

SENATE BILL NO. 474—COMMITTEE ON FINANCE
(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 25, 2013

Referred to Committee on Revenue and Economic Development

SUMMARY—Provides for the repayment of bonds issued for projects of capital improvement. (BDR 32-1127)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Executive Budget.

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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; requiring that certain proceeds of the taxes on intoxicating liquors be used for the payment of principal and interest on obligations incurred by the State of Nevada to pay for the cost of certain capital improvements; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides for the imposition of certain taxes on intoxicating liquor
2 and on the privilege of importing, possessing, storing or selling liquor. (NRS
3 369.330, 369.333) This bill requires that the proceeds from those taxes be used, to
4 the extent necessary for that purpose, for the repayment of bonded indebtedness
5 of the State of Nevada which is approved by the 77th Session of the Legislature to
6 pay the cost of capital improvement projects that are also so approved. If the
7 proceeds from the taxes are insufficient in any fiscal year to service the debt, this
8 bill contingently appropriates money from the State General Fund for that purpose.

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

1 **Section 1.** NRS 369.170 is hereby amended to read as follows:
2 369.170 1. All revenues required to be paid to the State under
3 this chapter must be paid to the Department in the form of
4 remittances payable to the Department. The Department shall



1 deposit the payments in the State Treasury to the credit of the
2 Liquor Tax Account in the State General Fund.

3 2. The Department shall indicate the amount, if any, which is
4 derived from the tax on liquor containing more than 22 percent of
5 alcohol by volume.

6 3. Upon order of the State Controller, money in the Liquor Tax
7 Account must be drawn therefrom for any refunds under this
8 chapter.

9 4. *The proceeds of the taxes imposed by this chapter, except*
10 *for the amounts required to be:*

11 *(a) Drawn to pay any refunds pursuant to subsection 3;*

12 *(b) Apportioned to the counties of this State pursuant to NRS*
13 *369.173; or*

14 *(c) Transferred to the Tax on Liquor Program Account in the*
15 *State General Fund pursuant to NRS 369.174,*

16 *↪ must be used, to the extent necessary for that purpose, for the*
17 *repayment of bonded indebtedness of the State of Nevada*
18 *approved by the 77th Session of the Nevada Legislature to pay the*
19 *cost of projects of capital improvement that are so approved.*

20 5. *The proceeds of the taxes imposed by this chapter, except*
21 *for the amounts described in subsection 4, are hereby appropriated*
22 *for each fiscal year to the Consolidated Bond Interest and*
23 *Redemption Fund to discharge the obligations of the State of*
24 *Nevada described in subsection 4 as they are respectively due in*
25 *that fiscal year. Any balance of the money appropriated by this*
26 *subsection remaining at the end of the respective fiscal years does*
27 *not revert to the State General Fund.*

28 6. *On or before July 1 of each year, the State Treasurer shall*
29 *estimate the amount of the proceeds of the taxes imposed by this*
30 *chapter, except for the amounts described in subsection 4. If*
31 *the sum of that estimate and the balance of the reserves in the*
32 *Consolidated Bond Interest and Redemption Fund is less than the*
33 *total obligation of the State of Nevada for payment of the interest*
34 *on and principal of the obligations described in subsection 4*
35 *which will become due in that fiscal year, the State Treasurer shall*
36 *request the State Controller to reserve in the State General Fund*
37 *an amount sufficient to pay the remainder of the total obligation.*
38 *The State Treasurer may revise the estimate and amount reserved.*

39 7. *If the money in the Consolidated Bond Interest and*
40 *Redemption Fund is insufficient to pay those obligations as they*
41 *become due, the State Controller shall cause the money reserved*
42 *pursuant to subsection 6 to be transferred from the State General*
43 *Fund to the Consolidated Bond Interest and Redemption Fund.*
44 *The amount reserved is hereby contingently appropriated for that*
45 *purpose. Any balance of the sums appropriated by this subsection*



1 *remaining at the end of the respective fiscal years must not be*
2 *committed for expenditure after June 30 of the respective fiscal*
3 *years and must be reverted to the State General Fund on or before*
4 *the third Friday in September of the next ensuing fiscal year.*

5 **Sec. 2.** This act becomes effective upon passage and approval.

