

A.B. 281

ASSEMBLY BILL NO. 281—COMMITTEE ON TAXATION

(ON BEHALF OF THE GOVERNOR’S TASK FORCE ON TAX POLICY IN
NEVADA (A.C.R. 1 OF THE 17TH SPECIAL SESSION))

MARCH 11, 2003

Referred to Committee on Taxation

SUMMARY—Imposes and increases certain taxes and fees and makes various changes to provide additional state revenue and to stabilize revenue base of state. (BDR 32-756)

FISCAL NOTE: Effect on Local Government: No.
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.

AN ACT relating to state finances; providing for the imposition and administration of state taxes on the gross receipts of businesses and on certain admissions and amusements; increasing certain taxes and fees; levying an ad valorem tax and revising certain limitations on the total ad valorem tax levy; revising certain provisions governing state business licenses; providing for the implementation of certain administrative methods to increase the generation of revenue; requiring certain public bodies to include a clause regarding compliance with state and local laws in each contract for a public work; requiring the review of laws regarding certain exemptions from taxes; creating and assigning duties to an Office of Federal Grants Acquisition in the Office of the Governor and a Task Force on Tax Policy in Nevada; making an appropriation; providing penalties; and providing other matters properly relating thereto.

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



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1 **Section 1.** Title 32 of NRS is hereby amended by adding
2 thereto a new chapter to consist of the provisions set forth as
3 sections 2 to 35, inclusive, of this act.

4 **Sec. 2.** *As used in this chapter, unless the context otherwise*
5 *requires, the words and terms defined in sections 3 to 10,*
6 *inclusive, of this act have the meanings ascribed to them in those*
7 *sections.*

8 **Sec. 3.** *“Business” means any activity engaged in or caused*
9 *to be engaged in with the object of gain, benefit or advantage,*
10 *either direct or indirect, to any person or governmental entity.*

11 **Sec. 4. 1.** *“Business entity” includes:*

12 (a) *A corporation, partnership, proprietorship, limited-liability*
13 *company, business association, joint venture and any other person*
14 *engaging in a business; and*

15 (b) *A natural person engaging in a business if he is deemed to*
16 *be a business entity pursuant to section 16 of this act.*

17 2. *The term includes an independent contractor.*

18 3. *The term does not include a governmental entity.*

19 **Sec. 5.** *“Commission” means the Nevada Tax Commission.*

20 **Sec. 6.** *“Engaging in a business” means commencing,*
21 *conducting or continuing a business, the exercise of corporate or*
22 *franchise powers regarding a business, and the liquidation of a*
23 *business entity which is or was engaging in a business when the*
24 *liquidator holds itself out to the public as conducting that*
25 *business.*

26 **Sec. 7.** *“Gross amount received or receivable” means the*
27 *total sum of any money and the fair market value of any other*
28 *property or services received or receivable, including, without*
29 *limitation, rents, royalties, interest and dividends.*

30 **Sec. 8. 1.** *Except as otherwise provided in this section,*
31 *“gross receipts” means the gross amount received or receivable on*
32 *the use, sale or exchange of property or capital or for the*
33 *performance of services, from any transaction involving a*
34 *business, without any reduction for the basis of property sold, the*
35 *cost of goods or services sold, or any other expense of the*
36 *business.*

37 2. *“Gross receipts” does not include:*

38 (a) *Any revenue received by a nonprofit organization that*
39 *qualifies as a tax-exempt organization pursuant to 26 U.S.C.*
40 *§ 501(c), as membership fees or dues or as a result of its*
41 *fund-raising activities.*

42 (b) *Any operating revenue of a public utility for the provision*
43 *of electric, gas, water or sewer service.*

44 (c) *If a business entity pays a license fee pursuant to NRS*
45 *463.370, the total sum of all amounts specifically included by*



1 *statute in and all amounts specifically excluded by statute from the*
2 *calculation of that fee for the business entity.*

3 *(d) If a business entity pays a license fee pursuant to NRS*
4 *463.373, the gross receipts of the business entity from the*
5 *operation of the slot machines upon which that fee is paid.*

6 **Sec. 9. 1.** *“Pass-through revenue” means revenue received*
7 *by a business entity solely on behalf of another in a disclosed*
8 *agency capacity, including revenue received as a broker, bailee,*
9 *consignee or auctioneer, notwithstanding that the business entity*
10 *may incur liability, primarily or secondarily, in a transaction in its*
11 *capacity as an agent.*

12 **2.** *“Pass-through revenue” includes reimbursement for*
13 *advances made by a business entity on behalf of a customer or*
14 *client, other than with respect to services rendered or with respect*
15 *to purchases of goods by the business entity in carrying out the*
16 *business in which it engages.*

17 **Sec. 10.** *“Production” means the process of making,*
18 *manufacturing, fabricating, constructing, forming or assembling*
19 *tangible personal property from raw, unfinished or semifinished*
20 *materials.*

21 **Sec. 11.** *The Legislature hereby finds and declares that the*
22 *tax imposed by this chapter on a business entity must not be*
23 *construed as a tax upon the customers of the business entity, but*
24 *as a tax which is imposed upon and collectible from the business*
25 *entity and which constitutes part of the operating overhead of the*
26 *business entity.*

27 **Sec. 12.** *The Department shall:*

28 **1.** *Administer and enforce the provisions of this chapter, and*
29 *may adopt such regulations as it deems appropriate for that*
30 *purpose.*

31 **2.** *Deposit all taxes, interest and penalties it receives pursuant*
32 *to this chapter in the State Treasury for credit to the State General*
33 *Fund.*

34 **Sec. 13. 1.** *Each person responsible for maintaining the*
35 *records of a business entity shall:*

36 **(a)** *Keep such records as may be necessary to determine the*
37 *amount of its liability pursuant to the provisions of this chapter;*

38 **(b)** *Preserve those records for 4 years or until any litigation or*
39 *prosecution pursuant to this chapter is finally determined,*
40 *whichever is longer; and*

41 **(c)** *Make the records available for inspection by the*
42 *Department upon demand at reasonable times during regular*
43 *business hours.*

44 **2.** *Any person who violates the provisions of subsection 1 is*
45 *guilty of a misdemeanor.*



1 **Sec. 14. 1.** *To verify the accuracy of any return filed or, if*
2 *no return is filed by a business entity, to determine the amount*
3 *required to be paid, the Department, or any person authorized in*
4 *writing by the Department, may examine the books, papers and*
5 *records of any person or business entity that may be liable for the*
6 *tax imposed by this chapter.*

7 2. *Any person or business entity which may be liable for the*
8 *tax imposed by this chapter and which keeps outside of this state*
9 *its books, papers and records relating thereto shall pay to the*
10 *Department an amount equal to the allowance provided for state*
11 *officers and employees generally while traveling outside of the*
12 *State for each day or fraction thereof during which an employee*
13 *of the Department is engaged in examining those documents, plus*
14 *any other actual expenses incurred by the employee while he is*
15 *absent from his regular place of employment to examine those*
16 *documents.*

17 **Sec. 15. 1.** *Except as otherwise provided in this section and*
18 *NRS 360.250, the records and files of the Department concerning*
19 *the administration of this chapter are confidential and privileged.*
20 *The Department, and any employee engaged in the administration*
21 *of this chapter or charged with the custody of any such records or*
22 *files, shall not disclose any information obtained from the*
23 *Department's records or files or from any examination,*
24 *investigation or hearing authorized by the provisions of this*
25 *chapter. Neither the Department nor any employee of the*
26 *Department may be required to produce any of the records, files*
27 *and information for the inspection of any person or for use in any*
28 *action or proceeding.*

29 2. *The records and files of the Department concerning the*
30 *administration of this chapter are not confidential and privileged*
31 *in the following cases:*

32 (a) *Testimony by a member or employee of the Department*
33 *and production of records, files and information on behalf of the*
34 *Department or a taxpayer in any action or proceeding pursuant to*
35 *the provisions of this chapter if that testimony or the records, files*
36 *or information, or the facts shown thereby are directly involved in*
37 *the action or proceeding.*

38 (b) *Delivery to a taxpayer or his authorized representative of a*
39 *copy of any return or other document filed by the taxpayer*
40 *pursuant to this chapter.*

41 (c) *Publication of statistics so classified as to prevent the*
42 *identification of a particular business entity or document.*

43 (d) *Exchanges of information with the Internal Revenue*
44 *Service in accordance with compacts made and provided for in*
45 *such cases.*



1 (e) *Disclosure in confidence to the Governor or his agent in*
2 *the exercise of the Governor's general supervisory powers, or to*
3 *any person authorized to audit the accounts of the Department in*
4 *pursuance of an audit, or to the Attorney General or other legal*
5 *representative of the State in connection with an action or*
6 *proceeding pursuant to this chapter, or to any agency of this or*
7 *any other state charged with the administration or enforcement of*
8 *laws relating to taxation.*

9 (f) *Exchanges of information pursuant to subsection 3.*

10 3. *The Commission may agree with any county fair and*
11 *recreation board or the governing body of any county, city or town*
12 *for the continuing exchange of information concerning taxpayers.*

13 **Sec. 16.** *A natural person engaging in a business shall be*
14 *deemed to be a business entity that is subject to the provisions of*
15 *this chapter if the person is required to file with the Internal*
16 *Revenue Service a Schedule C (Form 1040), Profit or Loss From*
17 *Business Form, or its equivalent or successor form, or a Schedule*
18 *F (Form 1040), Profit or Loss From Farming Form, or its*
19 *equivalent or successor form, for the business.*

20 **Sec. 17.** 1. *An excise tax is hereby imposed upon each*
21 *business entity for the privilege of engaging in a business in this*
22 *state at the rate of 0.25 percent of:*

23 (a) *Except as otherwise provided in paragraph (b), the amount*
24 *of the gross receipts of the business entity in this state per calendar*
25 *quarter in excess of the quarterly exclusion; or*

26 (b) *If the business consists of the production of tangible*
27 *personal property in this state, the value of the products of the*
28 *business entity per calendar quarter in excess of the quarterly*
29 *exclusion. For the purpose of this paragraph:*

30 (1) *Except as otherwise provided in subparagraph (2), the*
31 *value of the products shall be deemed equal to the gross receipts*
32 *derived from the sale of the products, irrespective of the location*
33 *of the sale; or*

34 (2) *If the Department determines that the gross receipts*
35 *derived from the sale of the products are not indicative of the true*
36 *value of the subject matter of the sale, the Department may*
37 *determine the value of the products based upon the gross receipts*
38 *from sales within this state of similar products of like character*
39 *and quality, in similar quantities by other business entities.*

40 2. *Each business entity engaging in a business in this state*
41 *during a calendar quarter shall file with the Department a return*
42 *on a form prescribed by the Department, together with the*
43 *remittance of any tax due pursuant to this chapter for that*
44 *calendar quarter, on or before the last day of the month*
45 *immediately following that calendar quarter.*



1 3. *If the amount of the gross receipts of a business entity for a*
2 *calendar quarter is less than \$87,500, including the value of the*
3 *products of the business entity if the business consists of the*
4 *production of tangible personal property in this state, the business*
5 *entity may add the sum obtained by subtracting that amount from*
6 *\$87,500, to the amount excluded pursuant to this section from the*
7 *taxable amount of the gross receipts of the business entity for any*
8 *other calendar quarter of the same fiscal year.*

9 4. *For the purposes of this section, "quarterly exclusion"*
10 *means the sum of \$87,500 and any additional amount authorized*
11 *for a calendar quarter pursuant to subsection 3.*

12 **Sec. 18. 1. Except as otherwise provided in subsection 2:**

13 (a) *If a business entity is liable for the tax imposed pursuant to*
14 *chapter 364A of NRS, the business entity is entitled to a credit*
15 *against the tax imposed pursuant to this chapter for each calendar*
16 *quarter in the amount of \$25 for each equivalent full-time*
17 *employee employed by the business entity in this state during that*
18 *calendar quarter, as calculated pursuant to chapter 364A of NRS.*

19 (b) *If a business entity is liable for a tax imposed in another*
20 *state which is calculated solely on the basis of the number of*
21 *employees employed by the business entity in that state, the*
22 *business entity is entitled to a credit against the tax imposed*
23 *pursuant to this chapter in the amount of:*

24 (1) *The tax paid in the other state; or*

25 (2) *Twenty-five dollars for each equivalent full-time*
26 *employee employed by the business entity in that state during*
27 *the calendar quarter, as calculated pursuant to chapter 364A of*
28 *NRS,*
29 *whichever is less.*

30 (c) *If a business consists of the production of tangible personal*
31 *property in this state and the business entity is liable for a gross*
32 *receipts tax imposed in another state for the sale of that property*
33 *in that state, the business entity is entitled to a credit against the*
34 *tax imposed pursuant to this chapter in the amount of the gross*
35 *receipts tax paid in that other state for the sale of that property in*
36 *that state, except that the amount of the credit must not exceed the*
37 *amount of the tax imposed pursuant to this chapter for the*
38 *production of that property which is sold in that state.*

39 (d) *If a business consists of the production of tangible personal*
40 *property in another state and the sale of that property in this state,*
41 *and the business entity is liable for a gross receipts tax imposed in*
42 *that other state for the production of that property in that state, the*
43 *business entity is entitled to a credit against the tax imposed*
44 *pursuant to this chapter in the amount of the gross receipts tax*
45 *paid in that other state for the production of that property which is*



1 *sold in this state, except that the amount of the credit must not*
2 *exceed the amount of the tax imposed pursuant to this chapter for*
3 *the sale of that property in this state.*

4 *2. If the total amount of the credits calculated pursuant to*
5 *subsection 1 for a calendar quarter exceeds the amount of the tax*
6 *for which the business entity would otherwise be liable pursuant to*
7 *this chapter for that calendar quarter, the business entity may*
8 *apply the amount of those credits for that calendar quarter which*
9 *exceeds the amount of the tax for that calendar quarter to reduce*
10 *the amount of the tax due from the business entity pursuant to this*
11 *chapter for any other calendar quarter of the same fiscal year.*

12 *3. The Department shall adopt regulations to carry out the*
13 *provisions of this section.*

14 *4. As used in this section:*

15 *(a) "Gross receipts tax" means a tax which:*

16 *(1) Is imposed upon or measured by the gross volume of*
17 *business, in terms of gross receipts or other terms;*

18 *(2) Does not, as a result of any deductions allowed in the*
19 *calculation of the tax, constitute an income tax or a value-added*
20 *tax; and*

21 *(3) Is not, either by law or custom, stated to a purchaser*
22 *separately from the sales price.*

23 *(b) "State" includes:*

24 *(1) A state of the United States, the District of Columbia,*
25 *Puerto Rico, the United States Virgin Islands and any territory or*
26 *insular possession subject to the jurisdiction of the United States,*
27 *and any agency or political subdivision thereof; and*

28 *(2) A foreign country and any agency or political*
29 *subdivision thereof.*

30 **Sec. 19.** *In calculating the tax liability of a business entity*
31 *pursuant to this chapter, the business entity is entitled to deduct*
32 *from its gross receipts:*

33 *1. Any revenue which this state is prohibited from taxing*
34 *pursuant to the Constitution or laws of the United States or the*
35 *Nevada Constitution.*

36 *2. The amount of any federal, state or local governmental*
37 *fuel taxes collected by the business entity.*

38 *3. Any revenue of the business entity attributable to interest*
39 *upon any bonds or securities of the Federal Government, the State*
40 *of Nevada or a political subdivision of this state.*

41 *4. Any pass-through revenue of the business entity.*

42 *5. Any revenue received as dividends or distributions by a*
43 *parent organization from the capital account of a subsidiary entity*
44 *of the parent organization.*



- 1 6. Any revenue received by a hospital from a governmental
- 2 entity.
- 3 7. Any cash discounts the business entity allows a purchaser
- 4 of property, rights or services.
- 5 8. Any indebtedness to the business entity which is impossible
- 6 or impracticable to collect and which is written off by the business
- 7 entity as a bad debt for purposes of federal taxation.
- 8 9. Any counterfeit currency received by the business entity for
- 9 which the business entity is not reimbursed.
- 10 10. The amount of any payments received by the business
- 11 entity upon claims for health, casualty or life insurance.
- 12 **Sec. 20. 1.** The Department shall adopt regulations
- 13 providing for the allocation or apportionment of the tax liability
- 14 pursuant to this chapter of business entities engaging in a
- 15 business both within and outside of this state. The regulations
- 16 must:
- 17 (a) Except as otherwise provided in this section, be consistent
- 18 with the methods of dividing income contained in the Uniform
- 19 Division of Income for Tax Purposes Act.
- 20 (b) If the business consists of a financial activity, as defined in
- 21 the Uniform Division of Income for Tax Purposes Act, be
- 22 consistent with the Recommended Formula for the Apportionment
- 23 and Allocation of Net Income of Financial Institutions.
- 24 (c) If the business consists of the production or sale of tangible
- 25 personal property, provide methods and conditions for allocating
- 26 gross receipts to this state.
- 27 2. As used in this section:
- 28 (a) "Recommended Formula for the Apportionment and
- 29 Allocation of Net Income of Financial Institutions" means the
- 30 provisions of the Recommended Formula for the Apportionment
- 31 and Allocation of Net Income of Financial Institutions adopted by
- 32 the Multistate Tax Commission, as those provisions existed on
- 33 July 1, 2003.
- 34 (b) "Uniform Division of Income for Tax Purposes Act"
- 35 means the provisions of the Uniform Division of Income for Tax
- 36 Purposes Act approved by the National Conference of
- 37 Commissioners on Uniform State Laws, as those provisions
- 38 existed on July 1, 2003.
- 39 **Sec. 21.** The Department shall, upon application by a
- 40 business entity engaging in a business both within and outside of
- 41 this state, reduce the tax liability of the business entity pursuant to
- 42 this chapter to the extent required by the Constitution or laws of
- 43 the United States or the Nevada Constitution, as a result of the tax
- 44 liability of the business entity to other states and their political
- 45 subdivisions.



1 **Sec. 22. 1.** *If the Department determines, after notice and*
2 *hearing, that:*

3 (a) *A business entity and one or more of its affiliated business*
4 *entities are engaged in the same or a similar type of business; and*

5 (b) *The purpose of engaging in that type of business through*
6 *affiliated business entities is to avoid or to reduce liability for*
7 *the tax imposed by this chapter by increasing the amount*
8 *excluded from taxable gross receipts pursuant to section 17 of*
9 *this act,*

10 *the Department shall, notwithstanding the provisions of section 17*
11 *of this act, disallow the use of that exclusion by more than one of*
12 *those business entities.*

13 **2.** *For the purposes of this section:*

14 (a) *“Affiliated business entity” means a business entity that*
15 *directly, or indirectly through one or more intermediaries,*
16 *controls, is controlled by or is under common control with,*
17 *another specified business entity.*

18 (b) *“Control,” as used in the terms “controls,” “controlled by”*
19 *and “under common control with,” means the possession, directly*
20 *or indirectly, of the power to direct or cause the direction of the*
21 *management and policies of a business entity, whether through*
22 *the ownership of voting securities, by contract or otherwise.*

23 **Sec. 23.** *Upon written application made before the date on*
24 *which payment must be made, the Department may for good cause*
25 *extend by 30 days the time within which a business entity is*
26 *required to pay the tax imposed by this chapter. If the tax is paid*
27 *during the period of extension, no penalty or late charge may be*
28 *imposed for failure to pay at the time required, but the business*
29 *entity shall pay interest at the rate of 1 percent per month from the*
30 *date on which the amount would have been due without the*
31 *extension until the date of payment, unless otherwise provided in*
32 *NRS 360.232 or 360.320.*

33 **Sec. 24.** *The remedies of the State provided for in this*
34 *chapter are cumulative, and no action taken by the Department or*
35 *the Attorney General constitutes an election by the State to pursue*
36 *any remedy to the exclusion of any other remedy for which*
37 *provision is made in this chapter.*

38 **Sec. 25.** *If the Department determines that any tax, penalty*
39 *or interest has been paid more than once or has been erroneously*
40 *or illegally collected or computed, the Department shall set forth*
41 *that fact in the records of the Department and certify to the State*
42 *Board of Examiners the amount collected in excess of the amount*
43 *legally due and the business entity or person from which it was*
44 *collected or by whom paid. If approved by the State Board of*
45 *Examiners, the excess amount collected or paid must be credited*



1 *on any amounts then due from the person or business entity under*
2 *this chapter, and the balance refunded to the person or business*
3 *entity, or its successors, administrators or executors.*

4 **Sec. 26. 1.** *Except as otherwise provided in NRS 360.235*
5 *and 360.395:*

6 (a) *No refund may be allowed unless a claim for it is filed*
7 *with the Department within 3 years after the last day of July*
8 *immediately following the close of the fiscal year for which the*
9 *overpayment was made.*

10 (b) *No credit may be allowed after the expiration of the period*
11 *specified for filing claims for refund unless a claim for credit is*
12 *filed with the Department within that period.*

13 2. *Each claim must be in writing and must state the specific*
14 *grounds upon which the claim is founded.*

15 3. *Failure to file a claim within the time prescribed in this*
16 *chapter constitutes a waiver of any demand against the State on*
17 *account of overpayment.*

18 4. *Within 30 days after rejecting any claim in whole or in*
19 *part, the Department shall serve notice of its action on the*
20 *claimant in the manner prescribed for service of notice of a*
21 *deficiency determination.*

22 **Sec. 27. 1.** *Except as otherwise provided in this section and*
23 *NRS 360.320, interest must be paid upon any overpayment of any*
24 *amount of the tax imposed by this chapter at the rate of 0.5*
25 *percent per month, or fraction thereof, from the last day of July*
26 *immediately following the fiscal year for which the overpayment*
27 *was made. No refund or credit may be made of any interest*
28 *imposed upon the person or business entity making the*
29 *overpayment with respect to the amount being refunded or*
30 *credited.*

31 2. *The interest must be paid:*

32 (a) *In the case of a refund, to the last day of the calendar*
33 *month following the date upon which the person making the*
34 *overpayment, if he has not already filed a claim, is notified by*
35 *the Department that a claim may be filed or the date upon which*
36 *the claim is certified to the State Board of Examiners, whichever is*
37 *earlier.*

38 (b) *In the case of a credit, to the same date as that to which*
39 *interest is computed on the tax or the amount against which the*
40 *credit is applied.*

41 3. *If the Department determines that any overpayment has*
42 *been made intentionally or by reason of carelessness, it shall not*
43 *allow any interest on the overpayment.*

44 **Sec. 28. 1.** *No injunction, writ of mandate or other legal or*
45 *equitable process may issue in any suit, action or proceeding in*



1 *any court against this state or against any officer of the State to*
2 *prevent or enjoin the collection under this chapter of the tax*
3 *imposed by this chapter or any amount of tax, penalty or interest*
4 *required to be collected.*

5 *2. No suit or proceeding may be maintained in any court for*
6 *the recovery of any amount alleged to have been erroneously or*
7 *illegally determined or collected unless a claim for refund or credit*
8 *has been filed.*

9 **Sec. 29.** *1. Within 90 days after a final decision upon a*
10 *claim filed pursuant to this chapter is rendered by the*
11 *Commission, the claimant may bring an action against the*
12 *Department on the grounds set forth in the claim in a court of*
13 *competent jurisdiction in Carson City, the county of this state*
14 *where the claimant resides or maintains his principal place of*
15 *business or a county in which any relevant proceedings were*
16 *conducted by the Department, for the recovery of the whole or any*
17 *part of the amount with respect to which the claim has been*
18 *disallowed.*

19 *2. Failure to bring an action within the time specified*
20 *constitutes a waiver of any demand against the State on account of*
21 *alleged overpayments.*

22 **Sec. 30.** *1. If the Department fails to mail notice of action*
23 *on a claim within 6 months after the claim is filed, the claimant*
24 *may consider the claim disallowed and file an appeal with the*
25 *Commission within 30 days after the last day of the 6-month*
26 *period. If the claimant is aggrieved by the decision of the*
27 *Commission rendered on appeal, the claimant may, within 90 days*
28 *after the decision is rendered, bring an action against the*
29 *Department on the grounds set forth in the claim for the recovery*
30 *of the whole or any part of the amount claimed as an*
31 *overpayment.*

32 *2. If judgment is rendered for the plaintiff, the amount of*
33 *the judgment must first be credited towards any tax due from the*
34 *plaintiff.*

35 *3. The balance of the judgment must be refunded to the*
36 *plaintiff.*

37 **Sec. 31.** *In any judgment, interest must be allowed at the rate*
38 *of 6 percent per annum upon the amount found to have been*
39 *illegally collected from the date of payment of the amount to the*
40 *date of allowance of credit on account of the judgment, or to a*
41 *date preceding the date of the refund warrant by not more than 30*
42 *days. The date must be determined by the Department.*

43 **Sec. 32.** *A judgment may not be rendered in favor of the*
44 *plaintiff in any action brought against the Department to recover*
45 *any amount paid when the action is brought by or in the name of*



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1 *an assignee of the business entity paying the amount or by any*
2 *person other than the person or business entity which paid the*
3 *amount.*

4 **Sec. 33. 1.** *The Department may recover a refund or any*
5 *part thereof which is erroneously made and any credit or part*
6 *thereof which is erroneously allowed in an action brought in a*
7 *court of competent jurisdiction in Carson City or Clark County in*
8 *the name of the State of Nevada.*

9 **2.** *The action must be tried in Carson City or Clark County*
10 *unless the court, with the consent of the Attorney General, orders*
11 *a change of place of trial.*

12 **3.** *The Attorney General shall prosecute the action, and the*
13 *provisions of NRS, the Nevada Rules of Civil Procedure and the*
14 *Nevada Rules of Appellate Procedure relating to service of*
15 *summons, pleadings, proofs, trials and appeals are applicable to*
16 *the proceedings.*

17 **Sec. 34. 1.** *If any amount in excess of \$25 has been*
18 *illegally determined, either by the Department or by the person*
19 *filing the return, the Department shall certify this fact to the State*
20 *Board of Examiners, and the latter shall authorize the*
21 *cancellation of the amount upon the records of the Department.*

22 **2.** *If an amount not exceeding \$25 has been illegally*
23 *determined, either by the Department or by the person or business*
24 *entity filing the return, the Department, without certifying this fact*
25 *to the State Board of Examiners, shall authorize the cancellation*
26 *of the amount upon the records of the Department.*

27 **Sec. 35. 1.** *A person shall not:*

28 *(a) Make, cause to be made or permit to be made any false or*
29 *fraudulent return or declaration or false statement in any return*
30 *or declaration with intent to defraud the State or to evade payment*
31 *of the tax or any part of the tax imposed by this chapter.*

32 *(b) Make, cause to be made or permit to be made any false*
33 *entry in books, records or accounts with intent to defraud the State*
34 *or to evade the payment of the tax or any part of the tax imposed*
35 *by this chapter.*

36 *(c) Keep, cause to be kept or permit to be kept more than one*
37 *set of books, records or accounts with intent to defraud the State*
38 *or to evade the payment of the tax or any part of the tax imposed*
39 *by this chapter.*

40 **2.** *Any person who violates the provisions of subsection 1 is*
41 *guilty of a gross misdemeanor.*



1 **Sec. 36.** Title 32 of NRS is hereby amended by adding thereto
2 a new chapter to consist of the provisions set forth as sections 37 to
3 63, inclusive, of this act.

