
SENATE BILL NO. 469—COMMITTEE ON TAXATION

(ON BEHALF OF THE LEGISLATIVE COMMITTEE ON LOCAL
GOVERNMENT TAXES AND FINANCE)

MARCH 24, 2003

Referred to Committee on Taxation

SUMMARY—Revises formula for distribution of certain revenues
among local governments. (BDR 32-624)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; revising the formula for the
distribution of certain revenues among local governments;
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 360.680 is hereby amended to read as follows:
2 360.680 1. On or before July 1 of each year, the Executive
3 Director shall allocate to each enterprise district an amount equal to
4 the amount that the enterprise district received from the Account in
5 the immediately preceding fiscal year.
6 2. Except as otherwise provided in NRS 360.690 and 360.730,
7 the Executive Director, after subtracting the amount allocated to
8 each enterprise district pursuant to subsection 1, shall allocate to
9 each local government or special district which is eligible for an
10 allocation from the Account pursuant to NRS 360.670 an amount
11 from the Account that is equal to the amount allocated to the local
12 government or special district for the preceding fiscal year, minus
13 any excess amount allocated pursuant to subsection 4 , *5 or 6* of
14 NRS 360.690, multiplied by 1 plus the percentage change in the
15 Consumer Price Index (All Items) for the year ending on



* S B 4 6 9 *

1 December 31 immediately preceding the year in which the
2 allocation is made.

3 **Sec. 2.** NRS 360.690 is hereby amended to read as follows:

4 360.690 1. Except as otherwise provided in NRS 360.730,
5 the Executive Director shall estimate monthly the amount each local
6 government, special district and enterprise district will receive from
7 the Account pursuant to the provisions of this section.

8 2. The Executive Director shall establish a base monthly
9 allocation for each local government, special district and enterprise
10 district by dividing the amount determined pursuant to NRS 360.680
11 for each local government, special district and enterprise district by
12 12, and the State Treasurer shall, except as otherwise provided in
13 subsections 3 ~~[, 4 and 5,]~~ **to 7, inclusive,** remit monthly that amount
14 to each local government, special district and enterprise district.

15 3. If, after making the allocation to each enterprise district for
16 the month, the Executive Director determines there is not sufficient
17 money available in the county's subaccount in the Account to
18 allocate to each local government and special district the base
19 monthly allocation determined pursuant to subsection 2, he shall
20 prorate the money in the county's subaccount and allocate to each
21 local government and special district an amount equal to ~~[the] its~~
22 **proportionate** percentage of ~~[the amount that the local government~~
23 ~~or special district received from]~~ the total amount ~~[which was~~
24 ~~distributed to]~~ **of the base monthly allocations determined**
25 **pursuant to subsection 2 for** all local governments and special
26 districts within the county . ~~[for the fiscal year immediately~~
27 ~~preceding the year in which the allocation is made.]~~ The State
28 Treasurer shall remit that amount to the local government or special
29 district.

30 4. Except as otherwise provided in ~~[subsection]~~ **subsections 5,**
31 **6 and 7,** if the Executive Director determines that there is money
32 remaining in the county's subaccount in the Account after the base
33 monthly allocation determined pursuant to subsection 2 has been
34 allocated to each local government, special district and enterprise
35 district, he shall immediately determine and allocate each:

36 (a) Local government's share of the remaining money by:

37 (1) Multiplying one-twelfth of the sum of:

38 (I) Seventy-five percent of the amount allocated pursuant
39 to NRS 360.680 multiplied by the sum of the average percentage of
40 change in the population of the local government for the fiscal year
41 immediately preceding the year in which the allocation is made and
42 the 4 fiscal years immediately preceding the year in which the
43 allocation is made, as certified by the Governor pursuant to NRS
44 360.285, except as otherwise provided in subsection ~~[6,]~~ **8,** and the
45 average percentage of change in the assessed valuation of the



1 taxable property in the local government, including assessed
2 valuation attributable to a redevelopment agency but excluding the
3 portion attributable to the net proceeds of minerals, over the year in
4 which the allocation is made, as projected by the Department
5 pursuant to NRS 361.390, and the 4 fiscal years immediately
6 preceding the year in which the allocation is made; and

7 (II) Twenty-five percent of the amount allocated pursuant
8 to NRS 360.680 multiplied by 1 plus the sum of the average
9 percentage of change in the population of the local government for
10 the fiscal year immediately preceding the year in which the
11 allocation is made and the 4 fiscal years immediately preceding the
12 year in which the allocation is made, as certified by the Governor
13 pursuant to NRS 360.285, except as otherwise provided in
14 subsection ~~6.1~~ 8, and the average percentage of change in the
15 assessed valuation of the taxable property in the local government,
16 including assessed valuation attributable to a redevelopment agency
17 but excluding the portion attributable to the net proceeds of
18 minerals, over the year in which the allocation is made, as projected
19 by the Department pursuant to NRS 361.390, and the 4 fiscal years
20 immediately preceding the year in which the allocation is made; and

