

ASSEMBLY BILL NO. 443—COMMITTEE ON TAXATION

MARCH 25, 2019

Referred to Committee on Taxation

SUMMARY—Revises provisions relating to taxes on retail sales. (BDR S-1128)

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

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

AN ACT relating to taxation; revising provisions governing the contents of the periodic reports on the use of the proceeds from the taxes imposed pursuant to the Clark County Sales and Use Tax Act of 2005 and the Clark County Crime Prevention Act of 2016; removing the prospective expiration of the Clark County Sales and Use Tax Act of 2005 and amendments and other provisions relating thereto; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes the Board of County Commissioners of Clark County
2 to impose a sales and use tax in Clark County to employ and equip additional police
3 officers for the Boulder City Police Department, Henderson Police Department, Las
4 Vegas Metropolitan Police Department, Mesquite Police Department and North Las
5 Vegas Police Department. (Clark County Sales and Use Tax Act of 2005) A police
6 department is prohibited from spending the proceeds of the tax unless the
7 expenditure has been approved by a designated body and only if the use will not
8 replace or supplant existing funding for the police department. (Section 13 of
9 chapter 249, Statutes of Nevada 2005, as last amended by chapter 497, Statutes of
10 Nevada 2011, p. 3158) Existing law also authorizes the Board of County
11 Commissioners of Clark County to impose a sales and use tax to employ and equip
12 additional police officers for the same police departments for which a tax is
13 authorized by the Clark County Sales and Use Tax Act of 2005. (Clark County
14 Crime Prevention Act of 2016, section 9 of chapter 1, Statutes of Nevada 2016,
15 30th Special Session, p. 5) Each of those Acts require that certain reports
16 concerning expenditures from the proceeds of the taxes imposed be submitted to
17 the Department of Taxation. (Section 13.5 of chapter 249, Statutes of Nevada 2005,
18 as last amended by chapter 497, Statutes of Nevada 2011, p. 3160; section 13 of
19 chapter 1, Statutes of Nevada 2016, 30th Special Session, p. 9) **Sections 1 and 1.3**



20 of this bill require that the reports also include information relating to expenditures
21 for equipment and academies for training officers. **Sections 1 and 1.3** also provide
22 for a criminal penalty if a person knowingly provides or causes to be provided false
23 or misleading information for such a report or includes or causes to be included
24 such information in such a report.

25 The Clark County Sales and Use Tax Act of 2005 is set to expire on October 1,
26 2025. (Section 23 of chapter 249, Statutes of Nevada 2005, p. 917) **Sections 1.5-4**
27 of this bill remove the prospective expiration of the Act and amendments and other
28 provisions relating thereto, thereby authorizing the imposition of such a tax in Clark
29 County after October 1, 2025.

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

1 **Section 1.** Section 13.5 of the Clark County Sales and Use
2 Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as last
3 amended by chapter 497, Statutes of Nevada 2011, at page 3160, is
4 hereby amended to read as follows:

5 Sec. 13.5. 1. Any governing body that has approved
6 expenditures pursuant to section 13 of this act shall submit to
7 the Department the periodic reports required pursuant to this
8 section and such other information relating to the provisions
9 of this act as may be requested by the Department.

10 2. The reports required pursuant to this section must be
11 submitted:

12 (a) On or before:

13 (1) February 15 for the 3-month period ending on the
14 immediately preceding December 31;

15 (2) May 15 for the 3-month period ending on the
16 immediately preceding March 31;

17 (3) August 15 for the 3-month period ending on the
18 immediately preceding June 30; and

19 (4) November 15 for the 3-month period ending on the
20 immediately preceding September 30; and

21 (b) On or before August 15 for the 12-month period
22 ending on the immediately preceding June 30.

23 3. Each report must be submitted on a form provided by
24 the Department and include, with respect to the period
25 covered by the report:

26 (a) The total proceeds received by the respective police
27 department from the sales and use tax imposed pursuant to
28 this act. **[REDACTED]**

29 (b) A detailed description of the use of the proceeds,
30 including, without limitation:



1 (1) The total expenditures made by the respective
2 police department from the sales and use tax imposed
3 pursuant to this act. ~~and~~

4 (2) The total number of police officers hired by the
5 police department and the number of those officers that are
6 filling authorized, funded positions for new officers. ~~and~~

7 (3) *The equipment purchased with the use of the*
8 *proceeds from the sales and use tax imposed pursuant to*
9 *this act, including, without limitation, computers, radios,*
10 *firearms and holsters.*

11 (4) *Expenditures for each academy for training*
12 *officers, including, without limitation, expenditures for*
13 *equipment for persons attending the academy. The*
14 *expenditures must be disaggregated based on the persons*
15 *attending the academy, including, without limitation:*

16 (I) *Each person who did not successfully complete*
17 *the academy; and*

18 (II) *Each person who was recently hired by a*
19 *public safety agency who completed the academy.*

20 (5) A detailed analysis of the manner in which each
21 expenditure:

22 (I) Conforms to all provisions of this act; and

23 (II) Does not replace or supplant funding which
24 existed before October 1, 2005, for the police department. ~~and~~
25 ~~and~~

26 (c) Any other information required to complete the form
27 for the report.

