

ASSEMBLY BILL NO. 263—ASSEMBLYMEN LIVERMORE, HAMBRICK;
AIZLEY, BUSTAMANTE ADAMS, GRADY, HANSEN, HARDY,
HICKEY, KITE, NEAL, SHERWOOD, STEWART AND
WOODBURY

MARCH 11, 2011

Referred to Committee on Taxation

SUMMARY—Clarifies permissible use of proceeds of certain local
sales and use taxes by Carson City. (BDR S-646)

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 Carson City; clarifying the permissible use of
the proceeds of certain local sales and use taxes by the
City; and providing other matters properly relating
thereto.

Legislative Counsel's Digest:

1 Existing law authorizes the Board of Supervisors of Carson City to impose by
2 ordinance a local sales and use tax for the acquisition, development, construction,
3 equipping, operation, maintenance, improvement and management of open spaces,
4 parks, trails and recreational facilities located within Carson City, and creates a
5 fund for the use of the proceeds from that tax. (Carson City Charter §§ 8A.070,
6 8A.120) The Board of Supervisors of Carson City has adopted an ordinance to
7 impose the tax. (Carson City Municipal Code § 21.07.020) This bill clarifies that
8 the proceeds from the tax must not be: (1) used to pay administrative costs of any
9 kind; and (2) deposited or transferred into any fund of Carson City other than the
10 fund specifically created for the use of the proceeds from the tax.

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

1 **Section 1.** Section 8A.070 of the Charter of Carson City,
2 being chapter 16, Statutes of Nevada 1997, at page 42, is hereby
3 amended to read as follows:

4 Sec. 8A.070 Imposition of tax; use of proceeds.



* A B 2 6 3 *

1 1. The Board may enact an ordinance imposing a local
2 sales and use tax for the acquisition, development,
3 construction, equipping, operation, maintenance,
4 improvement and management of open spaces, parks, trails
5 and recreational facilities located within Carson City.

6 2. The proceeds from the tax imposed pursuant to this
7 article and the interest and other income earned on the
8 proceeds of the tax must be used **only** as follows:

9 (a) Forty percent of the proceeds of the tax, including
10 interest and other income, ~~may~~ **must** be used for the
11 acquisition, development, construction, equipping,
12 improvement, maintenance and management of real property
13 for open spaces.

14 (b) Except as otherwise provided in paragraph (e), 40
15 percent of the proceeds of the tax, including interest and other
16 income, ~~may~~ **must** be used for the acquisition, development,
17 construction, equipping and improvement of parks, trails and
18 recreational facilities.

19 (c) ~~Twenty~~ **Except as otherwise provided in subsection**
20 **3, 20** percent of the proceeds of the tax, including interest and
21 other income, may be used for the operation, maintenance
22 and management of parks, trails and recreational facilities.

23 (d) Except as otherwise provided in paragraph (e) ~~and~~ **and**
24 **subsection 3**, the Board may authorize expenditures in an
25 amount that varies from the percentage stated in paragraphs
26 (a), (b) and (c) by not more than 2 percent for each use.

27 (e) If operation, maintenance and management expenses
28 for parks, trails and recreational facilities do not equal or
29 exceed 20 percent of the proceeds of the tax, including
30 interest and other income, the balance of the proceeds of the
31 tax, including interest and other income, authorized in
32 paragraph (c) may be used for the acquisition, development,
33 construction, equipping and improvement of parks, trails and
34 recreational facilities in addition to the amount authorized in
35 paragraph (b).

36 (f) At the end of a fiscal year, the proceeds of the tax,
37 including interest and other income, not expended or
38 otherwise obligated for the purposes set forth in this section
39 must be carried forward and become part of the total proceeds
40 of the tax, including interest and other income, available in
41 the next fiscal year.

42 3. **The proceeds from the tax imposed pursuant to this**
43 **article and the interest and other income earned on the**
44 **proceeds of the tax must not be:**



1 (a) *Used to pay any administrative costs, regardless of*
2 *whether those administrative costs are associated with an*
3 *activity described in subsection 2.*

4 (b) *Deposited or transferred into any fund of Carson*
5 *City other than the fund created pursuant to section 8A.120.*

6 4. The Board shall submit to the voters any proposal to
7 change the previously approved uses for the proceeds of the
8 tax, including interest and other income.

9 **Sec. 2.** This act becomes effective on July 1, 2011.

