

ASSEMBLY BILL NO. 530—COMMITTEE
ON GROWTH AND INFRASTRUCTURE

MARCH 24, 2025

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to the imposition by certain counties of additional taxes on fuels for motor vehicles. (BDR 32-783)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

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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 taxation; revising provisions governing the effectuation of additional annual increases in certain taxes imposed on fuels for motor vehicles in certain larger counties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes counties to impose certain taxes on motor vehicle fuels
2 and special fuels used in motor vehicles. (Chapter 373 of NRS) Existing law
3 authorizes the board of county commissioners of a county whose population is
4 700,000 or more (currently only Clark County) to impose, upon approval by a two-
5 third majority of the members of the board, additional taxes on motor vehicle fuel
6 and various special fuels used in motor vehicles and to provide for annual increases
7 in those taxes based on a certain measure of increases in the cost of highway
8 and street construction. Existing law provides that, for the period beginning on
9 January 1, 2027, additional annual increases in these taxes may not be effectuated
10 unless a majority of the voters in the county at the general election in November
11 2026 authorize the board of county commissioners to continue to provide for the
12 annual increases. (NRS 373.0663)

13 Instead of requiring the approval of a majority of the voters in the county to
14 continue to provide for the annual increases on and after January 1, 2027, this bill
15 authorizes the continued imposition of additional increases in these taxes if the
16 board of county commissioners, on or before December 31, 2026, adopts an
17 ordinance approved by a two-thirds majority of the board authorizing the
18 effectuation of such annual increases. This bill provides that, if the board of county
19 commissioners does not adopt such an ordinance on or before December 31, 2026,
20 the board is prohibited from imposing any additional annual increases in these
21 taxes. This bill also provides that, for the period beginning on January 1, 2037,
22 additional annual increases in these taxes may not be effectuated unless a majority



23 of the voters in the county at the general election in November 2036 authorize the
24 board of county commissioners to continue to provide for the annual increases.

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

1 **Section 1.** NRS 373.0663 is hereby amended to read as
2 follows:

3 373.0663 1. Except as otherwise provided in this section, in a
4 county whose population is 700,000 or more and in which a
5 commission has been created and a tax is imposed pursuant to
6 NRS 373.030:

7 (a) The board may by ordinance impose:

8 (1) An excise tax on each gallon of motor vehicle fuel,
9 except aviation fuel, sold in the county in an amount equal to the
10 product obtained by multiplying 3.6 cents per gallon by the lesser of
11 the applicable percentage or the adjusted average highway and street
12 construction inflation index for the fiscal year in which the
13 ordinance becomes effective; and

14 (2) Except as otherwise provided in subsection 5, an annual
15 increase in the tax imposed pursuant to subparagraph (1), on the first
16 day of each fiscal year following the fiscal year in which that tax
17 becomes effective, in the amount determined by adding 3.6 cents
18 per gallon to the amount of the tax imposed pursuant to
19 subparagraph (1) during the immediately preceding fiscal year, then
20 multiplying that sum by the lesser of the applicable percentage or
21 the adjusted average highway and street construction inflation index
22 for the fiscal year in which the increase becomes effective.

23 (b) The board may by ordinance impose:

24 (1) An excise tax on each gallon of motor vehicle fuel,
25 except aviation fuel, sold in the county in an amount equal to the
26 product obtained by multiplying 1.75 cents per gallon by the lesser
27 of the applicable percentage or the adjusted average highway and
28 street construction inflation index for the fiscal year in which the
29 ordinance becomes effective; and

30 (2) Except as otherwise provided in subsection 5, an annual
31 increase in the tax imposed pursuant to subparagraph (1), on the first
32 day of each fiscal year following the fiscal year in which that tax
33 becomes effective, in the amount determined by adding 1.75 cents
34 per gallon to the amount of the tax imposed pursuant to
35 subparagraph (1) during the immediately preceding fiscal year, then
36 multiplying that sum by the lesser of the applicable percentage or
37 the adjusted average highway and street construction inflation index
38 for the fiscal year in which the increase becomes effective.

