

TAXATION COMMITTEE MINUTES  
MEETING OF  
MARCH 20, 1973

Tuesday, 8:00 a.m.

MEMBERS PRESENT: MESSRS. MAY FRY  
SMALLEY BROADBENT  
DEMERS  
MCNEEL

MEMBERS ABSENT: MESSRS. BREMNER (excused)  
HUFF (excused)  
CRADDOCK (excused)

GUESTS PRESENT: MESSRS. CARL A. SODERBLOM, NEV. RAILROAD ASSOC.  
BOB L. PROCTOR, SIERRA PACIFIC POWER CO.  
GINO DEL CARLO  
JIM RATHBUN, TAX COMMISSION  
JIM LIEN, TAX COMMISSION  
GLEN TAYLOR, BASIC MANAGEMENT INC.  
JOHN CIARDELLI, DEPT. OF MOTOR VEHICLES  
LEONARD WINKELMAN, DEPT. OF MOTOR VEHICLES  
COE SWOBE, SENATOR  
E.L. NEWTON, TAXPAYERS ASSOCIATION  
F.W. BARKOW, KENNECOTT COPPER CORP.  
HOMER RODRIQUEZ, CARSON CITY ASSESSOR  
CHIC HECHT, SENATOR

The meeting was called to order by Chairman May at 8:00 a.m.

SB 56 Discussion

SUMMARY - Eliminates provisions for use of tax stamps in payment of real property transfer tax.

Senator Coe Swobe noted that this bill was requested by the Nevada Association of Recorders. He gave the background on how the state picked up the same procedure of using stamps when the federal government gave up the taxing of the transfer of real property. A stamp was affixed to the document, but now machines are used to process these documents or a simple marking of the document is used which eliminates the need for the stamps which are very costly.

This bill allows either method to be used for the payment of the tax, and Senator Swobe stated that the Senate Taxation committee hearings indicated that the recorders were in favor of this bill. In answer to Chairman May's comment that a similar bill using rubber stamps had been passed in the Government Affairs committee and Assembly, Senator Swobe stated that they could use the rubber stamp compatibly with this measure.

The stamps originated approximately in 1869 but were done away with until they were adopted 100 years later. The stamps were purchased from the federal government primarily for a way

of accountability to do away with any misuse of funds.

Assemblyman Demers made a motion to "DO PASS".  
Assemblyman Smalley seconded the motion.  
The motion was unanimously carried.

SB 91 Discussion

SUMMARY - Removes charge for property tax sticker issued to owners of mobilehome owners and campers.

Senator Chic Hecht and Mr. Homer Rodriguez, Carson City assessor and representative of the Assessors Association, spoke in favor of this bill.

Mr. Rodriguez explained to the committee that the sticker that is issued when a mobilehome owner pays his tax has a charge of \$1.00. The assessors feel that this charge is penalizing the mobil home owner for paying his taxes and wish to have the charge removed. It also creates administration complications for the assessors to keep records on this \$1 charge and this bill would eliminate it. The sticker would still be issued to the taxpayer, but it is simply for the convenience of the assessors.

Assemblyman Demers made a motion to "DO PASS".  
Assemblyman McNeel seconded the motion.  
The motion was carried unanimously.

Chairman May requested Mr. McNeel to check with the Senate Taxation Committee to see if AB 106 has been passed out of committee. Mr. Smalley indicated that it had been passed.

SB 106 Discussion AB 244

SUMMARY - Provides increased property tax exemption for severely disabled veterans.

Mr. Jim Lien of the Nevada Tax Commission stated that the approximate fiscal impact would be \$20,000 in taxation assuming the 4.50 tax break. The only difference between the two bills is SB 106 sets a limit of \$10,000 assessed value and AB 244 is open to all property owned by the disabled veteran, spouse, and minor. Mr. Lien believed that SB 106 with the limitation would be a better approach.

Assemblyman Broadbent made a motion to "DO PASS SB 106".  
Assemblyman Demers seconded the motion.  
The motion was carried unanimously.

Assemblyman Broadbent made a motion to "INDEFINITELY POSTPONE AB 244".

Assemblyman Demers seconded the motion.  
The motion carried unanimously.

Mr. Rodriguez noted that in SB 91 that travel trailers should be included. It was decided to have inserted in section 1, paragraph 2, line 12 the words "or travel trailer" after the word "camper,".

Assemblyman Demers made a motion to "RECIND THE ACTION OF DO PASS ON SB 91".