4 **Sec. 37.** *As used in this chapter, unless the context otherwise*
5 *requires, the words and terms defined in sections 38 to 41,*
6 *inclusive, of this act have the meanings ascribed to them in those*
7 *sections.*

8 **Sec. 38.** *“Admission charge” means the total amount,*
9 *expressed in terms of money, of:*

10 1. *Any consideration provided, whether directly or indirectly,*
11 *for the right or privilege to have access to a place or location*
12 *where group entertainment is provided; and*

13 2. *If any consideration is otherwise required for the right or*
14 *privilege to have access to a place or location where group*
15 *entertainment is provided and all or part of that consideration is*
16 *waived as part of a promotional or marketing plan, the*
17 *consideration that would otherwise be required.*

18 **Sec. 39.** *“Commission” means the Nevada Tax Commission.*

19 **Sec. 40.** *“Group entertainment” means entertainment*
20 *provided for groups of spectators, including, without limitation:*

21 1. *Athletic and sporting events, including, without limitation,*
22 *motor sports, rodeos and equestrian events.*

23 2. *Closed circuit and other transmissions of events.*

24 3. *Displays of motion pictures.*

25 4. *Concerts.*

26 5. *Theatrical productions, stage productions and other*
27 *presentations of performing arts, including, without limitation,*
28 *circuses and ice shows.*

29 6. *Exhibitions of art, skills or goods.*

30 7. *Beauty contests.*

31 8. *Lectures and speaking performances.*

32 9. *Live entertainment provided at cocktail lounges, nightclubs*
33 *and similar venues.*

34 10. *Adult cabarets, gentlemen’s clubs and similar forms of*
35 *entertainment.*

36 11. *Tours and tour services.*

37 **Sec. 41.** *“Taxpayer” means any person liable for a tax*
38 *imposed pursuant to this chapter.*

39 **Sec. 42.** *The Department shall:*

40 1. *Administer and enforce the provisions of this chapter, and*
41 *may adopt such regulations as it deems appropriate for that*
42 *purpose.*

43 2. *Deposit all taxes, interest and penalties it receives pursuant*
44 *to this chapter in the State Treasury for credit to the State General*
45 *Fund.*



1 **Sec. 43. 1.** *Each person responsible for maintaining the*
2 *records of a taxpayer shall:*

3 (a) *Keep such records as may be necessary to determine the*
4 *amount of the liability of the taxpayer pursuant to the provisions*
5 *of this chapter;*

6 (b) *Preserve those records for 4 years or until any litigation or*
7 *prosecution pursuant to this chapter is finally determined,*
8 *whichever is longer; and*

9 (c) *Make the records available for inspection by the*
10 *Department upon demand at reasonable times during regular*
11 *business hours.*

12 2. *The Department may by regulation specify the types of*
13 *records which must be kept to determine the amount of the*
14 *liability of a taxpayer pursuant to the provisions of this chapter.*

15 3. *Any person who violates the provisions of subsection 1 is*
16 *guilty of a misdemeanor.*

17 **Sec. 44. 1.** *To verify the accuracy of any return filed or, if*
18 *no return is filed by a taxpayer, to determine the amount required*
19 *to be paid, the Department, or any person authorized in writing by*
20 *the Department, may examine the books, papers and records of*
21 *any person who may be liable for a tax imposed by this chapter.*

22 2. *Any person who may be liable for a tax imposed by this*
23 *chapter and who keeps outside of this state any books, papers and*
24 *records relating thereto shall pay to the Department an amount*
25 *equal to the allowance provided for state officers and employees*
26 *generally while traveling outside of the State for each day or*
27 *fraction thereof during which an employee of the Department is*
28 *engaged in examining those documents, plus any other actual*
29 *expenses incurred by the employee while he is absent from his*
30 *regular place of employment to examine those documents.*

31 **Sec. 45. 1.** *Except as otherwise provided in this section and*
32 *NRS 360.250, the records and files of the Department concerning*
33 *the administration of this chapter are confidential and privileged.*
34 *The Department, and any employee engaged in the administration*
35 *of this chapter or charged with the custody of any such records or*
36 *files, shall not disclose any information obtained from the*
37 *Department's records or files or from any examination,*
38 *investigation or hearing authorized by the provisions of this*
39 *chapter. Neither the Department nor any employee of the*
40 *Department may be required to produce any of the records, files*
41 *and information for the inspection of any person or for use in any*
42 *action or proceeding.*

43 2. *The records and files of the Department concerning the*
44 *administration of this chapter are not confidential and privileged*
45 *in the following cases:*



1 (a) *Testimony by a member or employee of the Department*
2 *and production of records, files and information on behalf of the*
3 *Department or a taxpayer in any action or proceeding pursuant to*
4 *the provisions of this chapter if that testimony or the records, files*
5 *or information, or the facts shown thereby are directly involved in*
6 *the action or proceeding.*

7 (b) *Delivery to a taxpayer or his authorized representative of a*
8 *copy of any return or other document filed by the taxpayer*
9 *pursuant to this chapter.*

10 (c) *Publication of statistics so classified as to prevent the*
11 *identification of a particular person or document.*

12 (d) *Exchanges of information with the Internal Revenue*
13 *Service in accordance with compacts made and provided for*
14 *in such cases.*

15 (e) *Disclosure in confidence to the Governor or his agent in*
16 *the exercise of the Governor's general supervisory powers, or to*
17 *any person authorized to audit the accounts of the Department in*
18 *pursuance of an audit, or to the Attorney General or other legal*
19 *representative of the State in connection with an action or*
20 *proceeding pursuant to this chapter, or to any agency of this or*
21 *any other state charged with the administration or enforcement of*
22 *laws relating to taxation.*

23 (f) *Exchanges of information pursuant to subsection 3.*

24 3. *The Commission may agree with any county fair and*
25 *recreation board or the governing body of any county, city or town*
26 *for the continuing exchange of information concerning taxpayers.*

27 **Sec. 46.** 1. *There is hereby imposed an excise tax of 6.5*
28 *percent of the admission charge to any place or location in this*
29 *state where group entertainment is provided.*

30 2. *The person who receives an admission charge is liable for*
31 *the tax imposed by this section, but is entitled to collect*
32 *reimbursement from the person paying the admission charge.*

33 3. *Any ticket for admission to a place or location in this state*
34 *where group entertainment is provided must state whether the tax*
35 *imposed by this section is included in the price of the ticket. If the*
36 *ticket does not include such a statement, the taxpayer shall pay the*
37 *tax on the face amount of the ticket.*

38 4. *The tax imposed by this section does not apply to an*
39 *admission charge:*

40 (a) *Included in the computation of the tax imposed pursuant*
41 *to NRS 463.401 or any fee imposed pursuant to chapter 467 of*
42 *NRS;*

43 (b) *Provided to a governmental entity or a public or private*
44 *educational institution for any group entertainment sponsored by*
45 *a governmental entity;*



1 (c) *Provided to a nonprofit organization that qualifies as a*
2 *tax-exempt organization pursuant to 26 U.S.C. § 501(c), or to*
3 *a person who remits to such a nonprofit organization at least 60*
4 *percent of the net revenue from the group entertainment for which*
5 *access is granted;*

6 (d) *Provided for the right or privilege to have access to a*
7 *convention, an exhibition or a trade show, if the opportunity for*
8 *admission is not made available to the general public; or*

9 (e) *Provided for the right or privilege to engage in a*
10 *participatory recreational activity, including, without limitation,*
11 *any consideration provided:*

12 (1) *For the use or rental of bicycles, boats, exercise*
13 *equipment, horses, motorcycles, snowboards, skis or other*
14 *recreational equipment;*

15 (2) *To engage in games of billiards, bowling, golf,*
16 *racquetball or tennis, or similar recreational games;*

17 (3) *To engage in aerobics, calisthenics, fishing, hunting,*
18 *running, shooting, skiing, snowboarding, swimming, ice skating,*
19 *roller skating or similar recreational activities;*

20 (4) *For memberships in country clubs, golf clubs, tennis*
21 *clubs, gun clubs or similar recreational clubs;*

22 (5) *For access to the participatory portions of amusement,*
23 *theme or water parks, or similar recreational parks; or*

24 (6) *To participate in classes of instruction on recreational*
25 *activities, including, without limitation, classes of instruction in*
26 *arts and crafts, culinary arts, massage, yoga, athletic or sporting*
27 *activities, or similar recreational activities.*

28 **Sec. 47. 1.** *There is hereby imposed an excise tax of 6.5*
29 *percent of the rental price for the rental in this state of videotapes,*
30 *videodiscs and programs for video games.*

31 **2.** *The person who receives the rental price is liable for the*
32 *tax imposed by this section, but is entitled to collect reimbursement*
33 *from the person paying the rental price.*

34 **3.** *Any receipt for the rental in this state of videotapes,*
35 *videodiscs and programs for video games must indicate whether*
36 *the tax imposed by this section has been collected from the person*
37 *paying the rental price. If the receipt does not indicate that the tax*
38 *has been collected from that person, the taxpayer shall pay the tax*
39 *on the face amount of the receipt.*

40 **4.** *The tax imposed by this section does not apply to any fee,*
41 *charge or other consideration:*

42 (a) *Provided to a governmental entity or a public or private*
43 *educational institution; or*

44 (b) *Provided to a nonprofit organization that qualifies as a*
45 *tax-exempt organization pursuant to 26 U.S.C. § 501(c) or to*



1 *a person who remits to such a nonprofit organization at least 60*
2 *percent of the net revenue from the rental.*

3 5. *As used in this section, "rental price" means the total*
4 *amount, expressed in terms of money, of any consideration*
5 *provided for the rental of videotapes, videodiscs or programs for*
6 *video games.*

7 **Sec. 48.** *A taxpayer shall hold the amount of all taxes for*
8 *which he is liable pursuant to this chapter in a separate account in*
9 *trust for the State.*

10 **Sec. 49.** 1. *The taxes imposed by this chapter are payable to*
11 *the Department monthly on or before the last day of the month*
12 *immediately following the month in which liability for the tax*
13 *arose.*

14 2. *Each taxpayer shall file with the Department a return on a*
15 *form prescribed by the Department, together with the remittance*
16 *of any tax due pursuant to this chapter, on or before the last day*
17 *of the month immediately following the month in which liability*
18 *for the tax arose.*

19 **Sec. 50.** *A taxpayer may deduct and withhold from the*
20 *amount of the taxes otherwise due from him pursuant to this*
21 *chapter 1.25 percent of that amount to reimburse himself for the*
22 *cost of collecting, reporting and remitting the taxes.*

23 **Sec. 51.** *Upon written application made before the date on*
24 *which payment must be made, the Department may for good cause*
25 *extend by 30 days the time within which a taxpayer is required to*
26 *pay a tax imposed by this chapter. If the tax is paid during the*
27 *period of extension, no penalty or late charge may be imposed for*
28 *failure to pay at the time required, but the taxpayer shall pay*
29 *interest at the rate of 1 percent per month from the date on which*
30 *the amount would have been due without the extension until the*
31 *date of payment, unless otherwise provided in NRS 360.232 or*
32 *360.320.*

33 **Sec. 52.** *The remedies of the State provided for in this*
34 *chapter are cumulative, and no action taken by the Department or*
35 *the Attorney General constitutes an election by the State to pursue*
36 *any remedy to the exclusion of any other remedy for which*
37 *provision is made in this chapter.*

38 **Sec. 53.** *If the Department determines that any tax, penalty*
39 *or interest has been paid more than once or has been erroneously*
40 *or illegally collected or computed, the Department shall set forth*
41 *that fact in the records of the Department and certify to the State*
42 *Board of Examiners the amount collected in excess of the amount*
43 *legally due and the person from which it was collected or by whom*
44 *paid. If approved by the State Board of Examiners, the excess*
45 *amount collected or paid must be credited on any amounts then*



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1 *due from the person under this chapter, and the balance refunded*
2 *to the person or his successors in interest.*

3 **Sec. 54. 1.** *Except as otherwise provided in NRS 360.235*
4 *and 360.395:*

5 *(a) No refund may be allowed unless a claim for it is filed with*
6 *the Department within 3 years after the last day of the month*
7 *following the month for which the overpayment was made.*

8 *(b) No credit may be allowed after the expiration of the period*
9 *specified for filing claims for refund unless a claim for credit is*
10 *filed with the Department within that period.*

11 **2.** *Each claim must be in writing and must state the specific*
12 *grounds upon which the claim is founded.*

13 **3.** *Failure to file a claim within the time prescribed in this*
14 *chapter constitutes a waiver of any demand against the State on*
15 *account of overpayment.*

16 **4.** *Within 30 days after rejecting any claim in whole or in*
17 *part, the Department shall serve notice of its action on the*
18 *claimant in the manner prescribed for service of notice of a*
19 *deficiency determination.*

20 **Sec. 55. 1.** *Except as otherwise provided in this section and*
21 *NRS 360.320, interest must be paid upon any overpayment of any*
22 *amount of the taxes imposed by this chapter at the rate of 0.5*
23 *percent per month, or fraction thereof, from the last day of the*
24 *calendar month following the month for which the overpayment*
25 *was made. No refund or credit may be made of any interest*
26 *imposed upon the person making the overpayment with respect to*
27 *the amount being refunded or credited.*

28 **2.** *The interest must be paid:*

29 *(a) In the case of a refund, to the last day of the calendar*
30 *month following the date upon which the person making the*
31 *overpayment, if he has not already filed a claim, is notified by*
32 *the Department that a claim may be filed or the date upon which*
33 *the claim is certified to the State Board of Examiners, whichever is*
34 *earlier.*

35 *(b) In the case of a credit, to the same date as that to which*
36 *interest is computed on the tax or the amount against which the*
37 *credit is applied.*

38 **3.** *If the Department determines that any overpayment has*
39 *been made intentionally or by reason of carelessness, the*
40 *Department shall not allow any interest on the overpayment.*

41 **Sec. 56. 1.** *No injunction, writ of mandate or other legal or*
42 *equitable process may issue in any suit, action or proceeding in*
43 *any court against this state or against any officer of the State to*
44 *prevent or enjoin the collection under this chapter of a tax*



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1 *imposed by this chapter or any amount of tax, penalty or interest*
2 *required to be collected.*

3 *2. No suit or proceeding may be maintained in any court for*
4 *the recovery of any amount alleged to have been erroneously or*
5 *illegally determined or collected unless a claim for refund or credit*
6 *has been filed.*

7 **Sec. 57.** *1. Within 90 days after a final decision upon a*
8 *claim filed pursuant to this chapter is rendered by the*
9 *Commission, the claimant may bring an action against the*
10 *Department on the grounds set forth in the claim in a court of*
11 *competent jurisdiction in Carson City, the county of this state*
12 *where the claimant resides or maintains his principal place of*
13 *business or a county in which any relevant proceedings were*
14 *conducted by the Department, for the recovery of the whole or any*
15 *part of the amount with respect to which the claim has been*
16 *disallowed.*

17 *2. Failure to bring an action within the time specified*
18 *constitutes a waiver of any demand against the State on account of*
19 *alleged overpayments.*

20 **Sec. 58.** *1. If the Department fails to mail notice of action*
21 *on a claim within 6 months after the claim is filed, the claimant*
22 *may consider the claim disallowed and file an appeal with the*
23 *Commission within 30 days after the last day of the 6-month*
24 *period. If the claimant is aggrieved by the decision of the*
25 *Commission rendered on appeal, the claimant may, within 90 days*
26 *after the decision is rendered, bring an action against the*
27 *Department on the grounds set forth in the claim for the recovery*
28 *of the whole or any part of the amount claimed as an*
29 *overpayment.*

30 *2. If judgment is rendered for the plaintiff, the amount of*
31 *the judgment must first be credited towards any tax due from the*
32 *plaintiff.*

33 *3. The balance of the judgment must be refunded to the*
34 *plaintiff.*

35 **Sec. 59.** *In any judgment, interest must be allowed at the rate*
36 *of 6 percent per annum upon the amount found to have been*
37 *illegally collected from the date of payment of the amount to the*
38 *date of allowance of credit on account of the judgment, or to a*
39 *date preceding the date of the refund warrant by not more than 30*
40 *days. The date must be determined by the Department.*

41 **Sec. 60.** *A judgment may not be rendered in favor of the*
42 *plaintiff in any action brought against the Department to recover*
43 *any amount paid when the action is brought by or in the name of*
44 *an assignee of the person paying the amount or by any person*
45 *other than the person who paid the amount.*



1 **Sec. 61. 1.** *The Department may recover a refund or any*
2 *part thereof which is erroneously made and any credit or part*
3 *thereof which is erroneously allowed in an action brought in a*
4 *court of competent jurisdiction in Carson City or Clark County in*
5 *the name of the State of Nevada.*

6 **2.** *The action must be tried in Carson City or Clark County*
7 *unless the court, with the consent of the Attorney General, orders*
8 *a change of place of trial.*

9 **3.** *The Attorney General shall prosecute the action, and the*
10 *provisions of NRS, the Nevada Rules of Civil Procedure and the*
11 *Nevada Rules of Appellate Procedure relating to service of*
12 *summons, pleadings, proofs, trials and appeals are applicable to*
13 *the proceedings.*

14 **Sec. 62. 1.** *If any amount in excess of \$25 has been*
15 *illegally determined, either by the Department or by the person*
16 *filing the return, the Department shall certify this fact to the State*
17 *Board of Examiners, and the latter shall authorize the*
18 *cancellation of the amount upon the records of the Department.*

19 **2.** *If an amount not exceeding \$25 has been illegally*
20 *determined, either by the Department or by the person filing the*
21 *return, the Department, without certifying this fact to the State*
22 *Board of Examiners, shall authorize the cancellation of the*
23 *amount upon the records of the Department.*

24 **Sec. 63. 1.** *A person shall not:*

25 **(a)** *Make, cause to be made or permit to be made any false or*
26 *fraudulent return or declaration or false statement in any return*
27 *or declaration with intent to defraud the State or to evade payment*
28 *of a tax or any part of a tax imposed by this chapter.*

29 **(b)** *Make, cause to be made or permit to be made any false*
30 *entry in books, records or accounts with intent to defraud the State*
31 *or to evade the payment of a tax or any part of a tax imposed by*
32 *this chapter.*

33 **(c)** *Keep, cause to be kept or permit to be kept more than one*
34 *set of books, records or accounts with intent to defraud the State*
35 *or to evade the payment of a tax or any part of a tax imposed by*
36 *this chapter.*

37 **2.** *Any person who violates the provisions of subsection 1 is*
38 *guilty of a gross misdemeanor.*

39 **Sec. 64.** Chapter 360 of NRS is hereby amended by adding
40 thereto a new section to read as follows:

41 *The Nevada Tax Commission shall adopt regulations providing*
42 *for:*

43 **1.** *The electronic submission of returns to the Department;*
44 *and*



1 **2. The payment of taxes, fees, interest and penalties to the**
2 **Department through the use of credit cards, debit cards and**
3 **electronic transfers of money.**

4 **Sec. 65.** NRS 360.2935 is hereby amended to read as follows:
5 360.2935 Except as otherwise provided in ~~NRS 361.485~~ **this**
6 **title**, a taxpayer is entitled to receive on any overpayment of taxes,
7 after the offset required by NRS 360.320 has been made, a refund
8 together with interest at a rate determined pursuant to NRS 17.130.
9 No interest is allowed on a refund of any penalties or interest paid
10 by a taxpayer.

11 **Sec. 66.** NRS 360.300 is hereby amended to read as follows:

12 360.300 1. If a person fails to file a return or the Department
13 is not satisfied with the return or returns of any tax, contribution or
14 premium or amount of tax, contribution or premium required to be
15 paid to the State by any person, in accordance with the applicable
16 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,
17 374, 377, 377A or 444A of NRS, NRS 482.313, ~~or~~ chapter 585 or
18 680B of NRS **, or sections 37 to 63, inclusive, of this act**, as
19 administered or audited by the Department, it may compute and
20 determine the amount required to be paid upon the basis of:

- 21 (a) The facts contained in the return;
22 (b) Any information within its possession or that may come into
23 its possession; or
24 (c) Reasonable estimates of the amount.

25 2. One or more deficiency determinations may be made with
26 respect to the amount due for one or for more than one period.

27 3. In making its determination of the amount required to be
28 paid, the Department shall impose interest on the amount of tax
29 determined to be due, calculated at the rate and in the manner set
30 forth in NRS 360.417, unless a different rate of interest is
31 specifically provided by statute.

32 4. The Department shall impose a penalty of 10 percent in
33 addition to the amount of a determination that is made in the case of
34 the failure of a person to file a return with the Department.

35 5. When a business is discontinued, a determination may be
36 made at any time thereafter within the time prescribed in NRS
37 360.355 as to liability arising out of that business, irrespective of
38 whether the determination is issued before the due date of the
39 liability.

40 **Sec. 67.** NRS 360.300 is hereby amended to read as follows:

41 360.300 1. If a person fails to file a return or the Department
42 is not satisfied with the return or returns of any tax, contribution or
43 premium or amount of tax, contribution or premium required to be
44 paid to the State by any person, in accordance with the applicable
45 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,



1 374, 377, 377A or 444A of NRS, NRS 482.313, chapter 585 or
2 680B of NRS, or sections *2 to 35, inclusive, or* 37 to 63, inclusive,
3 of this act, as administered or audited by the Department, it may
4 compute and determine the amount required to be paid upon the
5 basis of:

- 6 (a) The facts contained in the return;
- 7 (b) Any information within its possession or that may come into
8 its possession; or
- 9 (c) Reasonable estimates of the amount.

10 2. One or more deficiency determinations may be made with
11 respect to the amount due for one or for more than one period.