39 (c) The board may by ordinance impose:



1 (1) An excise tax on each gallon of motor vehicle fuel,
2 except aviation fuel, sold in the county in an amount equal to the
3 product obtained by multiplying 1 cent per gallon by the lesser of
4 the applicable percentage or the adjusted average highway and street
5 construction inflation index for the fiscal year in which the
6 ordinance becomes effective; and

7 (2) Except as otherwise provided in subsection 5, an annual
8 increase in the tax imposed pursuant to subparagraph (1), on the first
9 day of each fiscal year following the fiscal year in which that tax
10 becomes effective, in the amount determined by adding 1 cent per
11 gallon to the amount of the tax imposed pursuant to subparagraph
12 (1) during the immediately preceding fiscal year, then multiplying
13 that sum by the lesser of the applicable percentage or the adjusted
14 average highway and street construction inflation index for the fiscal
15 year in which the increase becomes effective.

16 (d) The board may by ordinance impose:

17 (1) An excise tax on each gallon of motor vehicle fuel,
18 except aviation fuel, sold in the county in an amount equal to the
19 product obtained by multiplying 9 cents per gallon by the lesser of
20 the applicable percentage or the adjusted average highway and street
21 construction inflation index for the fiscal year in which the
22 ordinance becomes effective; and

23 (2) Except as otherwise provided in subsection 5, an annual
24 increase in the tax imposed pursuant to subparagraph (1), on the first
25 day of each fiscal year following the fiscal year in which that tax
26 becomes effective, in the amount determined by adding 9 cents per
27 gallon to the amount of the tax imposed pursuant to subparagraph
28 (1) during the immediately preceding fiscal year, then multiplying
29 that sum by the lesser of the applicable percentage or the adjusted
30 average highway and street construction inflation index for the fiscal
31 year in which the increase becomes effective.

32 (e) The board may by ordinance impose:

33 (1) An excise tax on each gallon of motor vehicle fuel,
34 except aviation fuel, sold in the county in an amount equal to the
35 product obtained by multiplying 18.455 cents per gallon by the
36 lesser of the applicable percentage or the adjusted average highway
37 and street construction inflation index for the fiscal year in which
38 the ordinance becomes effective; and

39 (2) Except as otherwise provided in subsection 5, an annual
40 increase in the tax imposed pursuant to subparagraph (1), on the first
41 day of each fiscal year following the fiscal year in which that tax
42 becomes effective, in the amount determined by adding 18.455 cents
43 per gallon to the amount of the tax imposed pursuant to
44 subparagraph (1) during the immediately preceding fiscal year, then
45 multiplying that sum by the lesser of the applicable percentage or



1 the adjusted average highway and street construction inflation index
2 for the fiscal year in which the increase becomes effective.

3 (f) The board may by ordinance impose:

4 (1) An excise tax on each gallon of motor vehicle fuel,
5 except aviation fuel, sold in the county in an amount equal to the
6 product obtained by multiplying 18.4 cents per gallon by the lesser
7 of the applicable percentage or the adjusted average highway and
8 street construction inflation index for the fiscal year in which the
9 ordinance becomes effective; and

10 (2) Except as otherwise provided in subsection 5, an annual
11 increase in the tax imposed pursuant to subparagraph (1), on the first
12 day of each fiscal year following the fiscal year in which that tax
13 becomes effective, in the amount determined by adding 18.4 cents
14 per gallon to the amount of the tax imposed pursuant to
15 subparagraph (1) during the immediately preceding fiscal year, then
16 multiplying that sum by the lesser of the applicable percentage or
17 the adjusted average highway and street construction inflation index
18 for the fiscal year in which the increase becomes effective.

19 (g) The board may by ordinance impose:

20 (1) An excise tax on each gallon of special fuel that consists
21 of an emulsion of water-phased hydrocarbon fuel sold in the county
22 in an amount equal to the product obtained by multiplying 19 cents
23 per gallon by the lesser of the applicable percentage or the adjusted
24 average highway and street construction inflation index for the fiscal
25 year in which the ordinance becomes effective; and

26 (2) Except as otherwise provided in subsection 5, an annual
27 increase in the tax imposed pursuant to subparagraph (1), on the first
28 day of each fiscal year following the fiscal year in which that tax
29 becomes effective, in the amount determined by adding 19 cents per
30 gallon to the amount of the tax imposed pursuant to subparagraph
31 (1) during the immediately preceding fiscal year, then multiplying
32 that sum by the lesser of the applicable percentage or the adjusted
33 average highway and street construction inflation index for the fiscal
34 year in which the increase becomes effective.

