

Assembly

MINUTES OF MEETING - COMMITTEE ON TAXATION - 55TH ASSMEBLY
SESSION, APRIL 9, 1969

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

Absent: None

Guests: Charles C. Meneley, County Commissioner, Douglas County
Marvin Settlemyer, County Commissioner, Douglas County
Assemblyman Jacobsen
Donald Peckham, Assessor, Washoe County

Meeting was convened at 7:00 am at the Nugget.

AB-777 - Enacts Douglas County Lodgers Tax Law

Meneley: The primary reason that we wanted this bill is that in Douglas County, we have some fairly high tax rates in the districts and we're getting very close to the \$5.00 limit. We have a small airport built by the government in the Second World War. We thought that rather than trying an ad valorem tax, we thought that with a room tax (we have very little recreational problems as of yet) we could fix the runways at the airport. We can use this as we go along and start a recreational program also.

Settlemyer: The airport referred to is McCarran Airport; it has been a white elephant to the county for a good many years. We have reached the point where we either have to plow it under or try to continue with it. I think you are all familiar with the tremendous airport program that is progressing in major airports in the United States and it is not likely that they will shoot money to a small county airport. If we can get some of this room tax money, we can take care of overhead and maintenance at the airport.

Jacobsen: I had one draft made of this bill early in this session; I talked it over with the clubs at Lake Tahoe; McDonald drafted the bill and we didn't like it; we sent to Denver to the bond council to see if everything was legal, etc. This is one of the reasons why it came back to us so late and was introduced so late. It puts the jurisdiction to the county commissioners to run the recreation and airport commission. When we have a regular recreation program set up, this could come under it. The clubs have put a lot of money into the South Tahoe Airport, but there are a number of times in the winter when it cannot be utilized. There are no restrictions at our airport as far as restrictions and buildings and residential areas being adjacent. There was some talk of making it a jet port but there was objection to this. This would not raise this kind of revenue to go into that kind of operation. It would be a real asset to Douglas County. Douglas County has been very fortunate in the past in trying to solve their own problems. There has been some legislation introduced to try to siphon off room tax fund for universities etc. We are surrounded by counties that have a room tax. We do not feel that it would hurt the gambling business at Lake Tahoe.

It was asked how much a penny would raise in the county. \$18,000. One penny on ad valorem would raise approximately \$30,000. The airport in Douglas County has a 7500 foot runway; Carson City is around 5,000 feet.

SB-262

Pozzi: I am here asking for reconsideration on the farm implement bill. In talking with many of you, I found that the reason for not going ahead with this bill was that there was another piece of legislation; this legislation has little or no chance of getting out of committee in the Senate. I don't think there is any further evidence I can give you. This is not going to affect many dealers in the state. The banks already have much control over how much inventory you can have. Also, if the other piece of legislation did pass the Senate, and it would have to pass the next session of the Legislature and the nearest relief would be 1973.

It was questioned about the dividing line between farm implement dealers and construction. Farmers equipment is very movable and is transferrable rapidly; construction dealers do not move their equipment around. Farm machinery moves around between the dealers because we don't own them. If the machinery is moved, the taxes are paid and there is no refund.

SB-398, AB-514 and AB-545.

Peckham: On AB-545, the assessors think that this bill is okay; however, I don't agree with them. I think that we should look at this bill from the standpoint of the taxpayer. First of all, when we define a camper, Section 1, subsection 1, ".....", so right away we are not assessing shells. Somebody can buy a shell and then make it livable. That is the first way somebody is going to escape.

He felt that he preferred SB-398 if that includes all campers.

In my opinion, the problem is mobile homes; I think they are motor vehicles.

As far as assessing mobile homes, the Tax Commission sets the method of taxing; they have not come up with a method of assessing mobile homes as realty yet.

It was pointed out that AB 545 was requested by the Tax Commission.

As far as campers are concerned, some people use campers only three or four times a year; why should they have to pay a penalty because he has not paid the taxes in July? If it were considered part of a motor vehicle, the individual, when he decided he was going to use it, would have to go to the Motor Vehicle Department and get a plate and then pay the tax. He would sign an affidavit of use just as to the penalty. The taxpayer would pay a year's taxes on

privilege tax; the penalty, if he didn't use anywhere and kept on lot. he wouldn't have to pay a penalty. He wouldn't have to pay a penalty for the time that he did not have it licensed.

There was discussion on the various ways to assess the taxes. Under the present law if a camper is part of a truck, it is weighed with the truck and assessed on that basis. All of the large campers would fall in this category. A flat fee was suggested.

On AB-514, this is a good law because we are not putting people into business; government is not putting people into business; without this law we are giving free taxes. This law is being tested in Nye County. They're asking me for all of the educational institutions that they own in Washoe County.

It was suggested that if Section 2 were eliminated there wouldn't be a conflict and that by adding Section 7 from AB 545 and changing line 24, page 3 to "and/or" rather than "and" or making it two sections.

Mr. Peckham said that on 514, if they had to check each trailer park each month it would be a problem; suggested quarterly would be better.

What we are doing now is going out and checking the trailer courts; we have a plat of the court and each trailer designated and if there is a different trailer in this spot we send them a declaration and they report back. We can then send them a bill and then you find out from the declaration that they have been here since July; you assess them \$3.00 a month plus the tax assessment on it. If he says he didn't get a bill and moved out of one court into another. If it is a good sized bill plus the penalty, you find out pretty fast where he is. By checking the courts if the only way that we find these people.

Meeting adjourned.