

Assembly

MINUTES OF MEETING - COMMITTEE ON TAXATION - ASSEMBLY 55TH  
SESSION, MARCH 25TH, 1969

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Present: Young, Tyson, Hafen, Smith, Swackhamer, Hilbrecht,  
Getto

Absent: Schouweiler, Espinoza

Meeting called to order.

AB-312 - Provides deduction from gross receipts for debts owed  
retailer by persons adjudicated bankrupt.

Hilbrecht moved a "do pass".  
Young seconded.  
Motion carried unanimously.

AB-423 - Provides for submission at next general election of  
question proposing a permissible deduction from the gross receipts  
of a retailer for purposes of the sales and use tax of debts owed  
by an adjudicated bankrupt during the period of adjudication.

Hilbrecht stated he wished the committee's permission to draft a  
resolution for ear marked school tax on the ballot this year  
for 3% tax.

Questioned about whether the above suggested by Hilbrecht and  
AB-423 could be combined. "No".

Hilbrecht moved a "do pass" on AB-423.  
Smith seconded.  
motion carried unanimously.

Young: Comments on AB-423. We're opening up something that has  
stayed closed for quite awhile; like the two per cent sales tax  
action; challenged by the voters twice. ~~In the case of a bank-~~

AB-151 - Exempts Pittman Women's Club from ad valorem taxes.

Pittman Women's papers improperly filed so somebody made remark  
to this; and adverse ruling for their ruling as a nonprofit  
organization. Reid refiled the papers; they need to be excluded  
by name.

Tyson moved "do pass" AB-151.

AB-672 was discussed along with this bill. The property involved  
is 99% used by the city also.

Hilbrecht seconded the motion.  
Motion carried unanimously.

Three Per Cent School Tax Recommendation - Hilbrecht: Unless we  
want to keep cutting and patching Article 19 of the Constitution;  
provide amendment to the constitution for referendum so the exist-  
ing two per cent sales tax could be raised and earmarked for  
education, but only by referral to the people.

Discussion was held on whether the elections should be held at the same time for each county and whether each county would bear the expense of this election. It was said that the State picked up the whole tab to reimburse the counties for their expense on the last sales tax ballot. 102

Hilbrecht: I have the feeling that there is a very significant number of educators who are quite militant and who already believe that the only barnacle in the state is the Legislature and they are conservative in providing money for education. They believe that the people overwhelmingly support them and are willing to pay any kind of reasonable tax. They have submitted demands that would consume an entire 3% additional sales tax. I feel that in Clark County that if we let this slide to the special session, we are going to be coming up with a crisis in Clark County and at that time we will be knuckled under and do things that are much less responsible. I am not adverse to increasing the sales tax. I am just afraid that if we don't, we'll be here in special session.

Young questioned the timing, the amount, and their chances if it were local option. I think for your idea to work it needs to be done in such a way that it doesn't appear that the 3% would never pass.

Tyson: I agree with Norm in this respect that in the 3¢ it would take this amount to do what they want done. It is time that we find out how the people really feel.

Young: I want them to be involved in what they want on the ballot. (state educators)

Getto: I feel that we're acting very hastily; I have some serious reservations that these people who were lobbying are the voice of the teachers. They have top professional leaders and they have been stirred up.

Smith brought up what small numbers of people can do.

Hilbrecht: These things are largely emotional kinds of movements. They feed on our inaction and if we take an aggressive step, they will then be on the defensive. If they were defeated at the polls in June, most of their steam would be exhausted in the fall. If 50% go on strike the other teachers will not be allowed to keep the classrooms open.

Discussion as to whether the teachers would have time before the June election; also there was a discussion regarding not paying attention to a few people.

Swackhamer didn't think faced with inaction. It was his understanding that the state and local tax expenditures for education ranked high in the nation. Cannot react to every group that sounds the loudest; think its a time for inaction.

Getto: We're talking about preventing. If taxpayer turned them down, they could still strike.

Hafen: I go along with this bill. I feel that we have the responsibility to the taxpayer.

Ray Knisley: I would like to point out one thing; if you are called back in special session, you have put the 3% on the ballot; income tax (state) can pass without going to the people. If you passed identical brackets of the federal with a percentage; it would be quite simple to administer. It would take 16% to yield \$31,000,000; so this is what you're facing. Income tax would come on the Nevada residents; sales tax partially from tourists. Feel if you do put the 3% on the ballot, should be earmarked.

Discussion followed regarding earmarked taxes.

Young moved that the committee request a bill on this.  
Tyson seconded with the 3¢ to be earmarked for education.

Discussion regarding overhauling the whole sales tax structure. Teachers want an education price index which means as the price of education goes up that the governments appropriation for education goes up. Need to make educators responsible for their moneys appropriated. Tyson felt that there was waste in the upper brackets.

Question regarding whether this would be shared by the university systems? Daykin pointed out that the present system lumps the university and other schools together; but could earmark for a particular class by constitutional amendment.

Motion carried with Swackhamer and Getto voting "no".  
Getto wasn't opposed to the whole resolution but was opposed to the 3%.

Tax Committee Meeting to be held in the Nugget at 7:00 a.m. tomorrow for AJR's.

AB-546 - Eliminates casino entertainment tax on admissions.

Mr. Daykin is preparing amendments on the bill.

Mr. Swackhamer Motioned that another amendment be added to the bill to the effect that admissions on movie theatres would be eliminated.

Mr. Young seconded.  
Motion carried unanimously.

Meeting adjourned.