35 (h) The board may by ordinance impose:

36 (1) An excise tax on each gallon of special fuel that consists
37 of liquefied petroleum gas sold in the county in an amount equal to
38 the product obtained by multiplying 22 cents per gallon by the lesser
39 of the applicable percentage or the adjusted average highway and
40 street construction inflation index for the fiscal year in which the
41 ordinance becomes effective; and

42 (2) Except as otherwise provided in subsection 5, an annual
43 increase in the tax imposed pursuant to subparagraph (1), on the first
44 day of each fiscal year following the fiscal year in which that tax
45 becomes effective, in the amount determined by adding 22 cents per



1 gallon to the amount of the tax imposed pursuant to subparagraph
2 (1) during the immediately preceding fiscal year, then multiplying
3 that sum by the lesser of the applicable percentage or the adjusted
4 average highway and street construction inflation index for the fiscal
5 year in which the increase becomes effective.

6 (i) The board may by ordinance impose:

7 (1) An excise tax on each gallon of special fuel that consists
8 of compressed natural gas sold in the county in an amount equal to
9 the product obtained by multiplying 21 cents per gallon by the lesser
10 of the applicable percentage or the adjusted average highway and
11 street construction inflation index for the fiscal year in which the
12 ordinance becomes effective; and

13 (2) Except as otherwise provided in subsection 5, an annual
14 increase in the tax imposed pursuant to subparagraph (1), on the first
15 day of each fiscal year following the fiscal year in which that tax
16 becomes effective, in the amount determined by adding 21 cents per
17 gallon to the amount of the tax imposed pursuant to subparagraph
18 (1) during the immediately preceding fiscal year, then multiplying
19 that sum by the lesser of the applicable percentage or the adjusted
20 average highway and street construction inflation index for the fiscal
21 year in which the increase becomes effective.

22 (j) The board may by ordinance impose:

23 (1) An excise tax on each gallon of special fuel sold in the
24 county, other than any special fuel described in paragraph (g), (h) or
25 (i), in an amount equal to the product obtained by multiplying 27.75
26 cents per gallon by the lesser of the applicable percentage or the
27 adjusted average highway and street construction inflation index for
28 the fiscal year in which the ordinance becomes effective; and

29 (2) Except as otherwise provided in subsection 5, an annual
30 increase in the tax imposed pursuant to subparagraph (1), on the first
31 day of each fiscal year following the fiscal year in which that tax
32 becomes effective, in the amount determined by adding 27.75 cents
33 per gallon to the amount of the tax imposed pursuant to
34 subparagraph (1) during the immediately preceding fiscal year, then
35 multiplying that sum by the lesser of the applicable percentage or
36 the adjusted average highway and street construction inflation index
37 for the fiscal year in which the increase becomes effective.

38 (k) The board may by ordinance impose:

39 (1) An excise tax on each gallon of special fuel that consists
40 of liquefied petroleum gas sold in the county in an amount equal to
41 the product obtained by multiplying 18.3 cents per gallon by the
42 lesser of the applicable percentage or the adjusted average highway
43 and street construction inflation index for the fiscal year in which
44 the ordinance becomes effective; and



1 (2) Except as otherwise provided in subsection 5, an annual
2 increase in the tax imposed pursuant to subparagraph (1), on the first
3 day of each fiscal year following the fiscal year in which that tax
4 becomes effective, in the amount determined by adding 18.3 cents
5 per gallon to the amount of the tax imposed pursuant to
6 subparagraph (1) during the immediately preceding fiscal year, then
7 multiplying that sum by the lesser of the applicable percentage or
8 the adjusted average highway and street construction inflation index
9 for the fiscal year in which the increase becomes effective.

10 (l) The board may by ordinance impose:

11 (1) An excise tax on each gallon of special fuel that consists
12 of compressed natural gas sold in the county in an amount equal to
13 the product obtained by multiplying 18.3 cents per gallon by the
14 lesser of the applicable percentage or the adjusted average highway
15 and street construction inflation index for the fiscal year in which
16 the ordinance becomes effective; and

17 (2) Except as otherwise provided in subsection 5, an annual
18 increase in the tax imposed pursuant to subparagraph (1), on the first
19 day of each fiscal year following the fiscal year in which that tax
20 becomes effective, in the amount determined by adding 18.3 cents
21 per gallon to the amount of the tax imposed pursuant to
22 subparagraph (1) during the immediately preceding fiscal year, then
23 multiplying that sum by the lesser of the applicable percentage or
24 the adjusted average highway and street construction inflation index
25 for the fiscal year in which the increase becomes effective.

