
SENATE BILL NO. 80—COMMITTEE ON REVENUE
AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE DEPARTMENT OF TAXATION)

PREFILED DECEMBER 20, 2014

Referred to Committee on Revenue and
Economic Development

SUMMARY—Makes changes relating to the imposition of use taxes on the storage, use or other consumption of personal property used in interstate or foreign commerce. (BDR 32-305)

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 use taxes; repealing the provisions establishing a presumption that tangible personal property delivered and first used in interstate or foreign commerce outside this State was not purchased for storage, use or other consumption in this State; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, use taxes are imposed on the storage, use or other
2 consumption in Nevada of tangible personal property acquired outside Nevada, if
3 the property is acquired in a transaction that would have been a taxable sale if it had
4 occurred in Nevada. (NRS 372.185, 374.190) Generally, Nevada may impose and
5 collect use taxes to the full extent allowed by the Constitution or laws of the United
6 States and the Nevada Constitution. (NRS 372.265, 374.270) Under certain
7 circumstances, it is presumed under existing law that personal property delivered
8 and first used in interstate or foreign commerce outside Nevada was not purchased
9 for storage, use or other consumption in Nevada, and that use taxes are therefore
10 inapplicable to the transaction. (NRS 372.258, 374.263) This bill repeals that
11 presumption. This bill does not affect Nevada’s authority, noted above, to impose
12 and collect use taxes on the storage, use or other consumption in Nevada of
13 property used in interstate or foreign commerce to the extent allowed by federal law
14 and the state and federal constitutions.



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

1 **Section 1.** NRS 372.255 is hereby amended to read as follows:
2 372.255 1. ~~Except as otherwise provided in NRS 372.258,~~
3 ~~en]~~ **On** and after July 1, 1979, it is presumed that tangible personal
4 property delivered outside this State to a purchaser known by the
5 retailer to be a resident of this State was purchased from a retailer
6 for storage, use or other consumption in this State and stored, used
7 or otherwise consumed in this State.

8 2. This presumption may be controverted by:
9 (a) A statement in writing, signed by the purchaser or his or her
10 authorized representative, and retained by the vendor, that the
11 property was purchased for use at a designated point or points
12 outside this State.

13 (b) Other evidence satisfactory to the Department that the
14 property was not purchased for storage, use or other consumption in
15 this State.

16 **Sec. 2.** NRS 374.260 is hereby amended to read as follows:
17 374.260 1. ~~Except as otherwise provided in NRS 374.263,~~
18 ~~en]~~ **On** and after July 1, 1967, it is further presumed that tangible
19 personal property delivered outside this State to a purchaser known
20 by the retailer to be a resident of the county was purchased from a
21 retailer for storage, use or other consumption in the county and
22 stored, used or otherwise consumed in the county.

23 2. This presumption may be controverted by:
24 (a) A statement in writing, signed by the purchaser or his or her
25 authorized representative, and retained by the vendor, that the
26 property was purchased for use at a designated point or points
27 outside this State.

28 (b) Other evidence satisfactory to the Department that the
29 property was not purchased for storage, use or other consumption in
30 this State.

31 **Sec. 3.** NRS 372.258 and 374.263 are hereby repealed.

32 **Sec. 4.** This act becomes effective upon passage and approval.

TEXT OF REPEALED SECTIONS

**372.258 Presumption that certain property delivered
outside this State was not purchased for use in this State.**

1. It is presumed that tangible personal property delivered
outside this State to a purchaser was not purchased from a retailer
for storage, use or other consumption in this State if the property:



(a) Was first used in interstate or foreign commerce outside this State; and

(b) Is used continuously in interstate or foreign commerce, but not exclusively in this State, for at least 12 months after the date that the property was first used pursuant to paragraph (a).

2. As used in this section:

(a) "Interstate or foreign commerce" means the transportation of passengers or property between:

(1) A point in one state and a point in:

(I) Another state;

(II) A possession or territory of the United States; or

(III) A foreign country; or

(2) Points in the same state when such transportation consists of one or more segments of transportation that immediately follow movement of the property into the state from a point beyond its borders or immediately precede movement of the property from within the state to a point outside its borders.

(b) "State" includes the District of Columbia.

374.263 Presumption that certain property delivered outside this State was not purchased for use in this State.

1. It is presumed that tangible personal property delivered outside this State to a purchaser was not purchased from a retailer for storage, use or other consumption in this State if the property:

(a) Was first used in interstate or foreign commerce outside this State; and

(b) Is used continuously in interstate or foreign commerce, but not exclusively in this State, for at least 12 months after the date that the property was first used pursuant to paragraph (a).

2. As used in this section:

(a) "Interstate or foreign commerce" means the transportation of passengers or property between:

(1) A point in one state and a point in:

(I) Another state;

(II) A possession or territory of the United States; or

(III) A foreign country; or

(2) Points in the same state when such transportation consists of one or more segments of transportation that immediately follow movement of the property into the state from a point beyond its borders or immediately precede movement of the property from within the state to a point outside its borders.

(b) "State" includes the District of Columbia.

