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SENATE BILL NO. 428—SENATORS FLORES, NEAL; DONATE,  
DONDERO LOOP, D. HARRIS, OHRENSCHALL, PAZINA AND  
SCHEIBLE

MARCH 27, 2023

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JOINT SPONSORS: ASSEMBLYMEN D’SILVA, TORRES, GONZÁLEZ;  
ANDERSON, BROWN-MAY, DICKMAN, GURR, C.H. MILLER,  
ORENTLICHER, PETERS, TAYLOR AND YUREK

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Referred to Committee on Revenue and  
Economic Development

SUMMARY—Proposes to exempt sales of diapers from sales and  
use taxes and analogous taxes upon approval by the  
voters. (BDR 32-1033)

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.

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AN ACT relating to taxes on retail sales; providing for the  
submission to the voters of the question whether the Sales  
and Use Tax Act of 1955 should be amended to provide  
an exemption from the tax for child and adult diapers;  
providing for the exemptions from certain analogous  
taxes if the voters approve this amendment to the Sales  
and Use Tax Act of 1955; and providing other matters  
properly relating thereto.

**Legislative Counsel’s Digest:**

- 1 The nonadministrative provisions of the Sales and Use Tax Act of 1955 (part of
- 2 chapter 372 of NRS) were approved by the voters by a referendum and therefore
- 3 cannot be amended, annulled, repealed, set aside, suspended or in any way made
- 4 inoperative except by the direct vote of the people. (Nev. Const. Art. 19, § 1)
- 5 **Sections 2-9** of this bill require the submission of a question to the voters at the
- 6 2024 General Election of whether the Sales and Use Tax Act of 1955 should be
- 7 amended to provide an exemption for diapers. **Section 10** of this bill construes the
- 8 term “diaper” for the purposes of the exemption to include all types of child and
- 9 adult diapers. **Sections 11 and 12** of this bill amend the Local School Support Tax



10 Law to provide an identical exemption. This tax exemption becomes effective of  
11 January 1, 2025, and expires by limitation on December 31, 2050, only if the voters  
12 approve the amendment to the Sales and Use Tax Act of 1955 at the General  
13 Election in 2024.

14 Any amendment to the Local School Support Tax Law, including exemptions,  
15 also applies to other sales and use taxes imposed under existing law. (NRS 354.705,  
16 374A.020, 376A.060, 377.040, 377A.030, 377B.110, 543.600 and various special  
17 and local acts) Therefore, if the voters approve the exemption of diapers proposed  
18 by this bill, from January 1, 2025, through December 31, 2050, diapers will be  
19 exempt from all sales and use taxes currently contemplated under existing law.

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

1 **Section 1.** The Legislature hereby finds that each exemption  
2 provided by this act from any excise tax on the sale, storage, use or  
3 consumption of tangible personal property sold at retail:

4 1. Will achieve a bona fide social or economic purpose and that  
5 the benefits of the exemption are expected to exceed any adverse  
6 effect of the exemption on the provision of services to the public by  
7 the State or a local government that would otherwise receive  
8 revenue from the tax from which the exemption would be granted;  
9 and

10 2. Will not impair adversely the ability of the State or a local  
11 government to pay, when due, all interest and principal on any  
12 outstanding bonds or any other obligations for which revenue from  
13 the tax from which the exemption would be granted was pledged.

14 **Sec. 2.** At the General Election on November 5, 2024, a  
15 proposal must be submitted to the registered voters of this State to  
16 amend the Sales and Use Tax Act, which was enacted by the 47th  
17 Session of the Legislature of the State of Nevada and approved by  
18 the Governor in 1955, and subsequently approved by the people of  
19 this State at the General Election held on November 6, 1956.

20 **Sec. 3.** At the time and in the manner provided by law, the  
21 Secretary of State shall transmit the proposed act to the several  
22 county clerks, and the county clerks shall cause it to be published  
23 and posted as provided by law.