12 3. In making its determination of the amount required to be
13 paid, the Department shall impose interest on the amount of tax
14 determined to be due, calculated at the rate and in the manner set
15 forth in NRS 360.417, unless a different rate of interest is
16 specifically provided by statute.

17 4. The Department shall impose a penalty of 10 percent in
18 addition to the amount of a determination that is made in the case of
19 the failure of a person to file a return with the Department.

20 5. When a business is discontinued, a determination may be
21 made at any time thereafter within the time prescribed in NRS
22 360.355 as to liability arising out of that business, irrespective of
23 whether the determination is issued before the due date of the
24 liability.

25 **Sec. 68.** NRS 360.417 is hereby amended to read as follows:

26 360.417 Except as otherwise provided in NRS 360.232 and
27 360.320, and unless a different penalty or rate of interest is
28 specifically provided by statute, any person who fails to pay any tax
29 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
30 444A or 585 of NRS, *or sections 37 to 63, inclusive, of this act,* or
31 the fee provided for in NRS 482.313, to the State or a county within
32 the time required, shall pay a penalty of not more than 10 percent
33 of the amount of the tax or fee which is owed, as determined by the
34 Department, in addition to the tax or fee, plus interest at the rate of 1
35 percent per month, or fraction of a month, from the last day of the
36 month following the period for which the amount or any portion of
37 the amount should have been reported until the date of payment.
38 The amount of any penalty imposed must be based on a graduated
39 schedule adopted by the Nevada Tax Commission which takes into
40 consideration the length of time the tax or fee remained unpaid.

41 **Sec. 69.** NRS 360.417 is hereby amended to read as follows:

42 360.417 Except as otherwise provided in NRS 360.232 and
43 360.320, and unless a different penalty or rate of interest is
44 specifically provided by statute, any person who fails to pay any tax
45 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,



1 444A or 585 of NRS, or sections *2 to 35, inclusive, or* 37 to 63,
2 inclusive, of this act, or the fee provided for in NRS 482.313, to the
3 State or a county within the time required, shall pay a penalty of not
4 more than 10 percent of the amount of the tax or fee which is owed,
5 as determined by the Department, in addition to the tax or fee, plus
6 interest at the rate of 1 percent per month, or fraction of a month,
7 from the last day of the month following the period for which the
8 amount or any portion of the amount should have been reported
9 until the date of payment. The amount of any penalty imposed must
10 be based on a graduated schedule adopted by the Nevada Tax
11 Commission which takes into consideration the length of time the
12 tax or fee remained unpaid.

13 **Sec. 70.** NRS 360.419 is hereby amended to read as follows:

14 360.419 1. If the Executive Director or a designated hearing
15 officer finds that the failure of a person to make a timely return or
16 payment of a tax imposed pursuant to NRS 361.320 or chapter
17 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
18 370, 372, 372A, 374, 375A or 375B of NRS, *or sections 37 to 63,*
19 *inclusive, of this act* is the result of circumstances beyond his
20 control and occurred despite the exercise of ordinary care and
21 without intent, the Department may relieve him of all or part of any
22 interest or penalty, or both.

23 2. A person seeking this relief must file with the Department a
24 statement under oath setting forth the facts upon which he bases his
25 claim.

26 3. The Department shall disclose, upon the request of any
27 person:

- 28 (a) The name of the person to whom relief was granted; and
- 29 (b) The amount of the relief.

30 4. The Executive Director or a designated hearing officer shall
31 act upon the request of a taxpayer seeking relief pursuant to NRS
32 361.4835 which is deferred by a county treasurer or county assessor.

33 **Sec. 71.** NRS 360.419 is hereby amended to read as follows:

34 360.419 1. If the Executive Director or a designated hearing
35 officer finds that the failure of a person to make a timely return or
36 payment of a tax imposed pursuant to NRS 361.320 or chapter
37 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
38 370, 372, 372A, 374, 375A or 375B of NRS, *or sections 2 to 35,*
39 *inclusive, or* 37 to 63, inclusive, of this act is the result of
40 circumstances beyond his control and occurred despite the exercise
41 of ordinary care and without intent, the Department may relieve him
42 of all or part of any interest or penalty, or both.

43 2. A person seeking this relief must file with the Department a
44 statement under oath setting forth the facts upon which he bases his
45 claim.



1 3. The Department shall disclose, upon the request of any
2 person:

- 3 (a) The name of the person to whom relief was granted; and
4 (b) The amount of the relief.

5 4. The Executive Director or a designated hearing officer shall
6 act upon the request of a taxpayer seeking relief pursuant to NRS
7 361.4835 which is deferred by a county treasurer or county assessor.

8 **Sec. 72.** NRS 360.510 is hereby amended to read as follows:

9 360.510 1. If any person is delinquent in the payment of any
10 tax or fee administered by the Department or if a determination has
11 been made against him which remains unpaid, the Department may:

12 (a) Not later than 3 years after the payment became delinquent
13 or the determination became final; or

14 (b) Not later than 6 years after the last recording of an abstract
15 of judgment or of a certificate constituting a lien for tax
16 owed,

17 give a notice of the delinquency and a demand to transmit
18 personally or by registered or certified mail to any person,
19 including, without limitation, any officer or department of this state
20 or any political subdivision or agency of this state, who has in his
21 possession or under his control any credits or other personal
22 property belonging to the delinquent, or owing any debts to the
23 delinquent or person against whom a determination has been made
24 which remains unpaid, or owing any debts to the delinquent or that
25 person. In the case of any state officer, department or agency, the
26 notice must be given to the officer, department or agency before
27 the Department presents the claim of the delinquent taxpayer to the
28 State Controller.

29 2. A state officer, department or agency which receives such a
30 notice may satisfy any debt owed to it by that person before it
31 honors the notice of the Department.

32 3. After receiving the demand to transmit, the person notified
33 by the demand may not transfer or otherwise dispose of the credits,
34 other personal property, or debts in his possession or under his
35 control at the time he received the notice until the Department
36 consents to a transfer or other disposition.

37 4. Every person notified by a demand to transmit shall, within
38 10 days after receipt of the demand to transmit, inform the
39 Department of ~~§~~ and transmit to the Department all such credits,
40 other personal property ~~§~~ or debts in his possession, under his
41 control or owing by him within the time and in the manner
42 requested by the Department. Except as otherwise provided in
43 subsection 5, no further notice is required to be served to that
44 person.



1 5. If the property of the delinquent taxpayer consists of a series
2 of payments owed to him, the person who owes or controls the
3 payments shall transmit the payments to the Department until
4 otherwise notified by the Department. If the debt of the delinquent
5 taxpayer is not paid within 1 year after the Department issued
6 the original demand to transmit, the Department shall issue
7 another demand to transmit to the person responsible for making
8 the payments informing him to continue to transmit payments to the
9 Department or that his duty to transmit the payments to the
10 Department has ceased.

11 6. If the notice of the delinquency seeks to prevent the transfer
12 or other disposition of a deposit in a bank or credit union or other
13 credits or personal property in the possession or under the control of
14 a bank, credit union or other depository institution, the notice must
15 be delivered or mailed to any branch or office of the bank, credit
16 union or other depository institution at which the deposit is carried
17 or at which the credits or personal property is held.

18 7. If any person notified by the notice of the delinquency
19 makes any transfer or other disposition of the property or debts
20 required to be withheld or transmitted, to the extent of the value of
21 the property or the amount of the debts thus transferred or paid, he is
22 liable to the State for any indebtedness due pursuant to this chapter,
23 ~~or~~ chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or
24 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS , *or*
25 *sections 37 to 63, inclusive, of this act* from the person with respect
26 to whose obligation the notice was given if solely by reason of
27 the transfer or other disposition the State is unable to recover the
28 indebtedness of the person with respect to whose obligation the
29 notice was given.

30 **Sec. 73.** NRS 360.510 is hereby amended to read as follows:

31 360.510 1. If any person is delinquent in the payment of any
32 tax or fee administered by the Department or if a determination has
33 been made against him which remains unpaid, the Department may:

34 (a) Not later than 3 years after the payment became delinquent
35 or the determination became final; or

36 (b) Not later than 6 years after the last recording of an abstract
37 of judgment or of a certificate constituting a lien for tax
38 owed,

39 give a notice of the delinquency and a demand to transmit
40 personally or by registered or certified mail to any person,
41 including, without limitation, any officer or department of this state
42 or any political subdivision or agency of this state, who has in his
43 possession or under his control any credits or other personal
44 property belonging to the delinquent, or owing any debts to the
45 delinquent or person against whom a determination has been made



1 which remains unpaid, or owing any debts to the delinquent or that
2 person. In the case of any state officer, department or agency, the
3 notice must be given to the officer, department or agency before
4 the Department presents the claim of the delinquent taxpayer to the
5 State Controller.

6 2. A state officer, department or agency which receives such a
7 notice may satisfy any debt owed to it by that person before it
8 honors the notice of the Department.

9 3. After receiving the demand to transmit, the person notified
10 by the demand may not transfer or otherwise dispose of the credits,
11 other personal property, or debts in his possession or under his
12 control at the time he received the notice until the Department
13 consents to a transfer or other disposition.

14 4. Every person notified by a demand to transmit shall, within
15 10 days after receipt of the demand to transmit, inform the
16 Department of and transmit to the Department all such credits, other
17 personal property or debts in his possession, under his control or
18 owing by him within the time and in the manner requested by the
19 Department. Except as otherwise provided in subsection 5, no
20 further notice is required to be served to that person.

21 5. If the property of the delinquent taxpayer consists of a series
22 of payments owed to him, the person who owes or controls the
23 payments shall transmit the payments to the Department until
24 otherwise notified by the Department. If the debt of the delinquent
25 taxpayer is not paid within 1 year after the Department issued
26 the original demand to transmit, the Department shall issue
27 another demand to transmit to the person responsible for making
28 the payments informing him to continue to transmit payments to the
29 Department or that his duty to transmit the payments to the
30 Department has ceased.

31 6. If the notice of the delinquency seeks to prevent the transfer
32 or other disposition of a deposit in a bank or credit union or other
33 credits or personal property in the possession or under the control of
34 a bank, credit union or other depository institution, the notice must
35 be delivered or mailed to any branch or office of the bank, credit
36 union or other depository institution at which the deposit is carried
37 or at which the credits or personal property is held.

38 7. If any person notified by the notice of the delinquency
39 makes any transfer or other disposition of the property or debts
40 required to be withheld or transmitted, to the extent of the value of
41 the property or the amount of the debts thus transferred or paid, he is
42 liable to the State for any indebtedness due pursuant to this chapter,
43 chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or 444A of
44 NRS, NRS 482.313, or chapter 585 or 680B of NRS, or sections **2**
45 **to 35, inclusive, or** 37 to 63, inclusive, of this act from the person



1 with respect to whose obligation the notice was given if solely by
2 reason of the transfer or other disposition the State is unable to
3 recover the indebtedness of the person with respect to whose
4 obligation the notice was given.

5 **Sec. 74.** NRS 360A.020 is hereby amended to read as follows:

6 360A.020 The Department shall adopt ~~[such]~~ :

7 **1. Such** regulations as are necessary to carry out the provisions
8 of this chapter.

9 **2. Regulations providing for:**

10 **(a) The electronic submission of returns to the Department;**
11 **and**

12 **(b) The payment to the Department of any amount required to**
13 **be paid pursuant to this chapter, chapter 365, 366 or 373 of NRS,**
14 **or NRS 590.120 or 590.840, through the use of credit cards, debit**
15 **cards and electronic transfers of money.**

16 **Sec. 75.** NRS 361.186 is hereby amended to read as follows:

17 361.186 1. A taxpayer may collect an admission fee for the
18 exhibition of fine art otherwise exempt from taxation pursuant to
19 NRS 361.068 if the taxpayer offers to residents of the State of
20 Nevada a discount of 50 percent from any admission fee charged to
21 nonresidents. The discounted admission fee for residents must be
22 offered at any time the exhibition is open to the public and
23 admission fees are being charged.

24 2. Except as otherwise provided in subsection 5, if a taxpayer
25 collects a fee for the exhibition of fine art otherwise exempt from
26 taxation pursuant to NRS 361.068, the exemption pertaining to that
27 fine art for the fiscal year must be reduced by the net revenue
28 derived by the taxpayer for that fiscal year. The exemption
29 pertaining to fine art for a particular fiscal year must not be reduced
30 below zero, regardless of the amount of the net revenue derived by
31 the taxpayer for that fiscal year.

32 3. A tax resulting from the operation of this section is due with
33 the tax otherwise due under the taxpayer's first statement filed
34 pursuant to NRS 361.265 after the 15th day of the fourth month
35 after the end of the fiscal year in which the net revenue was received
36 or, if no such statement is required to be filed, under a statement of
37 the net revenue filed on or before the last day of the fourth month
38 after the end of that fiscal year.

39 4. A taxpayer who is required to pay a tax resulting from the
40 operation of this section may receive a credit against the tax for any
41 donations made by the taxpayer to the State Arts Council, the
42 Division of Museums and History Dedicated Trust Fund established
43 pursuant to NRS 381.0031, a museum that provides exhibits
44 specifically related to nature or a museum that provides exhibits
45 specifically related to children, if the taxpayer:



* A B Z 8 1 *

1 (a) Made the donation before the date that either statement
2 required pursuant to subsection 3 is due; and

3 (b) Provides to the county assessor documentation of the
4 donation at the time that he files the statement required pursuant to
5 subsection 3.

6 5. If a taxpayer qualifies for and avails himself of both of the
7 exemptions from taxation provided by NRS 361.068 and 374.291,
8 the reduction of the exemptions by the net revenue derived by the
9 taxpayer, as required pursuant to subsection 2 of this section and
10 subsection 2 of NRS 374.2911, must be carried out in such a manner
11 that the total net revenue derived by the taxpayer is first applied to
12 reduce the exemption provided pursuant to NRS 374.291. If the net
13 revenue exceeds the amount of the exemption provided pursuant to
14 NRS 374.291, the remaining net revenue must be applied to reduce
15 the exemption provided pursuant to NRS 361.068. If the net revenue
16 is less than or equal to the exemption provided pursuant to NRS
17 374.291 for that fiscal year, the exemption provided pursuant to
18 NRS 361.068 must not be reduced.

19 6. For the purposes of this section:

20 (a) "Direct costs of owning and exhibiting the fine art" does not
21 include any allocation of the general and administrative expense of a
22 business or organization that conducts activities in addition to the
23 operation of the facility in which the fine art is displayed, including,
24 without limitation, an allocation of the salary and benefits of a
25 senior executive who is responsible for the oversight of the facility
26 in which the fine art is displayed and who has substantial
27 responsibilities related to the other activities of the business or
28 organization.

29 (b) "Net revenue" means the amount of the fees collected for
30 exhibiting the fine art during that fiscal year less the following paid
31 or made during that fiscal year:

32 (1) *Any taxes on those fees imposed pursuant to section 46*
33 *of this act;*

34 (2) The direct costs of owning and exhibiting the fine art; and

35 ~~(2)~~ (3) The cost of educational programs associated with
36 the taxpayer's public display of fine art, including the cost of
37 meeting the requirements of sub-subparagraph (IV) of subparagraph
38 (1) of paragraph (b) of subsection ~~5~~ 4 of NRS 361.068.

39 **Sec. 76.** NRS 361.453 is hereby amended to read as follows:

40 361.453 1. Except as otherwise provided in this section and
41 NRS 354.705, 354.723 and 450.760, the total ad valorem tax levy
42 for all public purposes must not exceed ~~[\$3.64]~~ **\$3.14** on each \$100
43 of assessed valuation, or a lesser or greater amount fixed by the
44 State Board of Examiners if the State Board of Examiners is
45 directed by law to fix a lesser or greater amount for that fiscal year.



1 2. Any levy imposed by the Legislature for the repayment of
2 bonded indebtedness or the operating expenses of the State of
3 Nevada and any levy imposed by the board of county
4 commissioners pursuant to NRS 387.195 ~~[that is in excess of 50~~
5 ~~cents on each \$100 of assessed valuation of taxable property within~~
6 ~~the county]~~ must not be included in calculating the limitation set
7 forth in subsection 1 on the total ad valorem tax levied within the
8 boundaries of the county, city or unincorporated town . ~~[, if, in a~~
9 ~~county whose population is 40,000 or less, or in a city or~~
10 ~~unincorporated town located within that county:~~
11 ~~—(a) The combined tax rate certified by the Nevada Tax~~
12 ~~Commission was at least \$3.50 on each \$100 of assessed valuation~~
13 ~~on June 25, 1998;~~
14 ~~—(b) The governing body of that county, city or unincorporated~~
15 ~~town proposes to its registered voters an additional levy ad valorem~~
16 ~~above the total ad valorem tax levy for all public purposes set forth~~
17 ~~in subsection 1;~~
18 ~~—(c) The proposal specifies the amount of money to be derived,~~
19 ~~the purpose for which it is to be expended and the duration of the~~
20 ~~levy; and~~
21 ~~—(d) The proposal is approved by a majority of the voters voting~~
22 ~~on the question at a general election or a special election called for~~
23 ~~that purpose.~~
24 ~~—3. The duration of the additional levy ad valorem levied~~
25 ~~pursuant to subsection 2 must not exceed 5 years. The governing~~
26 ~~body of the county, city or unincorporated town may discontinue the~~
27 ~~levy before it expires and may not thereafter reimpose it in whole or~~
28 ~~in part without following the procedure required for its original~~
29 ~~imposition set forth in subsection 2.~~
30 ~~—4. A special election may be held pursuant to subsection 2 only~~
31 ~~if the governing body of the county, city or unincorporated town~~
32 ~~determines, by a unanimous vote, that an emergency exists. The~~
33 ~~determination made by the governing body is conclusive unless it is~~
34 ~~shown that the governing body acted with fraud or a gross abuse of~~
35 ~~discretion. An action to challenge the determination made by the~~
36 ~~governing body must be commenced within 15 days after the~~
37 ~~governing body's determination is final. As used in this subsection,~~
38 ~~“emergency” means any unexpected occurrence or combination of~~
39 ~~occurrences which requires immediate action by the governing body~~
40 ~~of the county, city or unincorporated town to prevent or mitigate a~~
41 ~~substantial financial loss to the county, city or unincorporated town~~
42 ~~or to enable the governing body to provide an essential service to~~
43 ~~the residents of the county, city or unincorporated town.]~~



1 **Sec. 77.** NRS 361.4545 is hereby amended to read as follows:
2 361.4545 1. On or before May 5 of each year or within 5
3 days after receiving the projections of revenue from the Department,
4 whichever is later, the ex officio tax receivers shall prepare and
5 cause to be published in a newspaper of general circulation in their
6 respective counties, a notice which contains at least the following
7 information:

8 (a) A statement that the notice is not a bill for taxes owed but an
9 informational notice. The notice must state:

10 (1) That public hearings will be held on the dates listed in the
11 notice to adopt budgets and tax rates for the fiscal year beginning on
12 July 1;

13 (2) That the purpose of the public hearings is to receive
14 opinions from members of the public on the proposed budgets and
15 tax rates before final action is taken thereon; and

16 (3) The tax rate to be imposed by the county and each
17 political subdivision within the county for the ensuing fiscal year if
18 the tentative budgets which affect the property in those areas
19 become final budgets.

20 (b) A brief description of the limitation imposed by the
21 Legislature on the revenue of the local governments.

22 (c) The dates, times and locations of all of the public hearings
23 on the tentative budgets which affect the taxes on property.

24 (d) The names and addresses of the county assessor and ex
25 officio tax receiver who may be consulted for further information.

26 (e) A brief statement of how property is assessed and how the
27 combined tax rate is determined.

28 The notice must be displayed in the format used for news and must
29 be printed on at least one-half of a page of the newspaper.

30 2. Each ex officio tax receiver shall prepare and cause to be
31 published in a newspaper of general circulation within the county:

32 (a) A notice, displayed in the format used for news and printed
33 in not less than 8-point type, disclosing any increase in the property
34 taxes as a result of any change in the tentative budget.

35 (b) A notice, displayed in the format used for advertisements
36 and printed in not less than 8-point type on at least one-quarter of a
37 page of the newspaper, disclosing any amount in cents on each \$100
38 of assessed valuation by which the highest combined tax rate for
39 property in the county exceeds ~~[\$3.64]~~ **\$3.14** on each \$100 of
40 assessed valuation.

41 These notices must be published within 10 days after the receipt of
42 the information pursuant to NRS 354.596.

43 **Sec. 78.** NRS 364A.040 is hereby amended to read as follows:
44 364A.040 1. "Employee" includes:



- 1 (a) A natural person who receives wages or other remuneration
2 from a business for personal services, including commissions and
3 bonuses and remuneration payable in a medium other than cash; and
4 (b) A natural person engaged in the operation of a business.
- 5 2. The term includes:
6 (a) ~~Each~~ *Each* partner or other co-owner of a business; and
7 (b) Except as otherwise provided in subsection 3, a natural
8 person reported as an employee to the:
9 (1) Employment Security Division of the Department of
10 Employment, Training and Rehabilitation;
11 (2) Administrator of the Division of Industrial Relations of
12 the Department of Business and Industry; or
13 (3) Internal Revenue Service on an Employer's Quarterly
14 Federal Tax Return (Form 941), Employer's Monthly Federal Tax
15 Return (Form 941-M), Employer's Annual Tax Return for
16 Agricultural Employees (Form 943), or any equivalent or successor
17 form.
- 18 3. The term does not include:
19 (a) A business, including an independent contractor, that
20 performs services on behalf of another business.
21 (b) A natural person who is retired or otherwise receiving
22 remuneration solely because of past service to the business.
23 (c) A newspaper carrier or the immediate supervisor of a
24 newspaper carrier who is an independent contractor of the
25 newspaper and receives compensation solely from persons who
26 purchase the newspaper.
27 (d) A natural person who performs all of his duties for the
28 business outside of this state.
- 29 4. An independent contractor is not an employee of a business
30 with whom he contracts.
- 31 **Sec. 79.** NRS 364A.130 is hereby amended to read as follows:
32 364A.130 1. Except as otherwise provided in subsection 6,
33 a person shall not conduct a business in this state unless he has a
34 business license issued by the Department.
- 35 2. ~~The~~ *An* application for *the issuance or renewal of* a
36 business license must:
37 (a) Be made upon a form prescribed by the Department;
38 (b) Set forth the name under which the applicant transacts or
39 intends to transact business and the location of his place or places of
40 business;
41 (c) Declare the estimated number of employees for the previous
42 calendar quarter;
43 (d) Be accompanied by a fee of \$25; and
44 (e) Include any other information that the Department deems
45 necessary.



1 3. The application must be signed by:
2 (a) The owner, if the business is owned by a natural person;
3 (b) A member or partner, if the business is owned by an
4 association or partnership; or
5 (c) An officer or some other person specifically authorized to
6 sign the application, if the business is owned by a corporation.

7 4. If the application is signed pursuant to paragraph (c) of
8 subsection 3, written evidence of the signer's authority must be
9 attached to the application.

10 5. For the purposes of this chapter, a person shall be deemed to
11 conduct a business in this state if a business for which the person is
12 responsible:

13 (a) Is ~~incorporated~~ *formed* pursuant to ~~chapter 78 or 78A~~ *title*
14 *7* of NRS;

15 (b) Has an office or other base of operations in this state; or

16 (c) Pays wages or other remuneration to a natural person who
17 performs in this state any of the duties for which he is paid.

18 6. A person who takes part in a trade show or convention held
19 in this state for a purpose related to the conduct of a business is not
20 required to obtain a business license specifically for that event.

21 **Sec. 80.** NRS 364A.130 is hereby amended to read as follows:

22 364A.130 1. Except as otherwise provided in subsection 6, a
23 person shall not conduct a business in this state unless he has a
24 business license issued by the Department.

25 2. An application for ~~the issuance or renewal of~~ a business
26 license must:

27 (a) Be made upon a form prescribed by the Department;

28 (b) Set forth the name under which the applicant transacts or
29 intends to transact business and the location of his place or places of
30 business;

31 (c) Declare the estimated number of employees for the previous
32 calendar quarter;

33 (d) Be accompanied by a fee of \$25; and

34 (e) Include any other information that the Department deems
35 necessary.

36 3. The application must be signed by:

37 (a) The owner, if the business is owned by a natural person;

38 (b) A member or partner, if the business is owned by an
39 association or partnership; or

40 (c) An officer or some other person specifically authorized to
41 sign the application, if the business is owned by a corporation.