21 (2) Using the figure calculated pursuant to subparagraph (1)
22 to calculate and allocate to each local government an amount equal
23 to the proportion that the figure calculated pursuant to subparagraph
24 (1) bears to the total amount of the figures calculated pursuant to
25 subparagraph (1) of this paragraph and subparagraph (1) of
26 paragraph (b), respectively, for the local governments and special
27 districts located in the same county multiplied by the total amount
28 available in the subaccount; and

29 (b) Special district's share of the remaining money by:

30 (1) Multiplying one-twelfth of the sum of:

31 (I) Seventy-five percent of the amount allocated pursuant
32 to NRS 360.680 multiplied by the average change in the assessed
33 valuation of the taxable property in the special district, including
34 assessed valuation attributable to a redevelopment agency but
35 excluding the portion attributable to the net proceeds of minerals,
36 over the 5 fiscal years immediately preceding the year in which the
37 allocation is made; and

38 (II) Twenty-five percent of the amount allocated pursuant
39 to NRS 360.680 multiplied by 1 plus the average change in the
40 assessed valuation of the taxable property in the special district,
41 including assessed valuation attributable to a redevelopment agency
42 but excluding the portion attributable to the net proceeds of
43 minerals, over the 5 fiscal years immediately preceding the year in
44 which the allocation is made; and



1 (2) Using the figure calculated pursuant to subparagraph (1)
2 to calculate and allocate to each special district an amount equal to
3 the proportion that the figure calculated pursuant to subparagraph
4 (1) bears to the total amount of the figures calculated pursuant to
5 subparagraph (1) of this paragraph and subparagraph (1) of
6 paragraph (a), respectively, for the local governments and special
7 districts located in the same county multiplied by the total amount
8 available in the subaccount.
9 The State Treasurer shall remit the amount allocated to each local
10 government or special district pursuant to this subsection.

11 5. *Except as otherwise provided in subsection 7, if the*
12 *Executive Director determines that there is money remaining in*
13 *the county's subaccount in the Account after the base monthly*
14 *allocation determined pursuant to subsection 2 has been allocated*
15 *to each local government, special district and enterprise district,*
16 *that the sum of the average percentage of change in population*
17 *and the average percentage of change in the assessed valuation of*
18 *taxable property, as calculated pursuant to sub-subparagraph (I)*
19 *of subparagraph (1) of paragraph (a) of subsection 4 for each of*
20 *those local governments, is a negative figure, and that the average*
21 *change in the assessed valuation of the taxable property in each of*
22 *those special districts, as calculated pursuant to sub-subparagraph*
23 *(I) of subparagraph (1) of paragraph (b) of subsection 4, is a*
24 *negative figure, he shall immediately determine and allocate each:*

25 (a) *Local government's share of the remaining money by:*
26 (1) *Multiplying one-twelfth of the amount allocated*
27 *pursuant to NRS 360.680 by 1 plus the sum of the:*

28 (I) *Average percentage of change in the population of*
29 *the local government for the fiscal year immediately preceding the*
30 *year in which the allocation is made and the 4 fiscal years*
31 *immediately preceding the year in which the allocation is made, as*
32 *certified by the Governor pursuant to NRS 360.285, except as*
33 *otherwise provided in subsection 8; and*

34 (II) *Average percentage of change in the assessed*
35 *valuation of the taxable property in the local government,*
36 *including assessed valuation attributable to a redevelopment*
37 *agency but excluding the portion attributable to the net proceeds*
38 *of minerals, over the year in which the allocation is made, as*
39 *projected by the Department pursuant to NRS 361.390, and the 4*
40 *fiscal years immediately preceding the year in which the allocation*
41 *is made; and*

42 (2) *Using the figure calculated pursuant to subparagraph*
43 *(1) to calculate and allocate to each local government an amount*
44 *equal to the proportion that the figure calculated pursuant to*
45 *subparagraph (1) bears to the total amount of the figures*



1 *calculated pursuant to subparagraph (1) of this paragraph and*
2 *subparagraph (1) of paragraph (b), respectively, for the local*
3 *governments and special districts located in the same county*
4 *multiplied by the total amount available in the subaccount; and*

5 *(b) Special district's share of the remaining money by:*
6 *(1) Multiplying one-twelfth of the amount allocated*
7 *pursuant to NRS 360.680 by 1 plus the average change in the*
8 *assessed valuation of the taxable property in the special district,*
9 *including assessed valuation attributable to a redevelopment*
10 *agency but excluding the portion attributable to the net proceeds*
11 *of minerals, over the 5 fiscal years immediately preceding the year*
12 *in which the allocation is made; and*

13 *(2) Using the figure calculated pursuant to subparagraph*
14 *(1) to calculate and allocate to each special district an amount*
15 *equal to the proportion that the figure calculated pursuant to*
16 *subparagraph (1) bears to the total amount of the figures*
17 *calculated pursuant to subparagraph (1) of this paragraph and*
18 *subparagraph (1) of paragraph (a), respectively, for the local*
19 *governments and special districts located in the same county*
20 *multiplied by the total amount available in the subaccount.*

