

Amendment No. 411

Assembly Amendment to Assembly Bill No. 73	(BDR 32-461)
Proposed by: Assembly Committee on Taxation	
Amends: Summary: Yes Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

Adoption of this amendment will REMOVE the 2/3s majority vote requirement from A.B. 73.

ASSEMBLY ACTION	Initial and Date	SENATE ACTION	Initial and Date
Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>	Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>
Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>	Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>
Receded <input type="checkbox"/>	Not <input type="checkbox"/>	Receded <input type="checkbox"/>	Not <input type="checkbox"/>

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

IK/EGO



Date: 4/21/2019

A.B. No. 73—Provides for additional sources of funding for services and affordable housing for persons who are homeless or indigent.
(BDR 32-461)



ASSEMBLY BILL NO. 73—COMMITTEE ON TAXATION

(ON BEHALF OF THE CITY OF LAS VEGAS)

PREFILED NOVEMBER 20, 2018

Referred to Committee on Taxation

SUMMARY—Provides for ~~[additional sources of funding for services and affordable housing for persons who are homeless or indigent.]~~ the creation of a temporary working group in Clark County to address issues relating to homelessness. (BDR ~~[32 461]~~ S-461)

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.

1 AN ACT relating to ~~[indigent]~~ homeless persons; ~~[imposing an additional tax on~~
2 ~~the transfer of real property in certain larger counties to provide funding for~~
3 ~~services and affordable housing for persons who are homeless or indigent in the~~
4 ~~county; authorizing the governing body of an incorporated city to impose an annual~~
5 ~~surcharge on users of the sewer service of the incorporated city to provide funding~~
6 ~~for support services and affordable housing for persons who are homeless or~~
7 ~~indigent in the incorporated city;]~~ providing for the creation of a temporary
8 working group in Clark County to address issues relating to homelessness;
9 requiring the working group to prepare and submit a report of its
10 recommendations to address issues relating to homelessness; and providing
11 other matters properly relating thereto.
12

Legislative Counsel’s Digest:

13 ~~[—Existing law provides for the imposition of taxes on certain transfers of real property.~~
14 ~~(Chapter 375 of NRS) Section 1 of this bill imposes such a tax at the rate of 25 cents for each~~
15 ~~\$500 of value in each county whose population is 700,000 or more (currently Clark County).~~
16 ~~Under section 1, the county and cities within the county are required to use the proceeds of the~~
17 ~~tax to provide services or affordable housing to persons who are homeless or indigent in the~~
18 ~~county. Sections 2, 3 and 5-7 of this bill provide that the tax imposed by section 1 is~~
19 ~~administered in the same manner as all other taxes imposed by existing law or transfers of real~~
20 ~~property and that the exemptions from those taxes also apply to a tax imposed pursuant to~~
21 ~~section 1.~~

22 ~~—Section 4 of this bill authorizes the governing body of an incorporated city to impose an~~
23 ~~annual surcharge on users of the sewer service of the incorporated city in an amount not to~~
24 ~~exceed \$25 multiplied by the “equivalent residential unit” calculated for the user by the~~
25 ~~incorporated city. Under section 4, the incorporated city is required to account separately for~~
26 ~~the proceeds of the surcharge and use those proceeds to provide services for persons who are~~
27 ~~homeless or indigent within the incorporated city. Section 4 defines “equivalent residential~~

28 unit” to mean the average amount of wastewater discharged by a class of users of the city’s
 29 sewer service divided by the average amount of wastewater discharged by a single family
 30 dwelling.]

31 This bill requires the Board of County Commissioners of Clark County and the
 32 governing bodies of each city in Clark County to create a working group to: (1) consider
 33 methods to reduce homelessness in Clark County; and (2) identify sources of funding for
 34 programs created to reduce homelessness in Clark County. This bill requires the
 35 working group to prepare and submit a report to the Board and governing bodies on or
 36 before October 1, 2020, which sets forth: (1) recommendations on methods to reduce
 37 homelessness in Clark County; and (2) sources of funding to implement the
 38 recommendations made in the report. Additionally, this bill requires the Board and
 39 governing bodies to hold a public hearing on the report and set forth the reason for
 40 rejecting a recommendation in the report on the record at the public hearing.

