

SENATE TAXATION COMMITTEE

MINUTES

March 4, 1969

Senator Gibson called the meeting to order at 4:00 p.m.

Present were: Senators Gibson, Brown, Christensen, White, Dodge, Slattery, Swobe, Harris and Hug; others, Jerry Higgins, Mort Salzman and other interested persons.

Senator Gibson explained that the primary purpose of the meeting was to do some planning for future meetings and considerations, inasmuch as space and time were both limited.

Attention was directed to S.B.128, concerning the levy of school support taxes. Senator Dodge moved a recommendation of "Do pass" and explained his attitude and the intent of the Legislature in passage of the original measure establishing the amount of this tax. He cited attorney general opinions taking opposite viewpoints on the formula and stated this measure was to further establish intent to maintain that formula.

Senator Dodge's motion was seconded by Senator Brown. Motion carried, Senator Slattery voting "no."

S.B.101 was considered. This repeals a purported amendment to penalties under the Sales and Use Tax Act. Senator Gibson explained that there was conflict between the new Criminal Code and certain portions of the aforesaid tax act, and this was to resolve the problem.

Senator Swobe moved a "Do pass" recommendation. Seconded by Senator Dodge. Motion carried.

S.B.116 and S.B.307, covering taxation of state-owned property, were discussed. The consensus was that S.B.307 was the more desirable approach to this matter, but it was agreed to postpone any recommendation until consultation with Senator Pozzi, who represents the area most affected.

S.B.140, which legalizes dog racing, was next to receive attention. Widely divergent viewpoints were expressed, with Senators Gibson and Dodge outlining the various safeguards that were written into the measure. It was agreed to defer recommendation until more information could be gathered from appropriate sources, including the Racing Commission.

S.B.176 was discussed and it was agreed that Senator Hug, as co-sponsor, should be invited to explain its effect in detail.

S.B.177, which increases the amount of fuel taxes paid by watercraft for use in recreational facilities, was considered. It was ex-

plained that the bill did not raise the tax, but merely gave a larger share for the aforementioned purpose and that the actual dollar amount was being increased from \$60,000 to \$100,000 with the entire increase going to recreational facilities. It was indicated that all agencies involved were agreeable to this distribution.

At this point, Senator Hug entered the meeting and gave an excellent and detailed description as to how S.B.176 would operate. This bill creates the State Building Reserve Fund account, which could accrue and be earning interest between sessions of the Legislature. At the discretion of the Legislature, this money could be spent or not and could even accumulate over a period of some years. After further discussion, Senator Dodge moved that the bill be rereferred to the Committee on Finance.

Seconded by Senator Slattery.
Motion carried.

Discussion turned once more to S.B.177. After brief remarks, Senator Dodge moved a recommendation of "Do pass."

Seconded by Senator Slattery.
Motion carried.

S. B.189 reduces the number of required annual meetings of the Multistate Tax Commission.

Senator Dodge moved "Do pass."
Seconded by Senator Swobe.
Motion carried.

S.B.198, which removes prescription drugs from sales tax provisions and substitutes periodicals, was discussed. After a few observations and expressions of opinion, it was agreed to call in persons representing the Sales Tax Division for further discussion. Senator Gibson stated that he would arrange such a meeting, and it was also proposed to have persons representing the retail industry attend to present their positions.

S.B.206 and S.B.212, concerning tax exemption of eleemosynary organizations, were brought to the attention of the committee. It was agreed to defer consideration of these until certain similar bills from the lower house were available to the committee. Senator Swobe proffered a letter from a private conservationist group that he felt should be considered for inclusion in the foregoing exemption provisions.

S.B.236, imposing additional cigaret tax, was briefly considered, with Senators Brown and Swobe asking for figures on diminishing returns concerning this and also taking a look at liquor taxes. Senator Gibson indicated that there had been requests for a hearing on the bill and set March 11, at 4:00 p.m., as the time for such hearing.

Mr. Frank Daykin entered the meeting to explain the provisions of S.B.237, regarding property tax on certain parcels. He noted

S.B.249 establishes special event and holiday permits for gaming. Senator Farr, who had had to depart from the meeting previously and who was co-sponsor of the bill, had requested a hearing be arranged on the measure. Senator Gibson scheduled this hearing for 4:30 p.m., Tuesday, March 11.

S.B.262 relieves farm equipment and machinery dealers from property tax on merchandise for resale.

Senator Slattery moved to recommend "Do pass."

Seconded by Senator Swobe.

Motion carried.

S.B.282 requires claims for tax exemptions on real property to be filed on or prior to the first Monday in August. Mr. Daykin explained this merely conformed the date with that applicable to other exemption claims.

Senator Swobe moved "Do pass."

Seconded by Senator Slattery.

Motion carried.

S.B.325 requires certain liquor and cigaret dealers to maintain bond for excise tax. This was a recommendation from the Fiscal Analyst, and it was agreed that Mr. Bruce and representatives from the Tax Commission should be consulted prior to action by the committee.

S.J.R.16 proposes to eliminate tax exemptions on patented mines. Senator Dodge suggested contacting the Secretary of the Nevada Mining Association before acting on this resolution, and it was agreed to do so.

S.J.R.17 puts mobile homes under privilege tax rather than property tax provisions. This led to a general discussion of in lieu taxes, with Senator Dodge giving detailed information on the thought and effort expended on previous legislation of this type. Senator Gibson expressed intent to gather further facts on the subject, and the resolution was held in abeyance until a future date.

The meeting was adjourned at 5:10 p.m.

Patricia F. Burke