

Amendment No. 433

Senate Amendment to Senate Bill No. 501	(BDR 32-1406)
Proposed by: Senate Committee on Taxation	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION		Initial and Date	SENATE ACTION		Initial and Date
Adopted	<input type="checkbox"/>	Lost <input type="checkbox"/>	Adopted	<input type="checkbox"/>	Lost <input type="checkbox"/>
Concurred In	<input type="checkbox"/>	Not <input type="checkbox"/>	Concurred In	<input type="checkbox"/>	Not <input type="checkbox"/>
Receded	<input type="checkbox"/>	Not <input type="checkbox"/>	Receded	<input type="checkbox"/>	Not <input type="checkbox"/>

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold* is newly added transitory language.

SJC/BJE



Date: 4/21/2007

S.B. No. 501—Makes various changes to provisions relating to taxation and nonprofit entities that provide emergency medical services.
(BDR 32-1406)



SENATE BILL NO. 501—COMMITTEE ON TAXATION

MARCH 26, 2007

Referred to Committee on Taxation

SUMMARY—Makes various changes to provisions relating to taxation and nonprofit entities that provide emergency medical services. (BDR 32-1406)

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; providing various exemptions for nonprofit entities that provide emergency medical services; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for certain exemptions from excise taxes on **certain** motor vehicle and aircraft ~~fuel,~~ **fuels**, and from sales tax on certain transfers of personal property. (NRS 365.220, **366.200**, 372.7287, 374.7315) **Sections 1, 2, 3 and ~~4~~ 7** of this bill extend such exemptions to include certain nonprofit organizations that own or operate ambulances or air ambulances. ~~[Section 8 of this bill makes retroactive to November 1, 2002, the proposed exemptions from sales tax for the sale or transfer of air ambulances to certain nonprofit organizations.]~~

Existing law also provides for certain excise taxes on motor vehicle and aircraft fuel to be imposed by counties in certain circumstances. (NRS 373.030, 373.065) **Sections ~~3, 4 and 5~~ 4, 5 and 6** of this bill extend an exemption from such taxes to motor vehicle and aircraft fuel sold to certain nonprofit organizations that own or operate ambulances or air ambulances.

Section ~~7~~ 8 of this bill authorizes the Department of Motor Vehicles to issue special license plates for an ambulance owned or operated by certain nonprofit organizations. **Section ~~7~~ 8** also provides an exemption from the annual license and registration fees and the governmental services tax for an ambulance owned or operated by certain nonprofit organizations.

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

Section 1. NRS 365.220 is hereby amended to read as follows:
365.220 The provisions of this chapter requiring the payment of excise taxes do not apply to:

1. Motor vehicle fuel if it remains in interstate or foreign commerce.
2. Motor vehicle fuel, except aviation fuel, exported from this State by a supplier.

3. Aviation fuel or fuel for jet or turbine-powered aircraft exported from this State by a dealer.

4. Motor vehicle fuel or fuel for jet or turbine-powered aircraft sold to the United States Government for official use of the United States Armed Forces.

5. Motor vehicle fuel, other than aviation fuel, distributed or delivered on the order of the owner, to a supplier, or aviation fuel or fuel for jet or turbine-powered aircraft distributed or delivered on the order of the owner, to a dealer, if the dealer or supplier has furnished security in the amount prescribed in NRS 365.290 and has established to the satisfaction of the Department that the security is sufficient to ensure payment of all excise taxes as they may become due to the State from him under this chapter. Every dealer or supplier who claims an exemption shall report the distributions to the Department in such detail as the Department may require. If he does not do so, the exemption granted in this subsection is void and all fuel is considered distributed in this State subject fully to the provisions of this chapter.

6. Leaded racing fuel. As used in this subsection, "leaded racing fuel" means motor vehicle fuel that contains lead and is produced for motor vehicles that are designed and built for racing and not for operation on a public highway.

7. Motor vehicle fuel, aviation fuel or fuel for jet or turbine-powered aircraft that is:

(a) Sold to a nonprofit organization which is created for religious, charitable or educational purposes and which holds a permit to own or operate an ambulance or air ambulance pursuant to chapter 450B of NRS; and

(b) Used in an ambulance, as defined in NRS 450B.040, or an air ambulance, as defined in NRS 450B.030.

Sec. 2. NRS 366.200 is hereby amended to read as follows:

366.200 1. The sale or use of special fuel for any purpose other than to propel a motor vehicle upon the public highways of Nevada is exempt from the application of the tax imposed by NRS 366.190. The exemption provided in this subsection applies only in those cases where the purchasers or the users of special fuel establish to the satisfaction of the Department that the special fuel purchased or used was used for purposes other than to propel a motor vehicle upon the public highways of Nevada.

