

CHAPTER.....

AN ACT relating to taxation; increasing the fee charged by the State for collecting certain local sales and use taxes; establishing the required time for payment to the State of certain proceeds from taxes on revenue from the rental of transient lodging; making permanent a temporary reduction in various allowances for the collection of sales and use taxes and taxes on intoxicating liquor, cigarettes and other tobacco products; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law requires the State Controller to transfer 0.75 percent of certain local sales and use taxes collected during the preceding month in each county and from out-of-state businesses to the appropriate account in the State General Fund as compensation to the State for the costs of collecting these taxes. (NRS 374.785) This bill increases the compensation rate for local sales and use taxes, other than the Local School Support Tax, to 1.75 percent.

Existing law provides that the collection allowance applicable to taxes on intoxicating liquor, cigarettes and other products made from tobacco, and sales and use taxes will increase from 0.25 percent to 0.5 percent on July 1, 2009. (Chapter 4, Statutes of Nevada 2008, 25th Special Session, pp. 18-20 and 23) **Section 18** of this bill repeals the provision effecting this change, thereby maintaining the collection allowance at the rate of 0.25 percent.

Existing law requires the imposition of certain taxes on revenue from the rental of transient lodging in each county and incorporated city in this State, and the payment of all or part of the proceeds of those taxes to the State. (§§ 3, 4 and 6 of I.P. 1; NRS 244.3352, 244.3354, 268.096, 268.0962) **Sections 4 and 17** of this bill require the payment of those proceeds to the State on or before the last day of the month immediately following the month for which those proceeds are collected.

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

**Section 1.** (Deleted by amendment.)

**Sec. 2.** NRS 360.850 is hereby amended to read as follows:

360.850 1. The State Controller, acting upon the collection data furnished by the Department, shall remit to the governing body of a municipality that adopts an assessment ordinance in accordance with NRS 271.650 in the manner provided pursuant to an agreement made pursuant to NRS 271.660:

(a) From the State General Fund, the amount of money pledged pursuant to the ordinance in accordance with paragraph (a) of subsection 1 of NRS 271.650 which amount is hereby appropriated for that purpose; and



(b) From the Sales and Use Tax Account in the State General Fund, the amount of the proceeds pledged pursuant to the ordinance in accordance with ~~paragraph (b)~~ *paragraphs (b) and (c)* of subsection 1 of NRS 271.650.

2. The governing body of a municipality that adopts an assessment ordinance in accordance with NRS 271.650 shall promptly remit to the State Controller any amount received pursuant to this section in excess of the amount required to carry out the provisions of NRS 271.4315 with regard to the project for which the assessment ordinance was adopted. The State Controller shall deposit any money received from a governing body of a municipality pursuant to this subsection in the appropriate account in the State General Fund for distribution and use as if the money had not been pledged pursuant to an assessment ordinance adopted in accordance with NRS 271.650 in the following order of priority:

(a) First, to the credit of the county school district fund for the county in which the improvement district is located to the extent that the money would have been transferred to that fund, if not for the pledge of the money pursuant to the assessment ordinance, pursuant to paragraph (e) of subsection 3 of NRS 374.785 for the fiscal year in which the State Controller receives the money;

(b) Second, to the State General Fund to the extent that the money would not have been appropriated, if not for the pledge of the money pursuant to the assessment ordinance, pursuant to paragraph (a) of subsection 1 for the fiscal year in which the State Controller receives the money; and

(c) Third, to the credit of any other funds and accounts to which the money would have been distributed, if not for the pledge of the money pursuant to the assessment ordinance, for the fiscal year in which the State Controller receives the money.

3. The Nevada Tax Commission may adopt such regulations as it deems appropriate to ensure the proper collection and distribution of any money pledged pursuant to an assessment ordinance adopted in accordance with NRS 271.650.

**Sec. 3.** NRS 360.855 is hereby amended to read as follows:

360.855 1. The State Controller, acting upon the collection data furnished by the Department, shall remit to the governing body of a municipality that adopts an ordinance pursuant to NRS 271A.070, in the manner provided pursuant to an agreement made pursuant to NRS 271A.100:

(a) From the State General Fund the amount of money pledged pursuant to the ordinance in accordance with subparagraph (1) of



paragraph (c) of subsection 1 of NRS 271A.070, which amount is hereby appropriated for that purpose; and

(b) From the Sales and Use Tax Account in the State General Fund the amount of the proceeds pledged pursuant to the ordinance in accordance with ~~[subparagraph (2)]~~ *subparagraphs (2) and (3)* of paragraph (c) of subsection 1 of NRS 271A.070.