28 4. The Department may review and investigate the
29 reports submitted pursuant to this section and the expenditure
30 of any proceeds pursuant to section 13 of this act.

31 5. *A person shall not knowingly:*

32 (a) *Provide or cause to be provided false or misleading*
33 *information to an entity that is required to submit a report*
34 *pursuant to this section; or*

35 (b) *Include or cause to be included false or misleading*
36 *information in the report required to be submitted pursuant*
37 *to this section.*

38 6. *A person who violates subsection 5 is guilty of a*
39 *category D felony and shall be punished as provided in*
40 *NRS 193.130.*

41 **Sec. 1.3.** Section 13 of the Clark County Crime Prevention Act
42 of 2016, being chapter 1, Statutes of Nevada 2016, 30th Special
43 Session, at page 9, is hereby amended to read as follows:

44 Sec. 13. 1. A body designated pursuant to subsection
45 1 of section 12 of this act that approves an expenditure



1 pursuant to section 12 of this act shall, for the relevant period,
2 submit to the Department the reports required by this section,
3 which must include, without limitation, the information
4 required by this section and such other information relating to
5 the administration of the provisions of this act as may be
6 requested by the Department.

7 2. A body designated pursuant to subsection 1 of section
8 12 of this act shall submit the reports required by this section
9 on or before:

10 (a) February 15, for the 3-month period ending on the
11 immediately preceding December 31;

12 (b) May 15, for the 3-month period ending on the
13 immediately preceding March 31;

14 (c) August 15, for the 3-month period ending on the
15 immediately preceding June 30;

16 (d) November 15, for the 3-month period ending on the
17 immediately preceding September 30; and

18 (e) August 15, for the 12-month period ending on the
19 immediately preceding June 30.

20 3. Each report submitted pursuant to this section must be
21 submitted on a form provided by the Department, which must
22 be the same form as the form provided for the relevant report
23 required by section 13.5 of the Clark County Sales and Use
24 Tax Act of 2005, being chapter 249, Statutes of Nevada 2005,
25 as added by chapter 545, Statutes of Nevada 2007, at page
26 3422, and amended ~~by chapter 497, Statutes of Nevada 2011,~~
27 ~~at page 3160.]~~ *from time to time thereafter,* and must
28 include, with respect to the period covered by the report:

29 (a) The total amount of the allocation received by the
30 respective police department from the proceeds of the tax
31 authorized by subsection 1 of section 9 of this act. ~~;~~

32 (b) A detailed description of the use of the money
33 allocated to the police department, including, without
34 limitation:

35 (1) The total expenditures made by the police
36 department from the allocation. ~~;~~

37 (2) The total number of police officers hired by the
38 respective police department, the number of those officers
39 that are filling authorized, funded positions for new
40 officers and demographic information regarding those
41 officers reported in a manner consistent with the current
42 policies of the respective police department concerning the
43 reporting of such information. ~~;~~ ~~and~~



1 (3) *Any equipment purchased from the allocation,*
2 *including, without limitation, computers, radios, firearms*
3 *and holsters.*

4 (4) *Any expenditures made from the allocation for*
5 *each academy for training officers, including, without*
6 *limitation, any expenditures for equipment for persons*
7 *attending the academy. The expenditures must be*
8 *disaggregated based on the persons attending the academy,*
9 *including, without limitation:*

10 (I) *Each person who did not successfully complete*
11 *the academy; and*

12 (II) *Each person who was recently hired by a*
13 *public safety agency who completed the academy.*

14 (5) A detailed analysis of the manner in which each
15 expenditure:

16 (I) Conforms to all provisions of this act; and

17 (II) Does not replace or supplant funding or
18 staffing levels, which existed before October 1, 2016, for the
19 respective police department. ~~and~~

20 (c) An analysis of the manner in which each expenditure
21 is being used to prevent crimes and the effectiveness of each
22 expenditure in preventing crimes. ~~and~~

23 (d) Any other information required to complete the form
24 of the report.