2. Sales made to the United States Government or any instrumentality thereof are exempt from the tax imposed by this chapter.

3. Sales made to any state, county, municipality, district or other political subdivision thereof are exempt from the tax imposed by this chapter.

4. Sales made to any person to be used to propel a motor vehicle which is dedicated for exclusive use as part of a system which:

(a) Operates motor vehicles for public transportation in an urban area;

(b) Transports persons who pay the established fare; and

(c) Uses public money to operate the system or acquire new equipment,

are exempt from the tax imposed by this chapter.

5. Sales made to any person for use in operating special mobile equipment are exempt from the tax imposed by this chapter.

6. The sale and use of special fuel that is:

(a) Sold to a nonprofit organization which is created for religious, charitable or educational purposes and which holds a permit to own or operate an ambulance or air ambulance pursuant to chapter 450B of NRS; and

(b) Used in an ambulance, as defined in NRS 450B.040, or an air ambulance, as defined in NRS 450B.030.

are exempt from the tax imposed by this chapter.

~~Sec. 2.~~ **Sec. 3.** NRS 372.7287 is hereby amended to read as follows:
372.7287 In administering the provisions of NRS 372.326, the Department shall apply the exemption for the sale of tangible personal property to a nonprofit organization created for religious, charitable or educational purposes to include ~~any~~:

1. Any type of motor vehicle that is transferred for use by such a nonprofit organization, whether by sale or lease and regardless of whether title to the vehicle passes to the nonprofit organization at any time during the use of the vehicle ~~and~~;

and
2. *If the nonprofit organization holds a permit to own or operate an air ambulance pursuant to chapter 450B of NRS, any type of air ambulance, as defined in NRS 450B.030, that is transferred for use by such a nonprofit organization, whether by sale or lease and regardless of whether title to the air ambulance passes to the nonprofit organization at any time during the use of the air ambulance.*

~~Sec. 3.~~ **Sec. 4.** Chapter 373 of NRS is hereby amended by adding thereto a new section to read as follows:

The provisions of this chapter requiring the payment of taxes on motor vehicle fuel do not apply to motor vehicle fuel that is:

1. *Sold to a nonprofit organization which is created for religious, charitable or educational purposes and which holds a permit to own or operate an ambulance or air ambulance pursuant to chapter 450B of NRS; and*

2. *Used in an ambulance, as defined in NRS 450B.040, or an air ambulance, as defined in NRS 450B.030.*

~~Sec. 4.~~ **Sec. 5.** NRS 373.030 is hereby amended to read as follows:

373.030 1. In any county for all or part of which a streets and highways plan has been adopted as a part of the master plan by the county or regional planning commission pursuant to NRS 278.150, the board may by ordinance:

(a) Create a regional transportation commission; and

(b) Impose a tax on motor vehicle fuel, except aviation fuel, ~~and~~ *led racing fuel ~~and~~ and motor vehicle fuel exempted pursuant to section ~~4~~ 4 of this act*, sold in the county in an amount not to exceed 9 cents per gallon.

2. A tax imposed pursuant to this section is in addition to other motor vehicle fuel taxes imposed pursuant to the provisions of chapter 365 of NRS.

3. As used in this section:

(a) "Aviation fuel" has the meaning ascribed to it in NRS 365.015.

(b) "Leaded racing fuel" means motor vehicle fuel that contains lead and is produced for motor vehicles that are designed and built for racing and not for operation on a public highway.

~~Sec. 5.~~ **Sec. 6.** NRS 373.065 is hereby amended to read as follows:

373.065 1. Except as otherwise provided in this section, in a county whose population is less than 400,000:

(a) The board may by ordinance impose:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel ~~and~~ *and motor vehicle fuel exempted pursuant to section ~~4~~ 4 of this act*, sold in the county in an amount equal to the product obtained by multiplying the amount of the tax imposed pursuant to NRS 365.180 by the lesser of 4.5 percent or the average percentage of increase in the Consumer Price Index for West Urban Consumers for the preceding 5 years; and

(2) An annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in an amount equal to the sum of the tax imposed pursuant to NRS 365.180 and the tax imposed pursuant to subparagraph (1) during the preceding

1 fiscal year, multiplied by the lesser of 4.5 percent or the average percentage of
2 increase in the Consumer Price Index for West Urban Consumers for the preceding
3 5 years.

