

The meeting was called to order at 2:05 P. M. on Thursday, May 3, 1979, in Room 213, with Senator Norman Glaser in the Chair.

PRESENT: Chairman Norman Glaser
Vice-Chairman Floyd Lamb
Senator Mike Sloan
Senator Don Ashworth
Senator James Kosinski
Senator Carl Dodge
Senator William Raggio

Mr. Ed Schorr, Fiscal Analyst

GUESTS: Mr. Terral M. Young, N. L. Baroid Petroleum Services
Mr. Ray E. Armstrong, Nevada Barth Corporation
Mr. Bob Warren, Nevada Mining Association
Mr. George Holden, District Attorney, Lander County
Mr. John Kadlic, Washoe County District Attorney's Office
Mr. Daryl E. Capurro, Nevada Franchised Auto Dealer's Association
Mr. Marvin Leavitt, City of Las Vegas
Mr. Roy Nickson, Nevada Tax Commission
Mr. Robert Guinn, Nevada Motor Transport Association

The first order of business was a report from Senator Raggio on A. B. 439.- "Revises certain fees for promoters of boxing and wrestling events."

Senator Raggio offered remarks on this bill, saying that there had been a meeting in conference with the Assembly and the conference is not yet completed. They have suggested some amendments to the bill and the Senate representatives felt they were appropriate. In Section 1, they want a fingerprinting requirement for everyone connected with (boxing or wrestling) events, to search out any criminal records extant. Senator Raggio said there was a heavy discussion on complimentary tickets and he reviewed the present practice in this matter. Senator Raggio said the Assembly concurred with the Senate that 1% ought to be the limit of such tickets released, and described the procedure they felt should be followed. A new provision was added which would amend NRS 467.158 to increase the maximum penalty up to \$25,000 from \$500 for reinstating revoked licenses. Senator Raggio said the only place they are "hung up" is on the percentage of the license fee to be received by the state in excess of one million dollars. He said the Senate version was 1% of the remainder after the first million dollars, and the Assembly's was 3% of the first million. He said they had agreed to amend it to include 1% on a second million dollars. The question, at this point, as they see it, is whether to keep the 1% on all revenues or keep the 1% up to a million dollars. Senator Raggio said everyone wants to have the most competitive license fee in the country. But he also said that boxing ought to start to pay its way.

A. B. 439 - Report continued

Senator Lamb said he told the Assembly the Senate would not move off the 1% and that is where they are at present. Senator Glaser said that as far as he is concerned, Senator Raggio should go back to conference and advise that the Senate wants the 1%. This concluded the discussion on A. B. 439.

S. C. R. 43 - Encourages counties to distribute information on tax levies and distribution of tax revenues. (Exhibit "A")

The Chair said this was the resolution that was patterned after a bill which Senator Jean Ford had previously introduced, and on which the committee had heard previous testimony. The Chair asked the committee if there was any objection to passing this resolution.

Senator Dodge moved "do pass" on Senate Concurrent Resolution 43.

Senator Sloan seconded the motion.

There was a brief discussion

The Chair called for any further discussion.

The motion carried.

A. B. 112 - Changes period for filing certain statements relating to assessment and taxation of net proceeds of mines.

The Chair called for testimony on this bill.

Mr. Bob Warren, Executive Secretary of the Nevada Mining Association, commenced testimony, and said his association is in favor of the amendment. He introduced Mr. Ray Armstrong, Nevada Barth Corporation, and Mr. Terral M. Young, of the N. L. Baroid Petroleum Services.

Mr. Warren said the semi-annual basis of assessment has created a problem for some of the smaller and/or seasonal operators who have great costs during one period of the year and are unable to carry those costs forward for the entire year, and are therefore unable to take all of the legally deductible costs. He said Mr. Armstrong will be pointing out that procedures for recovering costs under normal accounting procedures do not apply to the

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mining industry as only it has the particular type of accounting procedure described.

Mr. Young then introduced himself as a geologist and mining engineer employed by the N. L. Baroid Petroleum Services; he said he is also representing Citizens for Mining and the Nevada Mining Association. Mr. Young said the Nevada net proceeds of mines tax is based on profitability of mining operations and it is a tax concept that has worked well for the state because it encourages new mining activities. However, the 6-month reporting period, which is required under the present law, does create an unfair tax burden on some mining operations which are seasonal in nature. Mining in the wintertime is difficult due to climate and elevation of some of the mines. For the small miner this is especially true, because he cannot justify the large expense for extra equipment and manpower and energy to maintain winter operations. The basic nature of the operation of a mine results in a very large net proceeds during one 6-month period and in a fairly substantial loss in the other 6-months period.

