

# TAX TOPICS

An electronic publication of the Nevada Taxpayers Association ♦ Serving the citizens of Nevada since 1922

ISSUE 19-1

July 1, 2019

## Sine Die On Time

Governor Steve Sisolak is Nevada's first Democratic Governor since 1999. In his January State of the State address, the Governor announced his priorities for the 80<sup>th</sup> Legislative Session which included collective bargaining for state employees, providing pay raises for teachers, modernizing the State's K-12 public schools funding formula, and raising the Renewable Portfolio Standard to 50% by 2030. Issues all passed by this legislature.

While hearings started slowly because of the number of new legislators and the number of new committee chairs, the 80<sup>th</sup> Legislative Session ended on time. Before the session even began there were five legislative vacancies to fill, another two once session commenced, and Assemblyman Tyrone Thompson's seat (D-Clark AD 17) remained vacant throughout the remainder of the session following his untimely passing in May.

- Senator Dallas Harris (D-Clark SD 11) was appointed to fill the vacancy created by Aaron Ford's mid-term election as Nevada Attorney General.
- Senator Chris Brooks (D-Clark SD 3) was appointed to fill the vacancy created by Tick Segerblom's mid-term election to the Clark County Commission.
- Assemblywoman Rochelle Nguyen (D-Clark AD 10) was appointed to fill Assemblyman Chris Brooks' seat following his appointment to the Senate.
- Assemblywoman Bea Duran (D-Clark AD 11) was appointed to fill the vacancy created by Olivia Diaz's resignation to run for Las Vegas City Council, a seat she won in the 2019 Municipal Election.
- Assemblyman Gregory Hafen II (R-Rural AD 36) was appointed to fill the vacancy created by the passing of Assemblyman-Elect Dennis Hof who died prior to the November election.
- Senator Marcia Washington (D-Clark SD 4) was appointed when Kelvin Atkinson resigned after admitting misuse of campaign funds for personal use.
- Assemblyman Greg Smith (D-Washoe AD 30) was appointed to fill the vacancy created by Mike Sprinkle's resignation following allegations of sexual harassment.

The 2018 election brought a blue wave to Nevada. In the State Senate, Democrats outnumber Republicans 13-8. In the State Assembly, 29 seats are represented by Democrats and 13 are held by Republicans.

And Nevada has made national history as the first State in the country with a female majority legislature. Of the 21 Senate seats, 10 are held by women. In the Assembly, 23 of the 42 seats are held by women. Of the 63 total seats in both houses, women legislators hold 52%. Additionally, women held key legislative leadership roles during the 80<sup>th</sup> Session. Nicole Cannizzaro (D-Clark SD 6) served as Senate Majority Leader, Julia Ratti (D-Washoe SD 13) served as Assistant Senate Majority Leader, and Teresa Benitez-Thompson (D-Washoe AD 27) once again served as Assembly Majority Floor Leader. They were joined by Yvanna Cancela (D-Clark SD 10), Marilyn Dondero Loop (D-Clark SD 8), Dallas Harris (D-Clark SD 11), Melanie Scheible (D-Clark SD 9), Heidi SeEVERS Gansert (R-Washoe SD 15), Pat Spearman (D-Clark SD 1), Marcia Washington (D-Clark SD 4), Joyce Woodhouse (D-Clark SD 5), Shea Backus (D-Clark AD 37), Shannon Bilbray-Axelrod (D-Clark AD 34), Maggie Carlton (D-Clark AD 14), Lesley Cohen (D-Clark AD 29), Beatrice Duran (D-Clark AD 11), Michelle Gorelow (D-Clark AD 35), Alexis Hansen (R-Rural AD 32), Melissa Hardy (R-Clark AD 22), Sandra Jauregui (D-Clark AD 41), Lisa Krasner (R-Washoe AD 26), Susie Martinez (D-Clark AD 12), Brittney Miller (D-Clark AD 5), Daniele Monroe-Moreno (D-Clark AD 1), Connie Munk (D-Clark AD 4), Dina Neal (D-Clark AD 7), Rochelle Nguyen (D-Clark AD 10), Sarah Peters (D-Washoe AD 24), Ellen Spiegel (D-Clark AD 20), Heidi Swank (D-Clark AD 16), Robin Titus (R-Rural AD 38), Jill Tolles (R-Washoe AD 25), and Selena Torres (D-Clark AD 3).

