

ASSEMBLY BILL NO. 398—ASSEMBLYMAN FUMO

MARCH 20, 2017

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.

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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 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:**

- 1 This bill amends the Local School Support Tax Law to exempt certain electric
- 2 vehicles from all but two percent of the taxes on retail sales. This tax exemption
- 3 becomes effective on October 1, 2017, and expires by limitation on September 30,
- 4 2019.
- 5 Any amendment to the Local School Support Tax Law also applies to other
- 6 sales and use taxes imposed under existing law. (NRS 244A.755, 354.705,
- 7 374A.020, 376A.060, 377.040, 377A.030, 377B.110, 377C.100, 387.3326; various
- 8 special and local acts)

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

- 1 **Section 1.** Chapter 374 of NRS is hereby amended by adding
- 2 thereto a new section to read as follows:
- 3 *1. There are exempted from the taxes imposed by this chapter*
- 4 *the gross receipts from sales and storage, use or other*
- 5 *consumption of electric vehicles.*
- 6 *2. As used in this section, “electric vehicle” means a motor*
- 7 *vehicle, including, without limitation, a plug-in-electric hybrid*
- 8 *motor vehicle that:*



\* A B 3 9 8 \*

1       (a) *Has a gross vehicle weight rating of less than 14,000*  
2 *pounds; and*

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

5           (1) *Has a capacity of not less than 4 kilowatt hours; and*

6           (2) *Is capable of being recharged from an external source*  
7 *of electricity.*

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

9       374.265 “Exempted from the taxes imposed by this chapter,”  
10 as used in NRS 374.265 to 374.355, inclusive, *and section 1 of this*  
11 *act* means exempted from the computation of the amount of taxes  
12 imposed.

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