21 *The State Treasurer shall remit the amount allocated to each local*
22 *government or special district pursuant to this subsection.*

23 *6. Except as otherwise provided in subsection 7, if the*
24 *Executive Director determines that there is money remaining in*
25 *the county's subaccount in the Account after the base monthly*
26 *allocation determined pursuant to subsection 2 has been allocated*
27 *to each local government, special district and enterprise district,*
28 *that the sum of the average percentage of change in population*
29 *and the average percentage of change in the assessed valuation of*
30 *taxable property, as calculated pursuant to sub-subparagraph (I)*
31 *of subparagraph (1) of paragraph (a) of subsection 4 for each of*
32 *those local governments, is a negative figure, and that the average*
33 *change in the assessed valuation of the taxable property in any of*
34 *those special districts, as calculated pursuant to sub-subparagraph*
35 *(I) of subparagraph (1) of paragraph (b) of subsection 4, is a*
36 *positive figure, he shall immediately determine and allocate each:*

37 *(a) Local government's share of the remaining money by:*
38 *(1) Multiplying one-twelfth of the amount allocated*
39 *pursuant to NRS 360.680 by 1 plus the sum of the:*

40 *(I) Average percentage of change in the population of*
41 *the local government for the fiscal year immediately preceding the*
42 *year in which the allocation is made and the 4 fiscal years*
43 *immediately preceding the year in which the allocation is made, as*
44 *certified by the Governor pursuant to NRS 360.285, except as*
45 *otherwise provided in subsection 8; and*



1 (II) Average percentage of change in the assessed
2 valuation of the taxable property in the local government,
3 including assessed valuation attributable to a redevelopment
4 agency but excluding the portion attributable to the net proceeds
5 of minerals, over the year in which the allocation is made, as
6 projected by the Department pursuant to NRS 361.390, and the 4
7 fiscal years immediately preceding the year in which the allocation
8 is made; and

9 (2) Using the figure calculated pursuant to subparagraph
10 (1) to calculate and allocate to each local government an amount
11 equal to the proportion that the figure calculated pursuant to
12 subparagraph (1) bears to the total amount of the figures
13 calculated pursuant to subparagraph (1) of this paragraph and
14 subparagraph (1) of paragraph (b), respectively, for the local
15 governments and special districts located in the same county
16 multiplied by the total amount available in the subaccount; and

17 (b) Special district's share of the remaining money by:
18 (I) Multiplying one-twelfth of the amount allocated
19 pursuant to NRS 360.680 by 1 plus the sum of the:

20 (I) Average percentage of change in the population of
21 the county for the fiscal year immediately preceding the year in
22 which the allocation is made and the 4 fiscal years immediately
23 preceding the year in which the allocation is made, as certified by
24 the Governor pursuant to NRS 360.285, except as otherwise
25 provided in subsection 8; and

26 (II) Average change in the assessed valuation of the
27 taxable property in the special district, including assessed
28 valuation attributable to a redevelopment agency but excluding the
29 portion attributable to the net proceeds of minerals, over the 5
30 fiscal years immediately preceding the year in which the allocation
31 is made; and

32 (2) Using the figure calculated pursuant to subparagraph
33 (1) to calculate and allocate to each special district an amount
34 equal to the proportion that the figure calculated pursuant to
35 subparagraph (1) bears to the total amount of the figures
36 calculated pursuant to subparagraph (1) of this paragraph and
37 subparagraph (1) of paragraph (a), respectively, for the local
38 governments and special districts located in the same county
39 multiplied by the total amount available in the subaccount.

40 The State Treasurer shall remit the amount allocated to each local
41 government or special district pursuant to this subsection.

42 7. The Executive Director shall not allocate any amount to a
43 local government or special district pursuant to subsection 4, 5 or 6
44 unless the amount distributed and allocated to each of the local
45 governments and special districts in the county in each preceding



1 month of the fiscal year in which the allocation is to be made was at
2 least equal to the base monthly allocation determined pursuant to
3 subsection 2. If the amounts distributed to the local governments
4 and special districts in the county for the preceding months of the
5 fiscal year in which the allocation is to be made were less than the
6 base monthly allocation determined pursuant to subsection 2 and
7 the Executive Director determines there is money remaining in the
8 county's subaccount in the Account after the distribution for the
9 month has been made, he shall:

10 (a) Determine the amount by which the base monthly allocations
11 determined pursuant to subsection 2 for each local government and
12 special district in the county for the preceding months of the fiscal
13 year in which the allocation is to be made exceeds the amounts
14 actually received by the local governments and special districts in
15 the county for the same period; and

16 (b) Compare the amount determined pursuant to paragraph (a) to
17 the amount of money remaining in the county's subaccount in the
18 Account to determine which amount is greater.

