

**MINUTES OF THE FLOOR MEETING
OF THE
ASSEMBLY COMMITTEE ON TAXATION**

**Seventy-Ninth Session
May 19, 2017**

The Committee on Taxation was called to order by Chair Dina Neal at 12:34 p.m. on Friday, May 19, 2017, behind the bar of the Assembly.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Dina Neal, Chair
Assemblywoman Irene Bustamante Adams, Vice Chair
Assemblyman Paul Anderson
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Lesley E. Cohen
Assemblyman Edgar Flores
Assemblyman Jason Frierson
Assemblyman Al Kramer
Assemblyman Jim Marchant
Assemblyman Keith Pickard
Assemblywoman Ellen B. Spiegel

COMMITTEE MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Michael Nakamoto, Deputy Fiscal Analyst
Tracy Davis, Committee Manager
Gina Hall, Committee Secretary

Chair Neal:

[Roll was taken.] I will open the hearing on Senate Bill 352 (1st Reprint). We have a new amendment to the bill ([Exhibit C](#)). Mr. Nakamoto, can you refresh everyone's memory on S.B. 352 (R1)?



Senate Bill 352 (1st Reprint): Revises provisions governing the taxation of property rebuilt after an event proclaimed an emergency or disaster by the Governor. (BDR 32-929)

Michael Nakamoto, Deputy Fiscal Analyst:

Senate Bill 352 (1st Reprint) was heard in this Committee on May 4. It was sponsored by Senator Kieckhefer. This is the bill that establishes provisions to allow if a person whose primary single-family residence is partially or completely destroyed by a flood, fire, earthquake, or other event for which the Governor proclaims either a state of emergency or declaration of disaster, and who meets certain other requirements, to apply to the county assessor for an exemption of assessed value related to the replacement of the destroyed residence such that the taxes imposed on the replacement residence are based on the taxes and value of the property in the fiscal year in which the single-family residence was partially or completely destroyed.

This exemption would only last until the property is sold or otherwise transferred in a transaction in which the real property transfer tax is paid. It also applies retroactively for any state of emergency or declaration of disaster that was proclaimed by the Governor before, on, or after July 1, 2017.

What I have handed out to all of you ([Exhibit C](#)) is a summary of the three amendments brought forward by Senator Kieckhefer. The first amendment is a sunset of 30 years after the effective date to be placed on the bill. This amendment would specify that anybody after that date could no longer receive or be eligible to receive the exemption, but anyone who already is receiving the exemption would continue to receive the exemption until such a time where they would no longer become eligible; for example, if the house is sold or otherwise transferred. This was put in place to maintain compliance with Article 10, Section 6, of the *Nevada Constitution*, which requires a sunset to be placed on any exemption for sales and property tax. The second amendment is to add Assemblywoman Krasner on as a primary sponsor. The third amendment is to make the provisions in the bill partially retroactive—that is, it would only apply to a single-family, owner-occupied residence that was partially or completely destroyed on or after July 1, 2012.

The fourth amendment to the bill, which was brought to my attention about 45 seconds ago by Assemblywoman Benitez-Thompson, was to add Assemblywoman Benitez-Thompson and Assemblywoman Neal as sponsors for the legislation.

Assemblyman Kramer:

I would also like to be added as a sponsor.

Assemblyman Pickard:

I would as well.

Assemblywoman Spiegel:

I would too.

Assemblywoman Bustamante Adams:

Could a homeowner get this more than two times within that 30-year extension?

Michael Nakamoto:

They would get the exemption every year, until such a time that property is sold.

Assemblywoman Bustamante Adams:

What if there were two disasters?

Michael Nakamoto:

I would have to assume that if their home was completely destroyed a second time, they would be eligible to apply again and get the exemption.

Assemblywoman Benitez-Thompson:

It only resets to a certain depreciation level, so the tax obligation never goes away.

Michael Nakamoto:

It resets the depreciation to the original house. They would essentially get an exemption for the gap between the new house and the original house.

Chair Neal:

Are there any other questions on the amendments? [There were none.] I will accept a motion to amend and do pass S.B. 352 (R1) with the four amendments as discussed.

ASSEMBLYMAN FLORES MOVED TO AMEND AND DO PASS
SENATE BILL 352 (1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Pickard. I will close the hearing on S.B. 352 (R1) and opening the hearing for Senate Bill 415.

Senate Bill 415: Proposes to exempt sales of feminine hygiene products from sales and use taxes and analogous taxes. (BDR 32-631)

Michael Nakamoto, Deputy Fiscal Analyst:

This bill has not yet been heard in this Committee, but it has been referred. This bill was sponsored by Senator Cancela and Senator Woodhouse. It proposes a ballot question to amend the Sales and Use Tax Act of 1955, to provide an exemption from the 2 percent sales tax for feminine hygiene products, which is defined to include, without limitation, sanitary napkins, tampons, or similar items used for feminine hygiene. If the ballot question

is passed at the November 2018 general election, it would provide corresponding exemptions from all local sales and use taxes, and these exemptions would be in effect until December 31, 2028.

It has come to my attention that Assemblyman Frierson has an amendment he would like to bring forward for this bill to add sponsors. The sponsors would be Assemblywoman Monroe-Moreno and Assemblywoman Jauregui. I am happy to answer any questions.

Assemblywoman Spiegel:

I would like to be added on as a sponsor.

Chair Neal:

Yes, add Assemblywoman Spiegel as a sponsor. We also need to propose an amendment that it mimic the same feminine hygiene definition.

Michael Nakamoto:

So it is only sanitary napkins and tampons?

Chair Neal:

Not everything else.

Assemblyman Pickard:

Is this the last time it is going on the ballot?

Michael Nakamoto:

It only needs to go on the ballot once.

Assemblyman Pickard:

I thought it had to be heard in two sessions before it goes on the ballot.

Michael Nakamoto:

For amendments to the Sales and Use Tax Act of 1955 they only need to go on the ballot once. It would go on the ballot in November 2018. It would become effective if a majority votes for it.

Chair Neal:

I will accept a motion to amend and do pass, with both amendments.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO AMEND AND
DO PASS SENATE BILL 415.

ASSEMBLYMAN PICKARD SECONDED THE MOTION.

THE MOTION PASSED (ASSEMBLYMAN MARCHANT VOTED NO).

I will assign the floor statement for this bill to Assemblywoman Spiegel. There being no further business, we are adjourned [at 12:45 p.m.].

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblywoman Dina Neal, Chair

DATE: _____

EXHIBITS

[Exhibit C](#) is a proposed amendment to Senate Bill 352 (1st Reprint), dated May 19, 2017, submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.