2. Except as otherwise provided in subsection 3, the governing body of a municipality that adopts an ordinance pursuant to NRS 271A.070 shall at the end of each fiscal year remit to the State Controller any amount received pursuant to this section in excess of the amount required to make payments due during that fiscal year of the principal of, interest on, and other payments or security-related costs with respect to, any bonds or notes issued pursuant to NRS 271A.120 and payments due during that fiscal year under any agreements made pursuant to NRS 271A.120. The State Controller shall deposit any money received from a governing body of a municipality pursuant to this subsection in the appropriate account in the State General Fund for distribution and use as if the money had not been pledged by an ordinance adopted pursuant to NRS 271A.070, in the following order of priority:

(a) First, to the credit of the county school district fund for the county in which the improvement district is located to the extent that the money would have been transferred to that fund, if not for the pledge of the money pursuant to that ordinance, pursuant to paragraph (e) of subsection 3 of NRS 374.785 for the fiscal year in which the State Controller receives the money;

(b) Second, to the State General Fund to the extent that the money would not have been appropriated, if not for the pledge of the money pursuant to that ordinance, pursuant to paragraph (a) of subsection 1 for the fiscal year in which the State Controller receives the money; and

(c) Third, to the credit of any other funds and accounts to which the money would have been distributed, if not for the pledge of the money pursuant to that ordinance, for the fiscal year in which the State Controller receives the money.

3. The provisions of subsection 2 do not require a governing body to remit to the State Controller any money received pursuant to this section and expended for the purpose of prepaying, defeasing or otherwise retiring all or a portion of any bonds or notes issued pursuant to NRS 271A.120 or of prepaying amounts due under any agreements entered into pursuant to NRS 271A.120, or any combination thereof, with respect to a tourism improvement district if that use of the money has been:



(a) Authorized by the governing body in the ordinance creating the district pursuant to NRS 271A.070, or in an amendment thereto; and

(b) Approved by the governing body, Commission on Tourism and Governor in the manner required to satisfy the requirements of subsections 6, 7 and 8 of NRS 271A.080,

↳ and after the provision of notice to and an opportunity to make comments by the board of trustees of the school district in which the tourism improvement district is located in accordance with subsection 4 of NRS 271A.080 and, if applicable, by the board of county commissioners of the county in which the tourism improvement district is located in accordance with subsection 5 of NRS 271A.080.

4. The Nevada Tax Commission may adopt such regulations as it deems appropriate to ensure the proper collection and distribution of any money pledged by an ordinance adopted pursuant to NRS 271A.070.

**Sec. 4.** Chapter 364 of NRS is hereby amended by adding thereto a new section to read as follows:

***1. A board of county commissioners that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of NRS 244.3352 shall require by ordinance and take such additional action as may be necessary to require:***

***(a) The payment of the proceeds of the tax which are required to be distributed pursuant to paragraph (a) of subsection 1 of NRS 244.3354 or paragraph (a) of subsection 2 of NRS 244.3354 to the Department of Taxation on or before the last day of the month immediately following the month for which the tax is collected; and***

***(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).***

***2. A board of county commissioners that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of section 3 of Initiative Petition No. 1 of this session shall require by ordinance and take such additional action as may be necessary to require:***

***(a) The payment of the proceeds of the tax which are required to be distributed pursuant to section 4 of Initiative Petition No. 1 of this session to the State Treasurer on or before the last day of the month immediately following the month for which the tax is collected; and***



*(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).*

*3. The city council or other governing body of an incorporated city that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of NRS 268.096 shall require by ordinance and take such additional action as may be necessary to require:*

*(a) The payment of the proceeds of the tax which are required to be distributed pursuant to paragraph (a) of subsection 1 of NRS 268.0962 or paragraph (a) of subsection 2 of NRS 268.0962 to the Department of Taxation on or before the last day of the month immediately following the month for which the tax is collected; and*

*(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).*

**Sec. 5.** Chapter 374A of NRS is hereby amended by adding thereto a new section to read as follows:

*1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this chapter must be paid to the Department in the form of remittances payable to the Department.*

*2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.*

*3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:*

*(a) Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this chapter during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

*(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this chapter during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

*(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county school district fund.*



**Sec. 6.** NRS 374A.020 is hereby amended to read as follows:

374A.020 1. The collection of the tax imposed by NRS 374A.010 must be commenced on the first day of the first calendar quarter that begins at least 120 days after the last condition in subsection 1 of NRS 374A.010 is met.

2. ~~[The]~~ *Except as otherwise provided in section 5 of this act, the* tax must be administered, collected and distributed in the manner set forth in chapter 374 of NRS.

3. The board of trustees of the school district shall transfer the proceeds of the tax imposed by NRS 374A.010 from the county school district fund to the fund described in NRS 354.6105 which must be established by the board of trustees. The money deposited in the fund described in NRS 354.6105 pursuant to this subsection must be accounted for separately in that fund and must only be expended by the board of trustees for the cost of the extraordinary maintenance, extraordinary repair and extraordinary improvement of school facilities within the county.

**Sec. 7.** NRS 376A.040 is hereby amended to read as follows:

376A.040 1. In addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners of a county whose population is less than 400,000 may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to one-quarter of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS 376A.050 or 376A.070, or both.