19 If the Executive Director determines that the amount determined
20 pursuant to paragraph (a) is greater, he shall allocate the money
21 remaining in the county's subaccount in the Account pursuant to the
22 provisions of subsection 3. If the Executive Director determines that
23 the amount of money remaining in the county's subaccount in the
24 Account is greater, he shall first allocate the money necessary for
25 each local government and special district to receive the base
26 monthly allocation determined pursuant to subsection 2 and the
27 State Treasurer shall remit that money so allocated. The Executive
28 Director shall allocate any additional money in the county's
29 subaccount in the Account pursuant to the provisions of subsection

30 4 ~~f~~.
31 ~~6~~, 5 or 6, as appropriate.

32 8. The percentage ~~[change]~~ *changes in population* calculated
33 pursuant to ~~[paragraph (a) of subsection]~~ *subsections 4, 5 and 6*
34 must:

35 (a) Except as otherwise provided in paragraph (c), if the Bureau
36 of the Census of the United States Department of Commerce issues
37 population totals that conflict with the totals certified by the
38 Governor pursuant to NRS 360.285, be an estimate of the change in
39 population for the calendar year, based upon the population totals
40 issued by the Bureau of the Census.

41 (b) If a new method of determining population is established
42 pursuant to NRS 360.283, be adjusted in a manner that will result in
43 the percentage change being based on population determined
44 pursuant to the new method for both the fiscal year in which the



1 allocation is made and the fiscal year immediately preceding the
2 year in which the allocation is made.

3 (c) If a local government files a formal appeal with the Bureau
4 of the Census ~~{of the United States Department of Commerce}~~
5 concerning the population total of the local government issued by
6 the Bureau of the Census, be calculated using the population total
7 certified by the Governor pursuant to NRS 360.285 until the appeal
8 is resolved. If additional money is allocated to the local government
9 because the population total certified by the Governor is greater than
10 the population total issued by the Bureau of the Census, the State
11 Treasurer shall deposit that additional money in a separate interest-
12 bearing account. Upon resolution of the appeal, if the population
13 total finally determined pursuant to the appeal is:

14 (1) Equal to or less than the population total initially issued
15 by the Bureau of the Census, the State Treasurer shall transfer the
16 total amount in the separate interest-bearing account, including
17 interest but excluding any administrative fees, to the Local
18 Government Tax Distribution Account for allocation among the
19 local governments in the county pursuant to subsection 4 ~~H~~, *5 or 6,*
20 *as appropriate.*

21 (2) Greater than the population total initially issued by the
22 Bureau of the Census, the Executive Director shall calculate the
23 amount that would have been allocated to the local government
24 pursuant to subsection 4, *5 or 6, as appropriate,* if the population
25 total finally determined pursuant to the appeal had been used and the
26 State Treasurer shall remit to the local government an amount equal
27 to the difference between the amount actually distributed and the
28 amount calculated pursuant to this subparagraph or the total amount
29 in the separate interest-bearing account, including interest but
30 excluding any administrative fees, whichever is less.

31 ~~F7~~ *9.* On or before February 15 of each year, the Executive
32 Director shall provide to each local government, special district and
33 enterprise district a preliminary estimate of the revenue it will
34 receive from the Account for that fiscal year.

35 ~~F8~~ *10.* On or before March 15 of each year, the Executive
36 Director shall:

37 (a) Make an estimate of the receipts from each tax included in
38 the Account on an accrual basis for the next fiscal year in
39 accordance with generally accepted accounting principles, including
40 an estimate for each county of the receipts from each tax included in
41 the Account; and

42 (b) Provide to each local government, special district and
43 enterprise district an estimate of the amount that local government,
44 special district or enterprise district would receive based upon the



1 estimate made pursuant to paragraph (a) and calculated pursuant to
2 the provisions of this section.

3 ~~[9.]~~ **11.** A local government, special district or enterprise
4 district may use the estimate provided by the Executive Director
5 pursuant to subsection ~~[8.]~~ **10** in the preparation of its budget.

6 **Sec. 3.** NRS 360.690 is hereby amended to read as follows:

7 360.690 1. Except as otherwise provided in NRS 360.730,
8 the Executive Director shall estimate monthly the amount each local
9 government, special district and enterprise district will receive from
10 the Account pursuant to the provisions of this section.

11 2. The Executive Director shall establish a base monthly
12 allocation for each local government, special district and enterprise
13 district by dividing the amount determined pursuant to NRS 360.680
14 for each local government, special district and enterprise district by
15 12, and the State Treasurer shall, except as otherwise provided in
16 subsections 3 ~~[, 4 and 5,]~~ **to 7, inclusive,** remit monthly that amount
17 to each local government, special district and enterprise district.