Mr. Young said changing the law to annualize and allow reporting on a 12-month basis would make the net proceeds a more accurate reflection of the profitability of the mining operation. He said the mining industry recognized the cash-flow problem and the industry is quite willing to make a pre-payment of half of the estimated net proceeds tax on August 31st of each year. At the end of the year, the gross and net proceeds would be reported and the remainder of the tax would be paid.

The chair called for any questions.

Senator Ashworth asked why the law as it now stands was initiated. Mr. Young could not answer the question and deferred to any representative of the tax department who might be present. Mr. Roy Nickson of the tax commission, speaking from the audience, said he did not know the rationale behind the law, as it was initiated many years ago.

Mr. Ray Armstrong said it came into being practically with the Constitution of Nevada. At that time, mining was primarily confined to gold and silver, which was easy to account for on a 6-month basis as ore was immediately converted into cash and the costs were easily determined. But with new concepts of accounting and taxation, and the development of non-metallic mines and the great necessity of stockpiling, the original concept is no longer valid.

Mr. Armstrong presented a fact sheet on net proceeds and loss of value in each county. (Exhibit "B") He explained it in detail and outlined the problems that are now present in the industry. His main emphasis was on the fact that there is a lag from production time to the actual recovery of the cost, and the 6-months reporting period is in effect a penalty.

There was a brief discussion on the matter of penalties.

A. B. 112 - (con't.)

Mr. George Holden, District Attorney in Lander County, then spoke on behalf of the Lander County Commissioners. He said net proceeds of mines is a major factor in the county's budgeting. The commissioners' information at this time indicates a substantial loss of assessed valuation which arises out of the net proceeds of mines that would occur if the annual accounting takes place. It is on that basis, and until Lander County Commissioners are otherwise convinced, that they would like to go on record as being in opposition to A. B. 112 as it now stands.

Senator Dodge asked what the impact would be in Lander County. Mr. Nickson said it would be around \$60,000 in one year. Mr. Holden said his county would suffer the most of the 17 counties if this bill went through.

Senator Dodge than asked Mr. Nickson where Lander County is on the spending cap. Mr. Holden said that as he recalls, Lander County is on the 20% list, 8% higher than anyone else. He said the revenue sources of Lander County are very slim and anything it loses will be harmful. He added that the tax reform bill will most certainly reduce ad valorem taxes and net proceeds of mines is an ad valorem tax, so the mining industry will reap the benefit of any tax cut, whatever it may be.

There was further discussion on the ad valorem rate and how it operated in Lander County, and what projected losses might be. Senator Dodge said it appeared to him that it would not dislocate Lander County if they lost that revenue because they could not spend it anyway. Mr. Holden emphasized that if Lander County lost the ad valorem tax and the net proceeds mine tax, it would not have any tax left. He said they have a minimum tax structure. He said that if their ad valorem tax base, both as to real property and net proceeds of mine tax, is destroyed, there is nothing left. He said the spending cap would then be academic as they would not have anything to spend.

Senator Dodge replied that the one thing not touched in the tax package is the assessed valuation base. The ability to raise the money on this base is the concept of the spending cap, so the assessed valuation will continue based on the market.

Mr. Holden remarked, in reference to a question posed earlier, that the reason for the original bill being passed is that it is more in relationship to the reality of the mining industry than an assessment on an annual basis would be.

The Chair asked if there were any more witnesses. There being none, the hearing on A. B. 112 was concluded.

A. B. 741 - Limits charitable exemption from property tax for certain corporation.

Mr. John Kadlic, Deputy District Attorney for Washoe County, the District Attorney's office, testified on this bill. He said anyone can set himself up as a non profit corporation in order to qualify for and claim a charitable exemption status. He made a recommendation that the language of the bill be tightened up.

The Chair called for any other testimony on this bill. There being none, the Chair announced the hearing on A. B. 741 concluded.

