

SENATE TAXATION COMMITTEE

MINUTES OF MEETING
FEBRUARY 22, 1977

The meeting was called to order in Room 231 at 2:00 p.m. on Tuesday, February 22, 1977.

Senator Richard H. Bryan was in the chair.

PRESENT: Senator Richard H. Bryan
Senator Norman Ty Hilbrecht
Senator Norman D. Glaser
Senator Floyd R. Lamb
Senator Gary A. Sheerin
Senator Carl F. Dodge

ALSO PRESENT: Robert O. Dimmick, Deputy Legislative Auditor, State of Nevada
Tom Kruse, Department of Taxation
Homer Rodriguez, Carson City Assessor

A.B. 99

Before the Committee for consideration is Assembly Bill No. 99:
Deletes requirement for Multistate Tax Compact advisory committee to hold annual meetings.

Speaking in behalf of the bill was:

Mr. Robert O. Dimmick, Deputy Legislative Auditor with the State of Nevada. Mr. Dimmick stated that Assembly Bill 99 results from the audit of the Department of Taxation because during the course of their audit they found that the Multistate Tax Compact Advisory Committee was not meeting at least once a year as is required by NRS 376.050, that actually its been several years since the committee has met and that it is felt that the yearly meeting requirement of NRS 376.050 is not necessary, therefore they are recommending that said requirement to meet not less than once each year be deleted from NRS 376.050. When questioned when was the last time they did meet, Mr. Dimmick replied he didn't know for sure but thought it had been about four years since they had. Senator Lamb questioned if Mr. Dimmick knew of anything that had occurred that might not have if they had had a meeting to which Mr. Dimmick replied no, he wasn't aware of anything.

Chairman Bryan declared the hearing on Assembly Bill 99 closed.

A.B. 102

Before the Committee for consideration is Assembly Bill No. 102: Creates intergovernmental trust fund and aviation fuels tax revolving account.

Speaking in behalf of the bill was:

Mr. Robert O. Dimmick, Deputy Legislative Auditor with the State of Nevada. Mr. Dimmick stated that Assembly Bill No. 102 is another bill arising from the audit of the Department of Taxation. Section 1 of this bill creates the intergovernmental trust fund no. 608, which fund is currently being utilized by the State Controller without any statutory authorization. He further stated the Department of Taxation processes the cigarette tax, local school tax, county-city relief tax and county aviation fuel tax through this fund and in addition National Forest receipts, Taylor grazing fees and gaming fees are also processed through this fund. The amounts currently being processed through this fund are federal and state moneys and no moneys received directly from the counties are processed through this fund. A few examples of moneys received directly from the counties includes justice court fines, ad valorem taxes, marriage license fees, divorce fees and license fees for slot machines. Section 1 of A.B. 102 would require the State Controller to process all county-state moneys received and disbursed through the intergovernmental trust fund and this would cause all county-state transactions to be accounted for in one fund instead of several funds as is now the situation.

Mr. Dimmick further stated that Section 7 appropriates \$1,500.00 to this account and that the history of these sections of the bill goes back several years. The Department of Taxation has been carrying forward \$9,301.42 in undistributed county aviation fuel taxes since fiscal year 1970-71 and on March 15, 1976, \$7,801.42 was distributed to the counties utilizing distribution rates which prevailed at the time these moneys were collected. The remaining \$1,500.00 is being retained by the Department of Taxation as a revolving fund in the event that aviation gas tax refunds exceed aviation gas tax revenues so in order for the Department of Taxation to continue their revolving fund, statutory authorization is necessary and in order for the counties to receive the remaining \$1,500.00 which is being held by the Department of Taxation, it is necessary to make an appropriation from the general fund to the aviation fuels tax revolving account. Both the statutory authorization and appropriation are contained in S.B. 102. He

continued that the State Airport fund is repealed in sections 3 and 6 of A.B. 102, that the State Airport fund is no longer being used and they do not feel that it is necessary to be used as is set forth in NRS 494.044. He stated that if repealed, NRS 494.044 would omit one step in the processing of aviation fuel taxes, however, it would have no effect whatsoever on the \$30,000.00 which is received by the Civil Air Patrol nor the aviation fuel taxes which are received by the counties.