18 3. If, after making the allocation to each enterprise district for
19 the month, the Executive Director determines there is not sufficient
20 money available in the county's subaccount in the Account to
21 allocate to each local government and special district the base
22 monthly allocation determined pursuant to subsection 2, he shall
23 prorate the money in the county's subaccount and allocate to each
24 local government and special district an amount equal to ~~[the]~~ **its**
25 **proportionate** percentage of ~~[the amount that the local government~~
26 ~~or special district received from]~~ the total amount ~~[which was~~
27 ~~distributed to]~~ **of the base monthly allocations determined**
28 **pursuant to subsection 2 for** all local governments and special
29 districts within the county . ~~[for the fiscal year immediately~~
30 ~~preceding the year in which the allocation is made.]~~ The State
31 Treasurer shall remit that amount to the local government or special
32 district.

33 4. Except as otherwise provided in ~~[subsection]~~ **subsections 5,**
34 **6 and 7,** if the Executive Director determines that there is money
35 remaining in the county's subaccount in the Account after the base
36 monthly allocation determined pursuant to subsection 2 has been
37 allocated to each local government, special district and enterprise
38 district, he shall immediately determine and allocate each:

39 (a) Local government's share of the remaining money by:
40 (1) Multiplying one-twelfth of the amount allocated pursuant
41 to NRS 360.680 by the sum of the:

42 (I) Average percentage of change in the population of the
43 local government for the fiscal year immediately preceding the year
44 in which the allocation is made and the 4 fiscal years immediately
45 preceding the year in which the allocation is made, as certified by



1 the Governor pursuant to NRS 360.285, except as otherwise
2 provided in subsection ~~6;~~ 8; and

3 (II) Average percentage of change in the assessed
4 valuation of the taxable property in the local government, including
5 assessed valuation attributable to a redevelopment agency but
6 excluding the portion attributable to the net proceeds of minerals,
7 over the year in which the allocation is made, as projected by the
8 Department pursuant to NRS 361.390, and the 4 fiscal years
9 immediately preceding the year in which the allocation is made; and

10 (2) Using the figure calculated pursuant to subparagraph (1)
11 to calculate and allocate to each local government an amount equal
12 to the proportion that the figure calculated pursuant to subparagraph
13 (1) bears to the total amount of the figures calculated pursuant to
14 subparagraph (1) of this paragraph and subparagraph (1) of
15 paragraph (b), respectively, for the local governments and special
16 districts located in the same county multiplied by the total amount
17 available in the subaccount; and

18 (b) Special district's share of the remaining money by:

19 (1) Multiplying one-twelfth of the amount allocated pursuant
20 to NRS 360.680 by the average change in the assessed valuation of
21 the taxable property in the special district, including assessed
22 valuation attributable to a redevelopment agency but excluding the
23 portion attributable to the net proceeds of minerals, over the 5 fiscal
24 years immediately preceding the year in which the allocation is
25 made; and

26 (2) Using the figure calculated pursuant to subparagraph (1)
27 to calculate and allocate to each special district an amount equal to
28 the proportion that the figure calculated pursuant to subparagraph
29 (1) bears to the total amount of the figures calculated pursuant to
30 subparagraph (1) of this paragraph and subparagraph (1) of
31 paragraph (a), respectively, for the local governments and special
32 districts located in the same county multiplied by the total amount
33 available in the subaccount.

34 The State Treasurer shall remit the amount allocated to each local
35 government or special district pursuant to this subsection.

36 5. *Except as otherwise provided in subsection 7, if the*
37 *Executive Director determines that there is money remaining in*
38 *the county's subaccount in the Account after the base monthly*
39 *allocation determined pursuant to subsection 2 has been allocated*
40 *to each local government, special district and enterprise district,*
41 *that the sum of the average percentage of change in population*
42 *and the average percentage of change in the assessed valuation of*
43 *taxable property, as calculated pursuant to subparagraph (1) of*
44 *paragraph (a) of subsection 4 for each of those local governments,*
45 *is a negative figure, and that the average change in the assessed*



1 valuation of the taxable property in each of those special districts,
2 as calculated pursuant to subparagraph (1) of paragraph (b) of
3 subsection 4, is a negative figure, he shall immediately determine
4 and allocate each:

5 (a) Local government's share of the remaining money by:
6 (I) Multiplying one-twelfth of the amount allocated
7 pursuant to NRS 360.680 by 1 plus the sum of the:

8 (I) Average percentage of change in the population of
9 the local government for the fiscal year immediately preceding the
10 year in which the allocation is made and the 4 fiscal years
11 immediately preceding the year in which the allocation is made, as
12 certified by the Governor pursuant to NRS 360.285, except as
13 otherwise provided in subsection 8; and

14 (II) Average percentage of change in the assessed
15 valuation of the taxable property in the local government,
16 including assessed valuation attributable to a redevelopment
17 agency but excluding the portion attributable to the net proceeds
18 of minerals, over the year in which the allocation is made, as
19 projected by the Department pursuant to NRS 361.390, and the 4
20 fiscal years immediately preceding the year in which the allocation
21 is made; and