A. B. 590 - Deletes requirement of payment of penalties, interest and costs by local governments and University of Nevada System on acquisition of tax-delinquent property.

Mr. Marvin Leavitt, representing the City of Las Vegas, testified in support of this bill. He said the bill does two things. One, it provides in the case of property that is on the delinquent tax list, the local government or the university system can purchase the property for payment of the delinquent taxes only. Second, if property is offered to a local government as a dedication, delinquent taxes need not be paid.

The Chair asked for questions on this bill.

Senator Dodge asked about the redemption period, and there was discussion on this point. It was agreed this bill applies to property acquired after the redemption period.

The Chair asked for any further questions.

There being none, the Chair concluded the hearing on A. B. 590.

The Chair then announced that there would be administrative hearings on bills for which there was previous testimony. He said that for various reasons, action had been delayed on them and he would like to clear them from the file, and show for the record that the committee took action on them.

S. B. 48 - Increases certain allowance to elderly for property taxes.

Senator Raggio moved to indefinitely postpone Senate Bill 48.

Senator Dodge seconded the motion.

S.B. 48 - (con't.)

The Chair called for discussion

The motion carried with Senator Kosinski and Senator Ashworth dissenting.

S. B. 64 - Proposes to amend Sales and Use Tax Act of 1955 to provide credit for exchanges on certain products.

Senator Glaser addressed Mr. Daryl Capurro, of the Nevada Franchised Auto Dealers, advising him that the committee was not taking testimony. Mr. Capurro said, however, that he had not had the opportunity to testify on the Assembly side after the Chair had requested certain information from him. For the record, he wished to submit that information at this time. The Chair stated that in view of the fact that the material had been prepared, he would admit it into evidence, and it is a matter of record that this matter will be considered again in two years. (Exhibit "C") The Chair asked Mr. Capurro to briefly present an explanation of the handout.

Senator Sloan moved to indefinitely postpone Senate Bill 64.

Senator Ashworth seconded the motion.

The Chair called for further discussion.

The motion carried, with Senator Raggio voting against it.

The Chair then announced that there were about four bills on motor vehicle fuel taxes and asked if it was the wish of the committee that they be held for another week or be handled at this meeting. However, Senator Glaser asked that S. B. 481, "Provides property tax credit for bicycle racks, imposes additional fuel tax to finance construction of bicycly pathways and proposes to remove sales and related taxes from bicycles," be held as Senator Faiss is bringing in some amendments to the bill, leaving for consideration only the matter of the bike racks.

The members of the committee wished to proceed with action on the above-mentioned bills at the present meeting.

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S. B. 419 - Increases tax on motor vehicle fuel and on special fuels and requires a separate detailed budget for certain departments. (Exhibit "D")

Senator Raggio asked for clarification on S. B. 419. He said that he was under the impression that this committee had taken some action on the bill, to amend and do pass. The Chair said Mr. Daykin, legislative counsel, had advised it could not be amended and put on a referendum. Senator Raggio said the committee had not rescinded the action taken, in that case.

Senator Sloan moved to rescind the action taken on Senate Bill 419, "amend and do pass as amended."

There was discussion on the requested amendment and Senator Kosinski asked if the legislative counsel could draft the amendment. Senator Glaser replied that it was the counsel's recommendation that the amendment not be drafted because he felt it was unconstitutional, and that Senator Glaser had reported such back to the committee.

Senator Dodge seconded the motion.

Senator Kosinski said he would like the record to show that the attorney general's opinion issued in 1975 judged a referendum called by the legislature is constitutional.

Senator Sloan said he would withdraw his motion if indeed such was the case.

Senator Dodge said he felt the money committees could help in this matter by giving the highway money to tide them over. He said he would just as soon stand up and be counted and vote in a sales tax and have it go to a referendum, but if it is defeated, he could not in good conscience vote such a tax in two years. He said there need to be some calculated judgments made about the matter, but he feels it is an exercise in futility to disregard the constitutionality of the matter. He has serious reservations about submitting such a measure.

Senator Raggio said asking for another 2¢ fuel tax is just something the people won't accept, especially in view of the astronomical price of gasoline. He said what bothers him is that the Senate has coming over from the Assembly a bill to impose another 2¢ for the counties, and that it is going to be up to a referendum. He said he does not understand why such a referendum can be handled at the county level and not at the state level.