Senator Hilbrecht questioned what if the rebate or refunds on aviation fuel taxes exceeds the collection and Mr. Dimmick replied that the way the statute is set up those using fuel in their aircraft can apply for a refund but they have to use over 200 gallons in a six month period before they are permitted to file for a refund so in the event the disbursements have been made to the counties and several individuals file their refund claims from 200 gallons on up, this could be a situation where the refunds would exceed the income they have received up to a given point.

A.B. 161

Before the Committee for consideration is Assembly Bill No. 161:
Clarifies administrative powers of Department of Taxation.

Speaking in behalf of the bill was:

Mr. Robert O. Dimmick, Deputy Legislative Auditor with the State of Nevada. Mr. Dimmick stated that Assembly Bill 161 is basically a housekeeping bill resulting from the audit of the Department of Taxation. NRS 360.200, as it currently reads, has not been applicable since the Nevada Gaming Commission was created by Chapter 318, Statutes of Nevada 1959. The proposed amendment to NRS 360.200, as set forth in A.B. 161, would remove supervision and control over the entire revenue system of the State from exclusive jurisdiction of the Department of Taxation and bring it into conformity with the statutes as they presently exist.

Chairman Bryan declared the hearing on Assembly Bill 161 closed.

A.B. 174

Before the committee for consideration is Assembly Bill No. 174:
Changes latest dates for County Assessors to file tax roll and segregation of roll with State Board of Equalization.

Speaking in behalf of the bill was:

Mr. Tom Kruse of the Department of Taxation. Mr. Kruse stated that this bill is simply changing the dates that the county assessors must file with our department their tax segregation rolls and the reason being on the tax roll, the changes from the first Monday in April to the first Monday in February, is we have to have our ratio studies completed and out at the first Monday in May, and then the change on the segregation roll from the first Monday in April to the 25th of March, the reason being there is the State Board of Equalization meets in February and we have to have time to review those. Mr. Homer Rodriguez is here representing the County Assessors and can address you in regard to the impact on the county assessors.

Mr. Homer Rodriguez, Carson City Assessor stated there was no objection from the assessors on this change of dates. Mr. Rodriguez was asked if there was unanimity of opinion on this to which he replied yes.

Senator Sheerin asked if this would cause them to have to change any of their time tables to which Mr. Rodriguez replied no and continued to say that their tax roll was finished before the year was over, before December 31st of last year, and the segregation report is ready now however they haven't given it to the Tax Commission because there is one complaint to the Board of Equalization which will be heard March 4th and all they have to do if there are any changes during that meeting is just change the figures on the report.

Senator Dodge asked what happens if an appeal is taken to the State Board from whatever decision you make in January and the State Board grants relief and at that point you have already made your report, is there any problem adjusting and Mr. Rodriguez replied no, because there is a column on the report in which to make those corrections during the meeting, the totals are in one column and you can make the correction or adjustment by only changing that one figure.

In response to the query of whether they have to have the tax roll in as a prerequisite to the State Board meeting for certification of the tax rolls of the counties, it was stated yes, its a reviewing process and they also use the roll for their ratio study and they need the time to get all this information together for the meeting. Mr. Rodriguez added he felt the only problem was adjusting the ratio and it was requested that he contact Donald Dunn, Clark County Assessor, in regard to their approval of this bill.

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The following Committee action was taken:

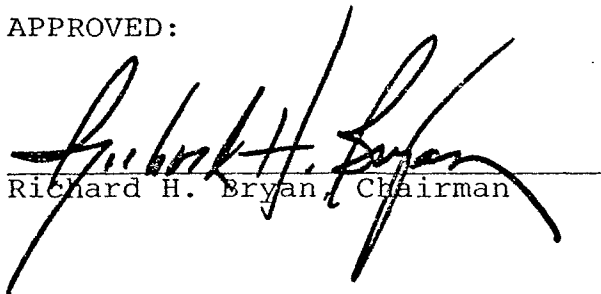
- A.B. 99 Senator Hilbrecht moved Do Pass
Seconded by Senator Dodge
Motion carried unanimously
- A.B. 102 Senator Bryan moved to report this bill out
and re-refer to the Finance Committee
Seconded by Senator Hibrecht
Motion carried unanimously
- A.B. 161 Senator Bryan moved report out with a Do Pass
Seconded by Senator Lamb
Motion carried unanimously
- A.B. 174 Senator Lamb moved Do Pass subject to Mr.
Rodriguez consulting with Clark County
Assessor Donald Dunn
Seconded by Senator Dodge
Motion carried unanimously

There being no further business, the meeting was adjourned
at 2:30 p.m.