22 (2) Using the figure calculated pursuant to subparagraph
23 (1) to calculate and allocate to each local government an amount
24 equal to the proportion that the figure calculated pursuant to
25 subparagraph (1) bears to the total amount of the figures
26 calculated pursuant to subparagraph (1) of this paragraph and
27 subparagraph (1) of paragraph (b), respectively, for the local
28 governments and special districts located in the same county
29 multiplied by the total amount available in the subaccount; and

30 (b) Special district's share of the remaining money by:

31 (I) Multiplying one-twelfth of the amount allocated
32 pursuant to NRS 360.680 by 1 plus the average change in the
33 assessed valuation of the taxable property in the special district,
34 including assessed valuation attributable to a redevelopment
35 agency but excluding the portion attributable to the net proceeds
36 of minerals, over the 5 fiscal years immediately preceding the year
37 in which the allocation is made; and

38 (2) Using the figure calculated pursuant to subparagraph
39 (1) to calculate and allocate to each special district an amount
40 equal to the proportion that the figure calculated pursuant to
41 subparagraph (1) bears to the total amount of the figures
42 calculated pursuant to subparagraph (1) of this paragraph and
43 subparagraph (1) of paragraph (a), respectively, for the local
44 governments and special districts located in the same county
45 multiplied by the total amount available in the subaccount.



1 *The State Treasurer shall remit the amount allocated to each local*
2 *government or special district pursuant to this subsection.*

3 *6. Except as otherwise provided in subsection 7, if the*
4 *Executive Director determines that there is money remaining in*
5 *the county's subaccount in the Account after the base monthly*
6 *allocation determined pursuant to subsection 2 has been allocated*
7 *to each local government, special district and enterprise district,*
8 *that the sum of the average percentage of change in population*
9 *and the average percentage of change in the assessed valuation of*
10 *taxable property, as calculated pursuant to subparagraph (1) of*
11 *paragraph (a) of subsection 4 for each of those local governments,*
12 *is a negative figure, and that the average change in the assessed*
13 *valuation of the taxable property in any of those special districts,*
14 *as calculated pursuant to subparagraph (1) of paragraph (b) of*
15 *subsection 4, is a positive figure, he shall immediately determine*
16 *and allocate each:*

17 *(a) Local government's share of the remaining money by:*
18 *(1) Multiplying one-twelfth of the amount allocated*
19 *pursuant to NRS 360.680 by 1 plus the sum of the:*

20 *(I) Average percentage of change in the population of*
21 *the local government for the fiscal year immediately preceding the*
22 *year in which the allocation is made and the 4 fiscal years*
23 *immediately preceding the year in which the allocation is made, as*
24 *certified by the Governor pursuant to NRS 360.285, except as*
25 *otherwise provided in subsection 8; and*

26 *(II) Average percentage of change in the assessed*
27 *valuation of the taxable property in the local government,*
28 *including assessed valuation attributable to a redevelopment*
29 *agency but excluding the portion attributable to the net proceeds*
30 *of minerals, over the year in which the allocation is made, as*
31 *projected by the Department pursuant to NRS 361.390, and the 4*
32 *fiscal years immediately preceding the year in which the allocation*
33 *is made; and*

34 *(2) Using the figure calculated pursuant to subparagraph*
35 *(1) to calculate and allocate to each local government an amount*
36 *equal to the proportion that the figure calculated pursuant to*
37 *subparagraph (1) bears to the total amount of the figures*
38 *calculated pursuant to subparagraph (1) of this paragraph and*
39 *subparagraph (1) of paragraph (b), respectively, for the local*
40 *governments and special districts located in the same county*
41 *multiplied by the total amount available in the subaccount; and*

42 *(b) Special district's share of the remaining money by:*
43 *(1) Multiplying one-twelfth of the amount allocated*
44 *pursuant to NRS 360.680 by 1 plus the sum of the:*



1 (I) Average percentage of change in the population of
2 the county for the fiscal year immediately preceding the year in
3 which the allocation is made and the 4 fiscal years immediately
4 preceding the year in which the allocation is made, as certified by
5 the Governor pursuant to NRS 360.285, except as otherwise
6 provided in subsection 8; and

7 (II) Average change in the assessed valuation of the
8 taxable property in the special district, including assessed
9 valuation attributable to a redevelopment agency but excluding the
10 portion attributable to the net proceeds of minerals, over the 5
11 fiscal years immediately preceding the year in which the allocation
12 is made; and

13 (2) Using the figure calculated pursuant to subparagraph
14 (1) to calculate and allocate to each special district an amount
15 equal to the proportion that the figure calculated pursuant to
16 subparagraph (1) bears to the total amount of the figures
17 calculated pursuant to subparagraph (1) of this paragraph and
18 subparagraph (1) of paragraph (a), respectively, for the local
19 governments and special districts located in the same county
20 multiplied by the total amount available in the subaccount.

21 The State Treasurer shall remit the amount allocated to each local
22 government or special district pursuant to this subsection.