Senator Dodge said that presupposes that this committee is going to process the bill and he is not in favor of processing such a bill, for that pre-empts doing anything for the state.

S. B. 419 - (con't.)

The Chair called for any further discussion.

Senator Sloan moved in favor of reconsideration of Senate Bill 419.

Senator Dodge seconded the motion.

The Chair called for further discussion.

The motion carried.

The Chair said that S.B. 419 is up for discussion.

Senator Sloan moved to indefinitely postpone Senate Bill 419.

Senator Dodge seconded the motion.

The Chair called for further discussion.

Senator Kosinski said that he understood the Ways and Means Committee was balking at a 5 million dollar appropriation for the highway department. He asked if that committee had acted on that issue. Mr. Robert Guinn, Nevada Motor Transport Association, replied that it had taken no action. Senator Glaser added that the finance committee had made no determination, either.

Mr. Guinn said that he had testified and re-testified in the Ways and Means Committee earlier in the week and as far as he knows, no action has been taken. He noted that the bill in question is A. B. 325.

Senator Dodge said that perhaps the committee should hold S. B. 419 for the time being; that was their judgment previously because the committee did not know what was transpiring on this subject elsewhere.

Senator Sloan said he would withdraw his motion to indefinitely postpone Senate Bill 419.

Senator Dodge said he would withdraw the seconding of the motion.

The Chair announced that Senate Bill 419 would be held.

The Chair announced that Senate Bill 481 is to be held for amendments.

S. B. 488 - Increases tax on motor vehicle fuel and special fuel to provide for construction of highways.

Senator Ashworth moved to indefinitely postpone Senate Bill 488.

Senator Kosinski seconded the motion.

The Chair called for further discussion

The motion carried.

S. B. 518- Increases tax on special fuels and increases certain fees and penalties imposed by department of motor vehicles.

Senator Raggio moved to indefinitely postpone Senate Bill 518.

Senator Sloan seconded the motion.

The Chair called for further discussion.

The motion carried.

S. B. 519 - Authorizes issuance of revenue bonds for construction of highways and imposes tax on motor vehicle fuel and special fuels to pay principal and interest on such bonds.

Senator Ashworth asked if there had been testimony on this bill and Senator Dodge said he did not recall hearing any.

The Chair asked if the committee wished to schedule a hearing next week on the bill.

There was discussion on the content of the bill. It was agreed that in view of the fact that it is another bill imposing a tax on motor vehicle fuel, it might be expedient to kill it. It was asked where the bill had originated and Mr. Guinn advised that Senator Gibson had this bill and S. B. 518 drawn up to speed along some of the more critical highway construction projects. It was pointed out that there would have to be a referendum on the measure and the same problems present themselves as have been presented in bills similar to this one.

Senator Sloan moved to indefinitely postpone Senate Bill 519.

Senator Kosinski seconded the motion.

S.B. 519 - (con't.)

The Chair called for discussion.

The motion carried.

A. B. 58 - Exempts household effects from property tax.

Senator Glaser said the intent of this bill was included in the original S. B. 204. It is the understanding that if S.B. 204 comes over to the Senate, it will put this provision in the tax package.

Senator Ashworth moved to indefinitely postpone A. B. 58.

Senator Sloan seconded the motion.

The Chair called for discussion.

The motion carried.

S. B. 46- Increases percentage of money received for county gaming licenses to be paid to cities and towns.

The Chair said this bill is similar to A. B. 278 and it is his understanding from Bob Price of the Assembly that the Assembly is going to consider and process it.

Senator Sloan said it was his understanding that this was a fundamental part of the agreement on A. B. 616 and S. B. 204.

After some discussion, it was agreed to hold the bill and discuss it with the Assembly tax committee.

A. B. 741- Limits charitable exemption from property tax for certain corporations. (Exhibit "E")

Senator Sloan made a motion to do pass on Assembly Bill 741.

Senator Sloan seconded the motion.

The Chair called for discussion.

The motion carried.

A. B. 590- Deletes requirement of payment of penalties, interest and costs by local governments and University of Nevada System on acquisition of tax-delinquent property. (Exhibit "F")

Senator Sloan moved do pass on Assembly Bill 590.

Senator Raggio seconded the motion.

The Chair called for any discussion.

The motion carried.

