

ASSEMBLY BILL NO. 343—ASSEMBLYMAN AIZLEY

MARCH 21, 2011

Referred to Committee on Taxation

SUMMARY—Reduces the amount of the governmental services taxes imposed on certain older motor vehicles. (BDR 32-914)

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; reducing the amount of the governmental services taxes imposed on certain older motor vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law sets forth depreciation schedules for determining the amount of
2 the governmental services taxes due each year for used vehicles. (NRS 371.060)
3 During the 2009 Legislative Session, the Legislature amended these depreciation
4 schedules to increase by 10 percent the portion of the initial value of used vehicles
5 upon which the amount of those taxes are calculated, and allocated the resulting
6 increase in tax revenue to the State. (Chapter 395, Statutes of Nevada 2009, pp.
7 2190-91 and 2193-94) This bill essentially repeals that increase and allocation,
8 beginning on July 1, 2011, for vehicles that are 9 years of age or older, other than
9 large buses, trucks and trailers.

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

1 **Section 1.** NRS 371.060 is hereby amended to read as follows:
2 371.060 1. Except as otherwise provided in subsection 2,
3 each vehicle must be depreciated by the Department for the
4 purposes of the annual governmental services tax according to the
5 following schedule:



	Age	Percentage of Initial Value
1		
2		
3		
4	New	100 percent
5	1 year	95 percent
6	2 years	85 percent
7	3 years	75 percent
8	4 years	65 percent
9	5 years	55 percent
10	6 years	45 percent
11	7 years	35 percent
12	8 years	25 percent
13	9 years or more	15 5 percent
14		

2. Each bus, truck or truck-tractor having a declared gross weight of 10,000 pounds or more and each trailer or semitrailer having an unladen weight of 4,000 pounds or more must be depreciated by the Department for the purposes of the annual governmental services tax according to the following schedule:

	Age	Percentage of Initial Value
21		
22		
23	New	100 percent
24	1 year	85 percent
25	2 years	69 percent
26	3 years	57 percent
27	4 years	47 percent
28	5 years	38 percent
29	6 years	33 percent
30	7 years	30 percent
31	8 years	27 percent
32	9 years	25 percent
33	10 years or more	23 percent
34		

3. Notwithstanding any other provision of this section, the minimum amount of the governmental services tax:

(a) On any trailer having an unladen weight of 1,000 pounds or less is \$3; and

(b) On any other vehicle is \$16.

4. For the purposes of this section, a vehicle shall be deemed a "new" vehicle if the vehicle has never been registered with the Department and has never been registered with the appropriate agency of any other state, the District of Columbia, any territory or possession of the United States or any foreign state, province or country.



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Sec. 2. NRS 482.182 is hereby amended to read as follows:

482.182 1. After deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180 and before carrying out the provisions of NRS 482.181 each month, the Department shall direct the State Controller to transfer to the State General Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month the amounts indicated pursuant to this section.

2. Except as otherwise provided in subsection 3, the amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles depreciated in accordance with:

(a) Subsection 1 of NRS 371.060 based upon an age of:

(1) One year, is a sum equal to 11 percent of those proceeds;

(2) Two years, is a sum equal to 12 percent of those proceeds;

(3) Three years, is a sum equal to 13 percent of those proceeds;

(4) Four years, is a sum equal to 15 percent of those proceeds;

(5) Five years, is a sum equal to 18 percent of those proceeds;

(6) Six years, is a sum equal to 22 percent of those proceeds;

(7) Seven years, is a sum equal to 29 percent of those proceeds; **and**

(8) Eight years, is a sum equal to 40 percent of those proceeds; and

~~[(9) Nine years or more, is a sum equal to 67 percent of those proceeds; and]~~

(b) Subsection 2 of NRS 371.060 based upon an age of:

(1) One year, is a sum equal to 12 percent of those proceeds;

(2) Two years, is a sum equal to 14 percent of those proceeds;

(3) Three years, is a sum equal to 18 percent of those proceeds;

(4) Four years, is a sum equal to 21 percent of those proceeds;

(5) Five years, is a sum equal to 26 percent of those proceeds;

(6) Six years, is a sum equal to 30 percent of those proceeds;

(7) Seven years, is a sum equal to 33 percent of those proceeds;

(8) Eight years, is a sum equal to 37 percent of those proceeds;



* A B 3 4 3 *

1 (9) Nine years, is a sum equal to 40 percent of those
2 proceeds; and

3 (10) Ten years or more, is a sum equal to 43 percent of those
4 proceeds.

5 3. The amount required to be transferred pursuant to subsection
6 1 from the proceeds of the basic governmental services tax imposed
7 on vehicles to which the minimum amount of that tax applies
8 pursuant to paragraph (b) of subsection 3 of NRS 371.060 is a sum
9 equal to 63 percent of those proceeds.

10 **Sec. 3.** The amendatory provisions of this act apply to
11 governmental services taxes imposed for any period of registration
12 of a vehicle that begins on or after July 1, 2011.

13 **Sec. 4.** This act becomes effective on July 1, 2011.