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Because of term limits, the 80<sup>th</sup> Legislative Session marked the final session for three well-respected legislators: Senator Joyce Woodhouse (D-Clark SD 5), Senator David Parks (D-Clark SD 7), and Assemblyman John Hambrick (R-Clark AD 2).

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## Legislative Enactments – Taxes

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### TAX ABATEMENTS AND CREDITS

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#### **AB 400 – Sales Tax Abatement**

Prohibits GOED from approving an abatement of the local school support tax portion of the sales tax. Prohibits companies who have received abatements from GOED from receiving subsequent abatements.

Effective: July 1, 2019 and July 1, 2032. Expiration dates vary by limitation June 30, 2032; June 30, 2035; June 30, 2036; and on December 31, 2056.

NTA Comment: The amendatory provisions do not apply to any abatement granted or application for an abatement filed before July 1 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6765/Overview>

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#### **AB 446 – Nevada New Jobs Market Act**

Increases the amount of the single qualified equity investment from \$5 million to \$8 million. Authorizes a qualified community development entity to make a capital or equity investment in, or a loan to, a qualified active low-income community business jointly with other qualified community development entities. May use money attributable to investments made in entity for which the entity received tax credits. Authorizes a business receiving a tax abatement to be considered a qualified active low-income community business if the business provides written notice to the Office of Economic Development that it waives the abatement.

Effective: July 1, 2019

NTA Comment: Tax credits include personal property, modified business for general business and local portion of the sales and use tax.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6859/Overview>

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#### **AB 458 – Tax Credits: Nevada Educational Choice Scholarship Program**

Eliminates the annual 110 percent increase in the amount of tax credits for the modified business tax authorized for business entities donating money to a scholarship organization that provides grants on behalf of students with a household income of not more than 300 percent of the federal poverty level. Provides the amount of credits authorized for each fiscal year is \$6,655,000, plus any remaining amount of tax credits carried forward from the additional credit authorization made for FY 2017-18.

Effective: June 3, 2019 for the purpose of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act and on July 1, 2019 for all other purposes.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6878/Overview>

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#### **SB 410 – Transferable Tax Credits: Economic Development**

Requires Interim Finance Committee (IFC) to approve a written request for the issuance of transferable tax credits. IFC determines that approval of the request will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated expenses for Nevada for each fiscal year, and will promote economic development in Nevada and aid the implementation of the State Plan for Economic Development.

Effective: June 5, 2019. Expires by limitation on June 30, 2032.

NTA Comment: The transferable tax credits are the: modified business tax, gross gaming tax, insurance premium tax, the partial abatement of property taxes, employer excise taxes or local sales and use taxes.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6743/Overview>

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**SB 448 – Tax Credits: Affordable Housing**

Allows \$10,000,000 in transferable tax credits, for each fiscal year of the biennium, to be issued for acquisition, development, construction, improvement, expansion, reconstruction, or rehabilitation of low-income housing to a qualified project sponsor. The transferable credits that may be applied for are the modified business tax, gross gaming tax, or insurance premium tax or any combination of those taxes.

Effective: July 1, 2019, for the purpose of adopting regulations and performing any other administrative tasks that are necessary to carry out the provisions of this act and on January 1, 2020, for all other purposes. Expires by limitation on January 1, 2030.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6842/Overview>

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**BUSINESS TAX PROVISIONS**

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**SB 45 – State Business Licenses**

Clarifies that a person is exempt from the requirement to obtain a state business license if: (1) the business for which the person is responsible is not a business organized under the laws of this State, does not have an office or base of operations in this State, does not have a registered agent in the State and does not pay wages or other remuneration to certain natural persons in this State; (2) the business for which the person is responsible is conducting activity in this State solely to provide vehicles or equipment on a short-term basis in response to a wild land fire, a flood, an earthquake or another emergency; or (3) the Secretary of State determines the person is not conducting a business in this State.

Effective: May 16, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/5964/Overview>

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**SB 497 – Commerce Tax Filings**

Businesses whose Nevada gross revenue is \$4,000,000 or less are not required to file a commerce tax return.

Effective: June 3, 2019

NTA Comment: This legislation was of import to NTA as it had been one of the major issues of concern to NTA since implementation of the Commerce Tax.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6957/Overview>

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**SB 551 – Elimination of MBT Rate Reduction**

Eliminates the MBT (modified business tax) rate reduction that was set to decrease July 1, 2019 and the offset reduction for the MBT paid against the commerce tax. The credit allowed for a donation made to a scholarship program is continued, but the total credit allowed is substantially reduced. The MBT rate for general businesses will remain 1.475% and 2.0% for mining and financial institutions.