A. B. 112- Changes period for filing certain statements relating to assessment and taxation of net proceeds of mines. (Exhibit "G")

There was further consideration of A.B. 112 and a review of the testimony previously presented.

Mr. Nickson said he found the testimony of Mr. Armstrong and Mr. Young somewhat incongruous in view of previous material they had furnished.

Senator Kosinski moved to indefinitely postpone Assembly Bill 112.

The Chair called for a second.

The Chair declared the motion dead for lack of a second.

Senator Sloan moved do pass on Assembly Bill 112.

Senator Ashworth seconded the motion.

Senator Kosinski moved to amend the motion by providing for annualization of the revenue and the deductions at the end of the tax year in order to pay tax on whatever gross yield is received the first half of the year and making an adjustment at the end of the year when deductions will be known.

Senator Raggio seconded the motion.

The Chair called for a vote on the amendment to amend the motion.

The motion to amend the motion carried.

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A.B. 112- (con't.)

There was further general discussion and delineation of the purpose of the amendment.

Senator Sloan moved to amend and do pass as amended Assembly Bill 112.

Senator Dodge seconded the motion.

The Chair called for discussion.

The motion carried.

There being no further business, the meeting adjourned at 3:40 P. M.

Carolyn L. Freeland

Respectfully submitted by:
Carolyn L. Freeland, Secretary

Norman Glaser

Approved by: Senator Norman Glaser
Chairman

SENATE CONCURRENT RESOLUTION NO. 43

S. C. R. 43

SENATE CONCURRENT RESOLUTION NO. 43—COMMITTEE
ON TAXATION

MAY 2, 1979

Referred to Committee on Taxation

SUMMARY—Encourages counties to distribute information on tax levies and
distribution of tax revenues. (BDR 1732)

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

SENATE CONCURRENT RESOLUTION—Encouraging the board of county
commissioners of each county to prepare and distribute information on the
levying of taxes and the distribution of tax revenues.

- 1 WHEREAS, The awareness and interest of taxpayers in the tax structure
2 of local government has become very intense; and
3 WHEREAS, Practices concerning the levy of taxes and the distribution of
4 tax revenues vary from county to county; and
5 WHEREAS, It is in the best interest of good government to fully inform
6 its citizens about the levying of taxes and the distribution of tax revenues;
7 now, therefore, be it
8 *Resolved by the Senate of the State of Nevada, the Assembly concur-*
9 *ring,* That the legislature encourages the board of county commissioners
10 of each county to prepare and distribute to the taxpayers each year
11 information regarding the levying of taxes within the county and the
12 distribution of the tax revenues to the various governmental entities
13 within the county.

⊙

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

Revised 4/25/79

COUNTIES	1974	1975	1976	1977	1978
Carson City.....		439			
Churchill.....	23,644	3,760	441	4,979	
Clark *S/B Elko County	203,927	15,541	22,978		15,868
Douglas.....		2,165			
Elko.....*	203,927	36,230	650,327	222,113	1,264
Esmeralda.....		2,854		7,128	2,399
Eureka.....	706		39,229	59,510	
Fernando.....		111,432	2,290		
Garfield.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
Nye.....	258,356	33,768	179,422	*1,605,892 1,136,141	19,021
Ormsby.....	29,764	45,888	13,246	7,494	63,327
Pershing.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

Exhibit "B"

7257A

1133 4/19/79 eh

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

Revised 4/25/79

COUNTIES	1974	1975	1976	1977	1978
Carson City.....		439			
Churchill.....	23,644	3,760	441	4,979	
Clark *S/B Elko County	203,927	15,541	22,978		15,868
Douglas.....		2,165			
Elko..... * 203,927		36,230	650,327	222,113	1,264
Esmeralda.....		2,854		7,128	2,399
Eureka.....	706		39,229	59,510	
Humboldt.....		111,432	2,290		
Jander.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
Nye.....	258,356	33,768	179,422	*1,605,892 1,136,141	19,021
Ormsling.....	29,764	45,888	13,246	7,494	63,327
Storey.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