Assemblyman McNeel seconded the motion.  
The motion carried unanimously.

Assemblyman Demers made a motion to "DO PASS AS AMENDED".

Assemblyman Broadbent seconded the motion.  
The motion carried unanimously.

#### SB 200 Discussion

SUMMARY - Allows claims for exemption from vehicle privilege tax to be filed at any time before tax is due.

Mr. Leonard Winkelman, Department of Motor Vehicles, testified in favor of this bill. He stated that a bill had been drafted that was identical to this measure but was dropped when this bill was introduced. This bill would enable a person to claim this exemption for anytime during the year, and he stated that this would be much more favorable because of the staggered registration system.

Assemblyman McNeel made a motion to "DO PASS".

Assemblyman Demers seconded the motion.  
The motion was carried unanimously.

Chairman May requested the following members to speak on one of the bills passed when it is presented on the floor:

SB 200 Mr. McNeel

SB 56 Mr. May

SB 91 Mr. Demers ( will secure the amendment )

SB 106 Mr. Smalley

The Assembly Taxation Committee then went into informal recess to hear the subcommittee's report on AB 297.

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

Mr. Smalley, chairman of the subcommittee, distributed copies of the proposed amendments to this bill. (copy is attachment #1) He directed Mr. Glen Taylor, Basic Management, Inc, to give the figures of the cost for Clark county industries as follows:

	Total assessed evaluation
Titanium Metal	\$330,000
Stocker Chemical Co	250,000
McKee	36,000
Blue Diamond	
Flintkote Division	735,000
U.S. Mine	approx. 984,000

There was a question on the word "substantial" in the 5th line of #2 of the proposed amendments. Mr. Fry suggested that the word "primary" be inserted, and Dr. Broadbent suggested that "the" be inserted. There was also a question on the word "reasonably" in the 4th line of the second paragraph. The committee felt that "primary" should be inserted in both places.

Mr. Carl Soderblom of the Nevada Railroad Association explained that this \$1,000 figure or the exemption would not be of much use to the railroad because of the method of assessment they have. Mr. May commented that the engines of the railroad would be interstate equipment and he believed that this bill was primarily aimed at the industries that have a base in Nevada. Mr. Soderblom thought that perhaps this might be considered discriminating against certain industries and perhaps this question should be looked into.

Mr. Smalley then adjourned the subcommittee.

The Assembly Taxation Committee being back in order, Assemblyman Demers made a motion that "AB 297 BE GIVEN A DO PASS AS AMENDED with the new words included as previously discussed by the subcommittee". Assemblyman McNeel seconded the motion. The motion carried unanimously.

Chairman May requested Dr. Broadbent to speak on this bill on the floor, and Mr. Smalley was requested to obtain the amendments.

There being no further business before the committee, Assemblyman Demers made a motion to adjourn. Seconded by Mr. Smalley. The meeting was adjourned at 9:00 a.m.

Respectfully submitted,

*Cindy Benjamin*  
Cindy Benjamin

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

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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 any 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.

ASSEMBLY

AGENDA FOR COMMITTEE ON TAXATION

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Date MARCH 20, 1973 Time 8:00 a.m. Room 222

Bills or Resolutions  
to be considered

Subject

Counsel  
requested\*

AB 244

Provides increased property tax exemption for severely disabled veterans.

SB 106

Provides increased property tax exemption for severely disabled veterans.

SB 200

Allows claims for exemption from vehicle privilege tax to be filed at any time before tax is due.

SB 91

Removes charge for property tax sticker issued to owners of mobile homes and campers.

SB 56

Eliminates provisions for use of tax stamps in payment of real property transfer tax.

*Delete*  
~~SJR 19~~

~~Proposes to amend State Constitution by permitting appointment of temporary district court judges.~~

**MEMO**

NEVADA LEGISLATURE

From the desk of Assemblyman ...

3/12/73

PAUL W. MAY

TO TAXATION  
COMMITTEE MEMBERS

PLEASE INITIAL BELOW  
IF YOU WILL ALLOW ME TO  
REQUEST AN ASSEMBLY RESOLUTION  
MEMORIALIZING EARLY AS THE  
ESTATE TAX MEASURE TO BE  
SUBMITTED TO THE COMMITTEE  
BEFORE INTRODUCTION!

MAY on  
SMITH yes  
BROWN PPB  
DENNIS sh  
CANTOR sh

BROADBENT PPB  
FAY sh  
HUFF NO  
MENCEL PPB NO  
Paul W. May