2. If a county imposes a sales tax pursuant to this section and NRS 376A.050, the combined additional sales tax must not exceed one-quarter of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election may occur, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation



shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

5. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall ~~transfer~~ monthly :

(a) *Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

(b) *Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this section during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

(c) *Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county treasurer.*

~~5.1~~ 6. The money received from the tax imposed pursuant to subsection ~~4~~ 5 must be retained by the county, or remitted to a city or general improvement district in the county. The money received by a county, city or general improvement district pursuant to this section must only be used to pay the cost of:

(a) The acquisition of land in fee simple for development and use as open-space land;

(b) The acquisition of the development rights of land identified as open-space land;

(c) The creation of a trust fund for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b);

(d) The principal and interest on notes, bonds or other obligations issued by the county, city or general improvement district for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b); or

(e) Any combination of the uses set forth in paragraphs (a) to (d), inclusive.

~~6.1~~ 7. The money received from the tax imposed pursuant to this section and any applicable penalty or interest must not be used for any neighborhood or community park or facility.

~~7.1~~ 8. Any money used for the purposes described in this section must be used in a manner:

(a) That is consistent with the provisions of the open-space plan adopted pursuant to NRS 376A.020; and

(b) That provides an equitable allocation of the money among the county and the incorporated cities within the county.



**Sec. 8.** NRS 376A.040 is hereby amended to read as follows:

376A.040 1. In addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners of a county whose population is 100,000 or more but less than 400,000, may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to one-quarter of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS 376A.050 or 376A.070, or both.

2. If a county imposes a sales tax pursuant to this section and NRS 376A.050, the combined additional sales tax must not exceed one-quarter of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election may occur, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city within the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

5. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall ~~transfer~~ monthly :

*(a) Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

*(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this section during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

*(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county treasurer.*





~~[5-]~~ 6. The money received from the tax imposed pursuant to subsection ~~[4]~~ 5 must be retained by the county, or remitted to a city or general improvement district in the county. The money received by a county, city or general improvement district pursuant to this section must only be used to pay the cost of:

(a) The acquisition of land in fee simple for development and use as open-space land;

(b) The acquisition of the development rights of land identified as open-space land;

(c) The creation of a trust fund for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b);

(d) The principal and interest on notes, bonds or other obligations issued by the county, city or general improvement district for the acquisition of land or development rights of land pursuant to paragraphs (a) and (b); or

(e) Any combination of the uses set forth in paragraphs (a) to (d), inclusive.

~~[6-]~~ 7. The money received from the tax imposed pursuant to this section and any applicable penalty or interest must not be used for any neighborhood or community park or facility.

~~[7-]~~ 8. Any money used for the purposes described in this section must be used in a manner:

(a) That is consistent with the provisions of the open-space plan adopted pursuant to NRS 376A.020; and

(b) That provides an equitable allocation of the money among the county and the incorporated cities within the county.

**Sec. 9.** NRS 376A.050 is hereby amended to read as follows:

376A.050 1. Except as otherwise provided in subsection 2, in addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners in each county whose population is less than 400,000 may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to one-quarter of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS 376A.040 or 376A.070, or both.

2. If a county imposes a sales tax pursuant to this section and NRS 376A.040, the combined additional sales tax must not exceed one-quarter of 1 percent. A tax imposed pursuant to this section



applies throughout the county, including incorporated cities in the county.

3. Before the election occurs, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city in the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

5. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall ~~transfer~~ monthly :

*(a) Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

*(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this section during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

*(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county treasurer.*

**Sec. 10.** NRS 376A.050 is hereby amended to read as follows:

376A.050 1. Except as otherwise provided in subsection 2, in addition to all other taxes imposed on the revenues from retail sales, a board of county commissioners in each county whose population is 100,000 or more but less than 400,000, may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to one-quarter of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in the county, after receiving the approval of a majority of the registered voters of the county voting on the question at a primary, general or special election. The question may be combined with questions submitted pursuant to NRS 376A.040 or 376A.070, or both.

2. If a county imposes a sales tax pursuant to this section and NRS 376A.040, the combined additional sales tax must not exceed



one-quarter of 1 percent. A tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. Before the election occurs, an open-space plan must be adopted by the board of county commissioners pursuant to NRS 376A.020 and the adopted open-space plan must be endorsed by resolution by the city council of each incorporated city in the county.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall ~~{transfer}~~ monthly :

*(a) Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

*(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this section during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

*(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county treasurer.*

**Sec. 11.** NRS 377.050 is hereby amended to read as follows:

377.050 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to counties under this chapter must be paid to the Department in the form of remittances made payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall, before making the distributions required by NRS 360.850, 360.855, 377.055 and 377.057, monthly transfer from the Sales and Use Tax Account ~~{.75}~~ **1.75** percent of all fees, taxes, interests and penalties collected pursuant to this chapter during the preceding month to the appropriate account in the



State General Fund as compensation to the State for the cost of collecting the tax.

**Sec. 12.** NRS 377A.050 is hereby amended to read as follows:

377A.050 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the counties under this chapter must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account ~~[-75]~~ **1.75** percent of all fees, taxes, interest and penalties collected pursuant to this chapter during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.

