
SENATE BILL NO. 255—SENATOR BREEDEN

MARCH 17, 2011

Referred to Committee on Revenue

SUMMARY—Reduces the amount of governmental services taxes imposed on certain older motor vehicles. (BDR 32-351)

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

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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; reducing the amount of the governmental services taxes imposed on certain older motor vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law sets forth depreciation schedules for determining the amount of
2 the governmental services taxes due each year for used vehicles. (NRS 371.060)
3 **Section 1** of this bill decreases the amount of those taxes due annually for
4 passenger vehicles that are 9 years of age or older by revising the depreciation
5 schedule for those vehicles to reduce from 15 percent to 12 percent the portion of
6 the initial value of those vehicles upon which the governmental services taxes are
7 imposed. **Section 2** of this bill accordingly reduces the amount of the pertinent tax
8 revenue which is allocated to the State.

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

1 **Section 1.** NRS 371.060 is hereby amended to read as follows:
2 371.060 1. Except as otherwise provided in ~~subsection 2,~~
3 *subsections 2 and 3*, each vehicle must be depreciated by the
4 Department for the purposes of the annual governmental services
5 tax according to the following schedule:



	Percentage of Initial Value
1	
2	Age
3	
4	New100 percent
5	1 year95 percent
6	2 years85 percent
7	3 years75 percent
8	4 years65 percent
9	5 years55 percent
10	6 years45 percent
11	7 years35 percent
12	8 years25 percent
13	9 years or more.....15 percent
14	

15 2. *Except as otherwise provided in subsection 3, each*
16 *passenger vehicle must be depreciated by the Department for the*
17 *purposes of the annual governmental services tax according to the*
18 *following schedule:*

	<i>Percentage of Initial Value</i>
19	
20	<i>Age</i>
21	
22	<i>New 100 percent</i>
23	<i>1 year 95 percent</i>
24	<i>2 years 85 percent</i>
25	<i>3 years 75 percent</i>
26	<i>4 years 65 percent</i>
27	<i>5 years 55 percent</i>
28	<i>6 years 45 percent</i>
29	<i>7 years 35 percent</i>
30	<i>8 years 25 percent</i>
31	<i>9 years or more 12 percent</i>
32	

33 3. Each bus, truck or truck-tractor having a declared gross
34 weight of 10,000 pounds or more and each trailer or semitrailer
35 having an unladen weight of 4,000 pounds or more must be
36 depreciated by the Department for the purposes of the annual
37 governmental services tax according to the following schedule:

	Percentage of Initial Value
38	
39	Age
40	
41	New100 percent
42	1 year85 percent
43	2 years69 percent
44	3 years57 percent
45	4 years47 percent



Age	Percentage of Initial Value
5 years	38 percent
6 years	33 percent
7 years	30 percent
8 years	27 percent
9 years	25 percent
10 years or more.....	23 percent

11 ~~3.1~~ 4. Notwithstanding any other provision of this section, the
 12 minimum amount of the governmental services tax:

13 (a) On any trailer having an unladen weight of 1,000 pounds or
 14 less is \$3; and

15 (b) On any other vehicle is \$16.

16 ~~4.1~~ 5. For the purposes of this section, a vehicle shall be
 17 deemed a "new" vehicle if the vehicle has never been registered
 18 with the Department and has never been registered with the
 19 appropriate agency of any other state, the District of Columbia, any
 20 territory or possession of the United States or any foreign state,
 21 province or country.

22 *6. As used in this section, "passenger vehicle" means a motor*
 23 *vehicle designed for carrying 10 persons or less, other than a*
 24 *motor vehicle designed to travel on not more than three wheels in*
 25 *contact with the ground.*

26 **Sec. 2.** NRS 482.182 is hereby amended to read as follows:

27 482.182 1. After deducting the amount withheld by the
 28 Department and the amount credited to the Department pursuant to
 29 subsection 6 of NRS 482.180 and before carrying out the provisions
 30 of NRS 482.181 each month, the Department shall direct the State
 31 Controller to transfer to the State General Fund from the proceeds of
 32 the basic governmental services tax collected by the Department and
 33 its agents during the preceding month the amounts indicated
 34 pursuant to this section.

