

SENATE BILL NO. 257—COMMITTEE ON TAXATION

MARCH 12, 2007

Referred to Committee on Taxation

SUMMARY—Authorizes the Board of County Commissioners of Nye County to increase the sales tax to recruit, employ and equip additional deputy sheriffs. (BDR S-137)

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.

AN ACT relating to taxation; authorizing the Board of County Commissioners of Nye County to increase the sales and use tax to recruit, employ and equip additional deputy sheriffs for Nye County; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill is modeled on the provisions of the Clark County Sales and Use Tax Act of 2005, which authorized the Board of County Commissioners of Clark County to impose an additional sales tax of up to one-half of 1 percent for the purposes of employing and equipping additional police officers for the police departments located in Clark County.

Section 12 of this bill authorizes the Board of County Commissioners of Nye County to impose an additional sales tax of up to one-half of 1 percent for the purposes of recruiting, employing and equipping additional deputy sheriffs for Nye County. Any proposed change in the use of the proceeds from the tax must be submitted to the voters for approval and be approved by the Legislature.

Section 15 of this bill requires the approval of the Board of County Commissioners of Nye County before the Sheriff of Nye County can spend any of the proceeds collected pursuant to the tax. The Board is required to approve the expenditure of the proceeds of the tax if the expenditure complies with the provisions of this bill and the expenditure would not replace existing funding for the Sheriff.



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

Section 1. This act may be cited as the Nye County Sales and Use Tax Act of 2007.

Sec. 2. The Legislature hereby finds and declares that:

1. Nye County has experienced and continues to experience substantial growth, growing from a population of 32,485 residents in 2000 to a projected population of over 44,580 residents in 2006;

2. Nye County is the third largest county in terms of geographic area in the United States and the growth in Nye County has occurred over this wide geographical area;

3. The increase in the number of deputy sheriffs to protect the residents of Nye County has not kept pace with this growth;

4. The crime rate in Nye County is increasing, and so is the time it takes for deputy sheriffs to respond when a resident reports a crime, while the very real threat of terrorism means that deputy sheriffs now must assume added responsibilities for homeland security;

5. It is intended that 80 percent of any additional deputy sheriffs recruited, employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic;

6. It is further intended that the Sheriff of Nye County establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:

(a) A written policy of the Sheriff that sets forth his position on providing law enforcement services oriented toward the involvement of residents of the community;

(b) The provision of training for all deputy sheriffs employed by the Sheriff that includes, without limitation, training relating to:

(1) Methods that may be used to analyze, respond to and solve problems commonly confronted by deputy sheriffs in the community;

(2) The cultural and racial diversity of the residents of the community;

(3) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and

(4) Issues concerning not only the prevention of crime, but also improving the quality of life for the residents of the community; and

(c) The formation of partnerships with the residents of the community and public and private agencies and organizations to



1 address mutual concerns relating to the provision of law
2 enforcement services;

3 7. A general law cannot be made applicable to the purposes,
4 objects, powers, rights, privileges, immunities, liabilities, duties and
5 disabilities provided in this act because of the demographic,
6 economic and geographic diversity of the local governments of this
7 State, the unique growth patterns occurring in Nye County and the
8 special financial conditions experienced in the County relating to the
9 need to recruit, employ and equip more deputy sheriffs; and

10 8. The powers, rights, privileges, immunities, liabilities, duties
11 and disabilities provided in this act comply in all respects with any
12 requirement or limitation pertaining thereto and imposed by any
13 constitutional provisions.

14 **Sec. 3.** Except as otherwise provided in this act or unless the
15 context otherwise requires, the terms used or referred to in this act
16 have the meanings ascribed to them in chapter 374 of NRS, as from
17 time to time amended, but the definitions in sections 4 to 11,
18 inclusive, of this act, unless the context otherwise requires, govern
19 the construction of this act.

20 **Sec. 4.** "Act" means the Nye County Sales and Use Tax Act of
21 2007.

22 **Sec. 5.** "Board" means the Board of County Commissioners of
23 Nye County.

24 **Sec. 6.** "County" means Nye County.

25 **Sec. 7.** "County Treasurer" means the County Treasurer of
26 Nye County.

27 **Sec. 8.** "Department" means the Department of Taxation
28 created pursuant to NRS 360.120.

29 **Sec. 9.** "Employ" means making an expenditure for the
30 purpose of providing employment, including, without limitation,
31 paying wages and benefits.

32 **Sec. 10.** "Recruit" means making an expenditure for the
33 purpose of attracting applicants for employment or persuading an
34 applicant to accept employment, including, without limitation,
35 providing materials and services relating to recruitment, paying
36 signing bonuses, paying expenses relating to relocation and
37 providing assistance with the purchase of a house.

38 **Sec. 11.** "Sheriff" means the Sheriff of Nye County.

39 **Sec. 12.** 1. The Board may enact an ordinance imposing a
40 local sales and use tax to recruit, employ and equip additional
41 deputy sheriffs to the Sheriff.

42 2. Before enacting such an ordinance, the Board shall hold a
43 public hearing to present its plan for implementing the local sales
44 and use tax.



3. The proceeds from the tax authorized pursuant to this section, including interest and other income earned thereon, must be used only as approved pursuant to section 15 of this act and only for the purposes set forth in this section unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 293.482, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

Sec. 13. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of:

(a) One-quarter of 1 percent if the date on which the tax must first be imposed is on October 1, 2007; and

(b) Up to an additional one-quarter of 1 percent if the date on which the increased rate must first be imposed is on or after October 1, 2011, and if the Legislature first approves the increased rate,

↳ the total rate not to exceed one-half of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that exempts from the tax the gross receipts from the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.



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6. A provision that specifies the date on which the tax must first be imposed, which must not be earlier than the first day of the second calendar month following the effective date of the ordinance.

Sec. 14. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 13 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

Sec. 15. 1. The Sheriff shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the Board. The Board must approve the expenditure of the proceeds by the Sheriff if it determines that:

(a) The proposed use of the money conforms to all provisions of this act; and

(b) The proposed use will not replace or supplant existing funding for the Sheriff.

2. In determining whether a proposed use meets the requirement set forth in paragraph (b) of subsection 1, the Board shall determine whether the amount approved for expenditure by the Board for the fiscal year for the support of the Sheriff, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the Sheriff.

Sec. 16. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund a percentage of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax. The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.



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(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

Sec. 17. The Department may redistribute any proceeds from the taxes, interest or penalties collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

Sec. 18. 1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 16 of this act into the County Treasury for credit to a special revenue fund created for the use of the proceeds from the tax authorized by this act.

2. The special revenue fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.

3. Interest earned on the special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

Sec. 19. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

Sec. 20. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.

2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.

3. This act must not be construed to repeal or otherwise affect any other law or part thereof.

4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.

5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.



- 1 **Sec. 21.** 1. This act becomes effective:
2 (a) Upon passage and approval for the purposes of enacting
3 ordinances and performing any other preparatory administrative
4 tasks that are necessary to carry out the provisions of this act; and
5 (b) On October 1, 2007, for all other purposes.
6 2. This act expires by limitation on October 1, 2027.