(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this chapter during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money to the county treasurer.

**Sec. 13.** NRS 377B.130 is hereby amended to read as follows:

377B.130 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the counties pursuant to this chapter must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund a ~~percentage~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this chapter during the preceding month as compensation to the State for the cost of collecting the taxes. ~~[The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this chapter only.]~~



(b) Determine for each county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to this chapter during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined for each county to the Intergovernmental Fund and remit the money:

(1) In each county whose population is 400,000 or more and in which a water authority exists, to the treasurer for the water authority.

(2) In each county whose population is less than 400,000 or each county whose population is 400,000 or more and in which no water authority exists, to the county treasurer.

**Sec. 14.** NRS 271.650 is hereby amended to read as follows:

271.650 1. Except as otherwise provided in this section, the governing body of a municipality in a county whose population is less than 400,000 may include in an assessment ordinance for a project the pledge of a single percentage specified in the ordinance, which must not exceed 75 percent, of:

(a) An amount equal to the proceeds of the taxes imposed pursuant to NRS 372.105 and 372.185 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the improvement district during a fiscal year, after the deduction of a sum equal to ~~[0.75]~~ 1.75 percent of the amount of those proceeds; ~~and]~~

(b) The amount of the proceeds of the taxes imposed pursuant to NRS 374.110 ~~[, 374.190 and 377.030]~~ and 374.190 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the improvement district during a fiscal year, after the deduction of 0.75 percent of the amount of those proceeds ~~]; and~~

*(c) The amount of the proceeds of the tax imposed pursuant to NRS 377.030 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the improvement district during a fiscal year, after the deduction of 1.75 percent of the amount of those proceeds.*

2. If any property within the boundaries of an improvement district for which any money is pledged pursuant to this section is also included within the boundaries of any other improvement district for which any money is pledged pursuant to this section or any tourism improvement district for which any money is pledged pursuant to NRS 271A.070, the total amount of money pledged pursuant to this section and NRS 271A.070 with respect to such property by all such districts must not exceed the amount authorized pursuant to this section.



3. The governing body of a municipality shall not include a pledge authorized by subsection 1 in an assessment ordinance for a project unless:

(a) The governing body determines that no retailers have maintained a fixed place of business in the improvement district at any time from the first day of the fiscal year in which the assessment ordinance is adopted until the date of the adoption of the ordinance.

(b) The governing body determines, at a public hearing conducted at least 15 days after providing notice of the hearing by publication, that:

(1) As a result of the project:

(I) Retailers will locate their businesses as such in the improvement district; and

(II) There will be a substantial increase in the proceeds from sales and use taxes remitted by retailers with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the improvement district; and

(2) A preponderance of that increase in the proceeds from sales and use taxes will be attributable to transactions with tourists who are not residents of this State.

(c) The Commission on Tourism determines, at a public hearing conducted at least 15 days after providing notice of the hearing by publication, that a preponderance of the increase in the proceeds from sales and use taxes identified pursuant to paragraph (b) will be attributable to transactions with tourists who are not residents of this State.

(d) The Governor determines that the project and the pledge of money authorized by subsection 1 will contribute significantly to economic development and tourism in this State. Before making that determination, the Governor:

(1) Must consider the fiscal effects of the pledge of money on educational funding, including any fiscal effects described in comments provided pursuant to NRS 271.670 by the school district in which the improvement district is located, and for that purpose may require the Department of Education or the Department of Taxation, or both, to provide him with an appropriate fiscal report; and

(2) If the Governor determines that the pledge of money will have a substantial adverse fiscal effect on educational funding, may require a commitment from the municipality for the provision of specified payments to the school district in which the improvement district is located during the term of the pledge of money. The payments may be provided pursuant to agreements authorized by



NRS 271.670 or from sources other than the owners of property within the improvement district. Such a commitment by a municipality is not subject to the limitations of subsection 1 of NRS 354.626 and, notwithstanding any other law to the contrary, is binding on the municipality for the term of the pledge of money authorized by subsection 1.

(e) If any property within the boundaries of the improvement district is also included within the boundaries of any other improvement district for which any money has been pledged pursuant to this section or any tourism improvement district for which any money has been pledged pursuant to NRS 271A.070, all the governing bodies which created those districts have entered into an interlocal agreement providing for:

(1) The apportionment of any money pledged pursuant to this section and NRS 271A.070 with respect to such property; and

(2) The priority of the application of that money between:

(I) Bonds issued pursuant to this chapter; and

(II) Bonds and notes issued, and agreements entered into, pursuant to NRS 271A.120.

↳ Any such agreement for the priority of the application of that money may be made irrevocable during the term of any bonds issued pursuant to this chapter to which all or any portion of that money is pledged, or during the term of any bonds or notes issued or any agreements entered into pursuant to NRS 271A.120 to which all or any portion of that money is pledged.

4. Any determination or approval made pursuant to subsection 3 is conclusive in the absence of fraud or gross abuse of discretion.

