

CHAPTER.....

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:**

Existing law imposes a tax for governmental services for the privilege of operating a vehicle on the public highways of Nevada. (NRS 371.030) The amount of the tax is based on the depreciated value of the vehicle. (NRS 371.040, 371.060) Existing law provides an exemption from the tax for vehicles owned by the Federal Government, the State of Nevada and certain local governments. The exemption also applies to certain emergency vehicles and vehicles used for public transportation in an urban area. (NRS 371.100)

This bill exempts from the tax all noncommercial vehicles owned by the governing body of an Indian reservation or Indian colony in this State if the tribe or the reservation or colony is recognized by federal law and the governing body is located on the reservation or colony.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

↳ are exempted from the governmental services tax imposed by this chapter.

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