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

1 **Section 1.** [~~Chapter 375 of NRS is hereby amended by adding thereto a new~~
 2 ~~section to read as follows:~~

3 ~~1. In addition to all other taxes imposed on transfers of real property, a tax,~~
 4 ~~at the rate of 25 cents for each \$500 of value or fraction thereof, is hereby~~
 5 ~~imposed in each county whose population is 700,000 or more on each deed by~~
 6 ~~which any lands, tenements or other realty is granted, assigned, transferred or~~
 7 ~~otherwise conveyed to, or vested in, another person, or land sale installment~~
 8 ~~contract, if the consideration or value of the interest or property conveyed~~
 9 ~~exceeds \$100.~~

10 ~~2. The amount of the tax must be computed on the basis of the value of the~~
 11 ~~real property that is the subject of the transfer or land sale installment contract as~~
 12 ~~declared pursuant to NRS 375.060.~~

13 ~~3. The county recorder shall collect the tax in the manner provided in NRS~~
 14 ~~375.030, except that he or she shall transmit all the proceeds from the tax~~
 15 ~~imposed pursuant to this section to the Local Government Tax Distribution~~
 16 ~~Account created by NRS 360.660, for credit to the account of the county in which~~
 17 ~~the tax is imposed.~~

18 ~~4. The proceeds received by the county and each city pursuant to subsection~~
 19 ~~3 must be used by the county or city to provide services or affordable housing to~~
 20 ~~homeless or indigent persons within the county or city, as applicable.] (Deleted~~
 21 ~~by amendment.)~~

22 **Sec. 2.** [~~NRS 375.030 is hereby amended to read as follows:~~

23 ~~375.030 1. If any deed evidencing a transfer of title or land sale installment~~
 24 ~~contract subject to the tax imposed by NRS 375.020 and 375.023 and, if applicable,~~
 25 ~~NRS 375.026 and section 1 of this act is offered for recordation, the county~~
 26 ~~recorder shall compute the amount of the tax due and shall collect that amount~~
 27 ~~before acceptance of the deed for recordation.~~

28 ~~2. The buyer and seller are jointly and severally liable for the payment of the~~
 29 ~~taxes imposed by NRS 375.020, 375.023 and 375.026 and section 1 of this act and~~
 30 ~~any penalties and interest imposed pursuant to subsection 3. The escrow holder is~~
 31 ~~not liable for the payment of the taxes imposed by NRS 375.020, 375.023 and~~
 32 ~~375.026 and section 1 of this act or any penalties or interest imposed pursuant to~~
 33 ~~subsection 3.~~

34 ~~3. If, after recordation of the deed or land sale installment contract, the county~~
 35 ~~recorder disallows an exemption that was claimed at the time the deed was recorded~~

1 or through audit or otherwise determines that an additional amount of tax is due, the
2 county recorder shall promptly notify the person who requested the recording of the
3 deed or land sale installment contract and the buyer and seller of the additional
4 amount of tax due. If the additional amount of tax is not paid within 30 days after
5 the date the buyer and seller are notified, the county recorder shall impose a penalty
6 of 10 percent of the additional amount due in addition to interest at the rate of 1
7 percent per month, or portion thereof, of the additional amount due calculated from
8 the date of the original recordation of the deed or land sale installment contract on
9 which the additional amount is due through the date on which the additional
10 amount due, penalty and interest are paid to the county recorder.

11 ~~4. This section does not prohibit a buyer and seller from agreeing by contract~~
12 ~~or otherwise that one party or the other will be responsible for the payment of the~~
13 ~~tax due pursuant to this chapter, but such an agreement does not affect the ability of~~
14 ~~the county recorder to collect the tax and any penalties and interest from either the~~
15 ~~buyer or the seller.] (Deleted by amendment.)~~

16 **Sec. 3.** ~~[NRS 375.090 is hereby amended to read as follows:~~

17 ~~375.090 The taxes imposed by NRS 375.020, 375.023 and 375.026 and~~
18 ~~section 1 of this act do not apply to:~~

19 ~~1. A mere change in identity, form or place of organization, such as a transfer~~
20 ~~between a business entity and its parent, its subsidiary or an affiliated business~~
21 ~~entity if the affiliated business entity has identical common ownership.~~

22 ~~2. A transfer of title to the United States, any territory or state or any agency,~~
23 ~~department, instrumentality or political subdivision thereof.~~

24 ~~3. A transfer of title recognizing the true status of ownership of the real~~
25 ~~property, including, without limitation, a transfer by an instrument in writing~~
26 ~~pursuant to the terms of a land sale installment contract previously recorded and~~
27 ~~upon which the taxes imposed by this chapter have been paid.~~

