REQUIRES TWO-THIRDS MAJORITY VOTE (§ 1)

S.B. 509

SENATE BILL NO. 509–COMMITTEE ON FINANCE

MARCH 25, 2013

Referred to Committee on Revenue and Economic Development

SUMMARY—Revises provisions governing taxes on transient lodging. (BDR S-1198)

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

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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; revising the provisions governing the tax on the rental of transient lodging within the City of Sparks to pay for certain tourism-related projects and capital improvements; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes a tax at the rate of 2.5 percent of the gross receipts from the rental of transient lodging in the City of Sparks. (Section 6.6 of chapter 432, Statutes of Nevada 1999, as added by chapter 189, Statutes of Nevada 2003, at page 962) **Section 1** of this bill revises provisions concerning the expiration date of that tax. **Section 2** of this bill authorizes and ratifies the collection of the tax pursuant to the provisions as amended by this bill.

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

Section 1. Section 6.6 of chapter 432, Statutes of Nevada 1999, as added by chapter 189, Statutes of Nevada 2003, at page 962, is hereby amended to read as follows:

Sec. 6.6. 1. A tax at the rate of 2 1/2 percent of the gross receipts from the rental of transient lodging is hereby imposed in the City of Sparks.

2. The tax imposed pursuant to this section must:

(a) Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the City of Sparks and Washoe County;

(b) Be collected and enforced in the same manner as provided for the collection of the tax imposed by NRS 244.3352, subject to the limitations set forth in NRS 244.3356, except that the proceeds of the tax may be used to defray the costs of enforcing any applicable tax liens incurred by the Reno/Sparks Convention and Visitors Authority; and

(c) Be paid to the Reno/Sparks Convention and Visitors Authority, which shall distribute the proceeds from the tax to the City Council of the City of Sparks.

3. All decisions, and any deliberations leading to those decisions, that are made by any body, including, without limitation, the Reno/Sparks Convention and Visitors Authority, the City Council of the City of Sparks and the Sparks Tourism Facility and Revitalization Steering Committee, concerning the expenditure, commitment or other use of money derived from the proceeds of the tax imposed pursuant to this section must be made at a public meeting that complies with the provisions of chapter 241 of NRS, whether or not the body is determined to be a public body to which that chapter is applicable.

4. ~~[The tax imposed pursuant to this section expires by limitation on the date on which the principal of, and the interest on, any general or special obligations described in paragraph (e) of subsection 1 of section 6.7 of this act are fully paid. The proceeds from the tax must not be committed for expenditure after that date. The City Council of the City of Sparks shall, at least 30 days before such obligations are fully paid, adopt an ordinance that sets forth the date on which such obligations will be fully paid. Upon the adoption of such an ordinance, the Reno/Sparks Convention and Visitors Authority shall give written notice of the date on which the tax will expire to each person providing transient lodging who is liable for the payment of the tax.~~

~~5.]~~ As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

Sec. 2. The collection of the tax imposed in the City of Sparks on the gross receipts from the rental of transient lodging by section 6.6 of chapter 432, Statutes of Nevada 1999, as added by chapter 189, Statutes of Nevada 2003, at page 962, after the date specified in subsection 4 of that section, as added by chapter 189, Statutes of

Nevada 2003, is hereby authorized, ratified, approved and confirmed in all respects.

Sec. 3. This act becomes effective upon passage and approval.

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