4 (b) The board may by ordinance impose:

5 (1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel
6 ~~and~~ *and motor vehicle fuel exempted pursuant to section ~~374~~ 4 of this act*, sold in
7 the county in an amount equal to the product obtained by multiplying the amount of
8 the tax imposed pursuant to NRS 365.190 by the lesser of 4.5 percent or the
9 average percentage of increase in the Consumer Price Index for West Urban
10 Consumers for the preceding 5 years; and

11 (2) An annual increase in the tax imposed pursuant to subparagraph (1), on
12 the first day of each fiscal year following the fiscal year in which that tax becomes
13 effective, in an amount equal to the sum of the tax imposed pursuant to NRS
14 365.190 and the tax imposed pursuant to subparagraph (1) during the preceding
15 fiscal year, multiplied by the lesser of 4.5 percent or the average percentage of
16 increase in the Consumer Price Index for West Urban Consumers for the preceding
17 5 years.

18 (c) The board may by ordinance impose:

19 (1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel
20 ~~and~~ *and motor vehicle fuel exempted pursuant to section ~~374~~ 4 of this act*, sold in
21 the county in an amount equal to the product obtained by multiplying the amount of
22 the tax imposed pursuant to NRS 365.192 by the lesser of 4.5 percent or the
23 average percentage of increase in the Consumer Price Index for West Urban
24 Consumers for the preceding 5 years; and

25 (2) An annual increase in the tax imposed pursuant to subparagraph (1), on
26 the first day of each fiscal year following the fiscal year in which that tax becomes
27 effective, in an amount equal to the sum of the tax imposed pursuant to NRS
28 365.192 and the tax imposed pursuant to subparagraph (1) during the preceding
29 fiscal year, multiplied by the lesser of 4.5 percent or the average percentage of
30 increase in the Consumer Price Index for West Urban Consumers for the preceding
31 5 years.

32 (d) If the board imposes a tax pursuant to paragraph (b) of subsection 1 of NRS
33 373.030, the board may by ordinance impose:

34 (1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel
35 ~~, and~~ *led racing fuel ~~and~~ and motor vehicle fuel exempted pursuant to section*
36 *~~374~~ 4 of this act*, sold in the county in an amount equal to the product obtained by
37 multiplying the amount of the tax imposed pursuant to paragraph (b) of subsection
38 1 of NRS 373.030 by the lesser of 4.5 percent or the average percentage of increase
39 in the Consumer Price Index for West Urban Consumers for the preceding 5 years;
40 and

41 (2) An annual increase in the tax imposed pursuant to subparagraph (1), on
42 the first day of each fiscal year following the fiscal year in which that tax becomes
43 effective, in an amount equal to the sum of the tax imposed pursuant to paragraph
44 (b) of subsection 1 of NRS 373.030 and the tax imposed pursuant to subparagraph
45 (1) during the preceding fiscal year, multiplied by the lesser of 4.5 percent or the
46 average percentage of increase in the Consumer Price Index for West Urban
47 Consumers for the preceding 5 years.

48 2. A board may not adopt any ordinance authorized by this section unless:

49 (a) In a county for all or part of which a streets and highways plan has been
50 adopted as a part of the master plan by the county or regional planning commission
51 pursuant to NRS 278.150, the board first:

52 (1) Imposes a tax pursuant to paragraph (b) of subsection 1 of NRS
53 373.030 at the maximum rate authorized pursuant to that paragraph; or

(2) Submits to the voters of the county at a general or special election the question of whether to impose a tax pursuant to paragraph (b) of subsection 1 of NRS 373.030 at the maximum rate authorized pursuant to that paragraph; and

(b) A question concerning the imposition of the tax pursuant to this section is first approved by a majority of the registered voters of the county voting upon the question which the board may submit to the voters at any general election. The Committee on Local Government Finance shall annually provide to each city clerk, county clerk and district attorney in this State forms for submitting a question to the registered voters of a county pursuant to this paragraph. Any question submitted to the registered voters of a county pursuant to this paragraph must be in the form most recently provided by the Committee on Local Government Finance.

3. An ordinance adopted pursuant to this section in a county whose population is less than 100,000:

(a) Must be reapproved, in addition to the approval required by paragraph (b) of subsection 2, at least once every 8 years by a majority of the registered voters of the county voting on the question which the board may submit to the voters at any general election; and

(b) Expires by limitation no later than the last day of the 8th calendar year following the calendar year in which the ordinance was:

(1) Approved in accordance with paragraph (b) of subsection 2; or

(2) Most recently reapproved in accordance with this subsection,

➡ whichever occurs later.

4. Any ordinance authorized by this section may be adopted in combination with any other ordinance authorized by this section. Each tax imposed pursuant to this section is in addition to any other motor vehicle fuel taxes imposed pursuant to the provisions of this chapter and chapter 365 of NRS. Upon adoption of an ordinance authorized by this section, no further action by the board is necessary to effectuate the annual increases before the ordinance expires by limitation.