5. As used in this section, "retailer" has the meaning ascribed to it in NRS 374.060.

**Sec. 15.** NRS 271A.070 is hereby amended to read as follows:

271A.070 1. Except as otherwise provided in this section and NRS 271A.080, the governing body of a municipality may:

(a) Create a tourism improvement district for the purposes of carrying out this chapter and revise the boundaries of the district by adopting an ordinance describing the boundaries of the district and generally describing the types of projects which may be financed within the district pursuant to this chapter.

(b) Without any election, acquire, improve, equip, operate and maintain a project within a district created pursuant to paragraph (a). The project may be owned by the municipality, another governmental entity, any other person, or any combination thereof.

(c) For the purposes of carrying out paragraph (b), include in an ordinance adopted pursuant to paragraph (a) the pledge of a single



percentage specified in the ordinance, which must not exceed 75 percent, of:

(1) An amount equal to the proceeds of the taxes imposed pursuant to NRS 372.105 and 372.185 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the district during a fiscal year, after the deduction of a sum equal to ~~{0.75}~~ **1.75** percent of the amount of those proceeds; ~~{and}~~

(2) The amount of the proceeds of the taxes imposed pursuant to NRS 374.110 ~~{, 374.190 and 377.030}~~ **and 374.190** with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the district during a fiscal year, after the deduction of 0.75 percent of the amount of those proceeds ~~{}~~; **and**

***(3) The amount of the proceeds of the tax imposed pursuant to NRS 377.030 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the improvement district during a fiscal year, after the deduction of 1.75 percent of the amount of those proceeds.***

2. A district created pursuant to this section by:

(a) A city must be located entirely within the boundaries of that city.

(b) A county must be located entirely within the boundaries of that county and, when the district is created, entirely outside of the boundaries of any city.

3. If any property within the boundaries of a district is also included within the boundaries of any other tourism improvement district or any improvement district for which any money has been pledged pursuant to NRS 271.650, the total amount of money pledged pursuant to this section and NRS 271.650 with respect to such property by all such districts must not exceed the amount authorized pursuant to this section.

4. The governing body of a municipality shall not, after October 1, 2009, create a tourism improvement district that includes within its boundaries any property included within the boundaries of a redevelopment area established pursuant to chapter 279 of NRS.

**Sec. 16.** NRS 354.705 is hereby amended to read as follows:

354.705 1. As soon as practicable after the Department takes over the management of a local government, the Executive Director shall:

(a) Determine the total amount of expenditures necessary to allow the local government to perform the basic functions for which it was created;





(b) Determine the amount of revenue reasonably expected to be available to the local government; and

(c) Consider any alternative sources of revenue available to the local government.

2. If the Executive Director determines that the available revenue is not sufficient to provide for the payment of required debt service and operating expenses, he may submit his findings to the Committee who shall review the determinations made by the Executive Director. If the Committee determines that additional revenue is needed, it shall prepare a recommendation to the Nevada Tax Commission as to which one or more of the following additional taxes or charges should be imposed by the local government:

(a) The levy of a property tax up to a rate which when combined with all other overlapping rates levied in the State does not exceed \$4.50 on each \$100 of assessed valuation.

(b) An additional tax on transient lodging at a rate not to exceed 1 percent of the gross receipts from the rental of transient lodging within the boundaries of the local government upon all persons in the business of providing lodging. Any such tax must be collected and administered in the same manner as all other taxes on transient lodging are collected by or for the local government.

(c) Additional service charges appropriate to the local government.

(d) If the local government is a county or has boundaries that are coterminous with the boundaries of the county:

(1) An additional tax on the gross receipts from the sale or use of tangible personal property not to exceed one-quarter of 1 percent throughout the county. The ordinance imposing any such tax must:

(I) Include provisions in substance which comply with the requirements of subsections 2 to 5, inclusive, of NRS 377A.030. *The ordinance shall be deemed to require the remittance of the tax to the Department and the distribution of the tax to the local government in the same manner as that provided in NRS 377A.050.*

(II) Specify the date on which the tax must first be imposed or on which a change in the rate of the tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

(2) An additional governmental services tax of not more than 1 cent on each \$1 of valuation of the vehicle for the privilege of operating upon the public streets, roads and highways of the county



on each vehicle based in the county except those vehicles exempt from the governmental services tax imposed pursuant to chapter 371 of NRS or a vehicle subject to NRS 706.011 to 706.861, inclusive, which is engaged in interstate or intercounty operations. As used in this subparagraph, “based” has the meaning ascribed to it in NRS 482.011.

3. Upon receipt of the plan from the Committee, a panel consisting of three members of the Nevada Tax Commission appointed by the Nevada Tax Commission and three members of the Committee appointed by the Committee shall hold a public hearing at a location within the boundaries of the local government in which the severe financial emergency exists after giving public notice of the hearing at least 10 days before the date on which the hearing will be held. In addition to the public notice, the panel shall give notice to the governing body of each local government whose jurisdiction overlaps with the jurisdiction of the local government in which the severe financial emergency exists.

