

ASSEMBLY BILL NO. 496—COMMITTEE ON TAXATION

MARCH 25, 2013

Referred to Committee on Taxation

SUMMARY—Makes various changes relating to the Clark County Sales and Use Tax Act of 2005. (BDR S-1068)

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; providing the legislative approval required for an increase in the tax imposed pursuant to the Clark County Sales and Use Tax Act of 2005; suspending temporarily the application of certain provisions of the Act; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes the Board of County Commissioners of Clark County
2 to impose a sales and use tax in Clark County of one-quarter of 1 percent to employ
3 and equip additional police officers for the Boulder City Police Department,
4 Henderson Police Department, Las Vegas Metropolitan Police Department,
5 Mesquite Police Department and North Las Vegas Police Department, and allows
6 the imposition of an increase in that tax of not more than one-quarter of 1 percent if
7 the date on which the increased rate is first imposed is on or after October 1, 2009,
8 and if the Legislature first approves the increased rate. (Clark County Sales and Use
9 Tax Act of 2005) **Section 3** of this bill provides the legislative approval required
10 for the imposition of that increase on or after July 1, 2015, if the increase is
11 approved on or after October 1, 2013, by two-thirds of the members of each of: (1)
12 the City Council of Boulder City; (2) the City Council of the City of Henderson; (3)
13 the City Council of the City of Las Vegas; (4) the City Council of the City of
14 Mesquite; (5) the City Council of the City of North Las Vegas; and (6) the Board of
15 County Commissioners of Clark County.

16 **Section 1** of this bill amends the Clark County Sales and Use Tax Act of 2005
17 to suspend temporarily certain provisions of the Act which require a governing
18 body to approve expenditures by a police department of proceeds received from the
19 taxes imposed pursuant to the Act if the governing body determines that the
20 proposed expenditure will not replace or supplant existing funding for the police
21 department. **Section 1** also requires that certain periodic reports required by the Act
22 include a separate detailed description of any expenditures as a result of the
23 temporary suspension of those provisions of the Act. **Section 2** of this bill amends



24 the Act to specify the method for calculating the base fiscal year for certain
25 purposes of the Act.

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

1 **Section 1.** The Clark County Sales and Use Tax Act of 2005,
2 being chapter 249, Statutes of Nevada 2005, at page 912, is hereby
3 amended by adding thereto a new section to be designated as section
4 13.3, immediately following section 13, to read as follows:

5 *Sec. 13.3. 1. The provisions of paragraph (b) of*
6 *subsection 1 and subsections 3 to 8, inclusive, of section 13*
7 *of this act do not apply to any expenditure of proceeds from*
8 *any sales and use tax imposed pursuant to this act on or*
9 *after July 1, 2013, but before July 1, 2015.*

10 *2. In addition to the requirements of section 13.5 of*
11 *this act, the periodic reports required by that section must*
12 *include, with respect to the period covered by the report, a*
13 *separate detailed description of the expenditure of any*
14 *proceeds from the sales and use tax imposed pursuant to*
15 *this act as a result of the provisions of subsection 1.*

16 **Sec. 2.** The Clark County Sales and Use Tax Act of 2005,
17 being chapter 249, Statutes of Nevada 2005, at page 912, is hereby
18 amended by adding thereto a new section to be designated as section
19 13.7, immediately following section 13.5, to read as follows:

20 *Sec. 13.7. Notwithstanding the provisions of*
21 *subsection 8 of section 13 of this act, for Fiscal Year 2015-*
22 *2016, the base fiscal year for each body must be adjusted for*
23 *the purposes of section 13 of this act as provided in this*
24 *section, and that adjusted base fiscal year must be used as*
25 *the base fiscal year for all purposes, including future*
26 *calculations of base fiscal years. To determine the adjusted*
27 *base fiscal year for Fiscal Year 2015-2016, any*
28 *expenditures authorized as a result of the provisions of*
29 *subsection 1 of section 13.3 of this act must not be included*
30 *when calculating the amount of money received or*
31 *expended in that fiscal year.*

32 **Sec. 3.** The Legislature hereby approves an increase, pursuant
33 to paragraph (b) of subsection 1 of section 10 of the Clark County
34 Sales and Use Tax Act of 2005, being chapter 249, Statutes of
35 Nevada 2005, at page 912, in the rate of the tax imposed pursuant to
36 that Act in the amount of one-quarter of 1 percent, if:

37 1. The increase authorized by this section is enacted by an
38 ordinance approved by a two-thirds majority of the members of each
39 of the following:



- 1 (a) The City Council of Boulder City;
2 (b) The City Council of the City of Henderson;
3 (c) The City Council of the City of Las Vegas;
4 (d) The City Council of the City of Mesquite;
5 (e) The City Council of the City of North Las Vegas; and
6 (f) The Board of County Commissioners of Clark County,
7 ↪ after October 1, 2013; and
8 2. The date on which that increased rate is first imposed is on
9 or after July 1, 2015.
10 **Sec. 4.** 1. This act becomes effective upon passage and
11 approval.
12 2. Sections 1 and 2 of this act expire by limitation on
13 October 1, 2025.