EXHIBIT

7257A

4/19/79 eh

1331

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

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COUNTIES	1974	1975	1976	1977	1978
Carson City.....		439			
Churchill.....	23,644	3,760	441	4,979	
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Idaho.....		2,100	1,550		
Lincoln.....		18,317	348	13,573	1,183
Madison.....				*1,605,892	
Mineral.....				1,136,141	19,021
Nye.....	258,356	33,768	179,422		
Ormsby.....	29,764	45,888	13,246	7,494	63,327
Pershing.....			503		5,192
Washoe.....					
White Pine.....	1,515,804	2,152			
TOTALS	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

EXHIBIT B

7257A

1135 4/19/79 eh

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TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

4/19/79 eh

1336

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

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Carson City.....		439			
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Storey.....			503		5,192
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White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

4/19/79 eh
1337

7257A EXHIBIT B

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

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Carson City.....		439			
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TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

4/19/79 eh

1138

EXHIBIT B
7257A

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Esmeralda.....		2,854		7,128	2,399
Evreka.....	706		39,229	59,510	
Humboldt.....		111,432	2,290		
Jander.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
Nye.....	258,356	33,768	179,422	*1,605,892 1,136,141	19,021
Orsiring.....	29,764	45,888	13,246	7,494	63,327
Porey.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

4/19/79 eh

1339

7257A EXHIBIT B

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

Revised 4/25/79

COUNTIES	1974	1975	1976	1977	1978
Carson City.....		439			
Churchill.....	23,644	3,760	441	4,979	
Clark *S/B Elko County	203,927	15,541	22,978		15,868
Douglas.....		2,165			
Elko * 203,927		36,230	650,327	222,113	1,264
Esmeralda.....		2,854		7,128	2,399
Eureka.....	706		39,229	59,510	
Fernando.....		111,432	2,290		
Frederick.....	21,761	893,517	993,114	300,000	1,660,174
Garfield.....				68,210	
Humboldt.....		2,100	1,550		
Inyo.....		18,317	348	13,573	1,183
Jefferson.....				*1,605,892	
Kane.....	258,356	33,768	179,422	1,136,141	19,021
Lander.....	29,764	45,888	13,246	7,494	63,327
Lyon.....			503		5,192
Mineral.....					
Nye.....					
Ormsby.....					
Pershing.....					
Storey.....					
Washoe.....					
White Pine.....	1,515,804	2,152			
TOTALS	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

1140 4/19/79 eh

7257A EXHIBIT B

AB112

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Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
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Ormsby.....	29,764	45,888	13,246	7,494	63,327
Pershing.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

4/19/79 eh

111

7257A EXHIBIT B

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Fernando.....		111,432	2,290		
Grant.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
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Ormsby.....	29,764	45,888	13,246	7,494	63,327
Pershing.....			503		5,192
Washoe.....					
White Pine.....	1,515,804	2,152			
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112 4/19/79 eh

7257A EXHIBIT B

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1143

4/19/79 eh

AB112

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Jander.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Lyon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
Nye.....	258,356	33,768	179,422	*1,605,892 1,136,141	19,021
Orsiring.....	29,764	45,888	13,246	7,494	63,327
Porey.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

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4/19/79 eh

EXHIBIT

AB112

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COUNTIES	1974	1975	1976	1977	1978
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Lyon.....		2,100	1,550		
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Ormswing.....	29,764	45,888	13,246	7,494	63,327
Porey.....			503		5,192
Vashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

7257A

4/19/79 eh

1145

EXHIBIT B

AB112

If Net Proceeds reports were annualized it would result in the following loss of value to each county.

Revised 4/25/79

COUNTIES	1974	1975	1976	1977	1978
Carson City.....		439			
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Douglas.....		2,165			
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Esmeralda.....		2,854		7,128	2,399
Eureka.....	706		39,229	59,510	
Lumboldt.....		111,432	2,290		
Mander.....	21,761	893,517	993,114	300,000	1,660,174
Lincoln.....				68,210	
Mayon.....		2,100	1,550		
Mineral.....		18,317	348	13,573	1,183
Nye.....	258,356	33,768	179,422	*1,605,892 1,136,141	19,021
Ormswring.....	29,764	45,888	13,246	7,494	63,327
Porey.....			503		5,192
Yashoe.....					
White Pine.....	1,515,804	2,152			
TOTALS.....	2,053,962	1,168,163	1,903,448	1,819,148 *2,288,899	1,768,428

7257A

4/19/79 eh

EXHIBIT B

1978

65,000.. New motor vehicles (trucks and passenger cars) registered in Nevada.