Effective: June 12, 2019 for sections establishing the rate reduction and credit against the commerce tax. July 1, 2019 for all other purposes.

NTA Comment: The NTA opposed this because there was not a 2/3s majority vote requirement attached to the bill. It is NTA's opinion this bill increases revenue and therefore should have required a 2/3s vote.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/7071/Overview>

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**FUEL AND VEHICLE****AB 320 – Motor Vehicle Registration by Weight**

Adds an additional tier of vehicle weights, to the extent authorized by federal law, from 80,001 pounds to 129,000 pounds paying a fee of \$1,360, plus \$20 for each 1,000 pounds over 80,000 pounds, with a maximum fee of \$2,340. Under specific circumstances allows a vehicle within prescribed weight limitations to exceed 80,000 pounds without paying an increase in the fee.

Effective: January 1, 2020

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6583/Overview>

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**AB 333 – License Plates: Vegas Strong**

Requires the DMV to design and issue special license plates to commemorate the strength, solidarity and resilience of the community of Las Vegas following the shooting on October 1, 2017. The fee for the license plates is \$35 initially and \$10 for renewal. In addition, an additional issuance fee of \$25 and renewal fee of \$20 is charged and distributed quarterly to the Vegas Strong Resiliency Center to provide resources and referrals to residents, visitors, and responders affected by the October 1 shooting.

Effective: October 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6616/Overview>

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**AB 483 – Pilot Program: Vehicle Miles Traveled (VMT)**

Department of Motor Vehicles must conduct a pilot program to gather data on VMT annually and other relevant information for certain motor vehicles registered in Nevada. A report on the information collected must be submitted every 6 months to the Assembly and Senate committees on Growth and Infrastructure and the Director of the Legislative Counsel Bureau for transmittal to the Legislature or Legislative Commission as appropriate. Makes an appropriation for the computer program to implement the program.

Effective: July 1, 2019 to transmit the appropriation and October 1, 2019 for all other purposes. Expires by limitation on December 31, 2026.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6933/Overview>

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**AB 485 – Electric Scooters**

Defines an “electric scooter” as a vehicle with handlebars and an electric motor that is designed to be ridden on in an upright or seated position and propelled by its electric motor or by propulsion provided by the rider. Allows local jurisdictions to prohibit the use of electric scooters in certain places and to establish a speed limit. Also allows local jurisdictions to enact ordinances to regulate the operation of scooter-share program including, but not limited to, setting reasonable fees for scooter-share programs.

Effective: June 3, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6935/Overview>

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**AB 499 – License Plates: 100<sup>th</sup> Anniversary of Women’s Suffrage**

Requires Department of Motor Vehicles to design, prepare and issue special license plates commemorating the 100<sup>th</sup> anniversary of women’s suffrage in the United States. The fees charged are \$35 for issuance and \$10 annual renewal in addition to the regular license plates fees and are distributed quarterly to the Nevada Commission for Women for their use in carrying out their duties.

Effective: July 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6971/Overview>

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**SB 48 – Diesel Tax: Authorization for Imposition**

Allows county commissioners in all counties except Clark and Washoe to impose a diesel fuel tax by ordinance not to exceed \$0.05 per gallon. The ordinance must be adopted by 2/3s of the county commissioners, or by the voters in the county.

Effective: July 1, 2019

NTA Comment: If the tax is approved it may not be imposed earlier than January 1, 2020.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/5967/Overview>

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**SB 181 – License Plates: Electric Vehicles**

Requires the Department of Motor Vehicles to create a special license plate for vehicles wholly powered by an electric motor and provides that in addition to the applicable governmental services tax an initial flat fee of \$125 and a renewal fee of \$80 will be charged. After deducting the registration, license and license plate fees the remaining amount is transferred to the State Highway Fund.

Effective: January 1, 2020

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6309/Overview>

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**SB 356 – License Plates: Retired Military Vehicles**

Once the Department of Motor Vehicles receives at least 25 applications for special license plates for retired military vehicles that are at least 20 years old, the DMV is required to produce a special license plate for those vehicles. The vehicles must comply with certain requirements and may not be operated on the state's highways unless certain conditions are met. In lieu of annual registration fees and governmental services tax, an initial fee of \$25 and annual renewal fee of \$10 is charged.