42 4. If the application is signed pursuant to paragraph (c) of
43 subsection 3, written evidence of the signer's authority must be
44 attached to the application.



1 5. For the purposes of this chapter, a person shall be deemed to
2 conduct a business in this state if a business for which the person is
3 responsible:

- 4 (a) Is formed pursuant to title 7 of NRS;
- 5 (b) Has an office or other base of operations in this state; or
- 6 (c) Pays wages or other remuneration to a natural person who
7 performs in this state any of the duties for which he is paid.

8 6. A person who takes part in a trade show or convention held
9 in this state for a purpose related to the conduct of a business is not
10 required to obtain a business license specifically for that event.

11 **Sec. 81.** NRS 364A.140 is hereby amended to read as follows:

12 364A.140 1. A tax is hereby imposed upon the privilege of
13 conducting business in this state. Except as otherwise provided in
14 this section, the tax for each calendar quarter is due on the last day
15 of the quarter and must be paid on or before the last day of the
16 month immediately following the quarter on the basis of the total
17 number of equivalent full-time employees employed by the business
18 in the quarter.

19 2. If the tax required to be paid by a business for a calendar
20 quarter pursuant to subsection 1 is less than \$25, the business may
21 submit a written request to the Department to pay the tax annually
22 for each calendar quarter of a fiscal year ending June 30. Upon
23 approval of the request, the tax becomes due on the last day of the
24 fiscal year and must be paid on or before the last day of July
25 immediately following the fiscal year. If a business ceases operation
26 before the end of the fiscal year, the tax becomes due on the date on
27 which the business ceases its operation and must be paid on or
28 before the last day of the month immediately following the calendar
29 quarter in which the business ceases its operation. A business may
30 continue to pay the tax annually until the Department withdraws its
31 approval for the annual payment. The Department may withdraw its
32 approval at any time if it determines that the tax due for any
33 calendar quarter is at least \$25.

34 3. The total number of equivalent full-time employees
35 employed by a business in a quarter must be calculated pursuant to
36 NRS 364A.150.

37 4. Except as otherwise provided in NRS 364A.152 and
38 364A.170, the amount of tax due for a business for each calendar
39 quarter is ~~[\$25]~~ \$35 for each equivalent full-time employee
40 employed by the business in the quarter.

41 5. Each business shall file a return on a form prescribed by the
42 Department with each remittance of the tax. If the payment due is
43 greater than \$1,000, the payment must be made by direct deposit at
44 a bank or credit union in which the State has an account, unless the



1 Department waives this requirement pursuant to regulations adopted
2 by the Commission. The return must include:

3 (a) If the tax is paid quarterly, a statement of the number of
4 equivalent full-time employees employed by the business in the
5 preceding quarter and any other information the Department
6 determines is necessary.

7 (b) If the tax is paid annually, a statement of the number of
8 equivalent full-time employees employed by the business for each
9 calendar quarter of the preceding fiscal year and any other
10 information the Department determines is necessary.

11 6. The Commission shall adopt regulations concerning the
12 payment of the tax imposed pursuant to this section by direct
13 deposit.

14 **Sec. 82.** NRS 364A.150 is hereby amended to read as follows:

15 364A.150 1. The total number of equivalent full-time
16 employees employed by a business in a quarter must be calculated
17 by dividing the total number of hours all employees have worked
18 during the quarter by 468.

19 2. To determine the total number of hours all employees have
20 worked during the quarter, the business must add the total number
21 of hours worked by full-time employees based in this state during
22 the quarter to the total number of hours worked by part-time
23 employees based in this state during the quarter and to the total
24 number of hours worked in this state by employees described in
25 subsection 6. A "full-time employee" is a person who is employed
26 to work at least 36 hours per week. All other employees are part-
27 time employees. An occasional reduction in the number of hours
28 actually worked in any week by a particular employee, as the result
29 of sickness, vacation or other compensated absence, does not affect
30 his status for the purposes of this section if his regular hours of work
31 are 36 or more per week. All hours for which a part-time employee
32 is paid must be included.

33 3. Except as otherwise provided in subsection 7, the total
34 number of hours worked by full-time employees of a business
35 during the quarter may be calculated by:

36 (a) Determining from the records of the business the number of
37 hours each full-time employee has worked during the quarter up to a
38 maximum of 468 hours per quarter and totaling the results; or

39 (b) Multiplying 7.2 hours by the number of days each full-time
40 employee was employed by the business up to a maximum of 65
41 days per quarter and totaling the results.

42 4. Except as otherwise provided in subsection 7, the total
43 number of hours worked by part-time employees of a business
44 during the quarter must be calculated by determining from the



1 records of the business the number of hours each part-time
2 employee has worked during the quarter and totaling the results.

3 5. The total number of hours all employees have worked
4 during the quarter must be calculated ~~{excluding}~~, *including*
5 hours worked by a sole proprietor or one natural person in any
6 unincorporated business . ~~{, who shall be deemed the owner of the~~
7 ~~business rather than an employee.}~~

8 6. To determine the total number of hours all employees have
9 worked during the quarter, in the case of a business which employs
10 a natural person at a base or business location outside Nevada, but
11 directs that person to perform at least some of his duties in Nevada,
12 the calculation must include the total number of hours actually
13 worked by that person in Nevada during the quarter. To calculate
14 the number of hours worked in Nevada, the formula in paragraph (b)
15 of subsection 3 must be used for full-time employees, and the
16 formula in subsection 4 must be used for part-time employees.

17 7. Except as otherwise provided in subsection 8, if a business
18 employs in a calendar quarter a person whose monthly income for
19 that calendar quarter is 150 percent or less of the federally
20 designated level signifying poverty, the business may exclude the
21 total number of hours which the employee worked during that
22 calendar quarter in calculating the total number of hours worked by
23 employees of the business during the quarter if the business
24 provided to the employee for the whole calendar quarter:

25 (a) Free child care for the children of the employee at an on-site
26 child care facility; or

27 (b) One or more vouchers for use by the employee to pay the
28 total cost of child care for the calendar quarter at a licensed child
29 care facility that is within a reasonable distance from the business.

30 8. The number of hours excluded pursuant to subsection 7 must
31 not reduce the total tax liability of the business by more than 50
32 percent.

33 9. As used in this section, the term "on-site child care facility"
34 has the meaning ascribed to it in NRS 432A.0275.

35 **Sec. 83.** NRS 369.174 is hereby amended to read as follows:

36 369.174 Each month, the State Controller shall transfer to the
37 Tax on Liquor Program Account in the State General Fund, from the
38 tax on liquor containing more than 22 percent of alcohol by volume,
39 the portion of the tax which exceeds ~~[\$1.90]~~ **\$3.72** per wine gallon.

40 **Sec. 84.** NRS 369.330 is hereby amended to read as follows:

41 369.330 Except as otherwise provided in this chapter, an excise
42 tax is hereby levied and must be collected respecting all liquor and
43 upon the privilege of importing, possessing, storing or selling liquor,
44 according to the following rates and classifications:



- 1 1. On liquor containing more than 22 percent of alcohol by
- 2 volume, ~~[\$2.05]~~ \$3.87 per wine gallon or proportionate part thereof.
- 3 2. On liquor containing more than 14 percent up to and
- 4 including 22 percent of alcohol by volume, ~~[75-cents]~~ \$1.42 per
- 5 wine gallon or proportionate part thereof.
- 6 3. On liquor containing from one-half of 1 percent up to and
- 7 including 14 percent of alcohol by volume, ~~[40]~~ 76 cents per wine
- 8 gallon or proportionate part thereof.
- 9 4. On all malt beverage liquor brewed or fermented and bottled
- 10 in or outside this state, ~~[9]~~ 17 cents per gallon.
- 11 **Sec. 85.** NRS 370.165 is hereby amended to read as follows:
- 12 370.165 There is hereby levied a tax upon the purchase or
- 13 possession of cigarettes by a consumer in the State of Nevada at the
- 14 rate of ~~[47.5]~~ 35 mills per cigarette. The tax may be represented and
- 15 precollected by the affixing of a revenue stamp or other approved
- 16 evidence of payment to each package, packet or container in which
- 17 cigarettes are sold. The tax must be precollected by the wholesale or
- 18 retail dealer, and must be recovered from the consumer by adding
- 19 the amount of the tax to the selling price. Each person who sells
- 20 cigarettes at retail shall prominently display on his premises a notice
- 21 that the tax is included in the selling price and is payable under the
- 22 provisions of this chapter.
- 23 **Sec. 86.** NRS 370.260 is hereby amended to read as follows:
- 24 370.260 1. All taxes and license fees imposed by the
- 25 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
- 26 granted as provided by law, must be paid to the Department in the
- 27 form of remittances payable to the Department.
- 28 2. The Department shall:
- 29 (a) As compensation to the State for the costs of collecting the
- 30 taxes and license fees, transmit each month the sum the Legislature
- 31 specifies from the remittances made to it pursuant to subsection 1
- 32 during the preceding month to the State Treasurer for deposit to the
- 33 credit of the Department. The deposited money must be expended
- 34 by the Department in accordance with its work program.
- 35 (b) From the remittances made to it pursuant to subsection 1
- 36 during the preceding month, less the amount transmitted pursuant to
- 37 paragraph (a), transmit each month the portion of the tax which is
- 38 equivalent to ~~[42.5]~~ 30 mills per cigarette to the State Treasurer for
- 39 deposit to the credit of the Account for the Tax on Cigarettes in the
- 40 State General Fund.
- 41 (c) Transmit the balance of the payments each month to the
- 42 State Treasurer for deposit in the Local Government Tax
- 43 Distribution Account created by NRS 360.660.
- 44 (d) Report to the State Controller monthly the amount of
- 45 collections.



1 3. The money deposited pursuant to paragraph (c) of
2 subsection 2 in the Local Government Tax Distribution Account is
3 hereby appropriated to Carson City and to each of the counties in
4 proportion to their respective populations and must be credited to
5 the respective accounts of Carson City and each county.

6 **Sec. 87.** NRS 370.350 is hereby amended to read as follows:

7 370.350 1. Except as otherwise provided in subsection 3, a
8 tax is hereby levied and imposed upon the use of cigarettes in this
9 state.

10 2. The amount of the use tax is ~~[17.5]~~ 35 mills per cigarette.

11 3. The use tax does not apply where:

12 (a) Nevada cigarette revenue stamps have been affixed to
13 cigarette packages as required by law.

14 (b) Tax exemption is provided for in this chapter.

15 **Sec. 88.** NRS 372.370 is hereby amended to read as follows:

16 372.370 ~~[The taxpayer shall]~~ *A taxpayer may, to reimburse*
17 *himself for the cost of collecting the tax,* deduct and withhold from
18 the ~~[taxes]~~ amount of the tax otherwise due from him :

19 *1. If full payment is received by the Department within 7 days*
20 *after the end of the reporting period for which the payment is*
21 *made, 1.25 percent of ~~[it to reimburse himself for the cost of~~*
22 *collecting the tax.] the amount otherwise due; and*

23 *2. Except as otherwise provided in subsection 1, if full*
24 *payment is received by the Department on or before the last day of*
25 *the month immediately following the reporting period for which*
26 *the payment is made, 0.75 percent of the amount otherwise due.*

27 **Sec. 89.** NRS 374.2911 is hereby amended to read as follows:

28 374.2911 1. A taxpayer may collect an admission fee for the
29 exhibition of fine art otherwise exempt from taxation on its sale,
30 storage, use or other consumption pursuant to NRS 374.291 if the
31 taxpayer offers to residents of the State of Nevada a discount of 50
32 percent from any admission fee charged to nonresidents. The
33 discounted admission fee for residents must be offered at any time
34 the exhibition is open to the public and admission fees are being
35 charged.

36 2. If a taxpayer collects a fee for the exhibition of fine art
37 otherwise exempt from taxation on its sale, storage, use or other
38 consumption pursuant to NRS 374.291 and the fee is collected
39 during the first full fiscal year after the purchase of the fine art, the
40 exemption pertaining to that fine art must be reduced by the net
41 revenue derived by the taxpayer for that first full fiscal year. The
42 exemption pertaining to fine art must not be reduced below zero,
43 regardless of the amount of the net revenue derived by the taxpayer
44 for that first full fiscal year.



1 3. Any tax due pursuant to this section must be paid with the
2 first sales and use tax return otherwise required to be filed by the
3 taxpayer following the 15th day of the fourth month after the end of
4 the first full fiscal year following the purchase of the fine art or, if
5 no sales and use tax return is otherwise required to be filed by the
6 taxpayer, with a sales and use tax return filed specifically for this
7 purpose on or before the last day of the fourth month after the end of
8 the first full fiscal year following the purchase of the fine art.

9 4. A taxpayer who is required to pay a tax resulting from the
10 operation of this section may receive a credit against the tax for any
11 donations made by the taxpayer to the State Arts Council, the
12 Division of Museums and History Dedicated Trust Fund established
13 pursuant to NRS 381.0031, a museum that provides exhibits
14 specifically related to nature or a museum that provides exhibits
15 specifically related to children, if the taxpayer:

16 (a) Made the donation before the date that either return required
17 pursuant to subsection 3 is due; and

18 (b) Provides the Department documentation of the donation at
19 the time that he files the return required pursuant to subsection 3.

20 5. For the purposes of this section:

21 (a) "Direct costs of owning and exhibiting the fine art" does not
22 include any allocation of the general and administrative expense of a
23 business or organization that conducts activities in addition to the
24 operation of the facility in which the fine art is displayed, including,
25 without limitation, an allocation of the salary and benefits of a
26 senior executive who is responsible for the oversight of the facility
27 in which the fine art is displayed and who has substantial
28 responsibilities related to the other activities of the business or
29 organization.

30 (b) "Net revenue" means the amount of the fees collected for
31 exhibiting the fine art during the fiscal year less the following paid
32 or made during the fiscal year:

33 (1) *Any taxes on those fees imposed pursuant to section 46*
34 *of this act;*

35 (2) The direct costs of owning and exhibiting the fine art; and

36 ~~(2)~~ (3) The cost of educational programs associated with
37 the taxpayer's public display of fine art, including the cost of
38 meeting the requirements of subparagraph (IV) of subparagraph
39 (1) of paragraph (a) of subsection 4 of NRS 374.291.

40 **Sec. 90.** NRS 374.375 is hereby amended to read as follows:

41 374.375 ~~{The taxpayer shall}~~ *A taxpayer may, to reimburse*
42 *himself for the cost of collecting the tax,* deduct and withhold from
43 the ~~{taxes}~~ *amount of the tax* otherwise due from him :

44 1. *If full payment is received by the Department within 7 days*
45 *after the end of the reporting period for which the payment is*



1 *made, 1.25 percent* ~~thereof to reimburse himself for the cost of~~
2 ~~collecting the tax.~~ *of the amount otherwise due; and*

3 *2. Except as otherwise provided in subsection 1, if full*
4 *payment is received by the Department on or before the last day of*
5 *the month immediately following the reporting period for which*
6 *the payment is made, 0.75 percent of the amount otherwise due.*

7 **Sec. 91.** NRS 14.030 is hereby amended to read as follows:

8 14.030 1. If any artificial person described in NRS 14.020
9 fails to appoint a resident agent, or fails to file a certificate of
10 acceptance of appointment for 30 days after a vacancy occurs in the
11 agency, on the production of a certificate of the Secretary of State
12 showing either fact, which is conclusive evidence of the fact so
13 certified to be made a part of the return of service, the artificial
14 person may be served with any and all legal process, or a demand or
15 notice described in NRS 14.020, by delivering a copy to the
16 Secretary of State ~~or~~ or, in his absence, to any deputy secretary of
17 state, and such service is valid to all intents and purposes. The copy
18 must:

19 (a) Include a specific citation to the provisions of this section.
20 The Secretary of State may refuse to accept such service if the
21 proper citation is not included.

22 (b) Be accompanied by a fee of ~~[\$10.]~~ **\$15.**

23 The Secretary of State shall keep a copy of the legal process
24 received pursuant to this section in his office for at least 1 year after
25 receipt thereof and shall make those records available for public
26 inspection during normal business hours.

27 2. In all cases of such service, the defendant has 40 days,
28 exclusive of the day of service, within which to answer or plead.

29 3. Before such service is authorized, the plaintiff shall make or
30 cause to be made and filed an affidavit setting forth the facts,
31 showing that due diligence has been used to ascertain the
32 whereabouts of the officers of the artificial person to be served, and
33 the facts showing that direct or personal service on, or notice to, the
34 artificial person cannot be had.

35 4. If it appears from the affidavit that there is a last known
36 address of the artificial person or any known officers thereof, the
37 plaintiff shall, in addition to and after such service on the Secretary
38 of State, mail or cause to be mailed to the artificial person or to the
39 known officer, at such address, by registered or certified mail, a
40 copy of the summons and a copy of the complaint, and in all such
41 cases the defendant has 40 days after the date of the mailing within
42 which to appear in the action.

43 5. This section provides an additional manner of serving
44 process ~~or~~ and does not affect the validity of any other valid service.



1 **Sec. 92.** NRS 78.0295 is hereby amended to read as follows:
2 78.0295 1. A corporation may correct a document filed by
3 the Secretary of State with respect to the corporation if the
4 document contains an inaccurate record of a corporate action
5 described in the document or was defectively executed, attested,
6 sealed, verified or acknowledged.

- 7 2. To correct a document, the corporation shall:
8 (a) Prepare a certificate of correction which:
9 (1) States the name of the corporation;
10 (2) Describes the document, including, without limitation, its
11 filing date;
12 (3) Specifies the inaccuracy or defect;
13 (4) Sets forth the inaccurate or defective portion of the
14 document in an accurate or corrected form; and
15 (5) Is signed by an officer of the corporation.
16 (b) Deliver the certificate to the Secretary of State for filing.
17 (c) Pay a filing fee of ~~150~~ 225 to the Secretary of State.

18 3. A certificate of correction is effective on the effective date
19 of the document it corrects except as to persons relying on the
20 uncorrected document and adversely affected by the correction. As
21 to those persons, the certificate is effective when filed.

22 **Sec. 93.** NRS 78.150 is hereby amended to read as follows:

23 78.150 1. A corporation organized pursuant to the laws of
24 this state shall, on or before the first day of the second month after
25 the filing of its articles of incorporation with the Secretary of State,
26 file with the Secretary of State a list, on a form furnished by him,
27 containing:

- 28 (a) The name of the corporation;
29 (b) The file number of the corporation, if known;
30 (c) The names and titles of the president, secretary, treasurer and
31 of all the directors of the corporation;
32 (d) The mailing or street address, either residence or business, of
33 each officer and director listed, following the name of the officer or
34 director;
35 (e) The name and street address of the resident agent of the
36 corporation; and
37 (f) The signature of an officer of the corporation certifying that
38 the list is true, complete and accurate.

39 2. The corporation shall annually thereafter, on or before the
40 last day of the month in which the anniversary date of incorporation
41 occurs in each year, file with the Secretary of State, on a form
42 furnished by him, an annual list containing all of the information
43 required in subsection 1.



1 3. Each list required by subsection 1 or 2 must be accompanied
2 by a declaration under penalty of perjury that the corporation has
3 complied with the provisions of chapter 364A of NRS.

4 4. Upon filing the list required by:

5 (a) Subsection 1, the corporation shall pay to the Secretary of
6 State a fee of ~~[\$165.]~~ **\$250.**

7 (b) Subsection 2, the corporation shall pay to the Secretary of
8 State a fee of ~~[\$85.]~~ **\$130.**

9 5. The Secretary of State shall, 60 days before the last day for
10 filing each annual list required by subsection 2, cause to be mailed
11 to each corporation which is required to comply with the provisions
12 of NRS 78.150 to 78.185, inclusive, and which has not become
13 delinquent, a notice of the fee due pursuant to subsection 4 and a
14 reminder to file the annual list required by subsection 2. Failure of
15 any corporation to receive a notice or form does not excuse it from
16 the penalty imposed by law.

17 6. If the list to be filed pursuant to the provisions of subsection
18 1 or 2 is defective in any respect or the fee required by subsection 4
19 or 8 is not paid, the Secretary of State may return the list for
20 correction or payment.

21 7. An annual list for a corporation not in default which is
22 received by the Secretary of State more than 60 days before its due
23 date shall be deemed an amended list for the previous year and must
24 be accompanied by a fee of ~~[\$85]~~ **\$130** for filing. A payment
25 submitted pursuant to this subsection does not satisfy the
26 requirements of subsection 2 for the year to which the due date is
27 applicable.

28 8. If the corporation is an association as defined in NRS
29 116.110315, the Secretary of State shall not accept the filing
30 required by this section unless it is accompanied by evidence of the
31 payment of the fee required to be paid pursuant to NRS 116.31155
32 that is provided to the association pursuant to subsection 4 of that
33 section.

34 **Sec. 94.** NRS 78.170 is hereby amended to read as follows:

35 78.170 1. Each corporation required to make a filing and pay
36 the fee prescribed in NRS 78.150 to 78.185, inclusive, which refuses
37 or neglects to do so within the time provided shall be deemed in
38 default.

39 2. For default there must be added to the amount of the fee a
40 penalty of ~~[\$50.]~~ **\$75.** The fee and penalty must be collected as
41 provided in this chapter.

42 **Sec. 95.** NRS 78.180 is hereby amended to read as follows:

43 78.180 1. Except as otherwise provided in subsections 3 and
44 4, the Secretary of State shall reinstate a corporation which has
45 forfeited its right to transact business pursuant to the provisions of



1 this chapter and restore to the corporation its right to carry on
2 business in this state, and to exercise its corporate privileges and
3 immunities, if it:

4 (a) Files with the Secretary of State the list required by
5 NRS 78.150; and

6 (b) Pays to the Secretary of State:

7 (1) The filing fee and penalty set forth in NRS 78.150 and
8 78.170 for each year or portion thereof during which it failed to file
9 each required annual list in a timely manner; and

10 (2) A fee of ~~[\$200]~~ \$300 for reinstatement.

11 2. When the Secretary of State reinstates the corporation, he
12 shall:

13 (a) Immediately issue and deliver to the corporation a certificate
14 of reinstatement authorizing it to transact business as if the filing fee
15 or fees had been paid when due; and

16 (b) Upon demand, issue to the corporation one or more certified
17 copies of the certificate of reinstatement.

18 3. The Secretary of State shall not order a reinstatement unless
19 all delinquent fees and penalties have been paid, and the revocation
20 of the charter occurred only by reason of failure to pay the fees and
21 penalties.

22 4. If a corporate charter has been revoked pursuant to the
23 provisions of this chapter and has remained revoked for a period of
24 5 consecutive years, the charter must not be reinstated.

25 **Sec. 96.** NRS 78.390 is hereby amended to read as follows:

26 78.390 1. Every amendment adopted pursuant to the
27 provisions of NRS 78.385 must be made in the following manner:

28 (a) The board of directors must adopt a resolution setting forth
29 the amendment proposed and declaring its advisability, and either
30 call a special meeting of the stockholders entitled to vote on the
31 amendment or direct that the proposed amendment be considered at
32 the next annual meeting of the stockholders entitled to vote on the
33 amendment.

34 (b) At the meeting, of which notice must be given to each
35 stockholder entitled to vote pursuant to the provisions of this
36 section, a vote of the stockholders entitled to vote in person or by
37 proxy must be taken for and against the proposed amendment. If it
38 appears upon the canvassing of the votes that stockholders holding
39 shares in the corporation entitling them to exercise at least a
40 majority of the voting power, or such greater proportion of the
41 voting power as may be required in the case of a vote by classes or
42 series, as provided in subsections 2 and 4, or as may be required by
43 the provisions of the articles of incorporation, have voted in favor of
44 the amendment, an officer of the corporation shall sign a certificate
45 setting forth the amendment, or setting forth the articles of



1 incorporation as amended, and the vote by which the amendment
2 was adopted.

3 (c) The certificate so signed must be filed with the Secretary of
4 State.

5 2. If any proposed amendment would adversely alter or change
6 any preference or any relative or other right given to any class or
7 series of outstanding shares, then the amendment must be approved
8 by the vote, in addition to the affirmative vote otherwise required, of
9 the holders of shares representing a majority of the voting power of
10 each class or series adversely affected by the amendment regardless
11 of limitations or restrictions on the voting power thereof.

12 3. Provision may be made in the articles of incorporation
13 requiring, in the case of any specified amendments, a larger
14 proportion of the voting power of stockholders than that required by
15 this section.