24 **Sec. 4.** The proclamation and notice to the voters given by the  
25 county clerks pursuant to law must be in substantially the following  
26 form:

27 Notice is hereby given that at the General Election on  
28 November 5, 2024, a question will appear on the ballot for the  
29 adoption or rejection by the registered voters of the State of the  
30 following proposed act:

31 AN ACT to amend an Act entitled "An Act to provide  
32 revenue for the State of Nevada; providing for sales



1 and use taxes; providing for the manner of collection;  
2 defining certain terms; providing penalties for  
3 violation, and other matters properly relating thereto.”  
4 approved March 29, 1955, as amended.  
5

6 THE PEOPLE OF THE STATE OF NEVADA  
7 DO ENACT AS FOLLOWS:  
8

9 Section 1. Section 56.1 of the above-entitled Act, being  
10 chapter 397, Statutes of Nevada 1955, as added by chapter  
11 306, Statutes of Nevada 1969, at page 532, and amended by  
12 chapter 627, Statutes of Nevada 1985, at page 2028, and  
13 amended by chapter 404, Statutes of Nevada 1995, at page  
14 1007, and amended by chapter 389, Statutes of Nevada 2017,  
15 at page 2540, is hereby amended to read as follows:

16 Sec. 56.1. 1. There are exempted from the taxes  
17 imposed by this act the gross receipts from sales and the  
18 storage, use or other consumption of:

19 (a) Prosthetic devices, orthotic appliances and  
20 ambulatory casts for human use, and other supports and  
21 casts if prescribed or applied by a licensed provider of  
22 health care, within his scope of practice, for human use.

23 (b) Appliances and supplies relating to an ostomy.

24 (c) Products for hemodialysis.

25 (d) Medicines:

26 (1) Prescribed for the treatment of a human being  
27 by a person authorized to prescribe medicines, and  
28 dispensed on a prescription filled by a registered  
29 pharmacist in accordance with law;

30 (2) Furnished by a licensed physician, dentist or  
31 podiatric physician to his own patient for the treatment of  
32 the patient;

33 (3) Furnished by a hospital for treatment of any  
34 person pursuant to the order of a licensed physician,  
35 dentist or podiatric physician; or

36 (4) Sold to a licensed physician, dentist, podiatric  
37 physician or hospital for the treatment of a human being.

38 (e) Feminine hygiene products.

39 (f) *Diapers.*

40 2. As used in this section:

41 (a) “Medicine” means any substance or preparation  
42 intended for use by external or internal application to the  
43 human body in the diagnosis, cure, mitigation, treatment  
44 or prevention of disease or affliction of the human body  
45 and which is commonly recognized as a substance or



1 preparation intended for such use. The term includes  
2 splints, bandages, pads, compresses and dressings.

3 (b) "Medicine" does not include:

4 (1) Any auditory, ophthalmic or ocular device or  
5 appliance.

6 (2) Articles which are in the nature of instruments,  
7 crutches, canes, devices or other mechanical, electronic,  
8 optical or physical equipment.

9 (3) Any alcoholic beverage, except where the  
10 alcohol merely provides a solution in the ordinary  
11 preparation of a medicine.

12 (4) Braces or supports, other than those prescribed  
13 or applied by a licensed provider of health care, within his  
14 scope of practice, for human use.

15 3. Insulin furnished by a registered pharmacist to a  
16 person for treatment of diabetes as directed by a physician  
17 shall be deemed to be dispensed on a prescription within  
18 the meaning of this section.

19 Sec. 2. This act becomes effective on January 1, 2025,  
20 and expires by limitation on December 31, 2050.

21 **Sec. 5.** The ballot page assemblies and the paper ballots to be  
22 used in voting on the question must present the question in  
23 substantially the following form:

24 Shall the Sales and Use Tax Act of 1955 be amended to  
25 provide an exemption from the taxes imposed by this Act on  
26 the gross receipts from the sale and the storage, use or other  
27 consumption of diapers?

28  
29 Yes  No

30 **Sec. 6.** The explanation of the question which must appear on  
31 each paper ballot and sample ballot and in every publication and  
32 posting of notice of the question must be in substantially the  
33 following form:

34  
35 (Explanation of Question)

36 The proposed amendment to the Sales and Use Tax Act of  
37 1955 would exempt from the taxes imposed by this Act the  
38 gross receipts from the sale and storage, use or other  
39 consumption of diapers.

40 If this proposal is adopted, the Legislature has provided  
41 that the Local School Support Tax Law and certain analogous  
42 taxes on retail sales will be amended to provide the same  
43 exemptions.