25 4. The Metropolitan Police Committee on Fiscal Affairs
26 shall:

27 (a) Prepare and submit separate reports as required by this
28 section for the expenditures approved from the allocations
29 received by the Las Vegas Metropolitan Police Department
30 pursuant to paragraphs (a) and (b), respectively, of subsection
31 3 of section 9 of this act; and

32 (b) In addition to all other information required by this
33 section, include in each report submitted pursuant to this
34 section evidence that the expenditures from allocations
35 received by the Las Vegas Metropolitan Police Department
36 pursuant to paragraph (a) of subsection 3 of section 9 of this
37 act are not offsetting, supplanting, replacing or otherwise
38 reducing the amount of money allocated to the Las Vegas
39 Metropolitan Police Department pursuant to paragraph (b) of
40 subsection 3 of section 9 of this act for expenditure on law
41 enforcement and crime prevention in the resort corridor.

42 5. The Department may review and investigate the
43 reports submitted pursuant to this section and any expenditure
44 of any proceeds from the tax authorized by subsection 1 of
45 section 9 of this act.



1 **6. A person shall not knowingly:**
 2 **(a) Provide or cause to be provided false or misleading**
 3 **information to an entity that is required to submit a report**
 4 **pursuant to this section; or**
 5 **(b) Include or cause to be included false or misleading**
 6 **information in the report required to be submitted pursuant**
 7 **to this section.**

8 **7. A person who violates subsection 6 is guilty of a**
 9 **category D felony and shall be punished as provided in**
 10 **NRS 193.130.**

11 **Sec. 1.5.** Section 23 of chapter 249, Statutes of Nevada 2005,
 12 at page 917, is hereby amended to read as follows:

13 Sec. 23. ~~[H-]~~ This act becomes effective:

14 ~~[(a)]~~ **1.** Upon passage and approval for the purposes of
 15 enacting ordinances and performing any other preparatory
 16 administrative tasks that are necessary to carry out the
 17 provisions of this act; and

18 ~~[(b)]~~ **2.** On October 1, 2005, for all other purposes.

19 ~~[2.—This act expires by limitation on October 1, 2025.]~~

20 **Sec. 2.** Section 23 of chapter 545, Statutes of Nevada 2007, at
 21 page 3428, is hereby amended to read as follows:

22 Sec. 23. 1. This section and sections 3 to 22,
 23 inclusive, of this act become effective:

24 (a) Upon passage and approval for the purposes of
 25 enacting ordinances and performing any other preparatory
 26 administrative tasks that are necessary to carry out the
 27 provisions of this act; and

28 (b) On October 1, 2007, for all other purposes.

29 2. Sections 1 and 2 of this act become effective on
 30 October 1, 2007. ~~[, and expire by limitation on October 1,~~
 31 ~~2025.]~~

32 3. Sections 3 to 22, inclusive, of this act expire by
 33 limitation on October 1, 2027.

34 **Sec. 3.** Section 28 of chapter 387, Statutes of Nevada 2009, at
 35 page 2104, is hereby amended to read as follows:

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

38 2. Sections 2, 3, 5, 6, 7, 9, 11 to 16, inclusive, and 19 to
 39 26, inclusive, of this act become effective on July 1, 2009.

40 3. Section 17 of this act becomes effective on July 1,
 41 2011.

42 4. ~~[Section 20 of this act expires by limitation on~~
 43 ~~September 30, 2025.~~

44 ~~—5.]~~ Section 25 of this act expires by limitation on
 45 September 30, 2027.



1 ~~[6.]~~ 5. Sections 7 and 9 of this act expire by limitation
2 on September 30, 2029.

3 ~~[7.]~~ 6. Sections 8 and 10 of this act become effective on
4 October 1, 2029.

5 **Sec. 4.** Section 4 of chapter 1, Statutes of Nevada 2013, 27th
6 Special Session, at page 3, is hereby amended to read as follows:

7 Sec. 4. This act becomes effective upon passage and
8 approval. ~~[and expires by limitation on October 1, 2025.]~~

9 **Sec. 5.** The provisions of section 1 of this act, which amend
10 the Clark County Sales and Use Tax Act of 2005, and the provisions
11 of section 1.3 of this act, which amend the Clark County Crime
12 Prevention Act of 2016, apply to:

13 1. Each report that must be submitted to the Department of
14 Taxation on or before:

15 (a) August 15, 2019, for the 3-month period ending on the
16 immediately preceding June 30; and

17 (b) August 15, 2019, for the 12-month period ending on the
18 immediately preceding June 30.

19 2. Each report that must be submitted to the Department of
20 Taxation thereafter.

21 **Sec. 6.** This act becomes effective upon passage and approval.