16 4. Different series of the same class of shares do not constitute
17 different classes of shares for the purpose of voting by classes
18 except when the series is adversely affected by an amendment in a
19 different manner than other series of the same class.

20 5. The resolution of the stockholders approving the proposed
21 amendment may provide that at any time before the effective date of
22 the amendment, notwithstanding approval of the proposed
23 amendment by the stockholders, the board of directors may, by
24 resolution, abandon the proposed amendment without further action
25 by the stockholders.

26 6. A certificate filed pursuant to subsection 1 becomes
27 effective upon filing with the Secretary of State or upon a later date
28 specified in the certificate, which must not be later than 90 days
29 after the certificate is filed.

30 7. If a certificate filed pursuant to subsection 1 specifies an
31 effective date and if the resolution of the stockholders approving the
32 proposed amendment provides that the board of directors may
33 abandon the proposed amendment pursuant to subsection 5, the
34 board of directors may terminate the effectiveness of the certificate
35 by resolution and by filing a certificate of termination with the
36 Secretary of State that:

37 (a) Is filed before the effective date specified in the certificate
38 filed pursuant to subsection 1;

39 (b) Identifies the certificate being terminated;

40 (c) States that, pursuant to the resolution of the stockholders, the
41 board of directors is authorized to terminate the effectiveness of
42 the certificate;

43 (d) States that the effectiveness of the certificate has been
44 terminated;

45 (e) Is signed by an officer of the corporation; and



1 (f) Is accompanied by a filing fee of ~~[\$150.]~~ \$225.
 2 **Sec. 97.** NRS 78.760 is hereby amended to read as follows:
 3 78.760 1. The fee for filing articles of incorporation is
 4 prescribed in the following schedule:

5

6 If the amount represented by the total number of
 7 shares provided for in the articles is:

8 \$75,000 or less	[\$175] \$265
9 Over \$75,000 and not over \$200,000.....	[225] 340
10 Over \$200,000 and not over \$500,000.....	[325] 490
11 Over \$500,000 and not over \$1,000,000.....	[425] 640
12 Over \$1,000,000:	
13 For the first \$1,000,000.....	[425] 640
14 For each additional \$500,000 or fraction thereof.	[225] 340

15

16 2. The maximum fee which may be charged pursuant to this
 17 section is ~~[\$25,000]~~ \$37,500 for:

- 18 (a) The original filing of articles of incorporation.
 19 (b) A subsequent filing of any instrument which authorizes an
 20 increase in stock.

21 3. For the purposes of computing the filing fees according to
 22 the schedule in subsection 1, the amount represented by the total
 23 number of shares provided for in the articles of incorporation is:

- 24 (a) The aggregate par value of the shares, if only shares with a
 25 par value are therein provided for;
 26 (b) The product of the number of shares multiplied by \$1,
 27 regardless of any lesser amount prescribed as the value or
 28 consideration for which shares may be issued and disposed of, if
 29 only shares without par value are therein provided for; or
 30 (c) The aggregate par value of the shares with a par value plus
 31 the product of the number of shares without par value multiplied by
 32 \$1, regardless of any lesser amount prescribed as the value or
 33 consideration for which the shares without par value may be issued
 34 and disposed of, if shares with and without par value are therein
 35 provided for.

36 For the purposes of this subsection, shares with no prescribed par
 37 value shall be deemed shares without par value.

38 4. The Secretary of State shall calculate filing fees pursuant to
 39 this section with respect to shares with a par value of less than
 40 one-tenth of a cent as if the par value were one-tenth of a cent.

41 **Sec. 98.** NRS 78.765 is hereby amended to read as follows:
 42 78.765 1. The fee for filing a certificate changing the number
 43 of authorized shares pursuant to NRS 78.209 or a certificate of
 44 amendment to articles of incorporation that increases the
 45 corporation's authorized stock or a certificate of correction that



1 increases the corporation's authorized stock is the difference
2 between the fee computed at the rates specified in NRS 78.760 upon
3 the total authorized stock of the corporation, including the proposed
4 increase, and the fee computed at the rates specified in NRS 78.760
5 upon the total authorized capital, excluding the proposed increase.
6 In no case may the amount be less than ~~[\$150.]~~ \$225.

7 2. The fee for filing a certificate of amendment to articles of
8 incorporation that does not increase the corporation's authorized
9 stock or a certificate of correction that does not increase the
10 corporation's authorized stock is ~~[\$150.]~~ \$225.

11 3. The fee for filing a certificate or an amended certificate
12 pursuant to NRS 78.1955 is ~~[\$150.]~~ \$225.

13 4. The fee for filing a certificate of termination pursuant to
14 NRS 78.1955, 78.209 or 78.380 is ~~[\$150.]~~ \$225.

15 **Sec. 99.** NRS 78.767 is hereby amended to read as follows:

16 78.767 1. The fee for filing a certificate of restated articles of
17 incorporation that does not increase the corporation's authorized
18 stock is ~~[\$150.]~~ \$225.

19 2. The fee for filing a certificate of restated articles of
20 incorporation that increases the corporation's authorized stock is the
21 difference between the fee computed pursuant to NRS 78.760 based
22 upon the total authorized stock of the corporation, including the
23 proposed increase, and the fee computed pursuant to NRS 78.760
24 based upon the total authorized stock of the corporation, excluding
25 the proposed increase. In no case may the amount be less than
26 ~~[\$150.]~~ \$225.

27 **Sec. 100.** NRS 78.780 is hereby amended to read as follows:

28 78.780 1. The fee for filing a certificate of extension of
29 corporate existence of any corporation is an amount equal to
30 one-fourth of the fee computed at the rates specified in NRS 78.760
31 for filing articles of incorporation.

32 2. The fee for filing a certificate of dissolution whether it
33 occurs before or after *the* payment of capital and beginning of
34 business is ~~[\$60.]~~ \$90.

35 **Sec. 101.** NRS 78.785 is hereby amended to read as follows:

36 78.785 1. The fee for filing a certificate of change of location
37 of a corporation's registered office and resident agent, or a new
38 designation of resident agent, is ~~[\$30.]~~ \$45.

39 2. The fee for certifying articles of incorporation where a copy
40 is provided is ~~[\$20.]~~ \$30.

41 3. The fee for certifying a copy of an amendment to articles of
42 incorporation, or to a copy of the articles as amended, where a copy
43 is furnished, is ~~[\$20.]~~ \$30.



- 1 4. The fee for certifying an authorized printed copy of the
2 general corporation law as compiled by the Secretary of State is
3 ~~[\$20.]~~ **\$30.**
- 4 5. The fee for reserving a corporate name is ~~[\$20.]~~ **\$30.**
- 5 6. The fee for executing a certificate of corporate existence
6 which does not list the previous documents relating to the
7 corporation, or a certificate of change in a corporate name, is
8 ~~[\$40.]~~ **\$60.**
- 9 7. The fee for executing a certificate of corporate existence
10 which lists the previous documents relating to the corporation is
11 ~~[\$40.]~~ **\$60.**
- 12 8. The fee for executing, certifying or filing any certificate or
13 document not provided for in NRS 78.760 to 78.785, inclusive, is
14 ~~[\$40.]~~ **\$60.**
- 15 9. The fee for copies made at the Office of the Secretary of
16 State is ~~[\$1]~~ **\$1.50** per page.
- 17 10. The fees for filing articles of incorporation, articles of
18 merger, or certificates of amendment increasing the basic surplus
19 of a mutual or reciprocal insurer must be computed pursuant to
20 NRS 78.760, 78.765 and 92A.210, on the basis of the amount of
21 basic surplus of the insurer.
- 22 11. The fee for examining and provisionally approving any
23 document at any time before the document is presented for filing is
24 ~~[\$100.]~~ **\$150.**
- 25 **Sec. 102.** NRS 78.795 is hereby amended to read as follows:
26 78.795 1. Any natural person or corporation residing or
27 located in this state may, on or after January 1 of any year but before
28 January 31 of that year, register his willingness to serve as the
29 resident agent of a domestic or foreign corporation, limited-liability
30 company or limited partnership with the Secretary of State. The
31 registration must be accompanied by a fee of ~~[\$250]~~ **\$375** per office
32 location of the resident agent.
- 33 2. The Secretary of State shall maintain a list of those persons
34 who are registered pursuant to subsection 1 and make the list
35 available to persons seeking to do business in this state.
- 36 **Sec. 103.** NRS 80.050 is hereby amended to read as follows:
37 80.050 1. Except as otherwise provided in subsection 3,
38 foreign corporations shall pay the same fees to the Secretary of State
39 as are required to be paid by corporations organized pursuant to the
40 laws of this state, but the amount of fees to be charged must not
41 exceed:
- 42 (a) The sum of ~~[\$25,000]~~ **\$37,500** for filing documents for
43 initial qualification; or
- 44 (b) The sum of ~~[\$25,000]~~ **\$37,500** for each subsequent filing of
45 a certificate increasing authorized capital stock.



1 2. If the corporate documents required to be filed set forth only
2 the total number of shares of stock the corporation is authorized to
3 issue without reference to value, the authorized shares shall be
4 deemed to be without par value and the filing fee must be computed
5 pursuant to paragraph (b) of subsection 3 of NRS 78.760.

6 3. Foreign corporations which are nonprofit corporations and
7 *which* do not have or issue shares of stock shall pay the same fees to
8 the Secretary of State as are required to be paid by nonprofit
9 corporations organized pursuant to the laws of this state.

10 4. The fee for filing a notice of withdrawal from the State of
11 Nevada by a foreign corporation is ~~[\$60.]~~ **\$90.**

12 **Sec. 104.** NRS 80.110 is hereby amended to read as follows:

13 80.110 1. Each foreign corporation doing business in this
14 state shall, on or before the first day of the second month after the
15 filing of its certificate of corporate existence with the Secretary of
16 State, and annually thereafter on or before the last day of the month
17 in which the anniversary date of its qualification to do business in
18 this state occurs in each year, file with the Secretary of State a list,
19 on a form furnished by him, that contains:

20 (a) The names of its president, secretary and treasurer , or their
21 equivalent, and all of its directors;

22 (b) A designation of its resident agent in this state; and

23 (c) The signature of an officer of the corporation.

24 Each list filed pursuant to this subsection must be accompanied by a
25 declaration under penalty of perjury that the foreign corporation has
26 complied with the provisions of chapter 364A of NRS.

27 2. Upon filing:

28 (a) The initial list required by subsection 1, the corporation shall
29 pay to the Secretary of State a fee of ~~[\$165.]~~ **\$250.**

30 (b) Each annual list required by subsection 1, the corporation
31 shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

32 3. The Secretary of State shall, 60 days before the last day for
33 filing each annual list required by subsection 1, cause to be mailed
34 to each corporation required to comply with the provisions of NRS
35 80.110 to 80.170, inclusive, which has not become delinquent, the
36 blank forms to be completed and filed with him. Failure of any
37 corporation to receive the forms does not excuse it from the penalty
38 imposed by the provisions of NRS 80.110 to 80.170, inclusive.

39 4. An annual list for a corporation not in default which is
40 received by the Secretary of State more than 60 days before its due
41 date shall be deemed an amended list for the previous year and does
42 not satisfy the requirements of subsection 1 for the year to which the
43 due date is applicable.



1 **Sec. 105.** NRS 80.150 is hereby amended to read as follows:
2 80.150 1. Any corporation required to make a filing and pay
3 the fee prescribed in NRS 80.110 to 80.170, inclusive, which refuses
4 or neglects to do so within the time provided ~~[-]~~ is in default.

5 2. For default there must be added to the amount of the fee a
6 penalty of ~~[\$50,]~~ \$75, and unless the filing is made and the fee and
7 penalty are paid on or before the first day of the ninth month
8 following the month in which filing was required, the defaulting
9 corporation by reason of its default forfeits its right to transact any
10 business within this state. The fee and penalty must be collected as
11 provided in this chapter.

12 **Sec. 106.** NRS 80.170 is hereby amended to read as follows:

13 80.170 1. Except as otherwise provided in subsections 3 and
14 4, the Secretary of State shall reinstate a corporation which has
15 forfeited or which forfeits its right to transact business under the
16 provisions of this chapter and *shall* restore to the corporation its
17 right to transact business in this state, and to exercise its corporate
18 privileges and immunities, if it:

19 (a) Files with the Secretary of State a list as provided in NRS
20 80.110 and 80.140; and

21 (b) Pays to the Secretary of State:

22 (1) The filing fee and penalty set forth in NRS 80.110 and
23 80.150 for each year or portion thereof that its right to transact
24 business was forfeited; and

25 (2) A fee of ~~[\$200]~~ \$300 for reinstatement.

26 2. If payment is made and the Secretary of State reinstates the
27 corporation to its former rights, he shall:

28 (a) Immediately issue and deliver to the corporation so
29 reinstated a certificate of reinstatement authorizing it to transact
30 business in the same manner as if the filing fee had been paid when
31 due; and

32 (b) Upon demand, issue to the corporation one or more certified
33 copies of the certificate of reinstatement.

34 3. The Secretary of State shall not order a reinstatement unless
35 all delinquent fees and penalties have been paid, and the revocation
36 of the right to transact business occurred only by reason of failure to
37 pay the fees and penalties.

38 4. If the right of a corporation to transact business in this state
39 has been forfeited pursuant to the provisions of NRS 80.160 and has
40 remained forfeited for a period of 5 consecutive years, the right is
41 not subject to reinstatement.

42 **Sec. 107.** NRS 82.193 is hereby amended to read as follows:

43 82.193 1. A corporation shall have a resident agent in the
44 manner provided in NRS 78.090, 78.095, 78.097 and 78.110. The



1 resident agent and the corporation shall comply with the provisions
2 of those sections.

3 2. A corporation is subject to the provisions of NRS 78.150 to
4 78.185, inclusive, except that:

5 (a) The fee for filing a list is ~~[\$15.]~~ \$25;

6 (b) The penalty added for default is ~~[\$5.]~~ \$10; and

7 (c) The fee for reinstatement is ~~[\$25.]~~ \$40.

8 **Sec. 108.** NRS 82.531 is hereby amended to read as follows:

9 82.531 1. The fee for filing articles of incorporation,
10 amendments to or restatements of articles of incorporation,
11 certificates pursuant to NRS 82.061 and 82.063, and documents for
12 dissolution is ~~[\$25]~~ \$40 for each document.

13 2. Except as otherwise provided in NRS 82.193 and subsection
14 1, the fees for filing documents are those set forth in NRS 78.765 to
15 78.785, inclusive.

16 **Sec. 109.** NRS 84.090 is hereby amended to read as follows:

17 84.090 1. The fee for filing articles of incorporation,
18 amendments to or restatements of articles of incorporation,
19 certificates of reinstatement and documents for dissolution is ~~[\$25]~~
20 \$40 for each document.

21 2. Except as otherwise provided in this chapter, the fees set
22 forth in NRS 78.785 apply to this chapter.

23 **Sec. 110.** NRS 84.130 is hereby amended to read as follows:

24 84.130 1. Each corporation sole that is required to make the
25 filings and pay the fees prescribed in this chapter but refuses or
26 neglects to do so within the time provided is in default.

27 2. For default ~~[]~~ there must be added to the amount of the fee a
28 penalty of ~~[\$5.]~~ \$10. The fee and penalty must be collected as
29 provided in this chapter.

30 **Sec. 111.** NRS 84.150 is hereby amended to read as follows:

31 84.150 1. Except as otherwise provided in subsections 3 and
32 4, the Secretary of State shall reinstate any corporation sole which
33 has forfeited its right to transact business under the provisions of
34 this chapter and *shall* restore the right to carry on business in this
35 state, and *to* exercise its corporate privileges and immunities, if it:

36 (a) Files with the Secretary of State a certificate of acceptance of
37 appointment executed by the resident agent of the corporation; and

38 (b) Pays to the Secretary of State:

39 (1) The filing fees and penalties set forth in this chapter for
40 each year or portion thereof during which its charter has been
41 revoked; and

42 (2) A fee of ~~[\$25]~~ \$40 for reinstatement.

43 2. When the Secretary of State reinstates the corporation to its
44 former rights, he shall:



1 (a) Immediately issue and deliver to the corporation a certificate
2 of reinstatement authorizing it to transact business, as if the fees had
3 been paid when due; and

4 (b) Upon demand, issue to the corporation a certified copy of the
5 certificate of reinstatement.

6 3. The Secretary of State shall not order a reinstatement unless
7 all delinquent fees and penalties have been paid, and the revocation
8 of its charter occurred only by reason of its failure to pay the fees
9 and penalties.

10 4. If a corporate charter has been revoked pursuant to the
11 provisions of this chapter and has remained revoked for 10
12 consecutive years, the charter must not be reinstated.

13 **Sec. 112.** NRS 86.226 is hereby amended to read as follows:

14 86.226 1. A signed certificate of amendment, or a certified
15 copy of a judicial decree of amendment, must be filed with the
16 Secretary of State. A person who executes a certificate as an agent,
17 officer or fiduciary of the limited-liability company need not exhibit
18 evidence of his authority as a prerequisite to filing. Unless the
19 Secretary of State finds that a certificate does not conform to law,
20 upon his receipt of all required filing fees he shall file the certificate.

21 2. A certificate of amendment or judicial decree of amendment
22 is effective upon filing with the Secretary of State or upon a later
23 date specified in the certificate or judicial decree, which must not be
24 more than 90 days after the certificate or judicial decree is filed.

25 3. If a certificate specifies an effective date and if the
26 resolution of the members approving the proposed amendment
27 provides that one or more managers or, if management is not vested
28 in a manager, one or more members may abandon the proposed
29 amendment, then those managers or members may terminate the
30 effectiveness of the certificate by filing a certificate of termination
31 with the Secretary of State that:

32 (a) Is filed before the effective date specified in the certificate or
33 judicial decree filed pursuant to subsection 1;

34 (b) Identifies the certificate being terminated;

35 (c) States that, pursuant to the resolution of the members, the
36 manager of the company or, if management is not vested in a
37 manager, a designated member is authorized to terminate the
38 effectiveness of the certificate;

39 (d) States that the effectiveness of the certificate has been
40 terminated;

41 (e) Is signed by a manager of the company or, if management is
42 not vested in a manager, a designated member; and

43 (f) Is accompanied by a filing fee of ~~[\$150.]~~ \$225.



1 **Sec. 113.** NRS 86.263 is hereby amended to read as follows:
2 86.263 1. A limited-liability company shall, on or before the
3 first day of the second month after the filing of its articles of
4 organization with the Secretary of State, file with the Secretary of
5 State, on a form furnished by him, a list that contains:
6 (a) The name of the limited-liability company;
7 (b) The file number of the limited-liability company, if known;
8 (c) The names and titles of all of its managers or, if there is no
9 manager, all of its managing members;
10 (d) The mailing or street address, either residence or business, of
11 each manager or managing member listed, following the name of
12 the manager or managing member;
13 (e) The name and street address of the resident agent of the
14 limited-liability company; and
15 (f) The signature of a manager or managing member of the
16 limited-liability company certifying that the list is true, complete
17 and accurate.
18 2. The limited-liability company shall annually thereafter, on
19 or before the last day of the month in which the anniversary date of
20 its organization occurs, file with the Secretary of State, on a form
21 furnished by him, an amended list containing all of the information
22 required in subsection 1. If the limited-liability company has had no
23 changes in its managers or, if there is no manager, its managing
24 members ~~[-]~~ since its previous list was filed, no amended list need
25 be filed if a manager or managing member of the limited-liability
26 company certifies to the Secretary of State as a true and accurate
27 statement that no changes in the managers or managing members
28 have occurred.
29 3. Each list required by subsection 1 and each list or
30 certification required by subsection 2 must be accompanied by a
31 declaration under penalty of perjury that the limited-liability
32 company has complied with the provisions of chapter 364A of NRS.
33 4. Upon filing:
34 (a) The initial list required by subsection 1, the limited-liability
35 company shall pay to the Secretary of State a fee of ~~[\$165.]~~ **\$250.**
36 (b) Each annual list required by subsection 2 or certifying that
37 no changes have occurred, the limited-liability company shall pay to
38 the Secretary of State a fee of ~~[\$85.]~~ **\$130.**
39 5. The Secretary of State shall, 60 days before the last day for
40 filing each list required by subsection 2, cause to be mailed to each
41 limited-liability company required to comply with the provisions of
42 this section, which has not become delinquent, a notice of the fee
43 due under subsection 4 and a reminder to file a list required by
44 subsection 2 or a certification of no change. Failure of any company



1 to receive a notice or form does not excuse it from the penalty
2 imposed by law.

3 6. If the list to be filed pursuant to the provisions of subsection
4 1 or 2 is defective or the fee required by subsection 4 is not paid, the
5 Secretary of State may return the list for correction or payment.

6 7. An annual list for a limited-liability company not in default
7 received by the Secretary of State more than 60 days before its due
8 date shall be deemed an amended list for the previous year.

9 **Sec. 114.** NRS 86.272 is hereby amended to read as follows:

10 86.272 1. Each limited-liability company required to make a
11 filing and pay the fee prescribed in NRS 86.263 which refuses or
12 neglects to do so within the time provided is in default.

13 2. For default there must be added to the amount of the fee a
14 penalty of ~~[\$50.]~~ \$75. The fee and penalty must be collected as
15 provided in this chapter.

16 **Sec. 115.** NRS 86.276 is hereby amended to read as follows:

17 86.276 1. Except as otherwise provided in subsections 3 and
18 4, the Secretary of State shall reinstate any limited-liability company
19 which has forfeited its right to transact business pursuant to the
20 provisions of this chapter and *shall* restore to the company its right
21 to carry on business in this state, and to exercise its privileges and
22 immunities, if it:

23 (a) Files with the Secretary of State the list required by
24 NRS 86.263; and

25 (b) Pays to the Secretary of State:

26 (1) The filing fee and penalty set forth in NRS 86.263 and
27 86.272 for each year or portion thereof during which it failed *to file*
28 in a timely manner each required annual list; and

29 (2) A fee of ~~[\$200]~~ \$300 for reinstatement.

30 2. When the Secretary of State reinstates the limited-liability
31 company, he shall:

32 (a) Immediately issue and deliver to the company a certificate of
33 reinstatement authorizing it to transact business as if the filing fee
34 had been paid when due; and

35 (b) Upon demand, issue to the company one or more certified
36 copies of the certificate of reinstatement.

37 3. The Secretary of State shall not order a reinstatement unless
38 all delinquent fees and penalties have been paid, and the revocation
39 of the charter occurred only by reason of failure to pay the fees and
40 penalties.

41 4. If a company's charter has been revoked pursuant to the
42 provisions of this chapter and has remained revoked for a period of
43 5 consecutive years, the charter must not be reinstated.



1 **Sec. 116.** NRS 86.561 is hereby amended to read as follows:
2 86.561 1. The Secretary of State shall charge and collect for:
3 (a) Filing the original articles of organization, or for registration
4 of a foreign company, ~~[\$175;]~~ **\$265;**
5 (b) Amending or restating the articles of organization, amending
6 the registration of a foreign company or filing a certificate of
7 correction, ~~[\$150;]~~ **\$225;**
8 (c) Filing the articles of dissolution of a domestic or foreign
9 company, ~~[\$60;]~~ **\$90;**
10 (d) Filing a statement of change of address of a records or
11 registered office, or change of the resident agent, ~~[\$30;]~~ **\$45;**
12 (e) Certifying articles of organization or an amendment to the
13 articles, in both cases where a copy is provided, ~~[\$20;]~~ **\$30;**
14 (f) Certifying an authorized printed copy of this chapter,
15 ~~[\$20;]~~ **\$30;**
16 (g) Reserving a name for a limited-liability company,
17 ~~[\$20;]~~ **\$30;**
18 (h) Filing a certificate of cancellation, ~~[\$60;]~~ **\$90;**
19 (i) Executing, filing or certifying any other document, ~~[\$40;]~~
20 **\$60;** and
21 (j) Copies made at the Office of the Secretary of State, ~~[\$1]~~
22 **\$1.50** per page.
23 2. The Secretary of State shall charge and collect , at the time
24 of any service of process on him as agent for service of process of a
25 limited-liability company, ~~[\$40]~~ **\$15** which may be recovered as
26 taxable costs by the party to the action causing the service to be
27 made if the party prevails in the action.
28 3. Except as otherwise provided in this section, the fees set
29 forth in NRS 78.785 apply to this chapter.
30 **Sec. 117.** NRS 86.568 is hereby amended to read as follows:
31 86.568 1. A limited-liability company may correct a
32 document filed by the Secretary of State with respect to the
33 limited-liability company if the document contains an inaccurate
34 record of a company action described in the document or was
35 defectively executed, attested, sealed, verified or acknowledged.
36 2. To correct a document, the limited-liability company must:
37 (a) Prepare a certificate of correction that:
38 (1) States the name of the limited-liability company;
39 (2) Describes the document, including, without limitation, its
40 filing date;
41 (3) Specifies the inaccuracy or defect;
42 (4) Sets forth the inaccurate or defective portion of the
43 document in an accurate or corrected form; and



1 (5) Is signed by a manager of the company ~~H~~ or , if
2 management is not vested in a manager, by a member of the
3 company.

