

ASSEMBLY BILL NO. 61—COMMITTEE ON TRANSPORTATION

FEBRUARY 16, 2005

Referred to Committee on Transportation

SUMMARY—Exempts from imposition of governmental services tax vehicles owned by governing body of Indian reservation or Indian colony under certain circumstances. (BDR 32-974)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. 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 taxes; exempting from the imposition of the governmental services tax vehicles owned by the governing body of an Indian reservation or Indian colony under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 Existing law imposes a tax for governmental services for the privilege of
- 2 operating a vehicle on the public highways of Nevada. (NRS 371.030) The amount
- 3 of the tax is based on the depreciated value of the vehicle. (NRS 371.040, 371.060)
- 4 Existing law provides an exemption from the tax for vehicles owned by the Federal
- 5 Government, the State of Nevada and certain local governments. The exemption
- 6 also applies to certain emergency vehicles and vehicles used for public
- 7 transportation in an urban area. (NRS 371.100)
- 8 This bill exempts from the tax all noncommercial vehicles owned by the
- 9 governing body of an Indian reservation or Indian colony in this State if the tribe or
- 10 the reservation or colony is recognized by federal law and the governing body is
- 11 located on the reservation or colony.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 371.100 is hereby amended to read as follows:  
2 371.100 1. The governmental services tax imposed by this  
3 chapter does not apply to ~~vehicles~~ :



1       **(a) Vehicles** owned by the United States, the State of Nevada,  
2 any political subdivision of the State of Nevada, or any county,  
3 municipal corporation, city, unincorporated town or school district  
4 in the State of Nevada ~~[, or to vehicles]~~ ;

5       **(b) Except for vehicles used for commercial purposes, vehicles**  
6 **owned by the governing body of an Indian reservation or Indian**  
7 **colony in this State if:**

8           **(1) The Indian tribe of the reservation or colony is**  
9 **recognized by federal law; and**

10          **(2) The governing body is located on the reservation or**  
11 **colony;**

12       **(c) Vehicles** for whose operation money is provided by the State  
13 or Federal Government and which are operated solely for the  
14 transportation of or furnishing services to elderly or handicapped  
15 persons ~~[, or to the emergency]~~ ; **or**

16       **(d) Emergency** vehicles owned by any volunteer fire department  
17 or volunteer ambulance service based in this State.

18       2. Any vehicle which ceases to be used exclusively for the  
19 purpose for which it is exempted from the governmental services tax  
20 by this section becomes immediately subject to that tax.

21       3. Except as otherwise provided in subsection 4, vehicles  
22 exempted from the governmental services tax by this section which  
23 are leased, loaned or otherwise made available to and used by a  
24 private person, association or corporation in connection with a  
25 business conducted for profit are subject to taxation in the same  
26 amount and to the same extent as though the lessee or user were the  
27 owner of such vehicle.

28       4. Vehicles which are used by a private person and are  
29 dedicated for exclusive use as part of a system which:

30           (a) Operates vehicles for public transportation in an urban area;

31           (b) Transports persons who pay the established fare; and

32           (c) Uses public money to operate the system or acquire new  
33 equipment,

34       ↪ are exempted from the governmental services tax imposed by this  
35 chapter.

36       **Sec. 2.** This act becomes effective on July 1, 2005.

