

ASSEMBLY BILL NO. 392—ASSEMBLYMEN MCARTHUR,  
OHRENSCHALL, KIRNER; AND HAMBRICK

MARCH 21, 2011

Referred to Committee on Taxation

SUMMARY—Provides exemptions from certain taxes for certain veterans. (BDR 32-613)

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 veterans; revising provisions governing property tax exemptions for certain veterans; exempting fully disabled veterans from the payment of any fees and governmental services taxes required to register or obtain license plates for certain vehicles; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 NRS 361.090 provides a property tax exemption for a veteran who has served  
2 90 days on active duty within ten specified periods of time and who meets other  
3 conditions, such as receiving an honorable discharge. **Section 1** of this bill removes  
4 the specific time periods and permits a veteran who has served 90 continuous days  
5 on active duty and who meets the other conditions to receive the exemption.  
6 Existing law requires the Department of Motor Vehicles and its agents, when  
7 registering a vehicle, to collect the registration fee, the fees for license plates, the  
8 governmental services tax on the vehicle and any applicable sales and use taxes.  
9 (NRS 482.260) **Sections 2-5** of this bill exempt a fully disabled veteran from any  
10 governmental services taxes applicable to such vehicles, provide for the  
11 administration of that tax exemption, and impose various penalties on persons who  
12 falsely claim the tax exemption or fail to notify the Department when the tax  
13 exemption no longer applies. **Section 6** of this bill exempts a fully disabled veteran  
14 from the payment of any registration fees and license plate fees for certain vehicles  
15 if the veteran is an owner of the vehicle and the use of the vehicle is restricted to  
16 the personal use of the veteran or a member of the household of the veteran.



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

**Section 1.** NRS 361.090 is hereby amended to read as follows:  
361.090 1. The property, to the extent of \$2,000 assessed valuation, of any actual bona fide resident of the State of Nevada who:

(a) Has served a minimum of 90 continuous days on active duty ; ~~[, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1975, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or between December 20, 1989, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;]~~

(b) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; or

(c) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty,

➡ and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. For the purpose of this section, the first \$2,000 assessed valuation of property in which an applicant has any interest shall be deemed the property of the applicant.

3. The exemption may be allowed only to a claimant who files an affidavit with his or her claim for exemption on real property pursuant to NRS 361.155. The affidavit may be filed at any time by a person claiming exemption from taxation on personal property.

4. The affidavit must be made before the county assessor or a notary public and filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is not claimed in any other county in this State. After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145,



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1    ➔ to the person each year following a year in which the exemption  
2 was allowed for that person. The form must be designed to facilitate  
3 its return by mail by the person claiming the exemption.

4    5. Persons in actual military service are exempt during the  
5 period of such service from filing the annual forms for renewal of  
6 the exemption, and the county assessors shall continue to grant the  
7 exemption to such persons on the basis of the original affidavits  
8 filed. In the case of any person who has entered the military service  
9 without having previously made and filed an affidavit of exemption,  
10 the affidavit may be filed in his or her behalf during the period of  
11 such service by any person having knowledge of the facts.

12    6. Before allowing any veteran's exemption pursuant to the  
13 provisions of this chapter, the county assessor shall require proof of  
14 status of the veteran, and for that purpose shall require production of  
15 an honorable discharge or certificate of satisfactory service or a  
16 certified copy thereof, or such other proof of status as may be  
17 necessary.

18    7. If any person files a false affidavit or produces false proof to  
19 the county assessor or a notary public and, as a result of the false  
20 affidavit or false proof, the person is allowed a tax exemption to  
21 which the person is not entitled, the person is guilty of a gross  
22 misdemeanor.

23    8. Beginning with the 2005-2006 Fiscal Year, the monetary  
24 amounts in subsections 1 and 2 must be adjusted for each fiscal year  
25 by adding to the amount the product of the amount multiplied by the  
26 percentage increase in the Consumer Price Index (All Items) from  
27 July 2003 to the July preceding the fiscal year for which the  
28 adjustment is calculated. The Department shall provide to each  
29 county assessor the adjusted amount, in writing, on or before  
30 September 30 of each year.

