

NEVADA TAX COMMISSION MEETING  
MINUTES

October 26, 2020, at 11:00 a.m.

Members Present:

James DeVold, Chairman  
Sharon Rigby, Commissioner  
Ann Bersi, Commissioner  
George Kelesis, Commissioner  
Francine Lipman, Commissioner  
Craig Witt, Commissioner  
Tony Wren, Commissioner

Members Absent:

Randy Brown, Commissioner

Chairman called the meeting to order at 11:00 a.m.

I. Public Comment.

There was no public comment.

Director Young administered an oath to all meeting participants.

- II. Consideration whether to appeal the decision issued October 7, 2020, by First Judicial District Court, in the case of The Honorable James Settelmeyer, et al. vs. The State of Nevada ex rel. The Honorable Nicole Cannizzaro, et al., Case No. 19-OC-00127-1B. By this decision, the court, among other things, granted Plaintiffs' motion for summary judgment declaring that SB 542 and Sections 2, 3, 37 and 39 of SB 551 are void for lack of supporting votes of two-thirds of the members of the Senate of the 2019 Legislative Session as required by Article 4, Section 18(2) of the Nevada Constitution.

Craig Newby, Deputy Solicitor General, was present on behalf of the Nevada Department of Taxation. Mr. Newby gave an overview of the item being discussed. This matter relates to the constitutionality of Senate Bill 551 passed at the end of the 2019 legislative session. The relevant sections repeal potential future adjustments to the Modified Business Tax (MBT) rate that were applicable by statute previously created during the 2015 legislative session. The issue with this lawsuit is whether the Nevada Constitution's super-majority provision requiring two-thirds vote to generate, create or increase additional revenue was violated by this provision which purports to keep the MBT rate at the existing rate it was in 2017 and 2015 through elimination of this not yet effective tax rate reduction. Each other party to the case has already appealed. Mr. Newby recommended appealing the decision and stated the appeal has merit.

Commissioner Kelesis moved to approve the item and move forward with the appeal. Commissioner Wren seconded the motion.

Roll Call: Commissioner Lipman – Aye; Commissioner Bersi – Aye; Commissioner Kelesis – Aye; Commissioner Wren - Aye; Commissioner Rigby – Nay; Commissioner Witt – Aye; Chairman DeVold – Aye. Motion carries.

- III. Meeting Date: December 7, 2020

- IV. Public Comment. There was no public comment.

- V. Meeting adjourned.