26 (m) The board may by ordinance impose:

27 (1) An excise tax on each gallon of special fuel sold in the
28 county, other than any special fuel described in paragraph (k) or (l),
29 which is taxed by the Federal Government at a rate per gallon or
30 gallon equivalent of 24.4 cents or more, in an amount equal to the
31 product obtained by multiplying 24.4 cents per gallon by the lesser
32 of the applicable percentage or the adjusted average highway and
33 street construction inflation index for the fiscal year in which the
34 ordinance becomes effective; and

35 (2) Except as otherwise provided in subsection 5, an annual
36 increase in the tax imposed pursuant to subparagraph (1), on the first
37 day of each fiscal year following the fiscal year in which that tax
38 becomes effective, in the amount determined by adding 24.4 cents
39 per gallon to the amount of the tax imposed pursuant to
40 subparagraph (1) during the immediately preceding fiscal year, then
41 multiplying that sum by the lesser of the applicable percentage or
42 the adjusted average highway and street construction inflation index
43 for the fiscal year in which the increase becomes effective.

44 2. An ordinance authorized by this section must be approved
45 by a two-thirds majority of the members of the board. If the board



1 adopts an ordinance authorized by this section, the ordinance must
2 impose all of the taxes authorized by this section. Upon the adoption
3 of such an ordinance, and except as otherwise provided in
4 subsection 5, no further action by the board is necessary to
5 effectuate the annual increases in the taxes imposed by the
6 ordinance.

7 3. If the board adopts an ordinance imposing the taxes
8 authorized by this section, the ordinance:

9 (a) Must be adopted before October 1, 2013;

10 (b) Must become effective on January 1, 2014; and

11 (c) Is not affected by any changes in the population of the
12 county which occur after the adoption of the ordinance.

13 4. The applicable percentage specified by the board for the
14 taxes imposed pursuant to this section must be the same percentage
15 for each tax imposed pursuant to this section. Except as otherwise
16 provided in subsection 5, the board may amend the applicable
17 percentage by ordinance from time to time, but any such amendment
18 must not become effective earlier than 90 days after the date of the
19 adoption of the ordinance amending the applicable percentage.
20 Except as otherwise provided in subsection 4 of NRS 373.120, the
21 applicable percentage must not be amended to reduce the applicable
22 percentage at any time that bonds are outstanding which are secured
23 by the taxes imposed pursuant to this section.

24 5. Upon the adoption of an ordinance authorized by this
25 section:

26 (a) For the period beginning on January 1, 2014, and ending on
27 ~~December 31, 2016,~~ **March 31, 2026**, no further action by the
28 board is necessary to effectuate the annual increases in the taxes
29 imposed by the ordinance.

30 (b) For the period beginning on ~~January 1, 2017,~~ **April 1,**
31 **2027**, and ending on December 31, ~~2026,~~ **2036**, the annual
32 increases in the taxes authorized by this section and imposed by the
33 ordinance may not be effectuated unless ~~a question is placed on the~~
34 ~~ballot at the general election on November 8, 2016, which asks the~~
35 ~~voters in the county whether to authorize the board to impose, for~~
36 ~~the period beginning on January 1, 2017, the increases authorized by~~
37 ~~this section in the taxes imposed by the ordinance and the question~~
38 ~~is approved by a majority of the registered voters voting on the~~
39 ~~question. If the question is approved by a majority of such voters, no~~
40 ~~further action by the board is necessary to effectuate the annual~~
41 ~~increases in the taxes authorized by this section and imposed by the~~
42 ~~ordinance.~~, **on or before December 31, 2026, the board adopts an**
43 **ordinance approved by a two-thirds majority of the members of the**
44 **board authorizing the effectuation of the annual increases.** If ~~the~~
45 ~~question is not approved by a majority of such voters,~~ **such an**



