

ASSEMBLY BILL NO. 408—ASSEMBLYWOMAN KASAMA

MARCH 25, 2021

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing taxes on transient lodging. (BDR 20-673)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 provisions relating to the imposition of transient lodging taxes on the gross receipts of room remarketers from the reserving of, arranging for, conveying of or furnishing of the right to use or occupy transient lodging; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law governs the imposition and collection of taxes on the gross receipts of a person engaged in the business of providing transient lodging from the rental of transient lodging in a county or incorporated city. (*See, e.g., NRS 244.3351, 244.3352, 244.33561, 268.096*) Existing law requires each board of county commissioners and the city council or other governing body of each incorporated city to define the term “transient lodging” for the purpose such taxes. (NRS 244.33565, 268.0195)

This bill requires the board of county commissioners of each county and the city council or other governing body of each incorporated city to adopt an ordinance to: (1) require a room remarketer who reserves, arranges for, conveys or furnishes the right to use or occupy transient lodging in a county or incorporated city in this State in exchange for an amount of consideration determined by the room remarketer, to impose, collect and remit transient lodging taxes on the gross receipts of the room remarketer from reserving, arranging for, conveying or furnishing the right to use or occupy transient lodging; (2) require the room remarketer to include in the gross receipts on which the tax is imposed the amounts received by the room remarketer for reserving, arranging for, conveying or furnishing the right to use or occupy transient lodging, including any service or other charge or amount required to be paid as a condition to the right to use or occupy the transient lodging; and (3) authorize the room remarketer to claim a refund or credit for any transient lodging taxes paid by the room remarketer to the provider of the transient lodging.



* A B 4 0 8 *

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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Each board of county commissioners shall adopt an ordinance that:

(a) Defines a room remarketer who reserves, arranges for, conveys or furnishes the right to use or occupy transient lodging in the county to another person for consideration in an amount determined by the room remarketer, to be a person providing transient lodging in the county for the purposes of imposing, collecting and remitting taxes on the gross receipts from the rental of transient lodging in the county. The provisions of this paragraph, or an ordinance adopted pursuant thereto, must not be interpreted or construed to create, expand or alter any other liability, duty, obligation or responsibility of the room remarketer for, or relating to, the transient lodging.

(b) Requires the gross receipts of a room remarketer from reserving, arranging for, conveying or furnishing the right to use or occupy transient lodging in the county to another person for consideration in an amount determined by the room remarketer, including any service or other charge or amount required to be paid as a condition to the right to use or occupy the transient lodging, to be gross receipts from the rental of transient lodging in the county for the purpose of imposing, collecting and remitting taxes on the gross receipts from the rental of transient lodging in the county.

(c) Authorizes a room remarketer to claim a refund or credit against the amount of the tax on the gross receipts from the rental of transient lodging which the room remarketer is required to collect and remit to the county for reserving, arranging for, conveying or furnishing the right to use or occupy transient lodging in the county. The refund or credit must equal the amount of the tax on the gross receipts from the rental of transient lodging that the room remarketer paid to the provider of the transient lodging upon acquiring the ability or authority to reserve, arrange for, convey or furnish the right to use or occupy such transient lodging. The board of county commissioners may include in the ordinance adopted pursuant to this section a procedure for claiming the refund or credit required pursuant to this paragraph.

2. As used in this section:

(a) "Room remarketer" means a person who reserves, arranges for, conveys, or furnishes transient lodging in this State,



1 *whether directly or indirectly, to another person for consideration*
2 *in an amount determined by the room remarketer, directly or*
3 *indirectly, whether pursuant to a written or other agreement.*

4 *(b) "Transient lodging" has the meaning ascribed to it in the*
5 *ordinance adopted pursuant to NRS 244.33565 by the board of*
6 *county commissioners to define the term "transient lodging" for*
7 *the purpose of all taxes imposed by the board on the rental of*
8 *transient lodging.*

9 **Sec. 2.** Chapter 268 of NRS is hereby amended by adding
10 thereto a new section to read as follows:

11 *1. Each city council or governing body of an incorporated*
12 *city shall adopt an ordinance that:*

13 *(a) Defines a room remarketer who reserves, arranges for,*
14 *conveys or furnishes the right to use or possess transient lodging*
15 *in the incorporated city to another person for consideration in an*
16 *amount determined by the room remarketer, to be a person*
17 *providing transient lodging in the incorporated city for the*
18 *purposes of imposing, collecting and remitting taxes on the gross*
19 *receipts from the rental of transient lodging in the incorporated*
20 *city. The provisions of this paragraph, or an ordinance adopted*
21 *pursuant thereto, must not be interpreted or construed to create,*
22 *expand or alter any other liability, duty, obligation or*
23 *responsibility of the room remarketer for, or relating to, the*
24 *transient lodging.*

25 *(b) Requires the gross receipts of a room remarketer from*
26 *reserving, arranging for, conveying or furnishing the right to use*
27 *or occupy transient lodging in the incorporated city to another*
28 *person for consideration in an amount determined by the room*
29 *remarketer, including any service or other charge or amount*
30 *required to be paid as a condition to the right to use or occupy the*
31 *transient lodging, to be gross receipts from the rental of transient*
32 *lodging in the incorporated city for the purpose of imposing,*
33 *collecting and remitting taxes on the gross receipts from the rental*
34 *of transient lodging in the incorporated city.*

35 *(c) Authorizes a room remarketer to claim a refund or credit*
36 *against the amount of the tax on the gross receipts from the rental*
37 *of transient lodging which the room remarketer is required to*
38 *collect and remit to the incorporated city for reserving, arranging*
39 *for, conveying or furnishing the right to use or occupy transient*
40 *lodging in the incorporated city. The refund or credit must equal*
41 *the amount of the tax on the gross receipts from the rental of*
42 *transient lodging that the room remarketer paid to the provider of*
43 *the transient lodging upon acquiring the ability or authority to*
44 *reserve, arrange for, convey or furnish the right to use or occupy*
45 *such transient lodging. The city council or governing body of the*



1 *incorporated city may include in the ordinance adopted pursuant*
2 *to this section a procedure for claiming the refund or credit*
3 *required pursuant to this paragraph.*

4 **2. As used in this section:**

5 (a) *“Room remarketer” means a person who reserves,*
6 *arranges for, conveys, or furnishes transient lodging in this State,*
7 *whether directly or indirectly, to another person for consideration*
8 *in an amount determined by the room remarketer, directly or*
9 *indirectly, whether pursuant to a written or other agreement.*

10 (b) *“Transient lodging” has the meaning ascribed to it in the*
11 *ordinance adopted pursuant to NRS 268.0195 by the city council*
12 *or governing body of an incorporated city to define the term*
13 *“transient lodging” for the purpose of all taxes imposed by the*
14 *board on the rental of transient lodging.*

15 **Sec. 3.** An ordinance adopted pursuant to section 1 or 2 of this
16 act may not become effective before October 1, 2021.

17 **Sec. 4.** Notwithstanding the provisions of NRS 218D.430 and
18 218D.435, a committee, other than the Assembly Standing
19 Committee on Ways and Means and the Senate Standing Committee
20 on Finance, may vote on this act before the expiration of the period
21 prescribed for the return of a fiscal note in NRS 218D.475. This
22 section applies retroactively from and after March 22, 2021.

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