44 **Sec. 7.** If a majority of the votes cast on the question is yes,  
45 the amendment to the Sales and Use Tax Act of 1955 becomes



1 effective on January 1, 2025, and expires by limitation on  
2 December 31, 2050. If less than a majority of votes cast on the  
3 question is yes, the question fails and the amendment to the Sales  
4 and Use Tax Act of 1955 does not become effective.

5 **Sec. 8.** All general election laws not inconsistent with this act  
6 are applicable.

7 **Sec. 9.** Any informalities, omissions or defects in the content  
8 or making of the publications, proclamations or notices provided for  
9 in this act and by the general election laws under which this election  
10 is held must be so construed as not to invalidate the adoption of the  
11 act by a majority of the registered voters voting on the question if it  
12 can be ascertained with reasonable certainty from the official returns  
13 transmitted to the Office of the Secretary of State whether the  
14 proposed amendment was adopted by a majority of those registered  
15 voters.

16 **Sec. 10.** Chapter 372 of NRS is hereby amended by adding  
17 thereto a new section to read as follows:

18 *In administering the provisions of section 56.1 of chapter 397,*  
19 *Statutes of Nevada 1955, which is included in NRS as NRS*  
20 *372.283, the Department shall construe the term "diaper" to mean*  
21 *any type of diaper intended for use by a child or an adult,*  
22 *including, without limitation, a disposable diaper.*

23 **Sec. 11.** Chapter 374 of NRS is hereby amended by adding  
24 thereto a new section to read as follows:

25 *In administering the provisions of NRS 374.287, the*  
26 *Department shall construe the term "diaper" to mean any type of*  
27 *diaper intended for use by a child or an adult, including, without*  
28 *limitation, a disposable diaper.*

29 **Sec. 12.** NRS 374.287 is hereby amended to read as follows:

30 374.287 1. There are exempted from the taxes imposed by  
31 this chapter the gross receipts from sales and the storage, use or  
32 other consumption of:

33 (a) Prosthetic devices, orthotic appliances and ambulatory casts  
34 for human use, and other supports and casts if prescribed or applied  
35 by a licensed provider of health care, within his or her scope of  
36 practice, for human use.

37 (b) Appliances and supplies relating to an ostomy.

38 (c) Products for hemodialysis.

39 (d) Medicines:

40 (1) Prescribed for the treatment of a human being by a person  
41 authorized to prescribe medicines, and dispensed on a prescription  
42 filled by a registered pharmacist in accordance with law;

43 (2) Furnished by a licensed physician, dentist or podiatric  
44 physician to his or her own patient for the treatment of the patient;



1 (3) Furnished by a hospital for treatment of any person  
2 pursuant to the order of a licensed physician, dentist or podiatric  
3 physician; or

4 (4) Sold to a licensed physician, dentist, podiatric physician  
5 or hospital for the treatment of a human being.

6 (e) Feminine hygiene products.

7 (f) *Diapers.*

8 2. As used in this section:

9 (a) "Medicine" means any substance or preparation intended for  
10 use by external or internal application to the human body in the  
11 diagnosis, cure, mitigation, treatment or prevention of disease or  
12 affliction of the human body and which is commonly recognized as  
13 a substance or preparation intended for such use. The term includes  
14 splints, bandages, pads, compresses and dressings.

15 (b) "Medicine" does not include:

16 (1) Any auditory, ophthalmic or ocular device or appliance.

17 (2) Articles which are in the nature of instruments, crutches,  
18 canes, devices or other mechanical, electronic, optical or physical  
19 equipment.

20 (3) Any alcoholic beverage, except where the alcohol merely  
21 provides a solution in the ordinary preparation of a medicine.

22 (4) Braces or supports, other than those prescribed or applied  
23 by a licensed provider of health care, within his or her scope of  
24 practice, for human use.

25 3. Insulin furnished by a registered pharmacist to a person for  
26 treatment of diabetes as directed by a physician shall be deemed to  
27 be dispensed on a prescription within the meaning of this section.

28 **Sec. 13.** 1. This section and sections 1 to 9, inclusive, of this  
29 act become effective on October 1, 2023.

30 2. Sections 10, 11 and 12 of this act become effective on  
31 January 1, 2025, and expire by limitation on December 31, 2050,  
32 only if the proposal submitted pursuant to sections 2 to 9, inclusive,  
33 of this act is approved by the voters at the General Election on  
34 November 5, 2024.