1 *ordinance is not adopted by the board on or before December 31,*
2 *2026,* the board shall not impose any additional annual increases in
3 the taxes authorized by this section and imposed by the ordinance
4 after ~~[November 8, 2016.]~~ *December 31, 2026,* but any annual
5 increases in such taxes imposed by the ordinance on or before
6 ~~[November 8, 2016.]~~ *December 31, 2026,* are not affected,
7 amended, reduced or eliminated and must be continued for any
8 period during which bonds are outstanding that are secured by such
9 taxes imposed by the ordinance. *If the board adopts an ordinance*
10 *pursuant to this paragraph, the ordinance is not affected by any*
11 *changes in the population of the county which occur after the*
12 *adoption of the ordinance.*

13 (c) For the period beginning on January 1, ~~[2027, if the question~~
14 ~~placed on the ballot pursuant to paragraph (b) is approved by a~~
15 ~~majority of the registered voters in the county voting on the~~
16 ~~question.]~~ *2037,* the annual increases in the taxes authorized by this
17 section and imposed by the ordinance may be effectuated if
18 a question is placed on the ballot at the general election on
19 November ~~[3, 2026.]~~ *4, 2036,* which asks the voters in the county
20 whether to authorize the board to impose, for the period beginning
21 on January 1, ~~[2027.]~~ *2037,* the increases authorized by this section
22 in the taxes imposed by the ordinance and the question is approved
23 by a majority of the registered voters voting on the question. If the
24 question is approved at the general election on November ~~[3, 2026.]~~
25 *4, 2036,* by a majority of such voters, no further action by the board
26 is necessary to effectuate the annual increases in the taxes
27 authorized by this section and imposed by the ordinance. If the
28 question is not approved by a majority of such voters, the board
29 shall not impose any additional annual increases in the taxes
30 authorized by this section and imposed by the ordinance after
31 November ~~[3, 2026.]~~ *4, 2036,* but any annual increases in such taxes
32 imposed by the ordinance on or before November ~~[3, 2026.]~~ *4,*
33 *2036,* are not affected, amended, reduced or eliminated and must be
34 continued for any period during which bonds are outstanding that
35 are secured by such taxes imposed by the ordinance.

36 6. As used in this section:

37 (a) "Adjusted average highway and street construction inflation
38 index" means:

39 (1) For the fiscal year in which an ordinance adopted
40 pursuant to this section becomes effective, the percentage obtained
41 by adding the average highway and street construction inflation
42 index for that fiscal year to:

43 (I) If the average highway and street construction
44 inflation index for the immediately preceding fiscal year is greater
45 than the applicable percentage, the remainder obtained by



1 subtracting the applicable percentage from the average highway and
2 street construction inflation index for the immediately preceding
3 fiscal year; or

4 (II) If the average highway and street construction
5 inflation index for the immediately preceding fiscal year is less than
6 or equal to the applicable percentage, zero; and

7 (2) For each fiscal year following the fiscal year in which the
8 ordinance becomes effective, the percentage obtained by adding the
9 average highway and street construction inflation index for that
10 fiscal year to:

11 (I) If the adjusted average highway and street construction
12 inflation index for the immediately preceding fiscal year is greater
13 than the applicable percentage, the remainder obtained by
14 subtracting the applicable percentage from the adjusted average
15 highway and street construction inflation index for the immediately
16 preceding fiscal year; or

17 (II) If the adjusted average highway and street
18 construction inflation index for the immediately preceding fiscal
19 year is less than or equal to the applicable percentage, zero.

20 (b) "Applicable percentage" means the lesser of 7.8 percent or
21 the percentage specified by the board in any ordinance imposing a
22 tax pursuant to this section.

23 (c) "Average highway and street construction inflation index"
24 means for a fiscal year the average percentage increase in the
25 highway and street construction inflation index for the 10 calendar
26 years immediately preceding the beginning of that fiscal year.

27 (d) "Highway and street construction inflation index" means:

28 (1) The Producer Price Index for Highway and Street
29 Construction until that Index ceased to be published; and

30 (2) The Producer Price Index for Other Nonresidential
31 Construction thereafter or, if that Index ceases to be published by
32 the United States Department of Labor, the published index that
33 most closely measures inflation in the costs of highway and street
34 construction, as determined by the commission.

35 (e) "Special fuel" has the meaning ascribed to it in
36 NRS 366.060.

37 **Sec. 2.** This act becomes effective upon passage and approval.