5. Any ordinance adopted pursuant to this section must:

(a) Become effective on the first day of the first calendar quarter beginning not less than 90 days after the adoption of the ordinance; and

(b) If the board has created a regional transportation commission in the county, require the commission:

(1) To review, at a public meeting conducted after the provision of public notice and before the effective date of each annual increase imposed by the ordinance:

(I) The amount of that increase and the accuracy of its calculation;

(II) The amounts of any annual increases imposed by the ordinance in previous years and the revenue collected pursuant to those increases;

(III) Any improvements to the regional system of transportation resulting from revenue collected pursuant to any annual increases imposed by the ordinance in previous years; and

(IV) Any other information relevant to the effect of the annual increases on the public; and

(2) To submit to the board any information the commission receives suggesting that the annual increase should be adjusted.

6. Any ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.180; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to NRS 365.180 which becomes effective after the adoption of that ordinance.

(b) Paragraph (b) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.190; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to NRS 365.190 which becomes effective after the adoption of that ordinance.

(c) Paragraph (c) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.192; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to NRS 365.192 which becomes effective after the adoption of that ordinance.

(d) Paragraph (d) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to paragraph (b) of subsection 1 of NRS 373.030; and

(2) Expire by limitation no later than the effective date of any subsequent ordinance increasing or decreasing the amount of the tax imposed in that county pursuant to paragraph (b) of subsection 1 of NRS 373.030.

~~[Sec. 6.]~~ **Sec. 7.** NRS 374.7315 is hereby amended to read as follows:

374.7315 In administering the provisions of NRS 374.3305, the Department shall apply the exemption for the sale of tangible personal property to a nonprofit organization created for religious, charitable or educational purposes to include ~~[any]~~:

1. Any type of motor vehicle that is transferred for use by such a nonprofit organization, whether by sale or lease and regardless of whether title to the vehicle passes to the nonprofit organization at any time during the use of the vehicle ~~[;]~~; and

2. If the nonprofit organization holds a permit to own or operate an air ambulance pursuant to chapter 450B of NRS, any type of air ambulance, as defined in NRS 450B.030, that is transferred for use by such a nonprofit organization, whether by sale or lease and regardless of whether title to the air ambulance passes to the nonprofit organization at any time during the use of the air ambulance.

~~[Sec. 7.]~~ **Sec. 8.** NRS 482.3795 is hereby amended to read as follows:

482.3795 1. The Department may issue special license plates and registration certificates to residents of Nevada for a fire truck *or ambulance* pursuant to this section. Except as otherwise provided in subsection 3, the fire truck *or ambulance* must not be used for general transportation, but may be used for musters, exhibitions, parades or similar activities.

2. In lieu of the annual registration and fees required by this chapter, and of the governmental services tax imposed by chapter 371 of NRS, the owner of a fire truck *or ambulance* may submit:

(a) An affidavit to the Department indicating that the fire truck ~~[;]~~ *or ambulance*:

(1) Will only be used for the permitted purposes enumerated in subsection 1;

(2) Has been inspected and found safe to be operated on the highways of this State; and

(3) Qualifies as a fire truck pursuant to regulations adopted by the Department for this purpose ~~or~~ *or qualifies as an ambulance pursuant to chapter 450B of NRS.*

(b) The following fees for the issuance of these license plates:

(1) For the first issuance\$15

(2) For a renewal sticker5

3. If the owner elects to use the fire truck *or ambulance* as general transportation, he shall pay the regular annual registration and fees prescribed by law and the governmental services tax imposed by chapter 371 of NRS.

4. License plates issued pursuant to this section must bear the inscription "Fire Truck" *or "Ambulance," as appropriate,* and the plates must be numbered consecutively.

5. The cost of the die and the modifications necessary for the issuance of a license plate pursuant to this section must be paid from private sources without any expense to the State of Nevada.

6. As used in this section, "ambulance" means an ambulance, as defined in NRS 450B.040, owned or operated by a nonprofit organization which is created for religious, charitable or educational purposes and which holds a permit to own or operate an ambulance pursuant to chapter 450B of NRS.

~~[Sec. 8.] Sec. 9. [The provisions of NRS 372.7287 and 374.7315, as amended by this act, apply retroactively to the sale, on or after November 1, 2002, of an air ambulance, as defined in NRS 450B.030, to a nonprofit organization which is created for religious, charitable or educational purposes and which holds a permit to own or operate an air ambulance pursuant to chapter 450B of NRS, including any type of air ambulance transferred for use by such a nonprofit organization, whether by sale or lease and regardless of whether title to the air ambulance passes to the nonprofit organization at any time during the use of the air ambulance.] (Deleted by amendment.)~~

~~[Sec. 9.]~~ *Sec. 10.* This act becomes effective on July 1, 2007.