28 ~~4. A transfer of title without consideration from one joint tenant or tenant in~~
29 ~~common to one or more remaining joint tenants or tenants in common.~~

30 ~~5. A transfer, assignment or other conveyance of real property if the owner of~~
31 ~~the property is related to the person to whom it is conveyed within the first degree~~
32 ~~of lineal consanguinity or affinity.~~

33 ~~6. A transfer of title between former spouses in compliance with a decree of~~
34 ~~divorce.~~

35 ~~7. A transfer of title to or from a trust without consideration if a certificate of~~
36 ~~trust is presented at the time of transfer.~~

37 ~~8. Transfers, assignments or conveyances of unpatented mines or mining~~
38 ~~claims.~~

39 ~~9. A transfer, assignment or other conveyance of real property to a~~
40 ~~corporation or other business organization if the person conveying the property~~
41 ~~owns 100 percent of the corporation or organization to which the conveyance is~~
42 ~~made.~~

43 ~~10. A conveyance of real property by deed which becomes effective upon the~~
44 ~~death of the grantor pursuant to NRS 111.655 to 111.699, inclusive.~~

45 ~~11. The making, delivery or filing of conveyances of real property to make~~
46 ~~effective any plan of reorganization or adjustment.~~

47 ~~(a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C. §§ 101 et~~
48 ~~seq.;~~

49 ~~(b) Approved in an equity receivership proceeding involving a railroad, as~~
50 ~~defined in the Bankruptcy Act; or~~

51 ~~(c) Approved in an equity receivership proceeding involving a corporation, as~~
52 ~~defined in the Bankruptcy Act.~~

~~if the making, delivery or filing of instruments of transfer or conveyance occurs within 5 years after the date of the confirmation, approval or change.~~

~~12. A transfer to an educational foundation. As used in this subsection, "educational foundation" has the meaning ascribed to it in subsection 3 of NRS 388.750.~~

~~13. A transfer to a university foundation. As used in this subsection, "university foundation" has the meaning ascribed to it in subsection 3 of NRS 396.405.~~

~~14. A transfer to a library foundation. As used in this subsection, "library foundation" has the meaning ascribed to it in NRS 379.0056.] (Deleted by amendment.)~~

~~Sec. 4. [Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. The governing body of an incorporated city may impose, and provide for the collection and enforcement of, an annual surcharge on each user of the sanitary sewer system of the incorporated city in an amount not to exceed \$25 multiplied by the equivalent residential unit calculated for the class of user in which the user is placed by the incorporated city.~~

~~2. An annual surcharge imposed pursuant to this section is in addition to any sewer service fees or sewer connection fees, and any other surcharge on the use of the sanitary sewer system of the incorporated city, imposed on the users of the sanitary sewer system of the incorporated city.~~

~~3. The proceeds of an annual surcharge imposed pursuant to this section must be accounted for separately in the general fund of the incorporated city and used by the incorporated city to provide services or affordable housing to homeless or indigent persons in the incorporated city.~~

~~4. As used in this section, "equivalent residential unit" means a fraction, the numerator of which is the average amount of wastewater discharged by the class of customer in which the user of sewer services is placed by the incorporated city and the denominator of which is the average amount of wastewater discharged by a single family dwelling, as determined by the incorporated city.] (Deleted by amendment.)~~

~~Sec. 5. [NRS 379.1495 is hereby amended to read as follows:~~

~~379.1495 1. A library foundation:~~

~~(a) Shall comply with the provisions of chapter 241 of NRS;~~

~~(b) Except as otherwise provided in subsection 2, shall make its records public and open to inspection pursuant to NRS 239.010;~~

~~(c) Is exempt from the taxes imposed by NRS 375.020, 375.023 and 375.026 and section 1 of this act pursuant to subsection 14 of NRS 375.090; and~~

~~(d) May allow a trustee or the executive director or other head administrator, or a designee thereof, of the library which it supports to serve as a member of its governing body.~~

~~2. A library foundation is not required to disclose the name of any contributor or potential contributor to the library foundation, the amount of his or her contribution or any information which may reveal or lead to the discovery of his or her identity. The library foundation shall, upon request, allow a contributor to examine, during regular business hours, any record, document or other information of the library foundation relating to that contributor.] (Deleted by amendment.)~~

~~Sec. 6. [NRS 388.750 is hereby amended to read as follows:~~

~~388.750 1. An educational foundation:~~

~~(a) Shall comply with the provisions of chapter 241 of NRS;~~

~~(b) Except as otherwise provided in subsection 2, shall make its records public and open to inspection pursuant to NRS 239.010; and~~