4. After the public hearing conducted pursuant to subsection 3, the Nevada Tax Commission may adopt the plan as submitted or adopt a revised plan. Any plan adopted pursuant to this section must include the duration for which any new or increased taxes or charges may be collected which must not exceed 5 years.

5. Upon adoption of the plan by the Nevada Tax Commission, the local government in which the severe financial emergency exists shall impose or cause to be imposed the additional taxes and charges included in the plan for the duration stated in the plan or until the severe financial emergency has been determined by the Nevada Tax Commission to have ceased to exist.

6. The allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811 does not apply to any additional property tax levied pursuant to this section.

7. If a plan fails to satisfy the expenses of the local government to the extent expected, the Committee shall report such failure to:

- (a) The county for consideration of absorption of services; or
- (b) If the local government is a county, to the next regular session of the Legislature.

**Sec. 17.** Section 4 of this act is hereby amended to read as follows:

Sec. 4. Chapter 364 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A board of county commissioners that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of NRS 244.3352 shall require by



ordinance and take such additional action as may be necessary to require:

(a) The payment of the proceeds of the tax which are required to be distributed pursuant to paragraph (a) of subsection 1 of NRS 244.3354 or paragraph (a) of subsection 2 of NRS 244.3354 to the Department of Taxation on or before the last day of the month immediately following the month for which the tax is collected; and

(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).

2. A board of county commissioners that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of section 3 of Initiative Petition No. 1 of this session shall require by ordinance and take such additional action as may be necessary to require:

(a) The payment of the proceeds of the tax which are required to be distributed pursuant to *subsection 1 of* section ~~4~~ 6 of Initiative Petition No. 1 of this session to the State Treasurer on or before the last day of the month immediately following the month for which the tax is collected; and

(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).

3. The city council or other governing body of an incorporated city that imposes a tax on the gross receipts from the rental of transient lodging pursuant to subsection 1 of NRS 268.096 shall require by ordinance and take such additional action as may be necessary to require:

(a) The payment of the proceeds of the tax which are required to be distributed pursuant to paragraph (a) of subsection 1 of NRS 268.0962 or paragraph (a) of subsection 2 of NRS 268.0962 to the Department of Taxation on or before the last day of the month immediately following the month for which the tax is collected; and

(b) The schedule for the payment of the tax by persons in the business of providing lodging to provide for the payment of the tax in a sufficiently timely manner to carry out the provisions of paragraph (a).



**Sec. 18.** Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, at page 23, is hereby amended to read as follows:

Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon passage and approval.

2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009.

3. Sections 4 and ~~6 to 12, inclusive,~~ 12 of this act expire by limitation on June 30, 2009.

4. Sections 1, 3, 5 and 13 of this act become effective on July 1, 2009.

5. Sections 1, 2, 3 and 5 of this act expire by limitation on June 30, 2011.

**Sec. 19.** Section 8A.100 of the Charter of Carson City, being chapter 16, Statutes of Nevada 1997, at page 44, is hereby amended to read as follows:

Sec. 8A.100 Payment of proceeds of tax to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of a tax required to be paid to Carson City pursuant to this article must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~[a percentage]~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this article during the preceding month as compensation to the State for the cost of collecting the tax. ~~[The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785 but the percentage must be applied to the proceeds collected pursuant to this article only.]~~

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for Carson City pursuant to this article during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).



(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the Treasurer for Carson City.

**Sec. 20.** Section 14 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 916, is hereby amended to read as follows:

Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~{a percentage}~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax. ~~[The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.]~~

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

**Sec. 21.** Section 20 of the Douglas County Sales and Use Tax Act of 1999, being chapter 37, Statutes of Nevada 1999, at page 84, is hereby amended to read as follows:

Sec. 20. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the county pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.



3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~{a percentage}~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the state for the cost of collecting the tax. ~~{The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.}~~

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

**Sec. 22.** Section 6 of the Elko County Hospital Tax Act, being chapter 14, Statutes of Nevada 1997, at page 30, is hereby amended to read as follows:

Sec. 6. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to Elko County pursuant to the taxing ordinance and this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~{a percentage}~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax. ~~{The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.}~~



(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for Elko County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer of Elko County.

**Sec. 23.** Section 29 of the Local Government Tax Act of 1991, being chapter 491, Statutes of Nevada 1991, at page 1447, as amended by chapter 426, Statute of Nevada 1993, at page 1370, chapter 400, Statutes of Nevada 2003, at page 2388 and chapter 421, Statutes of Nevada 2005, at page 1778, is hereby amended to read as follows:

Sec. 29. 1. Except as otherwise provided in this section and in section 34 of this act and in addition to all other sales and use taxes, the Board of County Commissioners of Churchill, Elko, Humboldt, Washoe and Lander counties and the Board of Supervisors of Carson City may by ordinance, but not as in a case of emergency, impose a tax at the rate of up to 1/4 of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county.

