

SUMMARY—Revises provisions relating to certain taxes assessed at the registration of a motor vehicle. (BDR 32-762)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.

Effect on the State: Yes.

AN ACT relating to taxation; creating an exemption from the governmental services taxes on a vehicle registered by a person who is a volunteer firefighter; revising provisions relating to certain exemptions from governmental services taxes on vehicle registrations; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes the imposition of a governmental services tax for the privilege of operating any vehicle upon the public highways of this State, which is included in the fees to register a vehicle. (NRS 371.030, 371.040) Existing law imposes the tax based on the valuation of a vehicle, which is generally determined on the basis of 35 percent of the manufacturer's suggested retail price in Nevada. (NRS 371.050) Existing law provides for exemptions from the governmental services tax to a surviving spouse, a person who is blind and a veteran, not to exceed the determined valuations of \$1,000, \$3,000 and \$2,000, respectively. (NRS 371.101, 371.102, 371.103) **Section 1** of this bill creates such an exemption for a person who is a volunteer firefighter, not to exceed a determined valuation of \$8,750. **Section 1** further provides that: (1) the exemption



cannot be claimed in more than one county; (2) the claimant is required to file an affidavit with the Department of Motor Vehicles in the county where the exemption is claimed attesting that he or she is a resident of the county and a current volunteer firefighter; (3) the claimant is required to provide certain verification that he or she is a volunteer firefighter; (4) the exemption ends the fiscal year beginning after the claimant ceases to be a volunteer firefighter; and (5) the exemption must be adjusted each fiscal year based on the Consumer Price Index (All Items).

Existing law further provides that: (1) the governmental services tax exemptions given to a surviving spouse, a person who is blind and a veteran are required to be claimed annually at any time on or before the date the tax is due; and (2) a claimant is required to immediately notify the Department when he or she no longer qualifies for such an exemption or face a penalty. (NRS 371.105, 371.106) **Sections 2 and 3** of this bill make these provisions applicable to a governmental services tax exemption given to person who is a volunteer firefighter.

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

**Section 1.** Chapter 371 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. Vehicles registered by a person who is a volunteer firefighter, not to exceed the amount of \$8,750 determined valuation, are exempt from taxation, but the exemption must not be*



*allowed to anyone but bona fide residents of this State, and must be filed in but one county in this State on account of that person.*

*2. The person claiming the exemption must file with the Department in the county where the exemption is claimed an affidavit declaring his or her residency, that he or she currently serves as a volunteer firefighter and that the exemption has been claimed in no other county in this State for that year. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.*

*3. Upon first claiming the exemption, the claimant shall furnish to the Department:*

*(a) An identification card which indicates that the claimant currently serves as a volunteer firefighter; or*

*(b) A letter from the chief officer of a volunteer or combination fire department certifying the claimant as a volunteer firefighter.*

*4. A person is not entitled to the exemption provided by this section in any fiscal year beginning after the person ceases to be a volunteer firefighter.*

*5. Beginning with the Fiscal Year 2027-2028, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied*



*by the percentage increase in the Consumer Price Index (All Items) from December 2025 to the December preceding the fiscal year for which the adjustment is calculated.*

*6. As used in this section, “volunteer firefighter” means a person who serves actively in an unpaid capacity in a volunteer or combination fire department within this State as a firefighter for the benefit or safety of the public.*

**Sec. 2.** NRS 371.105 is hereby amended to read as follows:

371.105 Claims pursuant to NRS 371.101, 371.102, 371.103 or 371.104 *or section 1 of this act* for tax exemption on the governmental services tax and designations of any amount to be credited to the Gift Account for the Veterans Home in Southern Nevada or the Gift Account for the Veterans Home in Northern Nevada pursuant to NRS 371.1035 must be filed annually at any time on or before the date when payment of the tax is due. All exemptions provided for in this section must not be in an amount which gives the taxpayer a total exemption greater than that to which the taxpayer is entitled during any fiscal year.

**Sec. 3.** NRS 371.106 is hereby amended to read as follows:

371.106 1. Whenever any vehicle ceases to be exempt from taxation under NRS 371.101, 371.102, 371.103 or 371.104 *or section 1 of this act* because the owner no longer meets the requirements for the exemption provided in those sections, its owner shall immediately notify the Department of the fact.

2. If a person fails to notify the Department as required by subsection 1 and as a result of such failure is allowed a tax exemption to which he or she is not entitled, there shall be added to and collected with the tax otherwise due a penalty equal to double the amount of the tax. If the person’s



failure is fraudulent and results in his or her receiving a tax exemption to which he or she is not entitled, the person is also guilty of a gross misdemeanor.

