ASSEMBLY BILL NO. 398—ASSEMBLYMAN FUMO

MARCH 20, 2017

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Referred to Committee on Taxation

SUMMARY—Temporarily exempts retail sales of electric vehicles from certain sales and use taxes. (BDR 32-719)

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

AN ACT relating to taxes on retail sales; providing a temporary exemption from the Local School Support Tax and certain analogous taxes on retail sales of electric vehicles; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

This bill amends the Local School Support Tax Law to exempt certain electric vehicles from all but two percent of the taxes on retail sales. This tax exemption becomes effective on October 1, 2017, and expires by limitation on September 30, 2019. Any amendment to the Local School Support Tax Law also applies to other sales and use taxes imposed under existing law. (NRS 244A.755, 354.705, 374A.020, 376A.060, 377.040, 377A.030, 377B.110, 377C.100, 387.3326; various special and local acts)

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

Section 1. Chapter 374 of NRS is hereby amended by adding thereto a new section to read as follows:

1. There are exempted from the taxes imposed by this chapter the gross receipts from sales and storage, use or other consumption of electric vehicles.

2. As used in this section, “electric vehicle” means a motor vehicle, including, without limitation, a plug-in-electric hybrid motor vehicle that:

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EXPLANATION – Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.
(a) Has a gross vehicle weight rating of less than 14,000 pounds; and

(b) Is propelled to a significant extent by an electric motor which draws electricity from a battery that:

   (1) Has a capacity of not less than 4 kilowatt hours; and
   
   (2) Is capable of being recharged from an external source of electricity.

Sec. 2. NRS 374.265 is hereby amended to read as follows:

374.265 “Exempted from the taxes imposed by this chapter,” as used in NRS 374.265 to 374.355, inclusive, and section 1 of this act means exempted from the computation of the amount of taxes imposed.

Sec. 3. This act becomes effective on October 1, 2017, and expires by limitation on September 30, 2019.