

Assembly Bill No. 418—Committee
on Government Affairs

CHAPTER.....

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

Legislative Counsel's Digest:

Existing law authorizes the board of county commissioners of each county to levy an additional 5-cent property tax on all taxable property in the county. (NRS 354.59815) For any county whose population is 700,000 or more (currently Clark County), **section 1** of this bill revises the formula for distributing the proceeds of the tax among the county and the cities in the county.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

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

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

2. If a tax is levied pursuant to subsection 1 in:

(a) A county whose population is less than 100,000, the board of county commissioners shall direct the county treasurer to distribute quarterly the proceeds of the tax among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all of the local governments in the county for the 1990-1991 Fiscal Year.

(b) A county whose population is 100,000 or more ~~+~~ *but less than 700,000*, the board of county commissioners shall direct the county treasurer to distribute quarterly, from the proceeds of the tax for:

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

(I) Eighty-eight percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of



each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

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

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

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

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

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

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

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

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

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

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

(5) Each fiscal year beginning on or after July 1, 2012:

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

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



(c) A county whose population is 700,000 or more, from the proceeds of the tax for each fiscal year beginning on or after July 1, 2013:

(1) Forty percent of those proceeds must be divided among the county and the cities within the county as provided in this subparagraph. The board of county commissioners shall direct the county treasurer to retain 30 percent and distribute quarterly the remaining 70 percent among the county and the cities within the county in the proportion that the projected assessed value of the unincorporated areas of the county and each of those cities for the fiscal year bears to the sum of the projected assessed values of the unincorporated areas and all those cities for that fiscal year.

(2) Sixty percent of those proceeds must be remitted quarterly by the county treasurer to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of NRS 408.235.

↪ As used in this paragraph, "projected assessed value" means the assessed value of real and personal property in a county or city, as applicable, excluding real or personal property in any redevelopment area, which is projected by the Department of Taxation in the report prepared pursuant to NRS 361.4535.

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

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

