# BDR 32-19
# SB 196

LOCAL GOVERNMENT

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 23, 2025

Agency Submitting: Local Government

| Items of Revenue or Expense, or Both | Fiscal Year 2024-25 | Fiscal Year 2025-26 | Fiscal Year 2026-27 | Effect on Future Biennia |
|---|---|---|---|---|
| | | | | |
| Total | 0 | 0 | 0 | 0 |

Explanation (Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
SB196 / BDR 32 - 19

City/County: **Carson City**
Approved by: Sheri Russell-Benabou, Chief Financial Officer
Comment: The bill is removing this one personal property from the County Assessors and adding it to a new NRS where the taxpayer would pay the department of taxation directly. We are unable to determine what amount would be lost in collection fees through a new process, audit of recovery fees collected by the business, and the bill does not describe the assessment breakdown.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Has Impact | $0 | ($169,198) | ($177,658) | ($382,409) |

City/County: **Churchill County**
Approved by: Alexa Robinson, Executive Assistant
Comment:

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| No Impact | $0 | $0 | $0 | $0 |

City/County: **Clark County**
Approved by: Jennifer Green, Director of Budget & Financial Planning
Comment: SB196 revises provisions governing the taxation of personal property providing for imposition, administration, collection and enforcement of a recovery fee to offset property taxes levied on certain heavy equipment. The requirement for the Treasurer's Office to deposit and apportion excess fees collected would have a fiscal impact to configure and implement that cannot be determined at this time.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Cannot Be Determined | $0 | $0 | $0 | $0 |

City/County: **Douglas County**
Approved by: Kathy Lewis, Chief Operating Officer
Comment: Any revenue collected from the impact fee would be unanticipated revenue to the County, the amount is unknow at this time.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Cannot Be Determined | $0 | $0 | $0 | $0 |

City/County: **Elko County**

Approved by: Susan Paprocki, Comptroller

Comment: The actual known loss to property tax revenue is undeterminable, but could reach $3 to $5 million in reduction to tax base.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Has Impact | $0 | $0 | $0 | $0 |

City/County: **Humboldt County**

Approved by: Rhona Lecumberry, Humboldt County Treasurer

Comment: This bill may require programming changes to collection software; however, those costs are unknown at this time.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Cannot Be Determined | $0 | $0 | $0 | $0 |

City/County: **Lincoln County**

Approved by: Denice Brown, Admin Asst

Comment:

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| No Impact | $0 | $0 | $0 | $0 |

City/County: **Lyon County**

Approved by: Josh Foli, Comptroller

Comment: This bill will require modifying our tax collection software to be able to apportion any excess recovery fee. The estimated amount is included in this fiscal note. The rental company would be required to report rentals and amounts by the individual tax districts in each county in order for the apportionment to be able to be calculated.

There would also be a reduction in sales tax revenue based on this bill by the amount of sales tax represented by the excess recovery fee. We don't have information to be able to quantify this, so we couldn't provide it in the fiscal note.

In theory, this bill would not affect property tax collections; however, the bill does not address a scenario where the recovery fees are not sufficient to pay the property taxes so we aren't able to determine if there is an additional impact for this scenario.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Has Impact | $0 | $10,000 | $0 | $0 |

City/County: **Pershing County**

Approved by: Karen Wesner, Administrative Assistant

Comment: There could be an impact to the county road department or other departments that rent equipment. The exact amount cannot be determined at this time.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Cannot Be Determined | $0 | $0 | $0 | $0 |

City/County: **Washoe County**

Approved by: Cadence Matijevich, Government Affairs Liaison

Comment: Should the annual proceeds of the surcharge authorized in this bill exceed the amount of property taxes levied on certain equipment in the prior fiscal year, Washoe County would receive additional revenues. However, Washoe County cannot determine a reliable estimate of the potential amount of such revenue because historical heavy equipment rental transaction data has not been made available to the County. Should such additional revenues be generated, the County would incur administrative expenses to apportion and distribute those revenues to the State and local government.

| Impact | FY 2024-25 | FY 2025-26 | FY 2026-27 | Future Biennia |
|---|---|---|---|---|
| Cannot Be Determined | $0 | $0 | $0 | $0 |

The following counties did not provide a response: Esmeralda County, Lander County, Mineral County, Nye County, Storey County, White Pine County, and Eureka County.