

MINUTES

ASSEMBLY COMMITTEE ON TAXATION  
February 3, 1977  
9:30 a.m.

Members Present: Chairman May  
Mr. Schofield  
Mr. Craddock  
Mr. Dreyer  
Mr. Harmon  
Mr. Horn  
Mr. Jacobsen  
Mr. Mann  
Mr. Murphy

Guests Present: Bob Alkire, Kennecott Copper  
Robert D. Dimmick, Legislative Counsel  
Bureau - Audit Division  
Tom Kruse, Department of Taxation  
James C. Lien, Department of Taxation  
M. Douglas Miller, Nevada Advisory Mining  
Board  
Joe Newlin, NSEA  
Harriet Osborne  
Russell Osborne  
Marilyn Paoli, Department of Taxation  
Homer Rodriguez, Carson City Assessor  
John Sheehan, Department of Taxation  
Bruce Smith, Department of Taxation  
Albert Stodieck  
Edna A. Stodieck  
Howard Winn, Nevada Mining Association  
Joyce Woodhouse, NSEA

Chairman May called the meeting to order at 9:35 a.m.

ASSEMBLY BILL 53

Chairman May explained to the Committee that the sponsor of A.B. 53 had contacted him concerning this bill. The sponsor had learned that the fiscal effect to his county was much more than had been anticipated, and he no longer wished to further the bill. Mr. Jacobsen moved that A.B. 53 be indefinitely postponed; Mr. Dreyer seconded. The motion received unanimous approval of the Committee.

ASSEMBLY BILL 102

Robert Dimmick spoke first in favor of this bill. The bill came about as a result of a legislative audit which found approximately \$9300 in county money still in the State fund through the intergovernmental trust fund. He stated that this bill seeks to create statutory authority for the

intergovernmental trust fund. This would require all county and state transactions to be accounted for in one fund. At the present time \$1500 is still left in the aviation fuels tax revolving account which belongs to the counties. In order for the counties to receive this \$1500, both the statutory authorization and the appropriation are contained in A.B. 102. In addition, the state airport fund is no longer being used, and its repeal as NRS 494.044 is included in Section 6 of the bill. Mr. Dimmick stated that this bill would have no effect on the \$30,000 which is received by the Civil Air Patrol nor on the aviation fuel tax which presently goes to the counties. The bill further makes a \$1500 appropriation from the State general fund to the aviation fuels tax revolving account so that the state has no more county money. The \$1500 will be a new appropriation.

John Sheehan spoke next for A.B. 102. He stated that the Department of Taxation collects tax for the aviation fuel. If an individual uses more than 200 gallons in one month, he may apply for a refund of the taxes paid. What was found to be happening was that in any given month, the Department could have receipts of \$100,000 and in the same month get claims for refunds for \$120,000. All of the refunds could not be made; therefore, a slush fund was begun. That was the approximately \$9300. He stated that the Department agreed with the legislative audit that \$9,000 was excessive. Refunds amounting to about \$7800 were sent out and \$1500 was retained so that the Department could cover if receipts were not enough.

Mr. Horn asked what would happen if the \$1500 base in the fund was done away with. Mr. Sheehan stated that it could take one month to five months for a refund to be returned.

After testimony was heard, Mr. Mann moved that the Committee give A.B. 102 a Do Pass recommendation, and rerefer the bill to the Committee on Ways and Means; Mr. Schofield seconded. The Committee approved the motion unanimously.

Chairman May adjourned the meeting at 9:53 a.m.

Respectfully submitted,

*Carl R. Ruthstrom Jr.*

Carl R. Ruthstrom, Jr.  
Secretary

INDEX OF MEASURES IN ASSEMBLY COMMITTEE ON TAXATION  
February 3, 1977

<u>Bill or Resolution Number</u>	<u>Date Referred To Committee</u>	<u>Introducer's Name</u>	<u>Summary</u>	<u>Date Scheduled Hearing</u>	<u>Committee Action</u>	<u>Assembly Action</u>	<u>Senate Action</u>	<u>Governor's Signature</u>
A.B. 53	1/19/77	Howard	Authorizes deduction of property taxes from taxable mine proceeds.	2/3/77	Ind. Post.			
A.B. 99	1/20/77	Committee on Taxation	Deletes requirement for Multistate Tax Compact advisory committee to hold annual meetings.	1/27/77				
A.B. 101	1/20/77	Committee on Taxation	Creates Department of Taxation Bond Trust Fund and raises bond limits for motor vehicle fuel dealers.	1/27/77				
A.B. 102	1/20/77	Committee on Taxation	Creates intergovernmental trust fund and aviation fuels tax revolving account.	2/3/77	Do Pass; Rerefer to Ways/Means			
A.B. 103	1/20/77	Committee on Taxation	Requires sales and use tax collections to be deposited to account of State Treasurer.	1/27/77	Do Pass	Passed 1/31/77		
A.J.R. 12	1/20/77	Committee on Taxation	Proposes to amend Nevada Constitution by authorizing Legislature to impose tax upon motorboats in lieu of property tax.	1/27/77				
A.J.R. 10/ 58th Session	1/17/77	Committee on Commerce	Proposes constitutional amendment to exempt business inventories from property taxation and allow Legislature to exempt any other personal property from such taxation.	2/1/77				

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A.J.R. 21/ 58th Session	1/17/77	Committee on Taxation	Proposes constitutional amendment for progressive exemption of business inventories from property taxation and legislative exemption of other personal property.	2/1/77				
A.C.R. 8	1/27/77	May	Directs Legislative Commission to study assessment and taxation of geothermal resources.	2/1/77	Be Adopted; Rerefer to Leg. Func.			

GUEST LIST

<u>NAME</u> (Please print)	<u>REPRESENTING</u>	<u>WISH TO SPEAK</u>	
		Yes	No
M. Douglas Miller	Chmn. Nev. adv. Mining Bd.	✓	
Marilyn Paoli	Dept. of Taxation		✓
Howard Wain	Nevada Mining Ass.	✓	
Robert D. Dimmick	Legislative Council Bureau Audit Division	✓	
Hanna Osborne			
Edna A. Stoeck			
Albert Stordick			
Russell Osborn			
BRUCE SMITH	DEPT OF TAXATION		✓
Joyce Woodhouse	NSEA		✓
Joe Newlin	NSEA		✓
Bob Alkire	Kennecott Copper		✓
Tom Kruse	Dept of Forestry		✓
John Sheehan	" " "	✓	
Patricia Rodriguez	Carnegie Library		
Tom Allen	Dept of Taxation		✓

ASSEMBLY COMMITTEE ON TAXATION  
FIFTY-NINTH SESSION, 1977

MEETING ROLL CALL

MEETING DATE: THURSDAY, FEBRUARY 3, 1977

	PRESENT	ABSENT	LATE	EXCUSED
Chairman May	✓			
Mr. Schofield	✓			
Mr. Craddock	✓			
Mr. Dreyer	✓			
Mr. Harmon	✓			
Mr. Horn	✓			
Mr. Jacobsen	✓			
Mr. Mann	✓			
Mr. Murphy	✓			