

Assembly Bill No. 71–Committee on  
Legislative Operations and Elections

CHAPTER.....

AN ACT relating to taxation; directing the Legislative Commission to conduct an interim study concerning the equitable allocation of money distributed from the Local Government Tax Distribution Account; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law requires the deposit of certain proceeds from liquor taxes, cigarette taxes, real property transfer taxes, city-county relief taxes and governmental services taxes into the Local Government Tax Distribution Account. (NRS 369.173, 370.260, 375.070, 377.055, 377.057, 482.181) Under existing law, the Executive Director of the Department of Taxation is required to allocate the money deposited in the Account to local governments, special districts and enterprise districts in each county in accordance with a specified formula. (NRS 360.680, 360.690)

This bill requires the Legislative Commission to appoint a subcommittee to conduct an interim study to examine whether the formula for the allocation of money distributed from the Local Government Tax Distribution Account results in an equitable allocation to all those governmental entities, including any local library districts that do not currently receive such an allocation, and, if not, to consider possible alternative methodologies to achieve a more equitable allocation.

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

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

**Section 1.** 1. The Legislative Commission shall appoint a subcommittee, consisting of three members of the Senate and three members of the Assembly, to conduct a study during the 2011-2013 interim concerning the formula for the allocation of money distributed from the Local Government Tax Distribution Account.

2. The subcommittee appointed pursuant to subsection 1 shall, without limitation:

(a) Review the structural components of the formula used for the allocation of money distributed from the Local Government Tax Distribution Account to local governments, special districts and enterprise districts from the inception of the formula to the present day; and

(b) Examine whether the formula results in an equitable allocation among all those governmental entities, including, without limitation, any local library districts which do not currently receive such an allocation, and, if not, consider possible alternative



methodologies to achieve a more equitable allocation among all those governmental entities.

3. Any recommendations for legislation proposed by the subcommittee must be approved by a majority of the members of the Senate and a majority of the members of the Assembly appointed to the subcommittee.

4. The Legislative Commission shall submit a report of the results of the study and any recommendations for legislation to the 77th Session of the Nevada Legislature.

**Sec. 2.** This act becomes effective on July 1, 2011.

