

SENATE BILL NO. 255—SENATOR BREEDEN

MARCH 17, 2011

Referred to Committee on Revenue

SUMMARY—Reduces the amount of governmental services taxes imposed on certain older motor vehicles. (BDR 32-351)

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:

Existing law sets forth depreciation schedules for determining the amount of the governmental services taxes due each year for used vehicles. (NRS 371.060) **Section 1** of this bill decreases the amount of those taxes due annually for passenger vehicles that are 9 years of age or older by revising the depreciation schedule for those vehicles to reduce from 15 percent to 12 percent the portion of the initial value of those vehicles upon which the governmental services taxes are imposed. **Section 2** of this bill accordingly reduces the amount of the pertinent tax revenue which is allocated to the State.

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

Section 1. NRS 371.060 is hereby amended to read as follows:
371.060 1. Except as otherwise provided in ~~subsection 2,~~
subsections 2 and 3, each vehicle 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
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 percent
14		

15 2. *Except as otherwise provided in subsection 3, each*
16 *passenger vehicle must be depreciated by the Department for the*
17 *purposes of the annual governmental services tax according to the*
18 *following schedule:*

	Age	Percentage of Initial Value
19		
20		
21		
22	<i>New</i>	<i>100 percent</i>
23	<i>1 year</i>	<i>95 percent</i>
24	<i>2 years</i>	<i>85 percent</i>
25	<i>3 years</i>	<i>75 percent</i>
26	<i>4 years</i>	<i>65 percent</i>
27	<i>5 years</i>	<i>55 percent</i>
28	<i>6 years</i>	<i>45 percent</i>
29	<i>7 years</i>	<i>35 percent</i>
30	<i>8 years</i>	<i>25 percent</i>
31	<i>9 years or more</i>	<i>12 percent</i>
32		

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

	Age	Percentage of Initial Value
38		
39		
40		
41	New	100 percent
42	1 year	85 percent
43	2 years	69 percent
44	3 years	57 percent
45	4 years	47 percent



* S B 2 5 5 *

	Age	Percentage of Initial Value
1		
2		
3		
4	5 years	38 percent
5	6 years	33 percent
6	7 years	30 percent
7	8 years	27 percent
8	9 years	25 percent
9	10 years or more	23 percent
10		

11 ~~13.1~~ 4. Notwithstanding any other provision of this section, the
12 minimum amount of the governmental services tax:

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

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

16 ~~14.1~~ 5. For the purposes of this section, a vehicle shall be
17 deemed a "new" vehicle if the vehicle has never been registered
18 with the Department and has never been registered with the
19 appropriate agency of any other state, the District of Columbia, any
20 territory or possession of the United States or any foreign state,
21 province or country.

22 6. *As used in this section, "passenger vehicle" means a motor*
23 *vehicle designed for carrying 10 persons or less, other than a*
24 *motor vehicle designed to travel on not more than three wheels in*
25 *contact with the ground.*

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

27 482.182 1. After deducting the amount withheld by the
28 Department and the amount credited to the Department pursuant to
29 subsection 6 of NRS 482.180 and before carrying out the provisions
30 of NRS 482.181 each month, the Department shall direct the State
31 Controller to transfer to the State General Fund from the proceeds of
32 the basic governmental services tax collected by the Department and
33 its agents during the preceding month the amounts indicated
34 pursuant to this section.

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

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

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

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

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



- 1 (4) Four years, is a sum equal to 15 percent of those
2 proceeds;
3 (5) Five years, is a sum equal to 18 percent of those
4 proceeds;
5 (6) Six years, is a sum equal to 22 percent of those proceeds;
6 (7) Seven years, is a sum equal to 29 percent of those
7 proceeds;
8 (8) Eight years, is a sum equal to 40 percent of those
9 proceeds; and
10 (9) Nine years or more, is a sum equal to 67 percent of those
11 proceeds; ~~and~~
12 (b) *Subsection 2 of NRS 371.060 based upon an age of:*
13 (1) *One year, is a sum equal to 11 percent of those*
14 *proceeds;*
15 (2) *Two years, is a sum equal to 12 percent of those*
16 *proceeds;*
17 (3) *Three years, is a sum equal to 13 percent of those*
18 *proceeds;*
19 (4) *Four years, is a sum equal to 15 percent of those*
20 *proceeds;*
21 (5) *Five years, is a sum equal to 18 percent of those*
22 *proceeds;*
23 (6) *Six years, is a sum equal to 22 percent of those*
24 *proceeds;*
25 (7) *Seven years, is a sum equal to 29 percent of those*
26 *proceeds;*
27 (8) *Eight years, is a sum equal to 40 percent of those*
28 *proceeds; and*
29 (9) *Nine years or more, is a sum equal to 58 percent of*
30 *those proceeds; and*
31 (c) Subsection ~~2~~3 of NRS 371.060 based upon an age of:
32 (1) One year, is a sum equal to 12 percent of those proceeds;
33 (2) Two years, is a sum equal to 14 percent of those
34 proceeds;
35 (3) Three years, is a sum equal to 18 percent of those
36 proceeds;
37 (4) Four years, is a sum equal to 21 percent of those
38 proceeds;
39 (5) Five years, is a sum equal to 26 percent of those
40 proceeds;
41 (6) Six years, is a sum equal to 30 percent of those proceeds;
42 (7) Seven years, is a sum equal to 33 percent of those
43 proceeds;
44 (8) Eight years, is a sum equal to 37 percent of those
45 proceeds;



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~~ 4 of NRS 371.060 is a
9 sum equal to 63 percent of those proceeds.

10 **Sec. 3.** The amendatory provisions of this act do not apply to
11 any governmental services taxes imposed for any period of
12 registration of a vehicle that begins before July 1, 2011.

13 **Sec. 4.** This act becomes effective:

14 1. Upon passage and approval for the purpose of performing
15 any preparatory administrative tasks that are necessary to carry out
16 the provisions of this act; and

17 2. On July 1, 2011, for all other purposes.