31    **Sec. 2.** Chapter 371 of NRS is hereby amended by adding  
32 thereto a new section to read as follows:

33    *1. A bona fide resident of the State of Nevada who is a fully*  
34 *disabled veteran is entitled to an exemption from the payment of*  
35 *governmental services taxes on every:*

36    *(a) Passenger car;*

37    *(b) Light commercial vehicle having a manufacturer's rated*  
38 *carrying capacity of 1 ton or less; and*

39    *(c) Motor home,*

40    *➔ registered to the veteran if the veteran is identified by name on*  
41 *the certificate of title for the vehicle as a legal owner of any*  
42 *interest in the vehicle, the vehicle is used only for the personal use*  
43 *of the veteran or a member of the household of the veteran, and*  
44 *the vehicle is not used in the operation of a business.*



2. A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he or she and any vehicles for which he or she claims the exemption meet all the requirements of subsection 1, and that the exemption is claimed in no other county within this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall mail a form for the renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

3. Before allowing any exemption pursuant to the provisions of this section, the Department shall require such proof of the applicant's status as the Department deems necessary.

4. If any person makes a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof the person is allowed a tax exemption to which he or she is not entitled, the person is guilty of a gross misdemeanor.

5. As used in this section:

(a) "Fully disabled veteran" means a veteran of the Armed Forces of the United States who, as a result of his or her service, has suffered a 100-percent service-connected disability and who receives compensation from the United States for the disability.

(b) "Motor home" has the meaning ascribed to it in NRS 482.071.

(c) "Passenger car" has the meaning ascribed to it in NRS 482.087.

**Sec. 3.** NRS 371.103 is hereby amended to read as follows:

371.103 1. Vehicles, to the extent of \$2,000 determined valuation, registered by any actual bona fide resident of the State of Nevada who:

(a) Has served a minimum of 90 days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1975, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or between December 20, 1989, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;

(b) Has served a minimum of 90 continuous days on active duty none of which was for training purposes, who was assigned to active duty at some time between January 1, 1961, and May 7, 1975;



(c) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; or

(d) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty,

➤ and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. For the purpose of this section, the first \$2,000 determined valuation of vehicles in which such a person has any interest shall be deemed to belong to that person.

3. A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he or she is an actual bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is claimed in no other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall mail a form for:

(a) The renewal of the exemption; and

(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, ➤ to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption.

4. Persons in actual military service are exempt during the period of such service from filing annual affidavits of exemption and the Department shall grant exemptions to those persons on the basis of the original affidavits filed. In the case of any person who has entered the military service without having previously made and filed an affidavit of exemption, the affidavit may be filed in his or her behalf during the period of such service by any person having knowledge of the facts.

5. Before allowing any ~~[veteran's]~~ exemption pursuant to the provisions of this ~~[chapter.]~~ ~~section~~, the Department shall require proof of status of the veteran, and for that purpose shall require production of an honorable discharge or certificate of satisfactory service or a certified copy thereof, or such other proof of status as may be necessary.

6. If any person files a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof a



1 tax exemption is allowed to a person not entitled to the exemption,  
2 the person is guilty of a gross misdemeanor.

3 7. Beginning with the 2005-2006 Fiscal Year, the monetary  
4 amounts in subsections 1 and 2 must be adjusted for each fiscal year  
5 by adding to each amount the product of the amount multiplied by  
6 the percentage increase in the Consumer Price Index (All Items)  
7 from December 2003 to the December preceding the fiscal year for  
8 which the adjustment is calculated.

9 **Sec. 4.** NRS 371.105 is hereby amended to read as follows:

10 371.105 Claims pursuant to NRS 371.101, 371.102, 371.103 or  
11 371.104 *or section 2 of this act* for tax exemption on the  
12 governmental services tax and designations of any amount to be  
13 credited to the Gift Account for Veterans' Homes pursuant to NRS  
14 371.1035 must be filed annually at any time on or before the date  
15 when payment of the tax is due. All exemptions provided for in this  
16 section must not be in an amount which gives the taxpayer a total  
17 exemption greater than that to which the taxpayer is entitled during  
18 any fiscal year.

19 **Sec. 5.** NRS 371.106 is hereby amended to read as follows:

20 371.106 1. Whenever any vehicle ceases to be exempt from  
21 taxation under NRS 371.101, 371.102, 371.103 or 371.104 *or*  
22 *section 2 of this act* because the owner no longer meets the  
23 requirements for the exemption provided in those sections, its owner  
24 shall immediately notify the Department of the fact.