4 (b) Deliver the certificate to the Secretary of State for filing.

5 (c) Pay a filing fee of ~~150~~ \$225 to the Secretary of State.

6 3. A certificate of correction is effective on the effective date
7 of the document it corrects except as to persons relying on the
8 uncorrected document and adversely affected by the correction. As
9 to those persons, the certificate is effective when filed.

10 **Sec. 118.** NRS 87.440 is hereby amended to read as follows:

11 87.440 1. To become a registered limited-liability
12 partnership, a partnership shall file with the Secretary of State a
13 certificate of registration stating each of the following:

14 (a) The name of the partnership.

15 (b) The street address of its principal office.

16 (c) The name of the person designated as the partnership's
17 resident agent, the street address of the resident agent where process
18 may be served upon the partnership and the mailing address of the
19 resident agent if it is different than his street address.

20 (d) The name and business address of each managing partner in
21 this state.

22 (e) A brief statement of the professional service rendered by the
23 partnership.

24 (f) That the partnership thereafter will be a registered limited-
25 liability partnership.

26 (g) Any other information that the partnership wishes to include.

27 2. The certificate of registration must be executed by a majority
28 in interest of the partners or by one or more partners authorized to
29 execute such a certificate.

30 3. The certificate of registration must be accompanied by a fee
31 of ~~175~~ \$265.

32 4. The Secretary of State shall register as a registered limited-
33 liability partnership any partnership that submits a completed
34 certificate of registration with the required fee.

35 5. The registration of a registered limited-liability partnership
36 is effective at the time of the filing of the certificate of registration.

37 **Sec. 119.** NRS 87.460 is hereby amended to read as follows:

38 87.460 1. A certificate of registration of a registered limited-
39 liability partnership may be amended by filing with the Secretary of
40 State a certificate of amendment. The certificate of amendment must
41 set forth:

42 (a) The name of the registered limited-liability partnership;

43 (b) The dates on which the registered limited-liability
44 partnership filed its original certificate of registration and any other
45 certificates of amendment; and



1 (c) The change to the information contained in the original
2 certificate of registration or any other certificates of amendment.

3 2. The certificate of amendment must be:

4 (a) Signed by a managing partner of the registered limited-
5 liability partnership; and

6 (b) Accompanied by a fee of ~~[\$150.]~~ \$225.

7 **Sec. 120.** NRS 87.470 is hereby amended to read as follows:

8 87.470 The registration of a registered limited-liability
9 partnership is effective until:

10 1. Its certificate of registration is revoked pursuant to
11 NRS 87.520; or

12 2. The registered limited-liability partnership files with the
13 Secretary of State a written notice of withdrawal executed by a
14 managing partner. The notice must be accompanied by a fee of
15 ~~[\$60.]~~ \$90.

16 **Sec. 121.** NRS 87.490 is hereby amended to read as follows:

17 87.490 1. If a registered limited-liability partnership wishes
18 to change the location of its principal office in this state or its
19 resident agent, it shall first file with the Secretary of State a
20 certificate of change that sets forth:

21 (a) The name of the registered limited-liability partnership;

22 (b) The street address of its principal office;

23 (c) If the location of its principal office will be changed, the
24 street address of its new principal office;

25 (d) The name of its resident agent; and

26 (e) If its resident agent will be changed, the name of its new
27 resident agent.

28 The certificate of acceptance of its new resident agent must
29 accompany the certificate of change.

30 2. A certificate of change filed pursuant to this section must be:

31 (a) Signed by a managing partner of the registered limited-
32 liability partnership; and

33 (b) Accompanied by a fee of ~~[\$30.]~~ \$45.

34 **Sec. 122.** NRS 87.510 is hereby amended to read as follows:

35 87.510 1. A registered limited-liability partnership shall, on
36 or before the first day of the second month after the filing of its
37 certificate of registration with the Secretary of State, and annually
38 thereafter on or before the last day of the month in which the
39 anniversary date of the filing of its certificate of registration with the
40 Secretary of State occurs, file with the Secretary of State, on a form
41 furnished by him, a list that contains:

42 (a) The name of the registered limited-liability partnership;

43 (b) The file number of the registered limited-liability
44 partnership, if known;

45 (c) The names of all of its managing partners;



1 (d) The mailing or street address, either residence or business, of
2 each managing partner;

3 (e) The name and street address of the resident agent of the
4 registered limited-liability partnership; and

5 (f) The signature of a managing partner of the registered
6 limited-liability partnership certifying that the list is true, complete
7 and accurate.

8 Each list filed pursuant to this subsection must be accompanied by a
9 declaration under penalty of perjury that the registered limited-
10 liability partnership has complied with the provisions of chapter
11 364A of NRS.

12 2. Upon filing:

13 (a) The initial list required by subsection 1, the registered
14 limited-liability partnership shall pay to the Secretary of State a fee
15 of ~~[\$165.]~~ \$250.

16 (b) Each annual list required by subsection 1, the registered
17 limited-liability partnership shall pay to the Secretary of State a fee
18 of ~~[\$85.]~~ \$130.

19 3. The Secretary of State shall, at least 60 days before the last
20 day for filing each annual list required by subsection 1, cause to be
21 mailed to the registered limited-liability partnership a notice of the
22 fee due pursuant to subsection 2 and a reminder to file the annual
23 list required by subsection 1. The failure of any registered limited-
24 liability partnership to receive a notice or form does not excuse it
25 from complying with the provisions of this section.

26 4. If the list to be filed pursuant to the provisions of subsection
27 1 is defective, or the fee required by subsection 2 is not paid, the
28 Secretary of State may return the list for correction or payment.

29 5. An annual list that is filed by a registered limited-liability
30 partnership which is not in default more than 60 days before it is due
31 shall be deemed an amended list for the previous year and does not
32 satisfy the requirements of subsection 1 for the year to which the
33 due date is applicable.

34 **Sec. 123.** NRS 87.520 is hereby amended to read as follows:

35 87.520 1. A registered limited-liability partnership that fails
36 to comply with the provisions of NRS 87.510 is in default.

37 2. Any registered limited-liability partnership that is in default
38 pursuant to subsection 1 must, in addition to the fee required to be
39 paid pursuant to NRS 87.510, pay a penalty of ~~[\$50.]~~ \$75.

40 3. On or before the 15th day of the third month after the month
41 in which the fee required to be paid pursuant to NRS 87.510 is due,
42 the Secretary of State shall notify, by certified mail, the resident
43 agent of any registered limited-liability partnership that is in default.
44 The notice must include the amount of any payment that is due from
45 the registered limited-liability partnership.



1 4. If a registered limited-liability partnership fails to pay the
2 amount that is due, the certificate of registration of the registered
3 limited-liability partnership shall be deemed revoked on the first day
4 of the ninth month after the month in which the fee required to be
5 paid pursuant to NRS 87.510 was due. The Secretary of State shall
6 notify a registered limited-liability partnership, by certified mail ~~✉~~
7 addressed to its resident agent or, if the registered limited-liability
8 partnership does not have a resident agent, to a managing partner,
9 that its certificate of registration is revoked and the amount of any
10 fees and penalties that are due.

11 **Sec. 124.** NRS 87.530 is hereby amended to read as follows:

12 87.530 1. Except as otherwise provided in subsection 3, the
13 Secretary of State shall reinstate the certificate of registration of a
14 registered limited-liability partnership that is revoked pursuant to
15 NRS 87.520 if the registered limited-liability partnership:

16 (a) Files with the Secretary of State the information required by
17 NRS 87.510; and

18 (b) Pays to the Secretary of State:

19 (1) The fee required to be paid by that section;

20 (2) Any penalty required to be paid pursuant to NRS 87.520;

21 and

22 (3) A reinstatement fee of ~~[\$200.] \$300.~~

23 2. Upon reinstatement of a certificate of registration pursuant
24 to this section, the Secretary of State shall:

25 (a) Deliver to the registered limited-liability partnership a
26 certificate of reinstatement authorizing it to transact business
27 retroactively from the date the fee required by NRS 87.510 was due;
28 and

29 (b) Upon request, issue to the registered limited-liability
30 partnership one or more certified copies of the certificate of
31 reinstatement.

32 3. The Secretary of State shall not reinstate the certificate of
33 registration of a registered limited-liability partnership if the
34 certificate was revoked pursuant to NRS 87.520 at least 5 years
35 before the date of the proposed reinstatement.

36 **Sec. 125.** NRS 87.547 is hereby amended to read as follows:

37 87.547 1. A limited-liability partnership may correct a
38 document filed by the Secretary of State with respect to the limited-
39 liability partnership if the document contains an inaccurate record of
40 a partnership action described in the document or was defectively
41 executed, attested, sealed, verified or acknowledged.

42 2. To correct a document, the limited-liability partnership
43 must:

44 (a) Prepare a certificate of correction that:

45 (1) States the name of the limited-liability partnership;



- 1 (2) Describes the document, including, without limitation, its
- 2 filing date;
- 3 (3) Specifies the inaccuracy or defect;
- 4 (4) Sets forth the inaccurate or defective portion of the
- 5 document in an accurate or corrected form; and
- 6 (5) Is signed by a managing partner of the limited-liability
- 7 partnership.
- 8 (b) Deliver the certificate to the Secretary of State for filing.
- 9 (c) Pay a filing fee of ~~[\$150]~~ \$225 to the Secretary of State.
- 10 3. A certificate of correction is effective on the effective date
- 11 of the document it corrects except as to persons relying on the
- 12 uncorrected document and adversely affected by the correction. As
- 13 to those persons, the certificate is effective when filed.
- 14 **Sec. 126.** NRS 87.550 is hereby amended to read as follows:
- 15 87.550 In addition to any other fees required by NRS 87.440 to
- 16 87.540, inclusive, and 87.560, the Secretary of State shall charge
- 17 and collect the following fees for services rendered pursuant to
- 18 those sections:
- 19 1. For certifying documents required by NRS 87.440 to 87.540,
- 20 inclusive, and 87.560, ~~[\$20]~~ \$30 per certification.
- 21 2. For executing a certificate verifying the existence of a
- 22 registered limited-liability partnership, if the registered limited-
- 23 liability partnership has not filed a certificate of amendment,
- 24 ~~[\$40.]~~ \$60.
- 25 3. For executing a certificate verifying the existence of a
- 26 registered limited-liability partnership, if the registered limited-
- 27 liability partnership has filed a certificate of amendment, ~~[\$40.]~~ \$60.
- 28 4. For executing, certifying or filing any certificate or
- 29 document not required by NRS 87.440 to 87.540, inclusive, and
- 30 87.560, ~~[\$40.]~~ \$60.
- 31 5. For any copies made by the Office of the Secretary of State,
- 32 ~~[\$1]~~ \$1.50 per page.
- 33 6. For examining and provisionally approving any document
- 34 before the document is presented for filing, ~~[\$100.]~~ \$150.
- 35 **Sec. 127.** NRS 88.339 is hereby amended to read as follows:
- 36 88.339 1. A limited partnership may correct a document filed
- 37 by the Secretary of State with respect to the limited partnership if
- 38 the document contains an inaccurate record of a partnership action
- 39 described in the document or was defectively executed, attested,
- 40 sealed, verified or acknowledged.
- 41 2. To correct a document, the limited partnership must:
- 42 (a) Prepare a certificate of correction that:
- 43 (1) States the name of the limited partnership;
- 44 (2) Describes the document, including, without limitation, its
- 45 filing date;



- 1 (3) Specifies the inaccuracy or defect;
2 (4) Sets forth the inaccurate or defective portion of the
3 document in an accurate or corrected form; and
4 (5) Is signed by a general partner of the limited partnership.
5 (b) Deliver the certificate to the Secretary of State for filing.
6 (c) Pay a filing fee of ~~[\$150]~~ \$225 to the Secretary of State.
7 3. A certificate of correction is effective on the effective date
8 of the document it corrects except as to persons relying on the
9 uncorrected document and adversely affected by the correction. As
10 to those persons, the certificate is effective when filed.
11 **Sec. 128.** NRS 88.395 is hereby amended to read as follows:
12 88.395 1. A limited partnership shall, on or before the first
13 day of the second month after the filing of its certificate of limited
14 partnership with the Secretary of State, and annually thereafter on or
15 before the last day of the month in which the anniversary date of
16 the filing of its certificate of limited partnership occurs, file with the
17 Secretary of State, on a form furnished by him, a list that contains:
18 (a) The name of the limited partnership;
19 (b) The file number of the limited partnership, if known;
20 (c) The names of all of its general partners;
21 (d) The mailing or street address, either residence or business, of
22 each general partner;
23 (e) The name and street address of the resident agent of the
24 limited partnership; and
25 (f) The signature of a general partner of the limited partnership
26 certifying that the list is true, complete and accurate.
27 Each list filed pursuant to this subsection must be accompanied by a
28 declaration under penalty of perjury that the limited partnership has
29 complied with the provisions of chapter 364A of NRS.
30 2. Upon filing:
31 (a) The initial list required by subsection 1, the limited
32 partnership shall pay to the Secretary of State a fee of ~~[\$165.]~~ \$250.
33 (b) Each annual list required by subsection 1, the limited
34 partnership shall pay to the Secretary of State a fee of ~~[\$85.]~~ \$130.
35 3. The Secretary of State shall, 60 days before the last day for
36 filing each annual list required by subsection 1, cause to be mailed
37 to each limited partnership required to comply with the provisions
38 of this section which has not become delinquent a notice of the fee
39 due pursuant to the provisions of subsection 2 and a reminder to file
40 the annual list. Failure of any limited partnership to receive a
41 notice or form does not excuse it from the penalty imposed by
42 NRS 88.400.
43 4. If the list to be filed pursuant to the provisions of
44 subsection 1 is defective or the fee required by subsection 2 is not



1 paid, the Secretary of State may return the list for correction or
2 payment.

3 5. An annual list for a limited partnership not in default that is
4 received by the Secretary of State more than 60 days before its due
5 date shall be deemed an amended list for the previous year and does
6 not satisfy the requirements of subsection 1 for the year to which the
7 due date is applicable.

8 6. A filing made pursuant to this section does not satisfy the
9 provisions of NRS 88.355 and may not be substituted for filings
10 submitted pursuant to NRS 88.355.

11 **Sec. 129.** NRS 88.400 is hereby amended to read as follows:

12 88.400 1. If a limited partnership has filed the list in
13 compliance with NRS 88.395 and has paid the appropriate fee for
14 the filing, the cancelled check received by the limited partnership
15 constitutes a certificate authorizing it to transact its business within
16 this state until the anniversary date of the filing of its certificate of
17 limited partnership in the next succeeding calendar year. If the
18 limited partnership desires a formal certificate upon its payment of
19 the annual fee, its payment must be accompanied by a self-
20 addressed, stamped envelope.

21 2. Each limited partnership which refuses or neglects to file the
22 list and pay the fee within the time provided is in default.

23 3. For default there must be added to the amount of the fee a
24 penalty of ~~[\$50.] \$75~~, and unless the filings are made and the fee
25 and penalty are paid on or before the first day of the first
26 anniversary of the month following the month in which filing was
27 required, the defaulting limited partnership, by reason of its default,
28 forfeits its right to transact any business within this state.

29 **Sec. 130.** NRS 88.410 is hereby amended to read as follows:

30 88.410 1. Except as otherwise provided in subsections 3 and
31 4, the Secretary of State may:

32 (a) Reinstate any limited partnership which has forfeited its right
33 to transact business; and

34 (b) Restore to the limited partnership its right to carry on
35 business in this state, and to exercise its privileges and
36 immunities,

37 upon the filing with the Secretary of State of the list required
38 pursuant to NRS 88.395, and upon payment to the Secretary of State
39 of the filing fee and penalty set forth in NRS 88.395 and 88.400 for
40 each year or portion thereof during which the certificate has been
41 revoked, and a fee of ~~[\$200.] \$300~~ for reinstatement.

42 2. When payment is made and the Secretary of State reinstates
43 the limited partnership to its former rights, he shall:



1 (a) Immediately issue and deliver to the limited partnership a
2 certificate of reinstatement authorizing it to transact business as if
3 the filing fee had been paid when due; and

4 (b) Upon demand, issue to the limited partnership one or more
5 certified copies of the certificate of reinstatement.

6 3. The Secretary of State shall not order a reinstatement unless
7 all delinquent fees and penalties have been paid, and the revocation
8 occurred only by reason of failure to pay the fees and penalties.

9 4. If a limited partnership's certificate has been revoked
10 pursuant to the provisions of this chapter and has remained revoked
11 for a period of 5 years, the certificate must not be reinstated.

12 **Sec. 131.** NRS 88.415 is hereby amended to read as follows:

13 88.415 The Secretary of State, for services relating to his
14 official duties and the records of his office, shall charge and collect
15 the following fees:

16 1. For filing a certificate of limited partnership, or for
17 registering a foreign limited partnership, ~~[\$175.]~~ **\$265.**

18 2. For filing a certificate of amendment of limited partnership
19 or restated certificate of limited partnership, ~~[\$150.]~~ **\$225.**

20 3. For filing a certificate of a change of location of the records
21 office of a limited partnership or the office of its resident agent, or a
22 designation of a new resident agent, ~~[\$30.]~~ **\$45.**

23 4. For certifying a certificate of limited partnership, an
24 amendment to the certificate, or a certificate as amended where a
25 copy is provided, ~~[\$20]~~ **\$30** per certification.

26 5. For certifying an authorized printed copy of the limited
27 partnership law, ~~[\$20.]~~ **\$30.**

28 6. For reserving a limited partnership name, or for executing,
29 filing or certifying any other document, ~~[\$20.]~~ **\$30.**

30 7. For copies made at the Office of the Secretary of State, ~~[\$1]~~
31 **\$1.50** per page.

32 8. For filing a certificate of cancellation of a limited
33 partnership, ~~[\$60.]~~ **\$90.**

34 Except as otherwise provided in this section, the fees set forth in
35 NRS 78.785 apply to this chapter.

36 **Sec. 132.** NRS 88A.600 is hereby amended to read as follows:

37 88A.600 1. A business trust formed pursuant to this chapter
38 shall, on or before the first day of the second month after the filing
39 of its certificate of trust with the Secretary of State, and annually
40 thereafter on or before the last day of the month in which the
41 anniversary date of the filing of its certificate of trust with the
42 Secretary of State occurs, file with the Secretary of State, on a form
43 furnished by him, a list signed by at least one trustee that contains
44 the name and mailing address of its resident agent and at least one
45 trustee. Each list filed pursuant to this subsection must be



1 accompanied by a declaration under penalty of perjury that the
2 business trust has complied with the provisions of chapter 364A of
3 NRS.

4 2. Upon filing:

5 (a) The initial list required by subsection 1, the business trust
6 shall pay to the Secretary of State a fee of ~~[\$165.]~~ **\$250.**

7 (b) Each annual list required by subsection 1, the business trust
8 shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

9 3. The Secretary of State shall, 60 days before the last day for
10 filing each annual list required by subsection 1, cause to be mailed
11 to each business trust which is required to comply with the
12 provisions of NRS 88A.600 to 88A.660, inclusive, and which has
13 not become delinquent, the blank forms to be completed and filed
14 with him. Failure of a business trust to receive the forms does not
15 excuse it from the penalty imposed by law.

16 4. An annual list for a business trust not in default which is
17 received by the Secretary of State more than 60 days before its due
18 date shall be deemed an amended list for the previous year.

19 **Sec. 133.** NRS 88A.630 is hereby amended to read as follows:

20 88A.630 1. Each business trust required to file the list and
21 pay the fee prescribed in NRS 88A.600 to 88A.660, inclusive,
22 which refuses or neglects to do so within the time provided shall be
23 deemed in default.

24 2. For default ~~[.]~~ there must be added to the amount of the fee a
25 penalty of ~~[\$50.]~~ **\$75.** The fee and penalty must be collected as
26 provided in this chapter.

27 **Sec. 134.** NRS 88A.650 is hereby amended to read as follows:

28 88A.650 1. Except as otherwise provided in subsection 3, the
29 Secretary of State shall reinstate a business trust which has forfeited
30 its right to transact business pursuant to the provisions of this
31 chapter and *shall* restore to the business trust its right to carry on
32 business in this state, and to exercise its privileges and immunities,
33 if it:

34 (a) Files with the Secretary of State the list required by NRS
35 88A.600; and

36 (b) Pays to the Secretary of State:

37 (1) The filing fee and penalty set forth in NRS 88A.600 and
38 88A.630 for each year or portion thereof during which its certificate
39 of trust was revoked; and

40 (2) A fee of ~~[\$200]~~ **\$300** for reinstatement.

41 2. When the Secretary of State reinstates the business trust, he
42 shall:

43 (a) Immediately issue and deliver to the business trust a
44 certificate of reinstatement authorizing it to transact business as if
45 the filing fee had been paid when due; and



1 (b) Upon demand, issue to the business trust one or more
2 certified copies of the certificate of reinstatement.

3 3. The Secretary of State shall not order a reinstatement unless
4 all delinquent fees and penalties have been paid, and the revocation
5 of the certificate of trust occurred only by reason of the failure to
6 file the list or pay the fees and penalties.

7 **Sec. 135.** NRS 88A.900 is hereby amended to read as follows:
8 88A.900 The Secretary of State shall charge and collect the
9 following fees for:

10 1. Filing an original certificate of trust, or for registering a
11 foreign business trust, ~~[\$175.]~~ **\$265.**

12 2. Filing an amendment or restatement, or a combination
13 thereof, to a certificate of trust, ~~[\$150.]~~ **\$225.**

14 3. Filing a certificate of cancellation, ~~[\$175.]~~ **\$265.**

15 4. Certifying a copy of a certificate of trust or an amendment or
16 restatement, or a combination thereof, ~~[\$20]~~ **\$30** per certification.

17 5. Certifying an authorized printed copy of this chapter,
18 ~~[\$20.]~~ **\$30.**

19 6. Reserving a name for a business trust, ~~[\$20.]~~ **\$30.**

20 7. Executing a certificate of existence of a business trust which
21 does not list the previous documents relating to it, or a certificate of
22 change in the name of a business trust, ~~[\$40.]~~ **\$60.**

23 8. Executing a certificate of existence of a business trust which
24 lists the previous documents relating to it, ~~[\$40.]~~ **\$60.**

25 9. Filing a statement of change of address of the registered
26 office for each business trust, ~~[\$30.]~~ **\$45.**

27 10. Filing a statement of change of the registered agent,
28 ~~[\$30.]~~ **\$45.**

29 11. Executing, certifying or filing any certificate or document
30 not otherwise provided for in this section, ~~[\$40.]~~ **\$60.**

31 12. Examining and provisionally approving a document before
32 the document is presented for filing, ~~[\$100.]~~ **\$150.**

33 13. Copying a document on file with him, for each page, ~~[\$1.]~~
34 **\$1.50.**

35 **Sec. 136.** NRS 88A.930 is hereby amended to read as follows:

36 88A.930 1. A business trust may correct a document filed by
37 the Secretary of State with respect to the business trust if the
38 document contains an inaccurate record of a trust action described in
39 the document or was defectively executed, attested, sealed, verified
40 or acknowledged.

41 2. To correct a document, the business trust must:

42 (a) Prepare a certificate of correction that:

43 (1) States the name of the business trust;

44 (2) Describes the document, including, without limitation, its
45 filing date;



- 1 (3) Specifies the inaccuracy or defect;
- 2 (4) Sets forth the inaccurate or defective portion of the
- 3 document in an accurate or corrected form; and
- 4 (5) Is signed by a trustee of the business trust.

5 (b) Deliver the certificate to the Secretary of State for filing.

6 (c) Pay a filing fee of ~~[\$150]~~ \$225 to the Secretary of State.

7 3. A certificate of correction is effective on the effective date
8 of the document it corrects except as to persons relying on the
9 uncorrected document and adversely affected by the correction. As
10 to those persons, the certificate is effective when filed.

