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Proposed Amendment  
By Jack Kim  
June 4, 2003

Insurance Gross Receipts/Premium Tax

Add the following new subsection to Sec. 11 (2):

(i) If a business entity pays a tax on premiums pursuant to Title 57 of NRS, the total income of the business entity derived from direct premiums written.

Delete Sections 171, 172, 173, 174, 175

Health Care Provider Provision & Pyramiding Provision

Sec. 22. *In calculating the tax liability of a business entity pursuant to this chapter, the business entity is entitled to deduct from its total revenue:*

1. *Any revenue which this state is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.*
2. *The amount of any federal, state or local governmental fuel taxes collected by the business entity.*
3. *Any revenue of the business entity attributable to interest upon any bonds or securities of the Federal Government, the State of Nevada or a political subdivision of this state.*
4. *Any pass-through revenue of the business entity.*
5. *Any revenue received as dividends or distributions by a parent organization from the capital account of a subsidiary entity of the parent organization or any payment between a parent organization and a wholly owned subsidiary or any payment between a parent's organization's wholly owned subsidiaries.*
6. *Any revenue received by a hospital, business entity or provider of health care from a governmental entity for the payment of health care services.*
7. *Any cash discounts the business entity allows a purchaser of property, rights or services.*
8. *Any indebtedness to the business entity which is impossible or impracticable to collect and which is written off by the business entity as a bad debt for purposes of federal taxation.*
9. *Any counterfeit currency received by the business entity for which the business entity is not reimbursed.*
10. *The amount of any payments received by the business entity upon claims for health care services, and health, casualty or life insurance.*
11. *Any revenue received by the business entity from any sale of food for human consumption which is exempt from taxation under the Sales and Use Tax Act.*
12. *The cost of all payments made to contractors and subcontractors by a business entity that is in the business of developing improved real property and who sells that improved real property to a person who is not in the business of developing real property. The amount of the deduction must not exceed the gross receipts for the transaction.*
13. *Any promotional allowances by the business entity.*
14. *The gross revenue attributable to damaged or returned merchandise.*