35 2. Except as otherwise provided in subsection 3, the amount
 36 required to be transferred pursuant to subsection 1 from the
 37 proceeds of the basic governmental services tax imposed on vehicles
 38 depreciated in accordance with:

39 (a) Subsection 1 of NRS 371.060 based upon an age of:

40 (1) One year, is a sum equal to 11 percent of those proceeds;

41 (2) Two years, is a sum equal to 12 percent of those
 42 proceeds;

43 (3) Three years, is a sum equal to 13 percent of those
 44 proceeds;



- 1 (4) Four years, is a sum equal to 15 percent of those
2 proceeds;
3 (5) Five years, is a sum equal to 18 percent of those
4 proceeds;
5 (6) Six years, is a sum equal to 22 percent of those proceeds;
6 (7) Seven years, is a sum equal to 29 percent of those
7 proceeds;
8 (8) Eight years, is a sum equal to 40 percent of those
9 proceeds; and
10 (9) Nine years or more, is a sum equal to 67 percent of those
11 proceeds; ~~and~~
12 (b) *Subsection 2 of NRS 371.060 based upon an age of:*
13 (1) *One year, is a sum equal to 11 percent of those*
14 *proceeds;*
15 (2) *Two years, is a sum equal to 12 percent of those*
16 *proceeds;*
17 (3) *Three years, is a sum equal to 13 percent of those*
18 *proceeds;*
19 (4) *Four years, is a sum equal to 15 percent of those*
20 *proceeds;*
21 (5) *Five years, is a sum equal to 18 percent of those*
22 *proceeds;*
23 (6) *Six years, is a sum equal to 22 percent of those*
24 *proceeds;*
25 (7) *Seven years, is a sum equal to 29 percent of those*
26 *proceeds;*
27 (8) *Eight years, is a sum equal to 40 percent of those*
28 *proceeds; and*
29 (9) *Nine years or more, is a sum equal to 58 percent of*
30 *those proceeds; and*
31 (c) Subsection ~~2~~3 of NRS 371.060 based upon an age of:
32 (1) One year, is a sum equal to 12 percent of those proceeds;
33 (2) Two years, is a sum equal to 14 percent of those
34 proceeds;
35 (3) Three years, is a sum equal to 18 percent of those
36 proceeds;
37 (4) Four years, is a sum equal to 21 percent of those
38 proceeds;
39 (5) Five years, is a sum equal to 26 percent of those
40 proceeds;
41 (6) Six years, is a sum equal to 30 percent of those proceeds;
42 (7) Seven years, is a sum equal to 33 percent of those
43 proceeds;
44 (8) Eight years, is a sum equal to 37 percent of those
45 proceeds;



1 (9) Nine years, is a sum equal to 40 percent of those
2 proceeds; and

3 (10) Ten years or more, is a sum equal to 43 percent of those
4 proceeds.

5 3. The amount required to be transferred pursuant to subsection
6 1 from the proceeds of the basic governmental services tax imposed
7 on vehicles to which the minimum amount of that tax applies
8 pursuant to paragraph (b) of subsection ~~3~~ 4 of NRS 371.060 is a
9 sum equal to 63 percent of those proceeds.

10 **Sec. 3.** The amendatory provisions of this act do not apply to
11 any governmental services taxes imposed for any period of
12 registration of a vehicle that begins before July 1, 2011.

13 **Sec. 4.** This act becomes effective:

14 1. Upon passage and approval for the purpose of performing
15 any preparatory administrative tasks that are necessary to carry out
16 the provisions of this act; and

17 2. On July 1, 2011, for all other purposes.