11 **Sec. 137.** NRS 89.210 is hereby amended to read as follows:

12 89.210 1. Within 30 days after the organization of a
13 professional association under this chapter, the association shall file
14 with the Secretary of State a copy of the articles of association, duly
15 executed, and shall pay at that time a filing fee of ~~[\$175.]~~ \$265. Any
16 such association formed as a common-law association before July 1,
17 1969, shall file, within 30 days after July 1, 1969, a certified copy of
18 its articles of association, with any amendments thereto, with the
19 Secretary of State, and shall pay at that time a filing fee of \$25. A
20 copy of any amendments to the articles of association adopted after
21 July 1, 1969, must also be filed with the Secretary of State within 30
22 days after the adoption of such amendments. Each copy of
23 amendments so filed must be certified as true and correct and be
24 accompanied by a filing fee of ~~[\$150.]~~ \$225.

25 2. The name of such a professional association must contain
26 the words "Professional Association," "Professional Organization"
27 or the abbreviations "Prof. Ass'n" or "Prof. Org." The association
28 may render professional services and exercise its authorized powers
29 under a fictitious name if the association has first registered the
30 name in the manner required under chapter 602 of NRS.

31 **Sec. 138.** NRS 89.250 is hereby amended to read as follows:

32 89.250 1. Except as otherwise provided in subsection 2, a
33 professional association shall, on or before the first day of the
34 second month after the filing of its articles of association with the
35 Secretary of State, and annually thereafter on or before the last day
36 of the month in which the anniversary date of its organization occurs
37 in each year, furnish a statement to the Secretary of State showing
38 the names and residence addresses of all members and employees in
39 the association and certifying that all members and employees are
40 licensed to render professional service in this state.

41 2. A professional association organized and practicing pursuant
42 to the provisions of this chapter and NRS 623.349 shall, on or
43 before the first day of the second month after the filing of its articles
44 of association with the Secretary of State, and annually thereafter on
45 or before the last day of the month in which the anniversary date of



1 its organization occurs in each year, furnish a statement to the
2 Secretary of State:

3 (a) Showing the names and residence addresses of all members
4 and employees of the association who are licensed or otherwise
5 authorized by law to render professional service in this state;

6 (b) Certifying that all members and employees who render
7 professional service are licensed or otherwise authorized by law to
8 render professional service in this state; and

9 (c) Certifying that all members who are not licensed to render
10 professional service in this state do not render professional service
11 on behalf of the association except as authorized by law.

12 3. Each statement filed pursuant to this section must be:

13 (a) Made on a form prescribed by the Secretary of State and
14 must not contain any fiscal or other information except that
15 expressly called for by this section.

16 (b) Signed by the chief executive officer of the association.

17 (c) Accompanied by a declaration under penalty of perjury that
18 the professional association has complied with the provisions of
19 chapter 364A of NRS.

20 4. Upon filing:

21 (a) The initial statement required by this section, the association
22 shall pay to the Secretary of State a fee of ~~[\$165.]~~ **\$250.**

23 (b) Each annual statement required by this section, the
24 association shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

25 5. As used in this section, "signed" means to have executed or
26 adopted a name, word or mark, including, without limitation, an
27 electronic signature as defined in NRS 719.100, with the present
28 intention to authenticate a document.

29 **Sec. 139.** NRS 89.252 is hereby amended to read as follows:

30 89.252 1. Each professional association that is required to
31 make a filing and pay the fee prescribed in NRS 89.250 but refuses
32 to do so within the time provided is in default.

33 2. For default ~~[]~~ there must be added to the amount of the fee a
34 penalty of ~~[\$50.]~~ **\$75.** The fee and penalty must be collected as
35 provided in this chapter.

36 **Sec. 140.** NRS 89.256 is hereby amended to read as follows:

37 89.256 1. Except as otherwise provided in subsections 3 and
38 4, the Secretary of State shall reinstate any professional association
39 which has forfeited its right to transact business under the provisions
40 of this chapter and *shall* restore the right to carry on business in this
41 state, and *to* exercise its privileges and immunities, if it:

42 (a) Files with the Secretary of State the statement and
43 certification required by NRS 89.250; and

44 (b) Pays to the Secretary of State:



1 (1) The filing fee and penalty set forth in NRS 89.250 and
2 89.252 for each year or portion thereof during which the articles of
3 association have been revoked; and

4 (2) A fee of ~~[\$200]~~ \$300 for reinstatement.

5 2. When the Secretary of State reinstates the association to its
6 former rights, he shall:

7 (a) Immediately issue and deliver to the association a certificate
8 of reinstatement authorizing it to transact business, as if the fees had
9 been paid when due; and

10 (b) Upon demand, issue to the association a certified copy of the
11 certificate of reinstatement.

12 3. The Secretary of State shall not order a reinstatement unless
13 all delinquent fees and penalties have been paid, and the revocation
14 of the association's articles of association occurred only by reason
15 of its failure to pay the fees and penalties.

16 4. If the articles of association of a professional association
17 have been revoked pursuant to the provisions of this chapter and
18 have remained revoked for 10 consecutive years, the articles must
19 not be reinstated.

20 **Sec. 141.** NRS 90.360 is hereby amended to read as follows:

21 90.360 1. An applicant for licensing shall pay a
22 nonrefundable licensing fee, due annually in the following amounts:

23 (a) Broker-dealer, ~~[\$150.]~~ \$225.

24 (b) Sales representative, ~~[\$55.]~~ \$85.

25 (c) Investment adviser, ~~[\$150.]~~ \$225.

26 (d) Representative of an investment adviser, ~~[\$55.]~~ \$85.

27 2. The Administrator by regulation may require licensing of
28 branch offices and *may* impose a fee for the licensing and an annual
29 fee.

30 3. For the purpose of this section, a "branch office" means any
31 place of business in this state, other than the principal office in the
32 State of the broker-dealer, from which one or more sales
33 representatives transact business.

34 **Sec. 142.** NRS 90.380 is hereby amended to read as follows:

35 90.380 1. Unless a proceeding under NRS 90.420 has been
36 instituted, the license of any broker-dealer, sales representative,
37 investment adviser or representative of an investment adviser
38 becomes effective 30 days after an application for licensing has
39 been filed and is complete, including any amendment, if all
40 requirements imposed pursuant to NRS 90.370 and 90.375 have
41 been satisfied. An application or amendment is complete when the
42 applicant has furnished information responsive to each applicable
43 item of the application. The Administrator may authorize an earlier
44 effective date of licensing.



1 2. The license of a broker-dealer, sales representative,
2 investment adviser or representative of an investment adviser is
3 effective until terminated by revocation, suspension, expiration or
4 withdrawal.

5 3. The license of a sales representative is only effective with
6 respect to transactions effected on behalf of the broker-dealer or
7 issuer for whom the sales representative is licensed.

8 4. A person shall not at any one time act as a sales
9 representative for more than one broker-dealer or for more than one
10 issuer, unless the Administrator by regulation or order authorizes
11 multiple licenses.

12 5. If a person licensed as a sales representative terminates
13 association with a broker-dealer or issuer or ceases to be a sales
14 representative, the sales representative and the broker-dealer or
15 issuer on whose behalf the sales representative was acting shall
16 promptly notify the Administrator.

17 6. The Administrator by regulation may authorize one or more
18 special classifications of licenses as a broker-dealer, sales
19 representative, investment adviser or representative of an investment
20 adviser to be issued to applicants subject to limitations and
21 conditions on the nature of the activities that may be conducted by
22 persons so licensed.

23 7. The license of a broker-dealer, sales representative,
24 investment adviser or representative of an investment adviser
25 expires if:

26 (a) The statement required pursuant to NRS 90.375 is not
27 submitted when it is due; or

28 (b) The annual fee required by NRS 90.360 is not paid when it is
29 due.

30 8. A license that has expired may be reinstated retroactively if
31 the licensed person:

32 (a) Submits the statement required pursuant to NRS 90.375; and

33 (b) Pays the fee required by NRS 90.360, plus a fee for
34 reinstatement in the amount of ~~[\$25,]~~ \$40,

35 within 30 days after the date of expiration. If the license is not
36 reinstated within that time, it shall be deemed to have lapsed as of
37 the date of expiration, and the licensed person must thereafter
38 submit a new application for licensing if he desires to be relicensed.

39 **Sec. 143.** NRS 90.456 is hereby amended to read as follows:

40 90.456 1. The Administrator may charge a fee not to exceed
41 ~~[-.25]~~ 0.4 percent of the total value of each transaction involving the
42 purchase, sale or other transfer of a security conducted by a
43 securities exchange located in this state.



1 2. The Administrator may adopt by regulation or order, and
2 shall cause to be published, a table of fees based upon the direct cost
3 of regulating the securities exchange.

4 **Sec. 144.** NRS 90.500 is hereby amended to read as follows:

5 90.500 1. A registration statement may be filed by the issuer,
6 any other person on whose behalf the offering is to be made ~~[-]~~ or a
7 broker-dealer licensed under this chapter.

8 2. Except as provided in subsection 3, a person filing a
9 registration statement shall pay a filing fee of ~~one-tenth of 1~~ **0.15**
10 percent of the maximum aggregate offering price at which the
11 registered securities are to be offered in this state, but not less than
12 ~~[\$350]~~ **\$525** or more than ~~[\$2,500.]~~ **\$3,750**. If a registration
13 statement is withdrawn before the effective date or a pre-effective
14 order is entered under NRS 90.510, the Administrator shall retain
15 the fee.

16 3. An open-end management company, a face amount
17 certificate company or a unit investment trust, as defined in the
18 Investment Company Act of 1940, may register an indefinite
19 amount of securities under a registration statement. The registrant
20 shall pay:

21 (a) A fee of ~~[\$500]~~ **\$750** at the time of filing; and

22 (b) Within 60 days after the registrant's fiscal year during which
23 its statement is effective, a fee of ~~[\$2,000.]~~ **\$3,000**, or file a report
24 on a form the Administrator adopts, specifying its sale of securities
25 to persons in this state during the fiscal year and pay a fee of ~~one-~~
26 ~~tenth of 1~~ **0.15** percent of the aggregate sales price of the securities
27 sold to persons in this state, but the latter fee must not be less than
28 ~~[\$350]~~ **\$525** or more than ~~[\$2,500.]~~ **\$3,750**.

29 4. Except as otherwise permitted by subsection 3, a statement
30 must specify:

31 (a) The amount of securities to be offered in this state and the
32 states in which a statement or similar document in connection with
33 the offering has been or is to be filed; and

34 (b) Any adverse order, judgment or decree entered by a
35 securities agency or administrator in any state or by a court or the
36 Securities and Exchange Commission in connection with the
37 offering.

38 5. A document filed under this chapter as now or previously in
39 effect, within 5 years before the filing of a registration statement,
40 may be incorporated by reference in the registration statement if the
41 document is currently accurate.

42 6. The Administrator by regulation or order may permit the
43 omission of an item of information or document from a statement.

44 7. In the case of a nonissuer offering, the Administrator may
45 not require information under **subsection 13 or** NRS 90.510 ~~for~~



1 ~~subsection 13 of this section~~ unless it is known to the person filing
2 the registration statement or to the person on whose behalf the
3 offering is to be made, or can be furnished by one of them without
4 unreasonable effort or expense.

5 8. In the case of a registration under NRS 90.480 or 90.490 by
6 an issuer who has no public market for its shares and no significant
7 earnings from continuing operations during the last 5 years or any
8 shorter period of its existence, the Administrator by regulation or
9 order may require as a condition of registration that the following
10 securities be deposited in escrow for not more than 3 years:

11 (a) A security issued to a promoter within the 3 years
12 immediately before the offering or to be issued to a promoter for a
13 consideration substantially less than the offering price; and

14 (b) A security issued to a promoter for a consideration other
15 than cash, unless the registrant demonstrates that the value of the
16 noncash consideration received in exchange for the security is
17 substantially equal to the offering price for the security.

18 The Administrator by regulation may determine the conditions of an
19 escrow required under this subsection, but the Administrator may
20 not reject a depository solely because of location in another state.

21 9. The Administrator by regulation may require as a condition
22 of registration under NRS 90.480 or 90.490 that the proceeds from
23 the sale of the registered security in this state *must* be impounded
24 until the issuer receives a specified amount from the sale of the
25 security. The Administrator by regulation or order may determine
26 the conditions of an impounding arrangement required under this
27 subsection, but the Administrator may not reject a depository solely
28 because of its location in another state.

29 10. If a security is registered pursuant to NRS 90.470 or
30 90.480, the prospectus filed under the Securities Act of 1933 must
31 be delivered to each purchaser in accordance with the requirements
32 of that act for the delivery of a prospectus.

33 11. If a security is registered pursuant to NRS 90.490, an
34 offering document containing information the Administrator by
35 regulation or order designates must be delivered to each purchaser
36 with or before the earliest of:

37 (a) The first written offer made to the purchaser by or for the
38 account of the issuer or another person on whose behalf the offering
39 is being made or by an underwriter or broker-dealer who is offering
40 part of an unsold allotment or subscription taken by it as a
41 participant in the distribution;

42 (b) Confirmation of a sale made by or for the account of a
43 person named in paragraph (a);

44 (c) Payment pursuant to a sale; or



1 (d) Delivery pursuant to a sale.
2 12. Except for a registration statement under which an
3 indefinite amount of securities are registered as provided in
4 subsection 3, a statement remains effective for 1 year after its
5 effective date unless the Administrator by regulation extends the
6 period of effectiveness. A registration statement under which an
7 indefinite amount of securities are registered remains effective until
8 60 days after the beginning of the registrant's next fiscal year
9 following the date the statement was filed. All outstanding securities
10 of the same class as a registered security are considered to be
11 registered for the purpose of a nonissuer transaction while the
12 registration statement is effective, unless the Administrator by
13 regulation or order provides otherwise. A registration statement may
14 not be withdrawn after its effective date if any of the securities
15 registered have been sold in this state, unless the Administrator by
16 regulation or order provides otherwise. No registration statement is
17 effective while an order is in effect under subsection 1 of
18 NRS 90.510.

19 13. During the period that an offering is being made pursuant
20 to an effective registration statement, the Administrator by
21 regulation or order may require the person who filed the registration
22 statement to file reports, not more often than quarterly, to keep
23 reasonably current the information contained in the registration
24 statement and to disclose the progress of the offering.

25 14. A registration statement filed under NRS 90.470 or 90.480
26 may be amended after its effective date to increase the securities
27 specified to be offered and sold. The amendment becomes effective
28 upon filing of the amendment and payment of an additional filing
29 fee of ~~3~~ *three* times the fee otherwise payable, calculated in the
30 manner specified in subsection 2, with respect to the additional
31 securities to be offered and sold. The effectiveness of the
32 amendment relates back to the date or dates of sale of the additional
33 securities being registered.

34 15. A registration statement filed under NRS 90.490 may be
35 amended after its effective date to increase the securities specified to
36 be offered and sold, if the public offering price and underwriters'
37 discounts and commissions are not changed from the respective
38 amounts which the Administrator was informed. The amendment
39 becomes effective when the Administrator so orders and relates
40 back to the date of sale of the additional securities being registered.
41 A person filing an amendment shall pay an additional filing fee of
42 ~~3~~ *three* times the fee otherwise payable, calculated in the manner
43 specified in subsection 2, with respect to the additional securities to
44 be offered and sold.



1 **Sec. 145.** NRS 90.520 is hereby amended to read as follows:
2 90.520 1. As used in this section:
3 (a) "Guaranteed" means guaranteed as to payment of all or
4 substantially all of *the* principal and interest or dividends.
5 (b) "Insured" means insured as to payment of all or substantially
6 all of *the* principal and interest or dividends.
7 2. Except as otherwise provided in subsections 4 and 5, the
8 following securities are exempt from NRS 90.460 and 90.560:
9 (a) A security, including a revenue obligation, issued, insured or
10 guaranteed by the United States, an agency or corporate or other
11 instrumentality of the United States, an international agency or
12 corporate or other instrumentality of which the United States and
13 one or more foreign governments are members, a state, a political
14 subdivision of a state, or an agency or corporate or other
15 instrumentality of one or more states or their political subdivisions,
16 or a certificate of deposit for any of the foregoing, but this
17 exemption does not include a security payable solely from revenues
18 to be received from an enterprise unless the:
19 (1) Payments are insured or guaranteed by the United States,
20 an agency or corporate or other instrumentality of the United States,
21 an international agency or corporate or other instrumentality of
22 which the United States and one or more foreign governments are
23 members, a state, a political subdivision of a state, or an agency or
24 corporate or other instrumentality of one or more states or their
25 political subdivisions, or by a person whose securities are exempt
26 from registration pursuant to paragraphs (b) to (e), inclusive, or (g),
27 or the revenues from which the payments are to be made are a direct
28 obligation of such a person;
29 (2) Security is issued by this state or an agency,
30 instrumentality or political subdivision of this state; or
31 (3) Payments are insured or guaranteed by a person who,
32 within the 12 months next preceding the date on which the securities
33 are issued, has received a rating within one of the top four rating
34 categories of either Moody's Investors Service, Inc., or Standard
35 and Poor's Ratings Services.
36 (b) A security issued, insured or guaranteed by Canada, a
37 Canadian province or territory, a political subdivision of Canada or
38 of a Canadian province or territory, an agency or corporate or other
39 instrumentality of one or more of the foregoing, or any other foreign
40 government or governmental combination or entity with which the
41 United States maintains diplomatic relations, if the security is
42 recognized as a valid obligation by the issuer, insurer or guarantor.
43 (c) A security issued by and representing an interest in or a
44 direct obligation of a depository institution if the deposit or share
45 accounts of the depository institution are insured by the Federal



1 Deposit Insurance Corporation, the National Credit Union Share
2 Insurance Fund or a successor to an applicable agency authorized by
3 federal law.

4 (d) A security issued by and representing an interest in or a
5 direct obligation of, or insured or guaranteed by, an insurance
6 company organized under the laws of any state and authorized to do
7 business in this state.

8 (e) A security issued or guaranteed by a railroad, other common
9 carrier, public utility or holding company that is:

10 (1) Subject to the jurisdiction of the Surface Transportation
11 Board;

12 (2) A registered holding company under the Public Utility
13 Holding Company Act of 1935 or a subsidiary of a registered
14 holding company within the meaning of that act;


15 (3) Regulated in respect to its rates and charges by a
16 governmental authority of the United States or a state; or

17 (4) Regulated in respect to the issuance or guarantee of the
18 security by a governmental authority of the United States, a state,
19 Canada, or a Canadian province or territory.

20 (f) Equipment trust certificates in respect to equipment leased or
21 conditionally sold to a person, if securities issued by the person
22 would be exempt pursuant to this section.

23 (g) A security listed or approved for listing upon notice of
24 issuance on the New York Stock Exchange, the American Stock
25 Exchange, the Midwest Stock Exchange, the Pacific Stock
26 Exchange or other exchange designated by the Administrator, any
27 other security of the same issuer which is of senior or substantially
28 equal rank, a security called for by subscription right or warrant so
29 listed or approved, or a warrant or right to purchase or subscribe to
30 any of the foregoing.

31 (h) A security designated or approved for designation upon
32 issuance or notice of issuance for inclusion in the national market
33 system by the National Association of Securities Dealers, Inc., any
34 other security of the same issuer which is of senior or substantially
35 equal rank, a security called for by subscription right or warrant so
36 designated, or a warrant or a right to purchase or subscribe to any of
37 the foregoing.

38 (i) An option issued by a clearing agency registered under the
39 Securities Exchange Act of 1934, other than an off-exchange futures
40 contract or substantially similar arrangement, if the security,
41 currency, commodity  or other interest underlying the option is:

42 (1) Registered under NRS 90.470, 90.480 or 90.490;

43 (2) Exempt pursuant to this section; or

44 (3) Not otherwise required to be registered under this
45 chapter.



1 (j) A security issued by a person organized and operated not for
2 private profit but exclusively for a religious, educational,
3 benevolent, charitable, fraternal, social, athletic or reformatory
4 purpose, or as a chamber of commerce or a trade or professional
5 association if at least 10 days before the sale of the security the
6 issuer has filed with the Administrator a notice setting forth the
7 material terms of the proposed sale and copies of any sales and
8 advertising literature to be used and the Administrator by order does
9 not disallow the exemption within the next 5 full business days.

10 (k) A promissory note, draft, bill of exchange or banker's
11 acceptance that evidences an obligation to pay cash within 9 months
12 after the date of issuance, exclusive of days of grace, is issued in
13 denominations of at least \$50,000 and receives a rating in one of the
14 three highest rating categories from a nationally recognized
15 statistical rating organization, or a renewal of such an obligation that
16 is likewise limited, or a guarantee of such an obligation or of a
17 renewal.

18 (l) A security issued in connection with an employees' stock
19 purchase, savings, option, profit-sharing, pension or similar
20 employees' benefit plan.

21 (m) A membership or equity interest in, or a retention certificate
22 or like security given in lieu of a cash patronage dividend issued by,
23 a cooperative organized and operated as a nonprofit membership
24 cooperative under the cooperative laws of any state if not traded to
25 the general public.

26 (n) A security issued by an issuer registered as an open-end
27 management investment company or unit investment trust under
28 section 8 of the Investment Company Act of 1940 if:

29 (1) The issuer is advised by an investment adviser that is a
30 depository institution exempt from registration under the Investment
31 Adviser Act of 1940 or that is currently registered as an investment
32 adviser, and has been registered, or is affiliated with an adviser that
33 has been registered, as an investment adviser under the Investment
34 Advisers Act of 1940 for at least 3 years next preceding an offer or
35 sale of a security claimed to be exempt pursuant to this paragraph,
36 and the issuer has acted, or is affiliated with an investment adviser
37 that has acted, as investment adviser to one or more registered
38 investment companies or unit investment trusts for at least 3 years
39 next preceding an offer or sale of a security claimed to be exempt
40 under this paragraph; or

41 (2) The issuer has a sponsor that has at all times throughout
42 the 3 years before an offer or sale of a security claimed to be exempt
43 pursuant to this paragraph sponsored one or more registered
44 investment companies or unit investment trusts the aggregate total
45 assets of which have exceeded \$100,000,000.



1 3. For the purpose of paragraph (n) of subsection 2, an
2 investment adviser is affiliated with another investment adviser if it
3 controls, is controlled by ~~[]~~ or is under common control with the
4 other investment adviser.

5 4. The exemption provided by paragraph (n) of subsection 2 is
6 available only if the person claiming the exemption files with the
7 Administrator a notice of intention to sell which sets forth the name
8 and address of the issuer and the securities to be offered in this state
9 and pays a fee ~~[of:~~

10 ~~—(a) Two hundred and fifty dollars] :~~

11 (a) ~~Of \$375~~ for the initial claim of exemption and the same
12 amount at the beginning of each fiscal year thereafter in which
13 securities are to be offered in this state, in the case of an open-end
14 management company; or

15 (b) ~~[One hundred and fifty dollars] Of \$225~~ for the initial claim
16 of exemption in the case of a unit investment trust.

17 5. An exemption provided by paragraph (c), (e), (f), (i) or (k)
18 of subsection 2 is available only if, within the 12 months
19 immediately preceding the use of the exemption, a notice of claim
20 of exemption has been filed with the Administrator and a
21 nonrefundable fee of ~~[\$150] \$225~~ has been paid.

22 **Sec. 146.** NRS 90.530 is hereby amended to read as follows:

23 90.530 The following transactions are exempt from NRS
24 90.460 and 90.560:

25 1. An isolated nonissuer transaction, whether or not effected
26 through a broker-dealer.