Effective: May 29, 2019 for purposes of adopting regulations and to carry out any other administrative tasks and on January 1, 2020 for all other purposes.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6648/Overview>

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**SB 402 – License Plates: STEM**

Requires the DMV to design and issue license plates that indicate support for educational programs in the areas of science, technology, engineering, and mathematics. The State Treasurer shall quarterly distribute the fees deposited pursuant to the Director of the Office of Science, Innovation and Technology. STEM license plates are \$35 for the initial fee and \$10 annually thereafter in addition to other registration fees.

Effective: October 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6731/Overview>

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**SB 408 – Trimobile and Moped Licenses**

Defines “mobile carrying device” and provides for safe driving requirements and allows county and cities to provide regulations governing operations. Establishes a civil penalty of \$250 for right of way violations.

Effective: October 1, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6737/Overview>

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**SB 541 – Governmental Services Tax Distribution**

Removes the expiration of divided distribution of governmental services tax proceeds, making the 25 percent to the General Fund and 75 percent to the Highway Fund permanent.

Effective: June 3, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/7047/Overview>

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**MARIJUANA**

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**AB 164 – Marijuana Licensing**

Allows the Department of Taxation to conduct investigations of prospective medical marijuana establishment agent, an independent contractor, each employee of a medical marijuana facility or any other person the Department deems necessary. Sets rules for advertising in the marijuana industry. Establishes an application and renewal fee not to exceed \$75 for a prospective marijuana establishment agent or for each employee who will provide labor as an agent. Establishes civil fines for marijuana establishments that violate advertising provisions.

Effective: Varies from October 1, 2019 to January 2, 2020.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6250/Overview>

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**AB 466 – Marijuana Financial Transactions**

Requires Nevada's Treasurer to create a pilot program for the establishment of one or more closed-loop payment processing systems that enable marijuana establishments, medical marijuana establishments, consumers and holders of registry identification cards or letters of approval to engage in financial transactions in a safe and efficient manner. The Treasurer may adopt regulations establishing a schedule of fees for participation in the pilot program that are sufficient to cover the costs of administering the program. A report shall be submitted on or before December 1, 2020, and every 6 months thereafter to the Director of the Legislative Counsel Bureau for transmittal to the Legislature or Legislative Commission as appropriate.

Effective: June 5, 2019 for the purposes of adopting regulations and performing administrative tasks and on October 1, 2019 for all other purposes. This act expires by limitation on June 30, 2023.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6890/Overview>

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**AB 533 – Governance of Marijuana and Cannabis**

Creates Title 60 in Nevada statutes adding multiple chapters governing the use of marijuana/cannabis. Creates the Cannabis Advisory Commission, specifies membership and duties which includes the study of issues and making recommendations to the Cannabis Compliance Board. Requires members of Cannabis Compliance Board to be Nevada residents. The Executive Director of the Board serves as the chair of the Commission. Provides the designation of ex-officio Commission members, qualifications for appointed members, and terms of office. Creates the Cannabis Compliance Board consisting of five members appointed by the Governor. Establishes Board qualifications, duties and salaries. Transfers cannabis licensing and regulation from the Department of Taxation to the Board. Provides for the adoption of regulations, investigative and enforcement mechanisms, applications and licensing, fees and fines structure, perform audits, licensing violations and legal proceedings. Provides for an Executive Director, defines duties and provides for an annual salary. Provides maximum dispensary licensing provisions on Counties of over 100,000 population, allows county commissioners to petition Board for an increase. Authorizes a dispensary and retail store to contract with a third party business to deliver cannabis or cannabis products. Authorizes a dual licensee to combine the inventory of its establishments for inventory control purposes. Divides the responsibility for the adoption of hemp regulations between the Department of Agriculture and the Cannabis Compliance Board. Repeals the provisions of NRS 453A, the Medical Use of Marijuana and NRS 453D, the Regulation and Taxation of Marijuana. As applicable, the repealed sections incorporate the repealed provisions into the new NRS sections, including the prior licensing fees.

*(continued on page 7)*

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*AB 533 (continued from page 6)*

Effective: Dates vary from June 12, 2019; to July 1, 2020; to July 1, 2021.

NTA Comment: This new structure to govern marijuana and cannabis is patterned after the Gaming Commission and Gaming Control Board.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/7056/Overview>

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**SB 32 – Confidentiality of Records**

Requires Department of Taxation to keep confidential the imposition of disciplinary action taken against a taxpayer. Allows Taxation to disclose information relating to the marijuana licensing process regardless of whether the application was approved or not.