2. The tax imposed pursuant to this section applies throughout the county, including incorporated cities in the county.

3. The ordinance enacted pursuant to this section must include provisions in substance as follows:

(a) Provisions substantially identical to those of the Local School Support Tax Law, insofar as applicable.

(b) A provision that all amendments to the provisions of the Local School Support Tax Law subsequent to the date of enactment of the ordinance, not inconsistent with this section, automatically become a part of the ordinance enacted pursuant to subsection 1.

(c) A provision that the county shall contract before the effective date of the ordinance enacted pursuant to subsection 1 with the Department to perform all functions incident to the administration or operation of the tax imposed pursuant to subsection 1.

(d) A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is



attributable to the tax imposed upon the sale of, and the storage, use or other consumption in a county of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property which was executed before July 30, 1991, or for which a binding bid was submitted before that date if the bid was afterward accepted, if under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the additional tax pursuant to this section.

(e) A provision that specifies the date on which the tax is first imposed or on which any change in the rate of the tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

4. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the county under this section must be paid to the Department of Taxation in the form of remittances made payable to the Department of Taxation.

5. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the ~~[Tax Distribution Fund for the county in which it was collected.]~~ *Sales and Use Tax Account in the State General Fund.*

6. *The State Controller, acting upon the collection data furnished by the Department, shall monthly:*

*(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this section during the preceding month as compensation to the State for the cost of collecting the tax.*

*(b) Determine the amount equal to all fees, taxes, interest and penalties collected in each county during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

*(c) Credit the amount determined pursuant to paragraph (b) to the Tax Distribution Fund for the county in which the tax was collected.*

7. Any ordinance enacted pursuant to this section is deemed to include the provisions set forth in paragraph (d) of subsection 3.





**Sec. 24.** Section 9 of the Nevada Commission for the Reconstruction of the V & T Railway Act of 1993, being chapter 566, Statutes of Nevada 1993, at page 2329, as amended by chapter 400, Statutes of Nevada 2003, at page 2389 and chapter 421, Statutes of Nevada 2005, at page 1778, is hereby amended to read as follows:

Sec. 9. 1. The Commission shall adopt a budget for its operation and for each project it proposes for presentation to the governing bodies. Each budget must be accompanied by a proposed allocation of the net cost of the budget among the governing bodies which must be based upon the benefit of the Commission or project to the jurisdiction of the governing body or another equally appropriate indicator.

2. Upon final determination and allocation of the costs by agreement of the governing bodies, each governing body shall include its portion of the costs in its budget for the purposes of chapter 354 of NRS and shall fund its share of the cost by:

(a) Issuing bonds pursuant to chapter 350 of NRS;

(b) Imposing an additional tax on the rental of transient lodging;

(c) Upon approval by the voters, imposing an additional tax upon retailers at a rate not exceeding one-half of 1 percent of the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed in the county;

(d) Upon approval of the voters, levying a property tax not exceeding 2 cents per \$100 of assessed valuation on all taxable property in the county; or

(e) Any combination of the options provided in paragraphs (a) to (d), inclusive, including the issuance of bonds which will be repaid from the revenue of one or more of the taxes authorized in this section which may be treated as pledged revenues for the purposes of NRS 350.020.

3. If the county imposes a tax pursuant to paragraph (c) of subsection 2 it shall include in the ordinance imposing the tax:

(a) Provisions substantially identical to those contained in chapter 374 of NRS;

(b) A provision stating that all amendments to chapter 374 of NRS after the date of enactment of the ordinance, not inconsistent with the provisions of the ordinance, automatically become a part of the ordinance;



(c) A provision that the county shall contract before the effective date of the ordinance with the Department to perform all functions incident to the administration or operation of the tax in the county; and

(d) The date on which the tax must first be imposed, which must be the first day of the first calendar quarter that begins at least 120 days after the adoption of the ordinance by the governing body.

4. *If the county imposes a tax pursuant to paragraph (c) of subsection 2:*

(a) *All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the county under that paragraph must be paid to the Department in the form of remittances payable to the Department.*

(b) *The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.*

(c) *The State Controller, acting upon the collection data furnished by the Department, shall monthly:*

(1) *Transfer from the Sales and Use Tax Account 1.75 percent of all fees, taxes, interest and penalties collected pursuant to that paragraph during the preceding month to the appropriate account in the State General Fund as compensation to the State for the cost of collecting the tax.*

(2) *Determine for the county an amount of money equal to any fees, taxes, interest and penalties collected in or for that county pursuant to that paragraph during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).*

(3) *Transfer the amount determined for the county to the Intergovernmental Fund and remit the money to the Treasurer of the Commission.*

5. The Commission is not entitled to a distribution of revenue from the supplemental city-county relief tax.

**Sec. 25.** Section 18 of the Nye County Sales and Use Tax Act of 2007, being chapter 545, Statutes of Nevada 2007, at page 3427, is hereby amended to read as follows:

Sec. 18. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.



