

ASSEMBLY BILL NO. 370—ASSEMBLYWOMAN DICKMAN

MARCH 22, 2021

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to taxation on liquor. (BDR 32-750)

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

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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 provisions governing the use of certain revenue from the tax on liquor; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law imposes an excise tax on liquor, the amount of which is generally  
2 based on the percentage of alcohol by volume contained in the liquor. (NRS  
3 369.330) Under existing law, all revenue collected from this tax is deposited to the  
4 credit of the Liquor Tax Account in the State General Fund and the Department of  
5 Taxation is required to indicate the amount, if any, which is derived from the tax on  
6 liquor containing more than 22 percent of alcohol by volume. (NRS 369.170)  
7 Existing law requires the Department to apportion and distribute monthly to the  
8 counties of this State the portion of the tax on liquor containing more than 22  
9 percent of alcohol by volume collected during the preceding month which is  
10 equivalent to 50 cents per wine gallon. (NRS 369.173) Existing law also requires  
11 the State Controller to transfer monthly to the Tax on Liquor Program Account in  
12 the State General Fund the portion of the tax on liquor containing more than 22  
13 percent of alcohol by volume that exceeds \$3.45 per wine gallon. (NRS 369.174)  
14 Money in the Tax on Liquor Program Account is required to be used by the  
15 Division of Public and Behavioral Health of the Department of Health and Human  
16 Services to increase services for the prevention of alcohol or other substance use  
17 disorders and other related services. (NRS 458.097, 458.098) **Section 1** of this bill  
18 requires the State Controller to transfer monthly to the Tax on Liquor Program  
19 Account an additional 15 percent of the amount of tax on liquor containing more  
20 than 22 percent of alcohol by volume that is remaining after the distribution to the  
21 counties and the transfer to the Account of the amount that exceeds \$3.45 per wine  
22 gallon are made. **Section 2** of this bill requires that this additional 15 percent of the  
23 tax that is transferred to the Tax on Liquor Program Account be used by the  
24 Division of Public and Behavioral Health to pay for grants for certain recovery  
25 support services and related administrative and personnel costs.



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

1       **Section 1.** NRS 369.174 is hereby amended to read as follows:

2       369.174 Each month, the State Controller shall transfer to the  
3 Tax on Liquor Program Account in the State General Fund, from the  
4 tax on liquor containing more than 22 percent of alcohol by volume  
5 ~~[- the]~~ :

6       1. *The portion of the tax which exceeds \$3.45 per wine gallon.*

7       2. *Fifteen percent of the tax after the distribution made*  
8 *pursuant to NRS 369.173 and the transfer made pursuant to*  
9 *subsection 1.*

10       **Sec. 2.** NRS 458.097 is hereby amended to read as follows:

11       458.097 1. Money received by the Division pursuant to  
12 *subsection 1 of NRS 369.174* must be used to increase services for  
13 the prevention of alcohol or other substance use disorders and for  
14 the detoxification and rehabilitation of persons with an alcohol or  
15 other substance use disorder. In allocating the money for the  
16 increase of services, the Division shall give priority to:

17       (a) The areas where there exists a shortage of services for the  
18 treatment of alcohol use disorders. The Division shall determine the  
19 areas of shortage on the basis of data available from state and local  
20 agencies, data contained in the comprehensive state plan for  
21 programs for alcohol or other substance use disorders, and other  
22 appropriate data.

23       (b) The needs of counties to provide:

24       (1) Civil protective custody, pursuant to NRS 458.270, for  
25 persons who are found in public places while under the influence of  
26 alcohol; and

27       (2) Secure detoxification units or other appropriate facilities  
28 for persons who are arrested or taken into custody while under the  
29 influence of a controlled substance.

30       (c) Programs for alcohol or other substance use disorders that  
31 are primarily directed toward the prevention of such disorders.

32       2. *Money received by the Division pursuant to subsection 2 of*  
33 *NRS 369.174 must be used to pay for:*

34       (a) *Grants for the provision of services for the detoxification*  
35 *and rehabilitation of persons with alcohol or other substance use*  
36 *disorders by providers that:*

37       (1) *Are certified by the Division pursuant to this chapter*  
38 *and any regulations adopted pursuant thereto; and*

39       (2) *Meet any additional qualifications prescribed by the*  
40 *Division by regulation.*

41       (b) *Administrative and personnel costs related to such grants.*



1       **3.** As used in this section, “secure detoxification unit” has the  
2 meaning ascribed to it in NRS 458.175.

3       **Sec. 3.** This act becomes effective on July 1, 2021.

