

ASSEMBLY BILL NO. 398—ASSEMBLYMAN FUMO

MARCH 20, 2017

Referred to Committee on Taxation

SUMMARY—Temporarily exempts retail sales of electric vehicles from certain sales and use taxes. (BDR 32-719)

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

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxes on retail sales; providing a temporary exemption from the Local School Support Tax and certain analogous taxes on retail sales of electric vehicles; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 This bill amends the Local School Support Tax Law to exempt certain electric
2 vehicles from all but two percent of the taxes on retail sales. This tax exemption
3 becomes effective on October 1, 2017, and expires by limitation on September 30,
4 2019.

5 Any amendment to the Local School Support Tax Law also applies to other
6 sales and use taxes imposed under existing law. (NRS 244A.755, 354.705,
7 374A.020, 376A.060, 377.040, 377A.030, 377B.110, 377C.100, 387.3326; various
8 special and local acts)

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

1 **Section 1.** Chapter 374 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. There are exempted from the taxes imposed by this chapter*
4 *the gross receipts from sales and storage, use or other*
5 *consumption of electric vehicles.*

6 *2. As used in this section, “electric vehicle” means a motor*
7 *vehicle, including, without limitation, a plug-in-electric hybrid*
8 *motor vehicle that:*



1 (a) *Has a gross vehicle weight rating of less than 14,000*
2 *pounds; and*

3 (b) *Is propelled to a significant extent by an electric motor*
4 *which draws electricity from a battery that:*

5 (1) *Has a capacity of not less than 4 kilowatt hours; and*

6 (2) *Is capable of being recharged from an external source*
7 *of electricity.*

8 **Sec. 2.** NRS 374.265 is hereby amended to read as follows:

9 374.265 “Exempted from the taxes imposed by this chapter,”
10 as used in NRS 374.265 to 374.355, inclusive, *and section 1 of this*
11 *act* means exempted from the computation of the amount of taxes
12 imposed.

13 **Sec. 3.** This act becomes effective on October 1, 2017, and
14 expires by limitation on September 30, 2019.