23 7. The Executive Director shall not allocate any amount to a
24 local government or special district pursuant to subsection 4, 5 or 6
25 unless the amount distributed and allocated to each of the local
26 governments and special districts in the county in each preceding
27 month of the fiscal year in which the allocation is to be made was at
28 least equal to the base monthly allocation determined pursuant to
29 subsection 2. If the amounts distributed to the local governments
30 and special districts in the county for the preceding months of the
31 fiscal year in which the allocation is to be made were less than the
32 base monthly allocation determined pursuant to subsection 2 and
33 the Executive Director determines there is money remaining in the
34 county's subaccount in the Account after the distribution for the
35 month has been made, he shall:

36 (a) Determine the amount by which the base monthly allocations
37 determined pursuant to subsection 2 for each local government and
38 special district in the county for the preceding months of the fiscal
39 year in which the allocation is to be made exceeds the amounts
40 actually received by the local governments and special districts in
41 the county for the same period; and

42 (b) Compare the amount determined pursuant to paragraph (a) to
43 the amount of money remaining in the county's subaccount in the
44 Account to determine which amount is greater.



1 If the Executive Director determines that the amount determined
2 pursuant to paragraph (a) is greater, he shall allocate the money
3 remaining in the county's subaccount in the Account pursuant to the
4 provisions of subsection 3. If the Executive Director determines that
5 the amount of money remaining in the county's subaccount in the
6 Account is greater, he shall first allocate the money necessary for
7 each local government and special district to receive the base
8 monthly allocation determined pursuant to subsection 2 and the
9 State Treasurer shall remit that money so allocated. The Executive
10 Director shall allocate any additional money in the county's
11 subaccount in the Account pursuant to the provisions of subsection
12 4 ~~f~~.

13 ~~6.] , 5 or 6, as appropriate.~~

14 8. The percentage ~~[change]~~ *changes in population* calculated
15 pursuant to ~~[paragraph (a) of subsection]~~ *subsections 4 , 5 and 6*
16 must:

17 (a) Except as otherwise provided in paragraph (c), if the Bureau
18 of the Census of the United States Department of Commerce issues
19 population totals that conflict with the totals certified by the
20 Governor pursuant to NRS 360.285, be an estimate of the change in
21 population for the calendar year, based upon the population totals
22 issued by the Bureau of the Census.

23 (b) If a new method of determining population is established
24 pursuant to NRS 360.283, be adjusted in a manner that will result in
25 the percentage change being based on population determined
26 pursuant to the new method for both the fiscal year in which the
27 allocation is made and the fiscal year immediately preceding the
28 year in which the allocation is made.

29 (c) If a local government files a formal appeal with the Bureau
30 of the Census ~~{of the United States Department of Commerce}~~
31 concerning the population total of the local government issued by
32 the Bureau of the Census, be calculated using the population total
33 certified by the Governor pursuant to NRS 360.285 until the appeal
34 is resolved. If additional money is allocated to the local government
35 because the population total certified by the Governor is greater than
36 the population total issued by the Bureau of the Census, the State
37 Treasurer shall deposit that additional money in a separate interest-
38 bearing account. Upon resolution of the appeal, if the population
39 total finally determined pursuant to the appeal is:

40 (1) Equal to or less than the population total initially issued
41 by the Bureau of the Census, the State Treasurer shall transfer the
42 total amount in the separate interest-bearing account, including
43 interest but excluding any administrative fees, to the Local
44 Government Tax Distribution Account for allocation among the



1 local governments in the county pursuant to subsection 4 ~~4~~, 5 or 6,
2 *as appropriate*.

3 (2) Greater than the population total initially issued by the
4 Bureau of the Census, the Executive Director shall calculate the
5 amount that would have been allocated to the local government
6 pursuant to subsection 4, 5 or 6, *as appropriate*, if the population
7 total finally determined pursuant to the appeal had been used and the
8 State Treasurer shall remit to the local government an amount equal
9 to the difference between the amount actually distributed and the
10 amount calculated pursuant to this subparagraph or the total amount
11 in the separate interest-bearing account, including interest but
12 excluding any administrative fees, whichever is less.

13 ~~7~~ 9. On or before February 15 of each year, the Executive
14 Director shall provide to each local government, special district and
15 enterprise district a preliminary estimate of the revenue it will
16 receive from the Account for that fiscal year.

17 ~~8~~ 10. On or before March 15 of each year, the Executive
18 Director shall:

19 (a) Make an estimate of the receipts from each tax included in
20 the Account on an accrual basis for the next fiscal year in
21 accordance with generally accepted accounting principles, including
22 an estimate for each county of the receipts from each tax included in
23 the Account; and

24 (b) Provide to each local government, special district and
25 enterprise district an estimate of the amount that local government,
26 special district or enterprise district would receive based upon the
27 estimate made pursuant to paragraph (a) and calculated pursuant to
28 the provisions of this section.

29 ~~9~~ 11. A local government, special district or enterprise
30 district may use the estimate provided by the Executive Director
31 pursuant to subsection ~~8~~ 10 in the preparation of its budget.