Effective: May 10, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/5915/Overview>

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**SB 545 – Marijuana Tax Distribution**

Requires the proceeds from the 10% tax on retail marijuana to be deposited into the Distributive School Account.

Effective: July 1, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/7054/Overview>

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<b>PROPERTY TAX</b>
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**AB 79 – Administration: Delinquent Property Taxes**

Allows a county to use an expedited procedure for the sale of a property on which delinquent taxes, penalties, interest and costs have not been paid if the property is abandoned.

Effective: July 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6030/Overview>

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**AB 84 – General Obligation Bonds**

Requires State Board of Finance to issue \$217,500,000 in general obligation bonds to protect, preserve and obtain the benefits of the property and natural resources of this State.

Effective: June 7, 2019 for the sale of bonds and setting any tax rate necessary and July 1, 2019 to identify projects.

NTA Comment: The voters approved the issuance of bonds to preserve natural resources and provide for the imposition of a property tax levy as might be necessary to pay the principal and interest on the bonds. Historically the tax has generally been 2 cents per \$100 of assessed valuation.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6040/Overview>

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**AB 244 – School Construction**

Any school district which did not have the authority to impose a residential construction tax, does not receive proceeds from the real property transfer tax or transient lodging tax and did not have a ballot question for school construction in 2016 can create an advisory committee to recommend a property tax increase for school facilities. The committee may recommend the property tax increase to the school board trustees who in turn may decide to request the county commissioners to place a ballot question on the November 2022 general election. The property tax proposal must specify the rate of the tax, the duration. Further the rate may exceed the maximum rate of \$3.64 per \$00 of assessed valuation and is not subject to the partial abatement.

*(continued on page 8)*

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*AB 244 (continued from page 7)*

Effective: June 5, 2019. Expires by limitation on April 2, 2022.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6437/Overview>

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**SB 164 – Virtual Currency**

Identifies virtual currencies as intangible personal property and exempt from personal property tax. Defines “public blockchain” and “virtual currency.”

Effective: July 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6235/Overview>

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**SB 199 – Administration: Real Property Ownership Report**

Requires county assessors to provide a report to the county treasurer that identifies change in ownership of residential real property each month.

Effective: July 1, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6342/Overview>

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**SB 465 – Tax Increment Distribution: Redevelopment Areas**

Allows redevelopment agencies to adopt a resolution that directs that the portion of the increment received from property taxes for school support and school debt to those purposes rather than to the agency.

Effective: July 1, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6877/Overview>

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**SALES TAX****AB 309 – Sales Tax for Education, Homelessness, Affordable Housing and Job Training Programs**

Adds a new Chapter in Title 32 (Taxes). The new Chapter allows each county commission if they choose to impose a sales tax increase of  $\frac{1}{4}$  of one percent, by a  $\frac{2}{3}$ s vote of the commissioners or to place a ballot measure before voters for various programs. Those programs include: programs operated by the county school district or public school in the district for adult education, to reduce truancy and to provide incentives for recruitment or retention of licensed teachers in high-vacancy schools; for programs to reduce homelessness; development or redevelopment of affordable housing including infrastructure and support; joint management-labor programs of workforce training in the hospitality industry.

NTA Comment: This legislation morphed from provisions dealing with negotiated salary agreements to a sales tax increase for education, to the programs identified in the above summary. According to Tax Foundation reports issued in January 2019 and May 2019 Nevada ranks 13<sup>th</sup> highest in rate and 5<sup>th</sup> highest in reliance of revenue respectively. It should be noted that as a consumption tax, sales tax is more volatile in an economic downturn.

Effective: July 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6568/Overview>

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**AB 443 – More Cops Tax Extension**

Requires a detailed description of the use of the proceeds of the tax to include without limitation, computers, radios, firearms and holsters, training academy equipment. Falsifying this report is punishable by a category D felony. Removes the prospective expiration of 2024 and extends the tax in perpetuity.

Effective: June 14, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6856/Overview>

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**AB 445 – Internet Sales: Remote Sellers**

Requires remote sellers outside of Nevada to collect sales tax on goods if they make or facilitate more than 200 separate retail transactions, or if sales exceed \$100,000. Provides that the Department of Taxation must adopt several regulations. Appropriates \$1 million to the Interim Finance Committee for Department personnel and operating. The Department must apply to the Interim Finance Committee for funds.

Effective: The appropriation to Interim Finance July 1, 2019 and the remaining sections October 1, 2019.

