except when an owner of a ~~unit~~
9 *time share* in the time-share project , *or in the time-share*
10 *plan of which the time-share project is a part*, who has a
11 right to use or occupy ~~the~~ a unit is occupying ~~the~~ a unit
12 pursuant to a ~~time-share~~ :

13 (a) *Time-share* instrument as defined in NRS 119A.150;
14 *or*

15 (b) *Program for the exchange of occupancy rights*
16 *among owners or with the owners of time shares in other*
17 *time-share plans, or both, as described in NRS 119A.590,*
18 *119A.600 and 119A.620;*

19 5. Apartment hotel;

20 6. Vacation trailer park;

21 7. Campground;

22 8. Park for recreational vehicles; or

23 9. Other establishment that rents rooms or spaces to
24 temporary or transient guests.

25 **Sec. 5.** This act becomes effective on July 1, 2007.