32 **Sec. 4.** NRS 354.59813 is hereby amended to read as follows:
33 354.59813 1. In addition to the allowed revenue from taxes
34 ad valorem determined pursuant to NRS 354.59811, if the estimate
35 of the revenue available from the supplemental city-county relief tax
36 to the county as determined by the Executive Director of the
37 Department of Taxation pursuant to the provisions of subsection ~~8~~
38 10 of NRS 360.690 is less than the amount of money that would be
39 generated by applying a tax rate of \$1.15 per \$100 of assessed
40 valuation to the assessed valuation of the county, except any
41 assessed valuation attributable to the net proceeds of minerals, the
42 governing body of each local government may levy an additional
43 tax ad valorem for operating purposes. The total tax levied by the
44 governing body of a local government pursuant to this section must



1 not exceed a rate calculated to produce revenue equal to the
2 difference between the:

3 (a) Amount of revenue from supplemental city-county relief tax
4 estimated to be received by the county pursuant to subsection ~~8~~ 10
5 of NRS 360.690; and

6 (b) The tax that the county would have been estimated to receive
7 if the estimate for the total revenue available from the tax was equal
8 to the amount of money that would be generated by applying a tax
9 rate of \$1.15 per \$100 of assessed valuation to the assessed
10 valuation of the county,

11 multiplied by the proportion determined for the local government
12 pursuant to subparagraph (2) of paragraph (a) of subsection 4 of
13 NRS 360.690 ~~4~~, *subparagraph (2) of paragraph (a) of subsection*
14 *5 of NRS 360.690 or subparagraph (2) of paragraph (a) of*
15 *subsection 6 of NRS 360.690, as appropriate.*

16 2. Any additional taxes ad valorem levied as a result of the
17 application of this section must not be included in the base from
18 which the allowed revenue from taxes ad valorem for the next
19 subsequent year is computed.

20 3. As used in this section, "local government" has the meaning
21 ascribed to it in NRS 360.640.

22 **Sec. 5.** NRS 354.598747 is hereby amended to read as
23 follows:

24 354.598747 1. To calculate the amount to be distributed
25 pursuant to the provisions of NRS 360.680 and 360.690 from a
26 county's subaccount in the Local Government Tax Distribution
27 Account to a local government, special district or enterprise district
28 after it assumes the functions of another local government, special
29 district or enterprise district:

30 (a) Except as otherwise provided in this ~~subsection and~~
31 ~~subsection 2,~~ *section*, the Executive Director of the Department of
32 Taxation shall:

33 (1) Add the amounts calculated pursuant to subsection 1 or 2
34 of NRS 360.680 for each local government, special district or
35 enterprise district and allocate the combined amount to the local
36 government, special district or enterprise district that assumes the
37 functions; and

38 (2) If applicable, add the *average change in* population and
39 average change in the assessed valuation of ~~the~~ taxable property
40 that would otherwise be allowed to the local government or special
41 district whose functions are assumed, including the assessed
42 valuation attributable to a redevelopment agency but excluding the
43 portion attributable to the net proceeds of minerals, pursuant to
44 subsection 4 , *5 or 6* of NRS 360.690 , *as appropriate*, to the
45 *average change in* population and average change in assessed



1 valuation for the local government, special district or enterprise
2 district that assumes the functions.

3 (b) If two or more local governments, special districts or
4 enterprise districts assume the functions of another local
5 government, special district or enterprise district, the additional
6 revenue must be divided among the local governments, special
7 districts or enterprise districts that assume the functions on the basis
8 of the proportionate costs of the functions assumed.

9 The Nevada Tax Commission shall not allow any increase in the
10 allowed revenue from the taxes contained in the county's
11 subaccount in the Local Government Tax Distribution Account if
12 the increase would result in a decrease in revenue of any local
13 government, special district or enterprise district in the county that
14 does not assume those functions. If more than one local government,
15 special district or enterprise district assumes the functions, the
16 Nevada Tax Commission shall determine the appropriate amounts
17 calculated pursuant to subparagraphs (1) and (2) of paragraph (a).

18 2. If a city disincorporates, the board of county commissioners
19 of the county in which the city is located must determine the amount
20 the unincorporated town created by the disincorporation will receive
21 pursuant to the provisions of NRS 360.600 to 360.740, inclusive.

22 3. As used in this section:

23 (a) "Enterprise district" has the meaning ascribed to it in
24 NRS 360.620.

25 (b) "Local government" has the meaning ascribed to it in
26 NRS 360.640.

27 (c) "Special district" has the meaning ascribed to it in
28 NRS 360.650.

29 **Sec. 6.** 1. This section and sections 4 and 5 of this act
30 become effective on July 1, 2003.

31 2. Section 2 of this act becomes effective at 12:01 a.m. on
32 July 1, 2003, and expires by limitation on June 30, 2004.

33 3. Section 1 of this act becomes effective on July 1, 2004.

34 4. Section 3 of this act becomes effective at 12:01 a.m. on
35 July 1, 2004.