25 2. If a person fails to notify the Department as required by  
26 subsection 1 and as a result of such failure is allowed a tax  
27 exemption to which he or she is not entitled, there shall be added to  
28 and collected with the tax otherwise due a penalty equal to double  
29 the amount of the tax. If the person's failure is fraudulent and results  
30 in his or her receiving a tax exemption to which he or she is not  
31 entitled, the person is also guilty of a gross misdemeanor.

32 **Sec. 6.** Chapter 482 of NRS is hereby amended by adding  
33 thereto a new section to read as follows:

34 **1. Notwithstanding any other specific statute to the contrary:**

35 *(a) A fully disabled veteran who is identified by name on the*  
36 *certificate of title for the vehicle as a legal owner of any interest in*  
37 *the vehicle and who certifies in writing that the vehicle will be*  
38 *used only for the personal use of the veteran or a member of the*  
39 *household of the veteran and will not be used in the operation of a*  
40 *business, is exempt from the payment of any fees otherwise*  
41 *required to be paid to the Department or its agents for:*

42 *(1) The registration, renewal of registration or*  
43 *reinstatement of registration of, or the transfer of registration to,*  
44 *every:*

45 *(I) Passenger car;*



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(II) *Light commercial vehicle having a manufacturer's rated carrying capacity of 1 ton or less; and*

(III) *Motor home, which is registered to the veteran; and*

(2) *The issuance, renewal or replacement of any regular or special license plates, including any personalized prestige license plates, for any vehicle described in subparagraph (1) for which the vehicle and veteran qualify, except for any qualifications requiring the payment of any fee.*

(b) *The Department and its agents shall, without collecting any of the fees from which a fully disabled veteran is exempt pursuant to paragraph (a), register any vehicle described in that paragraph to the veteran and issue, renew or replace any license plates described in that paragraph as requested by the veteran, if the veteran would otherwise be entitled to register that vehicle and obtain those license plates for the vehicle upon the payment of such fees.*

2. *As used in this section, "fully disabled veteran" means a veteran of the Armed Forces of the United States who, as a result of his or her service, has suffered a 100-percent service-connected disability and who receives compensation from the United States for the disability.*

**Sec. 7.** NRS 482.216 is hereby amended to read as follows:

482.216 1. Upon the request of a new vehicle dealer, the Department may authorize the new vehicle dealer to:

(a) Accept applications for the registration of the new motor vehicles he or she sells and the related fees and taxes;

(b) Issue certificates of registration to applicants who satisfy the requirements of this chapter; and

(c) Accept applications for the transfer of registration pursuant to NRS 482.399 if the applicant purchased from the new vehicle dealer a new vehicle to which the registration is to be transferred.

2. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall:

(a) Transmit the applications received to the Department within the period prescribed by the Department;

(b) Transmit the fees collected from the applicants and properly account for them within the period prescribed by the Department;

(c) Comply with the regulations adopted pursuant to subsection 4; and

(d) Bear any cost of equipment which is necessary to issue certificates of registration, including any computer hardware or software.

3. A new vehicle dealer who is authorized to issue certificates of registration pursuant to subsection 1 shall not:



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1 (a) Charge any additional fee for the performance of those  
2 services;

3 (b) Receive compensation from the Department for the  
4 performance of those services;

5 (c) Accept applications for the renewal of registration of a motor  
6 vehicle; or

7 (d) Accept an application for the registration of a motor vehicle  
8 if the applicant wishes to:

9 (1) Obtain special license plates pursuant to NRS 482.3667  
10 to 482.3823, inclusive; ~~for~~

11 (2) Claim the exemption from the governmental services tax  
12 provided pursuant to NRS 361.1565 to veterans and their relations  
13 ~~for~~; or

14 (3) *Claim an exemption from the governmental services tax*  
15 *or from the payment of any fees pursuant to section 2 or 6 of this*  
16 *act.*

17 4. The Director shall adopt such regulations as are necessary to  
18 carry out the provisions of this section. The regulations adopted  
19 pursuant to this subsection must provide for:

20 (a) The expedient and secure issuance of license plates and  
21 decals by the Department; and

22 (b) The withdrawal of the authority granted to a new vehicle  
23 dealer pursuant to subsection 1 if that dealer fails to comply with the  
24 regulations adopted by the Department.

25 **Sec. 8.** This act becomes effective on July 1, 2011.