~~(c) Is exempt from the taxes imposed by NRS 375.020, 375.023 and 375.026 and section 1 of this act pursuant to subsection 12 of NRS 375.090.~~

~~2. An educational foundation is not required to disclose the names of the contributors to the foundation or the amount of their contributions. The educational foundation shall, upon request, allow a contributor to examine, during regular business hours, any record, document or other information of the foundation relating to that contributor.~~

~~3. As used in this section, "educational foundation" means a nonprofit corporation, association or institution or a charitable organization that is:~~

~~(a) Organized and operated exclusively for the purpose of supporting one or more kindergartens, elementary schools, junior high or middle schools or high schools, or any combination thereof;~~

~~(b) Formed pursuant to the laws of this State; and~~

~~(c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).] (Deleted by amendment.)~~

Sec. 7. ~~NRS 396.405 is hereby amended to read as follows:~~

~~396.405 1. A university foundation:~~

~~(a) Shall comply with the provisions of chapter 241 of NRS;~~

~~(b) Except as otherwise provided in subsection 2, shall make its records public and open to inspection pursuant to NRS 239.010;~~

~~(c) Is exempt from the taxes imposed by NRS 375.020, 375.023 and 375.026 and section 1 of this act pursuant to subsection 13 of NRS 375.090; and~~

~~(d) May allow a president or an administrator of the university, state college or community college which it supports to serve as a member of its governing body.~~

~~2. A university foundation is not required to disclose the name of any contributor or potential contributor to the university foundation, the amount of his or her contribution or any information which may reveal or lead to the discovery of his or her identity. The university foundation shall, upon request, allow a contributor to examine, during regular business hours, any record, document or other information of the foundation relating to that contributor.~~

~~3. As used in this section, "university foundation" means a nonprofit corporation, association or institution or a charitable organization that is:~~

~~(a) Organized and operated primarily for the purpose of fundraising in support of a university, state college or a community college;~~

~~(b) Formed pursuant to the laws of this State; and~~

~~(c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).] (Deleted by amendment.)~~

Sec. 7.5. 1. The Legislature hereby finds and declares that:

(a) There is an urgent need to reduce homelessness in this State.

(b) The issue of homelessness is not isolated to a particular area but is a regional issue.

(c) It is in the best interest of the residents of this State for counties and cities to work together in a shared and cooperative way to develop strategies for identifying sources of funding to reduce homelessness.

(d) The issue of homelessness is particularly acute in Clark County, the most populous county in this State.

2. On or before October 1, 2019, the Board of County Commissioners of Clark County and the governing body of each city in Clark County shall create a working group to work in conjunction with the Continuum of Care Program of the United States Department of Housing and Urban Development to:

(a) Consider methods to reduce homelessness in Clark County; and

1 (b) Identify sources of funding for programs created to reduce
2 homelessness in Clark County.

3 3. The working group created pursuant to subsection 2 must be
4 composed of members appointed by the Board of County Commissioners of
5 Clark County and the governing body of each city in Clark County, which
6 must include, without limitation, members who are representatives of groups
7 who work on issues involving homelessness.

8 4. The members of the working group appointed pursuant to subsection
9 3 serve without compensation.

10 5. On or before October 1, 2020, the working group created pursuant to
11 subsection 2 shall prepare and submit a report to the Board of County
12 Commissioners of Clark County and the governing body of each city in Clark
13 County which must include recommendations on:

14 (a) Methods to reduce homelessness in Clark County; and

15 (b) Sources of funding to implement the methods identified in the report.

16 6. The Board of County Commissioners and each governing body of a
17 city that receives a report pursuant to subsection 5 shall hold a public hearing
18 on the report and may accept, modify or reject each recommendation provided
19 in the report. If the Board or governing body rejects a recommendation in the
20 report, the Board or governing body shall set forth the reason for rejecting the
21 recommendation on the record during the public hearing.

22 Sec. 8. ~~[1.]~~ This ~~[section and section 4 of this]~~ act ~~[become]~~ becomes
23 effective upon passage and approval.

24 ~~[2. Sections 1, 2, 3, 5, 6 and 7 of this act become effective upon passage and~~
25 ~~approval for the purpose of adopting regulations and performing any other~~
26 ~~administrative tasks that are necessary to carry out the provisions of this act and on~~
27 ~~October 1, 2019, for all other purposes.]~~