

SENATE BILL NO. 264—SENATOR CARE

MARCH 16, 2009

Referred to Committee on Government Affairs

SUMMARY—Authorizes local governments to impose, increase, decrease and repeal certain taxes to carry out their functions. (BDR 31-81)

FISCAL NOTE: Effect on Local Government: No.
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 local governmental financial administration; authorizing local governments to impose, increase, decrease and repeal certain taxes to carry out their functions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes local governments to levy various taxes for specific
2 purposes. **Section 1** of this bill authorizes a local government to impose a property
3 tax, a sales and use tax, a room tax, a fuel tax and a tax on transfers of real property,
4 and to increase, decrease or repeal that tax, for the purpose of carrying out any of
5 its functions.

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

1 **Section 1.** Chapter 354 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 ***Except as otherwise provided in or limited by federal law or the***
4 ***Constitution of the State of Nevada and notwithstanding any***
5 ***statutory provision of this State to the contrary, the governing***
6 ***body of a local government may, for the purpose of carrying out***
7 ***any function of the local government:***

8 1. ***Impose:***

9 (a) ***A tax ad valorem on all taxable property within the***
10 ***boundaries of the local government.***



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(b) 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 within the boundaries of the local government.

(c) A tax on the gross receipts from the rental of transient lodging within the boundaries of the local government upon all persons in the business of providing lodging.

(d) A tax on aviation fuel, as defined in NRS 365.015, fuel for jet or turbine-powered aircraft, as defined in NRS 365.035, motor vehicle fuel, as defined in NRS 365.060, or special fuel, as defined in NRS 366.060, or on any two or more of those fuels, sold within the boundaries of the local government.

(e) A tax on each deed or other legal document by which any lands, tenements or other realty located within the boundaries of the local government is granted, assigned, transferred or otherwise conveyed to, or vested in, another person.

2. Increase, decrease or repeal any tax imposed pursuant to subsection 1.

3. At its discretion, submit a question regarding any action described in subsection 1 or 2 to the registered voters within the jurisdiction of the local government.

Sec. 2. NRS 354.470 is hereby amended to read as follows:

354.470 NRS 354.470 to 354.626, inclusive, **and section 1 of this act** may be cited as the Local Government Budget and Finance Act.

Sec. 3. NRS 354.474 is hereby amended to read as follows:

354.474 1. Except as otherwise provided in subsections 2 and 3, the provisions of NRS 354.470 to 354.626, inclusive, **and section 1 of this act** apply to all local governments. For the purpose of NRS 354.470 to 354.626, inclusive ~~1~~, **and section 1 of this act**:

(a) "Local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, 309, 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555 of NRS, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

(b) "Local government" does not include the Nevada Rural Housing Authority.

2. An irrigation district organized pursuant to chapter 539 of NRS shall fix rates and levy assessments as provided in NRS 539.667 to 539.683, inclusive. The levy of such assessments and the posting and publication of claims and annual financial statements as



1 required by chapter 539 of NRS shall be deemed compliance with
2 the budgeting, filing and publication requirements of NRS 354.470
3 to 354.626, inclusive, *and section 1 of this act*, but any such
4 irrigation district which levies an ad valorem tax shall comply with
5 the filing and publication requirements of NRS 354.470 to 354.626,
6 inclusive, *and section 1 of this act* in addition to the requirements of
7 chapter 539 of NRS.

8 3. An electric light and power district created pursuant to
9 chapter 318 of NRS shall be deemed to have fulfilled the
10 requirements of NRS 354.470 to 354.626, inclusive, *and section 1*
11 *of this act* for a year in which the district does not issue bonds or
12 levy an assessment if the district files with the Department of
13 Taxation a copy of all documents relating to its budget for that year
14 which the district submitted to the Rural ~~Electrification~~
15 ~~Administration~~ *Utilities Service* of the United States Department of
16 Agriculture.

17 **Sec. 4.** NRS 354.476 is hereby amended to read as follows:

18 354.476 As used in NRS 354.470 to 354.626, inclusive, *and*
19 *section 1 of this act*, unless the context otherwise requires, the
20 words and terms defined in NRS 354.479 to 354.578, inclusive,
21 have the meanings ascribed to them in those sections.

22 **Sec. 5.** NRS 244.3359 is hereby amended to read as follows:

23 244.3359 1. A county whose population is 400,000 or more
24 shall not impose a new tax on the rental of transient lodging or
25 increase the rate of an existing tax on the rental of transient lodging
26 after March 25, 1991, except pursuant to NRS 244.3351 and
27 244.3352 ~~H~~ *and section 1 of this act*.

28 2. ~~IA~~ *Except as otherwise provided in section 1 of this act, a*
29 county whose population is 100,000 or more but less than 400,000
30 shall not impose a new tax on the rental of transient lodging or
31 increase the rate of an existing tax on the rental of transient lodging
32 after March 25, 1991.

33 3. The Legislature hereby declares that the limitation imposed
34 by subsection 2 will not be repealed or amended *after July 1, 2009*,
35 except to allow the imposition of an increase in such a tax for the
36 promotion of tourism or for the construction or operation of tourism
37 facilities by a convention and visitors authority.

38 **Sec. 6.** NRS 268.0968 is hereby amended to read as follows:

39 268.0968 1. Except as otherwise provided in NRS 268.096
40 and 268.801 to 268.808, inclusive, *and section 1 of this act*, a city
41 located in a county whose population is 400,000 or more shall not
42 impose a new tax on the rental of transient lodging or increase the
43 rate of an existing tax on the rental of transient lodging after
44 March 25, 1991.



2. Except as otherwise provided in NRS 268.7845 ~~§~~ *and section 1 of this act*, a city located in a county whose population is 100,000 or more but less than 400,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended *after July 1, 2009*, except to allow the imposition of an increase in such a tax for:

(a) The promotion of tourism;

(b) The construction or operation of tourism facilities by a convention and visitors authority; or

(c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

Sec. 7. NRS 365.210 is hereby amended to read as follows:

365.210 1. No county, city or other political subdivision or municipal corporation may levy or collect any excise, privilege or occupation tax upon or measured by the receipt, storage, sale, distribution, transportation or use of motor vehicle fuel, fuel for jet or turbine-powered aircraft or any other inflammable or combustible liquids except:

(a) The county motor vehicle fuel tax authorized by chapter 373 of NRS.

(b) A tax on fuel for jet or turbine-powered aircraft authorized by NRS 365.203.

(c) A tax on aviation fuel authorized by NRS 365.203.

(d) Any motor vehicle fuel taxation in effect on January 1, 1935, in any city or town.

(e) A tax or fee imposed upon a business by a county or city that is authorized by law, except as otherwise provided in subsection 2 or pursuant to subsection 1 of NRS 364.210.

(f) A tax authorized by section 1 of this act.

2. After March 25, 1991, no county, city or other political subdivision or municipal corporation responsible for the operation of an airport may impose a new tax or fee upon the sale or distribution of fuel for jet or turbine-powered aircraft except:

(a) A tax on fuel for jet or turbine-powered aircraft authorized by NRS 365.203.

(b) Any fuel flowage fee imposed upon aircraft or organizations servicing aircraft in lieu of rent for use of the terminal, landing fees or other airport charges.

(c) A tax authorized by section 1 of this act.

Sec. 8. This act becomes effective on July 1, 2009.

