

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

**Eightieth Session  
May 21, 2019**

The Committee on Taxation was called to order by Chair Dina Neal at 4:08 p.m. on Tuesday, May 21, 2019, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/80th2019](http://www.leg.state.nv.us/App/NELIS/REL/80th2019).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Dina Neal, Chair  
Assemblywoman Ellen B. Spiegel, Vice Chair  
Assemblywoman Shea Backus  
Assemblywoman Lesley E. Cohen  
Assemblyman Chris Edwards  
Assemblyman Gregory T. Hafen II  
Assemblyman Al Kramer  
Assemblywoman Susie Martinez  
Assemblywoman Heidi Swank

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Teresa Benitez-Thompson (excused)  
Assemblyman Edgar Flores (excused)

**GUEST LEGISLATORS PRESENT:**

None

**STAFF MEMBERS PRESENT:**

Russell Guindon, Principal Deputy Fiscal Analyst  
Michael Nakamoto, Deputy Fiscal Analyst  
Gina Hall, Committee Secretary  
Olivia Lloyd, Committee Assistant



**OTHERS PRESENT:**

Melanie Young, Executive Director, Department of Taxation  
Shellie Hughes, Chief Deputy Executive Director, Department of Taxation

**Chair Neal:**

[Roll was taken and Committee rules and protocol were reviewed.] We only have one bill to hear today. It is Senate Bill 447 (1st Reprint) on durable medical equipment. I will open the hearing for S.B. 447 (R1) and call the Department of Taxation to the table.

**Senate Bill 447 (1st Reprint): Exempts sales of certain durable medical equipment, oxygen delivery equipment and mobility enhancing equipment from sales and use taxes. (BDR 32-1255)**

**Melanie Young, Executive Director, Department of Taxation:**

With me today is Shellie Hughes, my Chief Deputy Executive Director for the Department of Taxation. We are here today to present Senate Bill 447 (1st Reprint), which enacts the exemption of sales and use taxes for certain durable medical equipment, oxygen delivery equipment, and mobility-enhancing equipment. This bill provides the necessary statutory language for the Department of Taxation to effectuate the measure passed by the Nevada voters.

This exemption was approved by the voters of this state in Ballot Question No. 4 in the 2016 General Election and Ballot Question No. 4 in the 2018 General Election. I would like to provide some background information for the Committee before I get into the bill explanation of S.B. 447 (R1).

Nevada is a full member of the Streamlined Sales and Use Tax Agreement (SSUTA) Governing Board. The purpose of the agreement is to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance. Twenty-three states are full members of the SSUTA Governing Board, and there is one associate member in Tennessee. Out of the 23 full members, 18 states have provided similar exemptions for these types of equipment.

Sections 2 through 4 of the bill incorporate SSUTA definitions for durable medical equipment, mobility-enhancing equipment, and oxygen delivery equipment. These sections also provide examples of each type of equipment. Section 6 enacts the exemption for the sales and use tax, which are deposited in the State General Fund. This section also indicates that the equipment must be prescribed by a licensed provider of health care. Section 9 amends the local school support tax to provide the identical exemption. Section 12 provides that all exemptions become effective on July 1, 2019. That concludes our presentation and we are available for questions.

**Assemblyman Hafen:**

In section 3, subsection 2 there was reference to wheelchairs. Would motorized wheelchairs be excluded from sales tax, or just standard wheelchairs? Could you address that on the record?

**Shellie Hughes, Chief Deputy Executive Director, Department of Taxation:**

Currently we are not sure if motorized wheelchairs would fall within these definitions. We would have to look into that. It does have to align with the SSUTA definitions and SSUTA does not really define motorized wheelchairs. We will definitely look into that for you, and if so, we could do a regulatory process to include that.

**Assemblyman Hafen:**

When it comes to quadriplegics, they do not have the ability to use a standard wheelchair, and I believe the intent of the ballot initiative was to include motorized wheelchairs. I just wanted to get that intent on the record, and if it takes regulatory language, I thank you in advance.

**Assemblywoman Cohen:**

I had a question about rented equipment. If we pass this per the ballot initiative, even if a business buys the equipment that is listed in the bill to rent out, there will not be taxes on the business for the purchase, and there will not be taxes on the person who is renting the equipment for their own personal use.

**Shellie Hughes:**

Yes. As long as the equipment that is rented out is prescribed by a licensed health care provider, the tax would not apply.

**Chair Neal:**

I knew there would not be a fiscal note, but I wanted to know the amount of revenue the state will no longer be receiving with the exemption.

**Melanie Young:**

The Department of Taxation does not collect that data, so we are unable to determine the fiscal impact of this bill.

**Chair Neal:**

Seeing no additional questions, I will call those in support of S.B. 447 (R1) to the table. [There was no one.] Is there anyone who wishes to testify in opposition to S.B. 447 (R1)? [There was no one.] Is there anyone who wishes to testify neutral on S.B. 447 (R1)? [There was no one.] There are no closing remarks. I will close the hearing on S.B. 447 (R1) and open the hearing for public comment. [There was no one.] We are adjourned [at 4:15 p.m.].

RESPECTFULLY SUBMITTED:

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Gina Hall  
Committee Secretary

APPROVED BY:

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Assemblywoman Dina Neal, Chair

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.