65,000 43,000 New passenger cars.
 22,000 New trucks.

\$8,000 Average cost of new unit.

\$2,000 Average trade-in value of used unit (4 yrs old)

65% Of new sales involve a trade-in.

\$70.00 Sales tax savings on average trade-in worth \$2,000.

\$70.00 divided by four years equals \$17.50 savings per year for family of four.

1978
 (DMV Figures)

153,410..... Used motor vehicles (trucks and passenger cars) sold and registered in Nevada.
 50% sold by dealers.

4 Average cost of used unit bought equals ~~\$1,000~~ [?]
 Average trade-in value of used unit trade-in. - ~~\$1,000~~ [?]

20%..... Of used sales involve a trade-in.

\$35.00.....

Sales Tax savings on average trade-in
worth \$1,000.

\$35.00 divided by four years equals \$8.75 savings per year
for family of four.

TOTALS

New

65,000
x 65%
<hr/> 42,250
x \$2000
<hr/> \$84,500,000
x .035
<hr/> \$2,957,500 per year loss to state.

Used

153,410
x 50%
<hr/> 76,705
x 20%
<hr/> 15,340
x \$1,000
<hr/> \$15,340,000
x .035
<hr/> \$537,000 per year loss to state.

Totals:

\$3,500,000 [±] per year loss of sales tax..

SENATE BILL NO. 419**S. B. 419****SENATE BILL NO. 419—COMMITTEE ON TAXATION**

APRIL 4, 1979

Referred to Committee on Taxation

SUMMARY—Increases tax on motor vehicle fuel and on special fuels and requires a separate detailed budget for certain departments. (BDR 32-1264)**FISCAL NOTE:** Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.**EXPLANATION**—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to state financial administration; increasing the tax on motor vehicle fuel and on special fuels; requiring a separate detailed budget for the department of highways and the department of motor vehicles; 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 365.170 is hereby amended to read as follows:
 2 365.170 1. In addition to any other taxes provided by law, every
 3 dealer shall, not later than the 25th day of each calendar month:
 4 (a) Render to the department a statement of all motor vehicle fuel
 5 sold, distributed or used by him in the State of Nevada, as well as all
 6 motor vehicle fuel sold, distributed or used in this state by a purchaser
 7 thereof upon which sale, distribution or use the dealer has assumed
 8 liability for the tax thereon under NRS 365.020, during the preceding
 9 calendar month; and
 10 (b) Pay an excise tax of [4.5] 6.5 cents per gallon on all motor
 11 vehicle fuel so sold, distributed or used, in the manner and within the
 12 time prescribed in this chapter.
 13 2. The department for good cause may extend for not to exceed 30
 14 days the time for making any report or return required under this chapter.
 15 The extension may be granted at any time if:
 16 (a) A request [therefor] for it has been filed with the department
 17 within or [prior to] before the period for which the extension may be
 18 granted; and
 19 (b) A remittance of the estimated tax is made when due.
 20 Any dealer to whom an extension is granted shall pay, in addition to any
 21 delinquent tax due, interest at the rate of one-half of 1 percent per
 22 month, or fraction thereof, from the date on which the tax would have
 23 been due without the extension to the date of payment.
 24 3. Any report, return, remittance to cover a payment or claim for
 25 credit or refund required by this chapter which is transmitted through
 26 the United States mail shall be deemed filed or received by the depart-
 27 ment on the date shown by the post office cancellation mark stamped

ASSEMBLY BILL NO. 741

A. B. 741

ASSEMBLY BILL NO. 741—COMMITTEE ON TAXATION

APRIL 12, 1979

Referred to Committee on Taxation

SUMMARY—Limits charitable exemption from property tax for certain corporations. (BDR 32-1724)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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

