

MINUTES OF MEETING - COMMITTEE ON TAXATION - 56TH ASSEMBLY SESSION

April 14, 1971

PRESENT: Kean, Swallow, Lingenfelter, May, Smalley, Glaser, Smith

GUEST: Senator Cliff Young

Mr. Kean convened meeting at 11:10 a.m.

AB-321 - Makes appropriation to Legislative Commission to review State's tax structure. (\$50,000)

The Committee was of the opinion that this study was not needed. Those members who were in the Assembly at the time that \$125,000 was appropriated for the purpose of accomplishing a tax study recall that the State at that time expressed a similar desire to study the tax structure of the State. They further recall that very little use was ever made of this \$125,000 study, generally referred to as the Zubrow Report and that it was a very thorough and well done study. Mention was made of the fact that it was so highly respected as a tax study that several colleges have adopted it as their text in college courses studying taxation. The majority of the Committee felt this Zubrow report is still valid and the principles expressed therein are as good today as they were at the time the report was issued. The majority of the members therefore considered the appropriation of \$50,000 would be nothing but duplication and therefore wasting the taxpayers money. If a tax study were truly needed, the Zubrow Report could be up-dated for approximately \$15,000.

Mr. Lingenfelter moved to indefinitely postpone AB-321; Mr. Glaser seconded; motion carried with Mr. May and Mr. Smalley dissenting.

SB-434 - Provides cities and counties with ways and means to acquire and develop parks, playgrounds and recreational areas.

Senator Young spoke as a proponent of this measure. The subdivider should allocate a given amount of property for the purpose of neighborhood parks and recreational facilities. The city budgets are going to be drained for necessary services. The city of Reno will have no money for capital improvements. This legislation is in effect in many other states.

In response to a question from Mr. Kean, Senator Young said other states had held this to be constitutional, judged on the same basis as curbs, gutters, and other required improvements. The land taken has to be used within the area from which it is taken.

Mr. Lingenfelter read from the bill, lines 7 through 19, page 2. He was of the opinion that the city and county were not bound to a particular area. At the present time price of raw land is so high that developers are not even purchasing it. This allocation would increase the costs further.

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SB-434 - Con't

Senator Young said that with the low cost federal housing going in, unless there were some provisions for parks, these areas were not going to have any and the parks would help to retain the value. Another problem was the mobile home areas. They are not now paying their share of taxes and the residence tax proposed in this measure would help to equalize the tax burden.

Mr. Lingenfelter and Mr. Kean felt this part of the bill was good. Mr. Kean appointed a committee consisting of Mr. Lingenfelter and Mr. Glaser, to study the measure and suggest amendments that would make the bill acceptable to the Committee.

SB-160 - Eliminates monetary limit on tax exemptions for noncommercial theaters.

This bill effects only the Little Theater in Reno, which now pays approximately \$800 per year in taxes, and upon cessation of its activities, the property shall revert to the county.

Mr. Swallow moved to Do Pass SB-160; Mr. Glaser seconded; motion carried unanimously.

Committee adjourned.

SJR-20 - Proposes to amend Nevada Constitution to allow imposition of estate tax not to exceed credit allowable under federal law.

After adjournment, Mr. May moved to Do Pass SJR-20; Mr. Smalley seconded; motion failed for lack of a full committee.

AB-800 - Appropriations payments under Boulder Project Act to political subdivisions.

After adjournment, Mr. May moved to Do Pass AB-800; Mr. Smalley seconded; motion failed for lack of a full committee.