

FUEL INDEXING ALLOWED UNDER PROPOSED AMENDMENT TO ASSEMBLY BILL 413

Bill Section	Section 1.1	Section 1.3	Section 1.5
Where Tax May Be Imposed	In counties whose population is 700,000 or more (Clark County)	Statewide	In all counties except for Washoe
How Tax Is Enacted	County Commission must adopt an ordinance before October 1, 2013. If ordinance is not approved, the authority to impose the indexing is lost.	Voters must approve a statewide ballot question at the November 8, 2016, General Election.	Voters in each county (except Washoe) must approve a ballot question at the November 8, 2016, General Election.
Permitted Indexing of Federal, State, and Local Rates	Indexing based on the federal, state, and local rates for gasoline and special fuel is permitted for three years after ordinance is adopted (2014, 2015, and 2016). Further indexing of federal and local rates from 2017 through 2026 must be approved by voters at the November 2016 General Election. Further indexing of state rates in 2017 and future years is not permitted; however, the indexed rate that applied in 2016 may continue to be imposed.	Indexing based on the state rates is permitted from 2017 to 2026, with voter approval at the November 2016 General Election. Indexing based on the federal and local rates is not permitted.	Indexing based on the federal and local rates is permitted from 2017 to 2026, with voter approval at the November 2016 General Election. Indexing based on the state rates is not permitted.
Distribution of Proceeds	Proceeds from the indexed local rates are distributed within the county in the same manner as the local tax rates being indexed. All other proceeds are distributed to the Regional Transportation Commission in the county.	All proceeds are distributed to the State Highway Fund.	Proceeds from the indexed local rates are distributed within the county in the same manner as the local tax rates being indexed. All other proceeds are distributed to the county or the Regional Transportation Commission in the county.
Reauthorization of Rates	Voters must reauthorize the rate for an additional 10 years at the November 2026 General Election	Voters must reauthorize the rate for an additional 10 years at the November 2026 General Election	Voters must reauthorize the rate for an additional 10 years at the November 2026 General Election

ADDITIONAL KEY PROVISIONS OF PROPOSED AMENDMENT TO ASSEMBLY BILL 413

Section 1.7 and Section 8	Section 1.7 and Section 8 provide that the annual increases in the indexed rates imposed pursuant to Sections 1.1, 1.3, and 1.5 may not be pledged to the repayment of bonds or other debt beyond five full fiscal years after the bonds are issued or the debt is incurred. The Legislature or county commission, as applicable, may continue the pledge of the increases in the taxes beyond the five-year period, but only for subsequent five-year periods. The Legislature (on behalf of the state) or county commission (on behalf of the county) may also amend the maximum percentage by which the indexed rate may increase in a year.
Section 12	Section 12 requires the Department of Motor Vehicles (DMV) to adopt regulations establishing a system to provide for the reimbursement and repayment of any amounts owed by any person under the International Fuel Tax Agreement (IFTA) as a result of the imposition of a tax on diesel fuel pursuant to NRS 373.066 (Washoe County's fuel indexing) or Sections 1.1, 1.3 or 1.5. The system adopted by DMV must not be administered in a manner that impairs adversely any outstanding bonds issued under Chapter 373 of NRS.