

ASSEMBLY BILL NO. 418—COMMITTEE  
ON GOVERNMENT AFFAIRS

MARCH 25, 2013

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Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the distribution of proceeds from certain taxes ad valorem. (BDR 31-1087)

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.

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AN ACT relating to local financial administration; revising provisions relating to the distribution of proceeds from certain taxes ad valorem in larger counties; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law authorizes the board of county commissioners of each county to  
2 levy an additional 5-cent property tax on all taxable property in the county. (NRS  
3 354.59815) For any county whose population is 100,000 or more (currently Clark  
4 and Washoe Counties), **section 1** of this bill revises the formula for distributing the  
5 proceeds of the tax among the county and the cities and towns in the county.

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

1      **Section 1.** NRS 354.59815 is hereby amended to read as  
2 follows:

3      354.59815 1. In addition to the allowed revenue from taxes  
4 ad valorem determined pursuant to NRS 354.59811, the board of  
5 county commissioners may levy a tax ad valorem on all taxable  
6 property in the county at a rate not to exceed 5 cents per \$100 of the  
7 assessed valuation of the county.

8      2. If a tax is levied pursuant to subsection 1 in:  
9           (a) A county whose population is less than 100,000, the board of  
10 county commissioners shall direct the county treasurer to distribute



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1 quarterly the proceeds of the tax among the county and the cities  
2 and towns within that county in the proportion that the supplemental  
3 city-county relief tax distribution factor of each of those local  
4 governments for the 1990-1991 Fiscal Year bears to the sum of the  
5 supplemental city-county relief tax distribution factors of all of the  
6 local governments in the county for the 1990-1991 Fiscal Year.

7 (b) A county whose population is 100,000 or more, the board of  
8 county commissioners shall direct the county treasurer to distribute  
9 quarterly, from the proceeds of the tax for:

10 (1) The fiscal year beginning on July 1, 2008:

11 (I) Eighty-eight percent of those proceeds among the  
12 county and the cities and towns within that county in the proportion  
13 that the supplemental city-county relief tax distribution factor of  
14 each of those local governments for the 1990-1991 Fiscal Year  
15 bears to the sum of the supplemental city-county relief tax  
16 distribution factors of all the local governments in the county for the  
17 1990-1991 Fiscal Year; and

18 (II) Twelve percent of those proceeds to the State  
19 Treasurer for deposit in the State Highway Fund for administration  
20 pursuant to subsection 7 of NRS 408.235.

21 (2) The fiscal year beginning on July 1, 2009:

22 (I) Seventy-six percent of those proceeds to the State  
23 Treasurer for deposit in the State General Fund; and

24 (II) Twenty-four percent of those proceeds to the State  
25 Treasurer for deposit in the State Highway Fund for administration  
26 pursuant to subsection 7 of NRS 408.235.

27 (3) The fiscal year beginning on July 1, 2010:

28 (I) Sixty-four percent of those proceeds to the State  
29 Treasurer for deposit in the State General Fund; and

30 (II) Thirty-six percent of those proceeds to the State  
31 Treasurer for deposit in the State Highway Fund for administration  
32 pursuant to subsection 7 of NRS 408.235.

33 (4) The fiscal year beginning on July 1, 2011:

34 (I) Fifty-two percent of those proceeds among the county  
35 and the cities and towns within that county in the proportion that the  
36 supplemental city-county relief tax distribution factor of each of  
37 those local governments for the 1990-1991 Fiscal Year bears to the  
38 sum of the supplemental city-county relief tax distribution factors of  
39 all the local governments in the county for the 1990-1991 Fiscal  
40 Year; and

41 (II) Forty-eight percent of those proceeds to the State  
42 Treasurer for deposit in the State Highway Fund for administration  
43 pursuant to subsection 7 of NRS 408.235.

44 (5) ~~Each~~ **The** fiscal year beginning on ~~or after~~ July 1,  
45 2012:



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1                   (I) Forty percent of those proceeds among the county and  
2 the cities and towns within that county in the proportion that the  
3 supplemental city-county relief tax distribution factor of each of  
4 those local governments for the 1990-1991 Fiscal Year bears to the  
5 sum of the supplemental city-county relief tax distribution factors of  
6 all the local governments in the county for the 1990-1991 Fiscal  
7 Year; and

8                   (II) Sixty percent of those proceeds to the State Treasurer  
9 for deposit in the State Highway Fund for administration pursuant to  
10 subsection 7 of NRS 408.235.

11                  **(6) Each fiscal year beginning on or after July 1, 2013:**

12                  *(I) Forty percent of those proceeds among the county  
13 and the cities and towns within that county in the proportion that  
14 the projected assessed value of each of those local governments for  
15 the fiscal year bears to the sum of the projected assessed values of  
16 all those local governments for that fiscal year; and*

17                  *(II) Sixty percent of those proceeds to the State  
18 Treasurer for deposit in the State Highway Fund for  
19 administration pursuant to subsection 7 of NRS 408.235.*

20                  *↳ As used in this subparagraph, "projected assessed value"  
21 means the assessed value of real and personal property in a  
22 county, city or town, as applicable, excluding real or personal  
23 property in any redevelopment area, which is projected by the  
24 Department of Taxation in the report prepared pursuant to  
25 NRS 361.4535.*

26                  3. The board of county commissioners shall not reduce the rate  
27 of any tax levied pursuant to the provisions of subsection 1 without  
28 the approval of the State Board of Finance and each of the local  
29 governments that receives a portion of the tax, except that, if a local  
30 government declines to receive its portion of the tax in a particular  
31 year the levy may be reduced by the amount that local government  
32 would have received.

33                  **Sec. 2.** This act becomes effective on July 1, 2013.

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