2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~[a percentage]~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax. ~~[The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785, but the percentage must be applied to the proceeds collected pursuant to this act only.]~~

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

**Sec. 26.** Section 24 of the Railroad Grade Separation Projects Act, being chapter 506, Statutes of Nevada 1997, at page 2406, as amended by chapter 439, Statutes of Nevada 1997, at page 1554, chapter 28, Statutes of Nevada 1999, at page 64, chapter 400, Statutes of Nevada 2003, at page 2392 and chapter 421, Statutes of Nevada 2005, at page 1778, is hereby amended to read as follows:

Sec. 24. 1. The Board of County Commissioners of Washoe County may by ordinance, but not as in a case of emergency, impose a tax upon the retailers at the rate of not more than one-eighth of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the county if:

(a) The City of Reno imposes a tax on the rental of transient lodging pursuant to NRS 268.7845 in the maximum amount allowed by that section; and

(b) The Board receives a written commitment from one or more sources for the expenditure of not less than one-half of the total cost of a project for the acquisition, establishment, construction or expansion of railroad grade separation projects in Washoe County, including the estimated proceeds of the tax described in paragraph (a).



2. An ordinance enacted pursuant to subsection 1 may not become effective before a question concerning the imposition of the tax is approved by a two-thirds majority of the members of the Board of County Commissioners.

3. An ordinance enacted pursuant to subsection 1 must specify the date on which the tax must first be imposed which must occur on the first day of the first month of the next calendar quarter that is at least 120 days after the date on which a two-thirds majority of the Board of County Commissioners approved the question.

4. An ordinance enacted pursuant to subsection 1 must include provisions in substance as follows:

(a) Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

(b) A provision that all amendments to chapter 374 of NRS after the date of enactment of the ordinance, not inconsistent with this section, automatically become a part of an ordinance enacted pursuant to subsection 1.

(c) A provision stating the specific purpose for which the proceeds of the tax must be expended.

(d) A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in a county of, tangible personal property used for the performance of a written contract:

(1) Entered into on or before the effective date of the tax; or

(2) For the construction of an improvement to real property for which a binding bid was submitted before the effective date of the tax if the bid was afterward accepted, ↪ if under the terms of the contract or bid the contract price or bid amount cannot be adjusted to reflect the imposition of the tax.

5. No ordinance imposing a tax which is enacted pursuant to subsection 1 may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair any outstanding bonds or other obligations which are payable from or secured by a pledge of a tax enacted pursuant to subsection 1 until those bonds or other obligations have been discharged in full.



6. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this section must be paid to the Department of Taxation in the form of remittances payable to the Department of Taxation.

7. The Department of Taxation shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

8. The State Controller, acting upon the collection data furnished by the Department of Taxation, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund ~~{a percentage}~~ **1.75 percent** of all fees, taxes, interest and penalties collected pursuant to this section during the preceding month as compensation to the state for the cost of collecting the taxes. ~~{The percentage to be transferred pursuant to this paragraph must be the same percentage as the percentage of proceeds transferred pursuant to paragraph (a) of subsection 3 of NRS 374.785 but the percentage must be applied to the proceeds collected pursuant to this section only.}~~

(b) Determine for the County an amount of money equal to any fees, taxes, interest and penalties collected in or for the county pursuant to this section during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined for the County to the Intergovernmental Fund and remit the money to the County Treasurer.

9. The County Treasurer shall deposit the money received pursuant to subsection 8 in the County Treasury for credit to a fund to be known as the Railroad Grade Separation Projects Fund. The Railroad Grade Separation Projects Fund must be accounted for as a separate fund and not as a part of any other fund.

10. The money in the Railroad Grade Separation Projects Fund, including interest and any other income from the Fund must be used by the Board of County Commissioners for the cost of the acquisition, establishment, construction or expansion of one or more railroad grade separation projects, including the payment and prepayment of principal and interest on notes, bonds or other obligations issued to fund such projects.



**Sec. 27.** Notwithstanding any provision of sections 2, 3, 5 to 16, inclusive, and 19 to 26, inclusive, of this act to the contrary, the provisions of those sections must not be applied to modify, directly or indirectly, any taxes levied or revenues pledged in such a manner as to impair adversely any outstanding obligations of any political subdivision of this State or other public entity, including, without limitation, bonds, medium-term financing, letters of credit and any other financial obligation, until all such obligations have been discharged in full or provision for their payment and redemption has been fully made.

**Sec. 28.** 1. This section and sections 4, 18 and 27 of this act become effective upon passage and approval.

2. Sections 2, 3, 5, 6, 7, 9, 11 to 16, inclusive, and 19 to 26, inclusive, of this act become effective on July 1, 2009.

3. Section 17 of this act becomes effective on July 1, 2011.

4. Section 20 of this act expires by limitation on September 30, 2025.

5. Section 25 of this act expires by limitation on September 30, 2027.

6. Sections 7 and 9 of this act expire by limitation on September 30, 2029.

7. Sections 8 and 10 of this act become effective on October 1, 2029.