AN ACT relating to the property tax; limiting the charitable exemption for certain corporations; 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 361.140 is hereby amended to read as follows:
- 2 361.140 1. In addition to the corporations defined by law to be
- 3 charitable corporations, there are hereby included:
- 4 (a) [Corporations] *Any corporation* whose objects and purposes are
- 5 [for public charity,] religious, [or] educational [;] *or for public charity*
- 6 and whose funds have been derived in whole or [in] *substantial* part from
- 7 public donations [;] , *not including donations from any officer or trustee*
- 8 *of the corporation; and*
- 9 (b) [Corporations] *Any corporation* prohibited by [their] *its* articles
- 10 of incorporation from declaring or paying dividends, and where the
- 11 money received by [them] *it* is devoted to the general purpose of charity
- 12 and no portion of the [same] *money* is permitted to inure to the benefit
- 13 of any private [individual] *person* engaged in managing the charity, and
- 14 where indigent persons without regard to race or color may receive med-
- 15 ical care and attention without charge or cost.
- 16 2. All buildings belonging to a corporation defined in subsection 1,
- 17 together with the land actually occupied by [such] *the* corporation for
- 18 the purposes described and the personal property actually used in con-
- 19 nection therewith, are exempt from taxation when used solely for the
- 20 purpose of the charitable corporation.

ASSEMBLY BILL NO. 590

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 590

ASSEMBLY BILL NO. 590—COMMITTEE ON
GOVERNMENT AFFAIRS

MARCH 21, 1979

Referred to Committee on Government Affairs

SUMMARY—Deletes requirement of payment of penalties, interest and costs by local governments and University of Nevada System on acquisition of tax-delinquent property. (BDR 32-1556)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.



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

AN ACT relating to property taxes; deleting the requirement that local governments and the University of Nevada System pay penalties, interest and costs upon the acquisition of tax-delinquent properties; also deleting the requirement to pay the taxes in certain instances; 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 361.603 is hereby amended to read as follows:
- 2 361.603 1. Any local government or the University of Nevada Sys-
- 3 tem may, in the manner provided in this section, acquire property held
- 4 in trust by the treasurer of the county in which such local government
- 5 or any part of the system is located by virtue of any deed made pur-
- 6 suant to the provisions of this chapter.
- 7 2. Whenever any local government or the system determines that a
- 8 public purpose may be served by the acquisition of such property, it
- 9 may make application to the board of county commissioners for permis-
- 10 sion to acquire such property. If the board of county commissioners
- 11 approves the application, it shall direct the county treasurer to give
- 12 notice of intent to sell to the last-known owner or heirs or devisees of
- 13 [such] *the* last-known owner of the property in the manner provided
- 14 by law.
- 15 3. [Such] *The* last-known owner may, within 90 days of such
- 16 notice, redeem the property by paying to the treasurer the amount of the
- 17 delinquent taxes, plus penalties, interest and costs.
- 18 4. If [such] *the* owner fails to redeem the property within the time
- 19 allowed, the county treasurer shall transfer the property to the local

Original bill is 2 pages long.
Contact the Research Library for
a copy of the complete bill.

ASSEMBLY BILL NO. 112

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 112

ASSEMBLY BILL NO. 112—ASSEMBLYMAN MARVEL

JANUARY 18, 1979

Referred to Committee on Taxation

SUMMARY—Changes period for filing certain statements relating to assessment and taxation of net proceeds of mines. (BDR 32-768)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to assessment and taxation of net proceeds of mines; requiring the filing of an annual statement and annual estimate of taxes, and simultaneous payment of the actual and estimated taxes owing; 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 362.110 is hereby amended to read as follows:
 2 362.110 1. Every person, corporation or association operating any
 3 mine in this state containing gold, silver, copper, zinc, lead or other valu-
 4 able mineral or mineral deposit, whether metallic or nonmetallic, and
 5 every recipient of royalty payments in connection [therewith:] with any
 6 mining operation:
 7 (a) Shall [semiannually during July and January] on or before Feb-
 8 ruary 15 of each year, except as provided in paragraph (b) file with the
 9 department a statement showing the gross yield and claimed net proceeds
 10 from each mine owned, worked or operated by [such] that person, cor-
 11 poration or association during the [6-month period] calendar year
 12 immediately preceding the [1st day of the month] year in which the
 13 statement is [so required to be made.] filed.
 14 (b) May have up to [15] 30 additional days to file [such] the state-
 15 ment, if beforehand he makes written application to the department and
 16 the department finds good cause for [such] the extension.
 17 2. [Such statement shall:] The statement must:
 18 (a) Show the claimed deductions from the gross yield in the detail set
 19 forth in NRS 362.120. [Such deductions shall be] The deductions are
 20 limited to the costs incurred during the [6-month] period covered by the
 21 statement.
 22 (b) Be in the form [which shall be] prescribed by the department.