

NEVADA LEGISLATURE - 54th SESSION  
SENATE TAXATION COMMITTEE

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Minutes of Meeting Held  
March 2, 1967

The eighth meeting of the Senate Committee on Taxation was called to order at 4:00 p.m., Thursday, March 2, 1967, in Committee Room 50, State Capitol, by Chairman Gibson. All committee members were present except Senator Christensen.

Also present was Mr. Curtis Blyth, Executive Director of the Nevada Municipal Association.

The Chairman called for consideration of:

S.B. 29: Imposes tax on certain real property transfers. (Pozzi)

He said he had received correspondence in opposition to the Section 5 affidavit and to the fact that the bill does not exclude liens. After discussion, the members reached general agreement on the following amendments, which Chairman Gibson asked Senator Swobe to work out with the bill drafter:

1. Exclude liens.
2. Eliminate the affidavit except for those transfers that do not go through escrow.
3. Have a penalty accrue against the buyer for the amount of the stamps plus \$50.00.
4. Allow the use of either stamps or a stamp meter machine.

The Chairman announced he had received four proposals--three on sales tax and one which would increase the mandatory tax levy for support of the public schools--which the Nevada Municipal Association had had drafted. He said he had asked Mr. Blyth to come in and explain the reason for the bills. Mr. Blyth said there are many approaches which may be made for additional revenue for the state, cities, counties, and schools; and that it is the Association's desire to provide a cross section of everything they can think of in the way of revenue measures, so that the Legislature can study over all the possible alternatives and combinations and do whatever they wish with them.

Following discussion, the committee unanimously agreed that the four bills be presented as committee bills.

The Chairman then called for discussion of:

S.B. 25: Prescribes taxation of patented mining claims when used for purposes unrelated to mining. Introduced by Senator Titlow.

The Chairman said Senator Titlow had planned to explain the bill to the committee, but had had to leave. He said Senator Titlow had turned over to him a letter he had received from agricultural interests, objecting to the language on line 4,

page 1, and requesting that this be amended by inserting the words "or agriculture" after "mining". The letter stated this amendment is needed to protect the livestock industry of southern Nevada. The Chairman explained that Senator Titlow's interest in introducing the bill is that in Tonopah most of the big improvements are on patented mines in the city; that these new businesses are taking advantage of what is really a loophole in the law, allowing them to pay on a flat rate assessed valuation for patented mines, instead of on the true value of the present improvements and use of the land. The committee agreed to include the amendment requested by the agricultural interests. Since the bill appeared to be poorly drafted, it was agreed that the Chairman would talk it over with Russ McDonald and clean up the bill and include the amendment.

The Chairman stated there would be a hearing on the casino entertainment tax bill on Monday, March 6, at 4:00 p.m., at which time there will be quite a delegation from the labor unions, and also gaming operator representatives.

Discussion began on:

S.B. 231: Requires filing of official plats of local governments with county recorder, assessor, and Nevada Tax Commission. Introduced by this committee.

Before any appreciable progress had been made in this discussion, Russ McDonald joined the meeting to discuss:

S.B. 221: Includes all taxable personal property in basis for levy of tax in county fire protection districts. Introduced by Senator Dodge.

Mr. McDonald read a letter from Kafoury, Armstrong & Bernard, a certified public accountant firm in Reno, in support of the bill. The Chairman asked Mr. McDonald to have the letter reproduced so that the committee members might have copies. Senator Dodge stated that the Southern Pacific Railroad wants to be heard on this bill.

Mr. McDonald said he would try to find the correspondence on the Kean bill, which was the unsuccessful predecessor of this bill at the last session. The present bill, and the Kean bill, would eliminate the exclusion of personal property from the tax base. Mr. McDonald said the only objections to the bill might be from the utilities, who feel they're being taxed for a service they're not receiving.

The Chairman asked Mr. McDonald if the committee would get into the same problem on S.B. 208, which removes personal property in a general improvement district from the ad valorem tax. Mr. McDonald said no, because in that bill, "You're not talking about a tax but about the man who votes." However, he asked that this bill be held up until a bill which is coming up next week, on special assessment districts, is straightened out.

The meeting adjourned at 5:00 p.m.

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Louise Glover - Secretary

I certify that the foregoing minutes are correct.

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Senator James T. Gibson - Chairman

## Nevada Municipal Association

POST OFFICE BOX 643 CARSON CITY, NEVADA PHONE 882-2121

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February 27, 1967

Senator James Gibson  
Senate Chambers  
Capitol Building  
Carson City, Nevada 89701

Dear Senator Gibson:

We would very much appreciate your consideration of the below listed drafts, either for individual introduction or for introduction by one of the appropriate Senate Committees:

1. BDR 22-650: "Allows governing body to make order of abandonment or vacation of streets conditional."
2. BDR 32-651: "Allocates motor vehicle fuel tax on basis of population" (current distribution of 1¢ tax levied pursuant to NRS 365.190 is in accordance with assessed valuation)
3. BDR 21-660: "Makes public property subject to special assessment in municipal special assessment districts."
4. BDR 32-658: "Imposes tax on certain real property transfers." (Levies a tax of 55¢ for each \$500 of value or fraction thereof to be collected by the county recorder and returned to jurisdiction in which property transferred is located)
5. BDR 1-657: "Gives municipal courts and justices of the peace jurisdiction over juvenile traffic offenders."
6. BDR 32-642: "Levies 1 percent sales and use tax to be divided between the cities and counties on a 'point of origin' basis."
7. BDR 32-643: "Levies 1 percent sale and use tax to be divided between the school districts and the cities and counties on a 'point of origin' basis."

*Considered at  
3/2/67 Tax Comm.  
mtg. - 4/1/67*

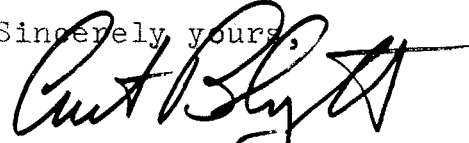
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We are also requesting that one other sales tax draft, BDR 32-644, be introduced. However, since it is a development from conversations with Senators Slattery and Farr regarding Senate Bill No. 17, we plan on discussing this draft with them prior to its introduction.

Accompanying this letter are copies of the various drafts listed above. I will be happy to meet with you and discuss any or all of the drafts and their provisions.

Sincerely, yours,



Curtis H. Blyth  
Executive Director

CHE/he