

TAXATION SUBCOMMITTEE MINUTES  
MEETING OF  
MARCH 12, 1973

Monday, 2:00 p.m.

MEMBERS PRESENT: MESSRS. SMALLEY  
BROADBENT  
MCNEEL  
CRADDOCK  
BREMNER

GUESTS PRESENT: MESSRS. W. HOWARD GRAY, NEVADA MINING ASSOCIATION  
FRED W. BARKOW, KENNECOTT COPPER CORP.  
RICHARD MORGAN, NEVADA STATE EDUCATION ASSOC.  
ERNEST NEWTON, TAX COMMISSION

Chairman Smalley called the meeting to order at 2:00 p.m. and stated the purpose of the meeting was to hear further testimony on AB 297.

AB 297 Discussion:

SUMMARY - Exempts from property tax any property used for air or water pollution control devices.

Mr. Newton distributed copies of his proposed amendments excluding the one for salvage value to the committee for review. (copy attached as #1)

Questions:

Mr. Bremner thought that in the previous subcommittee meeting of March 7th it had been decided to exclude motor vehicles from the exemption and Mr. McNeel concurred that they would like to have motor vehicles excluded. Mr. Bremner also wished to have vehicles such as water trucks used in construction to be excluded from the exempt status but pollution control devices be exempt.

Mr. Newton explained that the water trucks would be exempt if they were over \$1,000 in value according to #4 of his proposed amendments. He also explained that these amendments are proposed to amend NRS 361 which deals with the property tax chapter, and motor vehicles are not taxed under the property tax chapter. Therefore, attached pollution control devices would not effect the status of the motor vehicle as far as property taxes were concerned. Motor vehicles have an in lieu tax and are covered under a separate statute. In order to have motor vehicles exempt as a pollution control device it must be done through that statute.

Mr. Newton suggested that perhaps a section should be omitted from amendment #4 to read as follows:

4. Pollution control facility or device does not include /devices attached to motor vehicle engines for the purpose of reducing or eliminating air pollutants caused by engine emissions; nor to / any /other/ facility or device having a value of less than \$1,000 at the time of its construction, installation or first use.

Assembly

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Mr. Craddock questioned Mr. Newton as to whether he thought that getting involved with the portable pollution control equipment such as the dust control vehicle, and he stated that there would probably be little problem but it would have to be done through the chapter that covers motor vehicles. Mr. Newton added that there was a penalty section attached to the general property tax, (1) a person would pay triple the tax, and (2) a person would go to jail for perjury if the claim were fraudulent. He explained that when the assessor makes the assessment on property the person would claim the exemption and would sign the assessor's statement and be liable under the penalty section.

It was the committee's decision that the word "noise" not be added to this bill at this time.

Mr. McNeel was directed to try and acquire a fiscal note for this bill to present at the subcommittee meeting on March 19th. One could not be given at the March 7th meeting,

There was discussion on the disposal of solid waste and whether or not the compacter should be tax exempt. No final decision was made relative to this matter.

Mr. Smalley directed Mr. Newton to have the amendments written for the subcommittee meeting at 1:30 or 2:00 on March 19, 1973.

There being no further business before the subcommittee the meeting was adjourned at 3:00 p.m.

Respectfully submitted,

*Cindy Benjamin*  
Cindy Benjamin

## PROPOSED AMENDMENT TO ASSEMBLY BILL 297:

Amend Section 1 of the bill by striking all of line 6, and in lieu thereof inserting the following:

*property is used as a facility, device or method for the control of air or water pollution.*

*2. Pollution control facility, device or method means any land, structure, building, installation, excavation, machinery, equipment or device or any addition to, reconstruction, replacement, or improvement of land or an existing structure, building, installation, excavation, machinery, equipment or device reasonably used, erected, constructed, acquired or installed after January 1, 1965, if a substantial purpose of the use, erection, construction, acquisition or installation is the compliance with laws or standards required by any Environmental Protection Agency authorized by and acting under the authority of the United States or the State of Nevada or any of its political subdivisions for the prevention, control or reduction of air or water pollution.*

*3. Pollution control facility or device does not include air conditioners, septic tanks or other facilities for human waste, nor any property installed, constructed or used for the moving of sewage to the collection facilities of a public or quasi-public sewage system.*

*4. Pollution control facility or device does not include ~~devices~~ attached to motor vehicle engines for the purpose of reducing or eliminating air pollutants caused by engine emissions; nor ~~to any other~~ facility or device having a value of less than \$1,000 at the time of its construction, installation or first use.*

*5. Pollution control facility or device does not include any facility or device which produces a net profit to the owner or operator thereof from the recovery and sale or use of a tangible product or by-product; nor does it include a facility or device which, when installed and operating, results in a net reduction of operating costs.*