NTA Comment: NTA has consistently supported issues associated with Internet sales.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6858/Overview>

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**SB 426 – Regional Transportation Tax**

Extends the deadline date from December 31, 2020 to December 31, 2024 for the RTC to recommend to the board of county commissioners to impose an additional sales tax for “high capacity transportation” transportation projects. The RTC must identify the rate, the length of time for imposition and the purpose.

Effective: October 1, 2019

NTA Comment: The legislation to impose this tax was passed in 2017.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6786/Overview>

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**SB 447 – Durable Medical Equipment**

Amends the combined sales and use tax to exempt certain durable medical equipment, mobility enhancement equipment and oxygen delivery equipment and defines these categories.

Effective: July 1, 2019

NTA Comment: This is the enabling legislation for the Constitutional initiative petition approved by voters in the 2016 and 2018 general elections.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6841/Overview>

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<b>MISCELLANEOUS TAXES</b>
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**AB 117 – Gaming: Charitable Lotteries and Gaming**

Repeals the current provisions relating to charitable games and incorporates charitable games into the law governing charitable lotteries. Caps the total value of prizes for charitable games at \$500,000 per year for a qualified charitable organization which is determined to qualify by the Department of Taxation or the IRS. Charitable lottery prizes cannot exceed \$2,000,000 if the qualified organization is a professional sports organization. Allows the Gaming Control Board to recommend fees to the Gaming Commission that a qualified organization must pay.

Effective: October 1, 2019

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6138/Overview>

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**SB 46 – Gross Gaming Revenue**

Requires cash received as entry fees for contests and tournaments to be included in gross revenue. Revises the definition of “interactive gaming service provider”.

Effective: May 25, 2019 for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and on July 1, 2019 for all other purposes.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/5965/Overview>

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**SB 81 – Other Tobacco Products**

Establishes uniform licensing for persons engaged in the manufacture, distribution, and sale of cigarettes and other tobacco products.

Effective: Vary from May 23, 2019 to 180 days after passage and approval to January 1, 2020.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6024/Overview>

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**SB 263 – Taxing Vapor Products**

Requires vapor products to be taxed as other tobacco products. Requires vaping products dealers to be licensed to sell other tobacco products. Expands the definition of vapor products and makes an appropriation to the Department of Taxation to carry out the provisions.

Effective: July 1, 2019 for the appropriation, June 12, 2019 for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2020, for all other purposes.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6446/Overview>

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**SB 461 – Room Tax Surcharge: Tahoe-Douglas Visitor’s Authority**

Requires lodging establishments to charge a \$5 tourism fee per night for the rental of lodging in the Tahoe Township of Douglas County. The funds will be used to promote and attract conventions.

Effective: July 1, 2019.

<https://www.leg.state.nv.us/App/NELIS/REL/80th2019/Bill/6872/Overview>

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# Vetoed Bills

The following bills were vetoed by Governor Sisolak. To read the complete veto message click [here](#).

2019 Vetoed Bills		
Bill #	Description	Reason for Veto
AB 186	Enacting the Agreement Among the States to Elect the President by National Popular Vote	The bill could leave a sparsely populated Western state like Nevada with a greatly diminished voice in the outcome of national electoral contests.
AB 444	Creates Legislative Committee on Tax Expenditures and Incentives for Economic Development to review existing incentives to economic development and to consider the goals and effectiveness of these and to develop a report of Committee findings for each successive Legislature.	AB 444 contains provisions already required by statute and creates a committee to review the already required reports.
SB 496	Would enable a legal operator of a limousine in Clark County to lease a limo to an independent contractor to operate the limo to the extent of the authority provided under law to the original certificate holder.	The most difficult issue is the inability to prevent drivers from undertaking cash rides without reporting them or paying taxes on them, which may result in largescale tax evasion by unscrupulous operators who still use the roads, services, and community amenities.

## TAX TOPICS

is an electronic publication of the

### NEVADA TAXPAYERS ASSOCIATION

[www.nevadataxpayers.org](http://www.nevadataxpayers.org) ❖ [info@nevadataxpayers.org](mailto:info@nevadataxpayers.org)

**CARSON CITY OFFICE**  
116 East 7<sup>th</sup> Street, Suite 202  
Carson City, NV 89701-5293  
(775) 882-2697

**LAS VEGAS OFFICE**  
2303 East Sahara Avenue, Suite 102  
Las Vegas, NV 89104-4138  
(702) 457-8442

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