Respectfully submitted,


Donna M. Blodgett, Acting Secretary

APPROVED:


Richard H. Bryan, Chairman

the Research Library.
Original bill is on file at

ASSEMBLY BILL NO. 99—COMMITTEE ON TAXATION

JANUARY 20, 1977

Referred to Committee on Taxation

SUMMARY—Deletes requirement for Multistate Tax Compact advisory committee to hold annual meetings. (BDR 32-248)

FISCAL NOTE: Local Government Impact: No.
State or Industrial Insurance Impact: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to the Multistate Tax Compact; deleting the requirement for the Multistate Tax Compact advisory committee to hold annual meetings; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 376.050 is hereby amended to read as follows:
2 376.050 There is hereby established the Multistate Tax Compact
3 advisory committee composed of the member of the Multistate Tax
4 Commission representing this state, any alternate designated by him, the
5 attorney general or his designee, and two members of the senate,
6 appointed by the president thereof and two members of the assembly,
7 appointed by the speaker thereof. The chairman [shall be] *is* the mem-
8 ber of the commission representing this state. The committee shall meet
9 on the call of its chairman or at the request of a majority of its members.
10 [, but in any event it shall meet not less than once in each year.] The
11 committee may consider any and all matters relating to recommenda-
12 tions of the Multistate Tax Commission and the activities of the mem-
13 bers in representing this state thereon.

ASSEMBLY BILL NO. 161 COMMITTEE ON TAXATION
Original bill is on file at
JANUARY 26, 1977

Referred to Committee on Taxation

SUMMARY—Clarifies administrative powers of department of taxation,
(BDR 32-260)

FISCAL NOTE: Local Government Impact: No.
State or Industrial Insurance Impact: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to revenue and taxation; clarifying the administrative powers of the state department of taxation; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 360.200 is hereby amended to read as follows:
2 360.200 [In addition to the specific powers enumerated in this
3 chapter, the department shall have the power to] *The department may*
4 *exercise the specific powers enumerated in this chapter and, except as*
5 *otherwise provided by law, may exercise general supervision and con-*
6 *trol over the entire revenue system of the state including the administra-*
7 *tion of the provisions of chapter 397, Statutes of Nevada 1955, as*
8 *amended (NRS chapter 372).*

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A. B. 174

ASSEMBLY BILL NO. 174—COMMITTEE ON TAXATION

JANUARY 27, 1977

Referred to Committee on Taxation

SUMMARY—Changes latest dates for county assessors to file tax roll and segregation of roll with state board of equalization. (BDR 32-1120)

FISCAL NOTE: Local Government Impact: No.
State or Industrial Insurance Impact: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to property tax; changing the latest dates for county assessors to file tax rolls and segregations of the rolls with the state board of equalization; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,
do enact as follows:*

- 1 **SECTION 1.** NRS 361.390 is hereby amended to read as follows:
2 361.390 **[On or before the 1st Monday in April, each]** *Each* county
3 assessor shall:
4 1. **[Prepare and file with the secretary of the state board of equaliza-**
5 tion a report showing the segregation of property and the assessment
6 thereof shown on the tax roll for the current year; and
7 2. **]** File with or cause to be filed with the secretary of the state board
8 of equalization, *on or before the first Monday in February of each year,*
9 the tax roll, or a true copy thereof, of his county; and **[for such current**
10 year as corrected by the county board of equalization. **]**
11 2. *Prepare and file with the secretary of the state board of equaliza-*
12 tion, *on or before March 25 of each year, a report showing the segregation*
13 of property and the assessment thereof shown on the tax roll for the cur-
14 rent year.
15 **SEC. 2.** This act shall become effective upon passage and approval.