27 2. A nonissuer transaction in an outstanding security if the
28 issuer of the security has a class of securities subject to registration
29 under section 12 of the Securities Exchange Act of 1934, 15 U.S.C.
30 § 781, and has been subject to the reporting requirements of section
31 13 or ~~[15(e)] 15(d)~~ of the Securities Exchange Act of 1934, 15
32 U.S.C. §§ 78m and 78o(d), for not less than 90 days next preceding
33 the transaction, or has filed and maintained with the Administrator
34 for not less than 90 days preceding the transaction information, in
35 such form as the Administrator, by regulation, specifies,
36 substantially comparable to the information the issuer would be
37 required to file under section 12(b) or 12(g) of the Securities
38 Exchange Act of 1934, 15 U.S.C. §§ 78l(b) and 78l(g), were the
39 issuer to have a class of its securities registered under section 12 of
40 the Securities Exchange Act of 1934, 15 U.S.C. § 78l, and paid a fee
41 ~~of \$150.]~~ ~~of \$225~~ with the filing . ~~[of \$150.]~~

42 3. A nonissuer transaction by a sales representative licensed in
43 this state, in an outstanding security if:

44 (a) The security is sold at a price reasonably related to the
45 current market price of the security at the time of the transaction;



1 (b) The security does not constitute all or part of an unsold
2 allotment to, or subscription or participation by, a broker-dealer as
3 an underwriter of the security;

4 (c) At the time of the transaction, a recognized securities manual
5 designated by the Administrator by regulation or order contains the
6 names of the issuer's officers and directors, a statement of the
7 financial condition of the issuer as of a date within the preceding 18
8 months, and a statement of income or operations for each of the last
9 2 years next preceding the date of the statement of financial
10 condition, or for the period as of the date of the statement of
11 financial condition if the period of existence is less than 2 years;

12 (d) The issuer of the security has not undergone a major
13 reorganization, merger or acquisition within the preceding 30 days
14 which is not reflected in the information contained in the manual;
15 and

16 (e) At the time of the transaction, the issuer of the security has a
17 class of equity security listed on the New York Stock Exchange,
18 American Stock Exchange or other exchange designated by the
19 Administrator, or on the National Market System of the National
20 Association of Securities Dealers Automated Quotation System. The
21 requirements of this paragraph do not apply if:

22 (1) The security has been outstanding for at least 180 days;

23 (2) The issuer of the security is actually engaged in business
24 and is not developing his business, in bankruptcy or in receivership;
25 and

26 (3) The issuer of the security has been in continuous
27 operation for at least 5 years.

28 4. A nonissuer transaction in a security that has a fixed
29 maturity or a fixed interest or dividend provision if there has been
30 no default during the current fiscal year or within the 3 preceding
31 years, or during the existence of the issuer, and any predecessors if
32 less than 3 years, in the payment of principal, interest or dividends
33 on the security.

34 5. A nonissuer transaction effected by or through a registered
35 broker-dealer pursuant to an unsolicited order or offer to purchase.

36 6. A transaction between the issuer or other person on whose
37 behalf the offering of a security is made and an underwriter, or a
38 transaction among underwriters.

39 7. A transaction in a bond or other evidence of indebtedness
40 secured by a real estate mortgage, deed of trust, personal property
41 security agreement, or by an agreement for the sale of real estate or
42 personal property, if the entire mortgage, deed of trust or agreement,
43 together with all the bonds or other evidences of indebtedness
44 secured thereby, is offered and sold as a unit.



1 8. A transaction by an executor, administrator, sheriff, marshal,
2 receiver, trustee in bankruptcy, guardian or conservator.

3 9. A transaction executed by a bona fide secured party without
4 the purpose of evading this chapter.

5 10. An offer to sell or *the* sale of a security to a financial or
6 institutional investor or to a broker-dealer.

7 11. Except as otherwise provided in this subsection, a
8 transaction pursuant to an offer to sell securities of an issuer if:

9 (a) The transaction is part of an issue in which there are not
10 more than 25 purchasers in this state, other than those designated in
11 subsection 10, during any 12 consecutive months;

12 (b) No general solicitation or general advertising is used in
13 connection with the offer to sell or *the* sale of the securities;

14 (c) No commission or other similar compensation is paid or
15 given, directly or indirectly, to a person, other than a broker-dealer
16 licensed or not required to be licensed under this chapter, for
17 soliciting a prospective purchaser in this state; and

18 (d) One of the following conditions is satisfied:

19 (1) The seller reasonably believes that all the purchasers in
20 this state, other than those designated in subsection 10, are
21 purchasing for investment; or

22 (2) Immediately before and immediately after the
23 transaction, the issuer reasonably believes that the securities of the
24 issuer are held by 50 or fewer beneficial owners, other than those
25 designated in subsection 10, and the transaction is part of an
26 aggregate offering that does not exceed \$500,000 during any 12
27 consecutive months.

28 The Administrator by rule or order as to a security or transaction, or
29 a type of security or transaction, may withdraw or further condition
30 the exemption set forth in this subsection or waive one or more of
31 the conditions of the exemption.

32 12. An offer to sell or *the* sale of a preorganization certificate
33 or subscription if:

34 (a) No commission or other similar compensation is paid or
35 given, directly or indirectly, for soliciting a prospective subscriber;

36 (b) No public advertising or general solicitation is used in
37 connection with the offer to sell or *the* sale;

38 (c) The number of offers does not exceed 50;

39 (d) The number of subscribers does not exceed 10; and

40 (e) No payment is made by a subscriber.

41 13. An offer to sell or *the* sale of a preorganization certificate
42 or subscription issued in connection with the organization of a
43 depository institution if that organization is under the supervision of
44 an official or agency of a state or of the United States which has and
45 exercises the authority to regulate and supervise the organization of



1 the depository institution. For the purpose of this subsection, “under
2 the supervision of an official or agency” means that the official or
3 agency by law has authority to require disclosures to prospective
4 investors similar to those required under NRS 90.490, impound
5 proceeds from the sale of a preorganization certificate or
6 subscription until organization of the depository institution is
7 completed, and require refund to investors if the depository
8 institution does not obtain a grant of authority from the appropriate
9 official or agency.

10 14. A transaction pursuant to an offer to sell to existing
11 security holders of the issuer, including persons who at the time of
12 the transaction are holders of transferable warrants exercisable
13 within not more than 90 days after their issuance, convertible
14 securities or nontransferable warrants, if:

15 (a) No commission or other similar compensation, other than a
16 standby commission, is paid or given, directly or indirectly, for
17 soliciting a security holder in this state; or

18 (b) The issuer first files a notice specifying the terms of the offer
19 to sell, together with a nonrefundable fee of ~~[\$150.]~~ \$225, and the
20 Administrator does not by order disallow the exemption within the
21 next 5 full business days.

22 15. A transaction involving an offer to sell, but not a sale, of a
23 security not exempt from registration under the Securities Act of
24 1933, 15 U.S.C. §§ 77a et seq., if:

25 (a) A registration or offering statement or similar document as
26 required under the Securities Act of 1933, 15 U.S.C. §§ 77a et seq.,
27 has been filed, but is not effective;

28 (b) A registration statement, if required, has been filed under
29 this chapter, but is not effective; and

30 (c) No order denying, suspending or revoking the effectiveness
31 of registration, of which the offeror is aware, has been entered by
32 the Administrator or the Securities and Exchange Commission, and
33 no examination or public proceeding that may culminate in that kind
34 of order is known by the offeror to be pending.

35 16. A transaction involving an offer to sell, but not a sale, of a
36 security exempt from registration under the Securities Act of 1933,
37 15 U.S.C. §§ 77a et seq., if:

38 (a) A registration statement has been filed under this chapter, but
39 is not effective; and

40 (b) No order denying, suspending or revoking the effectiveness
41 of registration, of which the offeror is aware, has been entered by
42 the Administrator and no examination or public proceeding that may
43 culminate in that kind of order is known by the offeror to be
44 pending.



1 17. A transaction involving the distribution of the securities of
2 an issuer to the security holders of another person in connection
3 with a merger, consolidation, exchange of securities, sale of assets
4 or other reorganization to which the issuer, or its parent or
5 subsidiary, and the other person, or its parent or subsidiary, are
6 parties, if:

7 (a) The securities to be distributed are registered under the
8 Securities Act of 1933, 15 U.S.C. §§ 77a et seq., before the
9 consummation of the transaction; or

10 (b) The securities to be distributed are not required to be
11 registered under the Securities Act of 1933, 15 U.S.C. §§ 77a et
12 seq., written notice of the transaction and a copy of the materials, if
13 any, by which approval of the transaction will be solicited, together
14 with a nonrefundable fee of ~~[\$150.] \$225~~, are given to the
15 Administrator at least 10 days before the consummation of the
16 transaction and the Administrator does not, by order, disallow
17 the exemption within the next 10 days.

18 18. A transaction involving the offer to sell or *the* sale of one
19 or more promissory notes each of which is directly secured by a first
20 lien on a single parcel of real estate, or a transaction involving the
21 offer to sell or *the* sale of participation interests in the notes if the
22 notes and participation interests are originated by a depository
23 institution and are offered and sold subject to the following
24 conditions:

25 (a) The minimum aggregate sales price paid by each purchaser
26 may not be less than \$250,000;

27 (b) Each purchaser must pay cash either at the time of the sale or
28 within 60 days after the sale; and

29 (c) Each purchaser may buy for his own account only.

30 19. A transaction involving the offer to sell or *the* sale of one
31 or more promissory notes directly secured by a first lien on a single
32 parcel of real estate or participating interests in the notes, if the
33 notes and interests are originated by a mortgagee approved by the
34 Secretary of Housing and Urban Development under sections 203
35 and 211 of the National Housing Act, 12 U.S.C. §§ 1709 and 1715b,
36 and are offered or sold, subject to the conditions specified in
37 subsection 18, to a depository institution or insurance company, the
38 Federal Home Loan Mortgage Corporation, the Federal National
39 Mortgage Association or the Government National Mortgage
40 Association.

41 20. A transaction between any of the persons described in
42 subsection 19 involving a nonassignable contract to buy or sell the
43 securities described in subsection 18 if the contract is to be
44 completed within 2 years and if:



1 (a) The seller of the securities pursuant to the contract is one of
2 the parties described in subsection 18 or 19 who may originate
3 securities;

4 (b) The purchaser of securities pursuant to a contract is any
5 other person described in subsection 19; and

6 (c) The conditions described in subsection 18 are fulfilled.

7 21. A transaction involving one or more promissory notes
8 secured by a lien on real estate, or participating interests in those
9 notes, by:

10 (a) A mortgage company licensed pursuant to chapter 645E
11 of NRS to engage in those transactions; or

12 (b) A mortgage broker licensed pursuant to chapter 645B of
13 NRS to engage in those transactions.

14 **Sec. 147.** NRS 90.540 is hereby amended to read as follows:

15 90.540 The Administrator by regulation or order may:

16 1. Exempt any other security or transaction or class of
17 securities or transactions from NRS 90.460 and 90.560.

18 2. Adopt a transactional exemption for limited offerings that
19 will further the objectives of compatibility with the exemptions from
20 securities registration authorized by the Securities Act of 1933 and
21 uniformity among the states.

22 3. Require the filing of a notice and the payment of a fee not
23 greater than ~~[\$250]~~ \$375 for an exemption adopted pursuant to this
24 section.

25 **Sec. 148.** NRS 92A.190 is hereby amended to read as follows:

26 92A.190 1. One or more foreign entities may merge or enter
27 into an exchange of owner's interests with one or more domestic
28 entities if:

29 (a) In a merger, the merger is permitted by the law of the
30 jurisdiction under whose law each foreign entity is organized and
31 governed and each foreign entity complies with that law in effecting
32 the merger;

33 (b) In an exchange, the entity whose owner's interests will be
34 acquired is a domestic entity, whether or not an exchange of
35 owner's interests is permitted by the law of the jurisdiction under
36 whose law the acquiring entity is organized;

37 (c) The foreign entity complies with NRS 92A.200 to 92A.240,
38 inclusive, if it is the surviving entity in the merger or acquiring
39 entity in the exchange and sets forth in the articles of merger or
40 exchange its address where copies of process may be sent by the
41 Secretary of State; and

42 (d) Each domestic entity complies with the applicable provisions
43 of NRS 92A.100 to 92A.180, inclusive, and, if it is the surviving
44 entity in the merger or acquiring entity in the exchange, with NRS
45 92A.200 to 92A.240, inclusive.



1 2. When the merger or exchange takes effect, the surviving
2 foreign entity in a merger and the acquiring foreign entity in an
3 exchange shall be deemed:

4 (a) To appoint the Secretary of State as its agent for service of
5 process in a proceeding to enforce any obligation or the rights of
6 dissenting owners of each domestic entity that was a party to the
7 merger or exchange. Service of such process must be made by
8 personally delivering to and leaving with the Secretary of State
9 duplicate copies of the process and the payment of a fee of ~~[\$50]~~
10 \$75 for accepting and transmitting the process. The Secretary of
11 State shall forthwith send by registered or certified mail one of the
12 copies to the surviving or acquiring entity at its specified address,
13 unless the surviving or acquiring entity has designated in writing to
14 the Secretary of State a different address for that purpose, in which
15 case it must be mailed to the last address so designated.

16 (b) To agree that it will promptly pay to the dissenting owners of
17 each domestic entity that is a party to the merger or exchange the
18 amount, if any, to which they are entitled under or created pursuant
19 to NRS 92A.300 to 92A.500, inclusive.

20 3. This section does not limit the power of a foreign entity to
21 acquire all or part of the owner's interests of one or more classes or
22 series of a domestic entity through a voluntary exchange or
23 otherwise.

24 **Sec. 149.** NRS 92A.195 is hereby amended to read as follows:

25 92A.195 1. One foreign entity or foreign general partnership
26 may convert into one domestic entity if:

27 (a) The conversion is permitted by the law of the jurisdiction
28 governing the foreign entity or foreign general partnership and the
29 foreign entity or foreign general partnership complies with that law
30 in effecting the conversion;

31 (b) The foreign entity or foreign general partnership complies
32 with the applicable provisions of NRS 92A.205 and, if it is the
33 resulting entity in the conversion, with NRS 92A.210 to 92A.240,
34 inclusive; and

35 (c) The domestic entity complies with the applicable provisions
36 of NRS 92A.105, 92A.120, 92A.135, 92A.140 and 92A.165 and, if
37 it is the resulting entity in the conversion, with NRS 92A.205 to
38 92A.240, inclusive.

39 2. When the conversion takes effect, the resulting foreign entity
40 in a conversion shall be deemed to have appointed the Secretary of
41 State as its agent for service of process in a proceeding to enforce
42 any obligation. Service of process must be made personally by
43 delivering to and leaving with the Secretary of State duplicate
44 copies of the process and the payment of a fee of ~~[\$25]~~ \$40 for
45 accepting and transmitting the process. The Secretary of State shall



1 send one of the copies of the process by registered or certified mail
2 to the resulting entity at its specified address, unless the resulting
3 entity has designated in writing to the Secretary of State a different
4 address for that purpose, in which case it must be mailed to the last
5 address so designated.

6 **Sec. 150.** NRS 92A.210 is hereby amended to read as follows:

7 92A.210 1. Except as otherwise provided in this section, the
8 fee for filing articles of merger, articles of conversion, articles of
9 exchange, articles of domestication or articles of termination is
10 ~~[\$325.]~~ **\$490.** The fee for filing the constituent documents of a
11 domestic resulting entity is the fee for filing the constituent
12 documents determined by the chapter of NRS governing the
13 particular domestic resulting entity.

14 2. The fee for filing articles of merger of two or more domestic
15 corporations is the difference between the fee computed at the rates
16 specified in NRS 78.760 upon the aggregate authorized stock of the
17 corporation created by the merger and the fee computed upon the
18 aggregate amount of the total authorized stock of the constituent
19 corporation.

20 3. The fee for filing articles of merger of one or more domestic
21 corporations with one or more foreign corporations is the difference
22 between the fee computed at the rates specified in NRS 78.760 upon
23 the aggregate authorized stock of the corporation created by the
24 merger and the fee computed upon the aggregate amount of the total
25 authorized stock of the constituent corporations which have paid the
26 fees required by NRS 78.760 and 80.050.

27 4. The fee for filing articles of merger of two or more domestic
28 or foreign corporations must not be less than ~~[\$325.]~~ **\$490.** The
29 amount paid pursuant to subsection 3 must not exceed ~~[\$25,000.]~~
30 **\$37,500.**

31 **Sec. 151.** NRS 104.9525 is hereby amended to read as
32 follows:

33 104.9525 1. Except as otherwise provided in subsection 5,
34 the fee for filing and indexing a record under this part, other than an
35 initial financing statement of the kind described in subsection 2 of
36 NRS 104.9502 ~~[is:]~~ :

37 (a) ~~[Twenty-dollars]~~ **Is \$30** if the record is communicated in
38 writing and consists of one or two pages;

39 (b) ~~[Forty-dollars]~~ **Is \$60** if the record is communicated in
40 writing and consists of more than two pages, and ~~[\$1]~~ **\$1.50** for each
41 page over 20 pages;

42 (c) ~~[Ten-dollars]~~ **Is \$15** if the record is communicated by
43 another medium authorized by filing-office rule; and

44 (d) ~~[One-dollar]~~ **Is \$1.50** for each additional debtor, trade name
45 or reference to another name under which business is done.



1 2. The filing officer may charge and collect ~~[\$1]~~ **\$1.50** for each
2 page of copy or record of filings produced by him at the request of
3 any person.

4 3. Except as otherwise provided in subsection 5, the fee for
5 filing and indexing an initial financing statement of the kind
6 described in subsection 3 of NRS 104.9502 ~~[is:]~~ :

7 (a) ~~[Forty dollars]~~ **Is \$60** if the financing statement indicates that
8 it is filed in connection with a public-finance transaction; and

9 (b) ~~[Twenty dollars]~~ **Is \$30** if the financing statement indicates
10 that it is filed in connection with a manufactured-home transaction.

11 4. The fee for responding to a request for information from the
12 filing office, including for issuing a certificate showing whether
13 there is on file any financing statement naming a particular debtor ~~[~~
14 ~~is:]~~ :

15 (a) ~~[Twenty dollars]~~ **Is \$30** if the request is communicated in
16 writing; and

17 (b) ~~[Fifteen dollars]~~ **Is \$25** if the request is communicated by
18 another medium authorized by filing-office rule.

19 5. This section does not require a fee with respect to a
20 mortgage that is effective as a financing statement filed as a fixture
21 filing or as a financing statement covering as-extracted collateral or
22 timber to be cut under subsection 3 of NRS 104.9502. However, the
23 fees for recording and satisfaction which otherwise would be
24 applicable to the mortgage apply.

25 **Sec. 152.** NRS 105.070 is hereby amended to read as follows:

26 105.070 1. The Secretary of State or county recorder shall
27 mark any security instrument and any statement of change, merger
28 or consolidation presented for filing with the day and hour of filing
29 and the file number assigned to it. This mark is, in the absence of
30 other evidence, conclusive proof of the time and fact of presentation
31 for filing.

32 2. The Secretary of State or county recorder shall retain and
33 file all security instruments and statements of change, merger or
34 consolidation presented for filing.

35 3. The uniform fee for filing and indexing a security
36 instrument, or a supplement or amendment thereto, and a statement
37 of change, merger or consolidation, and for stamping a copy of
38 those documents furnished by the secured party or the public utility
39 ~~[]~~ to show the date and place of filing, is ~~[\$15]~~ **\$25** if the document
40 is in the standard form prescribed by the Secretary of State and
41 otherwise is ~~[\$20, plus \$1]~~ **\$30, plus \$1.50** for each additional
42 debtor or trade name.

43 **Sec. 153.** NRS 105.080 is hereby amended to read as follows:

44 105.080 Upon the request of any person, the Secretary of State
45 shall issue his certificate showing whether there is on file on the



1 date and hour stated therein, any presently effective security
2 instrument naming a particular public utility ~~and~~ and , if there is,
3 giving the date and hour of filing of the instrument and the names
4 and addresses of each secured party. The uniform fee for such a
5 certificate is ~~15~~ \$25 if the request for the certificate is in the
6 standard form prescribed by the Secretary of State and otherwise is
7 ~~20~~ \$30. Upon request , the Secretary of State or a county
8 recorder shall furnish a copy of any filed security instrument upon
9 payment of the statutory fee for copies.

10 **Sec. 154.** NRS 108.831 is hereby amended to read as follows:
11 108.831 1. If a notice of federal lien, a refiling of a notice of
12 federal lien ~~and~~ or a notice of revocation of any certificate described
13 in subsection 2 is presented to the filing officer who is:

14 (a) The Secretary of State, he shall cause the notice to be
15 marked, held and indexed in accordance with the provisions of NRS
16 104.9519 as if the notice were a financing statement within the
17 meaning of the Uniform Commercial Code.

18 (b) Any other officer described in NRS 108.827, he shall
19 endorse thereon his identification and the date and time of receipt
20 and forthwith file it alphabetically or enter it in an alphabetical
21 index showing the name of the person named in the notice and the
22 date of receipt.

23 2. If a certificate of release, nonattachment, discharge or
24 subordination of any federal lien is presented to the Secretary of
25 State for filing , he shall:

26 (a) Cause a certificate of release or nonattachment to be marked,
27 held and indexed as if the certificate were a termination statement
28 within the meaning of the Uniform Commercial Code, except that
29 the notice of lien to which the certificate relates must not be
30 removed from the files; and

31 (b) Cause a certificate of discharge or subordination to be held,
32 marked and indexed as if the certificate were a release of collateral
33 within the meaning of the Uniform Commercial Code.

34 3. If a refiled notice of federal lien referred to in subsection 1
35 or any of the certificates or notices referred to in subsection 2 is
36 presented for filing with any other filing officer specified in NRS
37 108.827, he shall enter the refiled notice or the certificate with the
38 date of filing in any alphabetical index of liens.

39 4. Upon request of any person, the filing officer shall issue his
40 certificate showing whether there is on file, on the date and hour
41 stated therein, any active notice of lien or certificate or notice
42 affecting any lien filed under NRS 108.825 to 108.837, inclusive,
43 naming a particular person ~~and~~ and , if a notice or certificate is on
44 file, giving the date and hour of filing of each notice or certificate.
45 The certificate must state that it reveals active liens only. The fee for



1 a certificate is ~~[\$15]~~ \$25 if the statement is in the standard form
2 prescribed by the Secretary of State and otherwise is ~~[\$20]~~ \$30.
3 Upon request, the filing officer shall furnish a copy of any notice of
4 federal lien or notice or certificate affecting a federal lien for the
5 statutory fee for copies.

6 **Sec. 155.** NRS 119.130 is hereby amended to read as follows:

7 119.130 1. No subdivision or lot, parcel, unit or interest in
8 any subdivision may in any way be offered or sold in this state by
9 any person until:

10 (a) He has appointed in writing the Secretary of State to be his
11 agent, upon whom all process ~~[i]~~ in any action or proceeding against
12 him ~~[i]~~ may be served, and in this writing he agrees that any process
13 against him which is served on the Secretary of State is of the same
14 legal validity as if served on him and that the appointment continues
15 in force as long as any liability remains outstanding against him in
16 this state. The written appointment must be acknowledged before a
17 notary public and must be filed in the Office of the Secretary of
18 State with a fee of ~~[\$10]~~ \$15 for accepting and transmitting any
19 legal process served on the Secretary of State. Copies certified by
20 the Secretary of State are sufficient evidence of the appointment and
21 agreement.

22 (b) He has received a license under NRS 119.160.

23 2. Service of process authorized by paragraph (a) of subsection
24 1 must be made by filing with the Secretary of State:

25 (a) Two copies of the legal process. The copies must include a
26 specific citation to the provisions of this section. The Secretary of
27 State may refuse to accept such service if the proper citation is not
28 included in each copy.

29 (b) A fee of ~~[\$10]~~ \$15.

30 The Secretary of State shall forthwith forward one copy of the legal
31 process to the licensee, by registered or certified mail prepaid to the
32 licensee.

33 **Sec. 156.** NRS 218.53883 is hereby amended to read as
34 follows:

35 218.53883 1. The committee shall:

36 (a) Review the laws relating to *the exemptions from and* the
37 distribution of revenue generated by state and local taxes. In
38 conducting the review, the committee ~~[may]~~ :

39 (1) *May* consider the purposes for which the various state
40 and local taxes were imposed, the actual use of the revenue
41 collected from the various state and local taxes, and any relief to the
42 taxpayers from the burden of the various state and local taxes that
43 may result from any possible recommendations of the committee.

44 (2) *Shall consider the purposes for which various*
45 *exemptions from those taxes were adopted, whether any of those*



1 *exemptions have become obsolete or no longer serve their*
2 *intended purpose, and whether any of those exemptions should be*
3 *repealed.*

4 (b) Study whether removing the authority of the Board of
5 County Commissioners of Washoe County to impose a certain
6 additional governmental services tax is a prudent act which is in the
7 best interests of this state.

8 2. In conducting its review of the laws relating to *the*
9 *exemptions from and* the distribution of revenue generated by state
10 and local taxes, the committee may review:

11 (a) The *exemptions and* distribution of the revenue from:

12 (1) The local school support tax imposed by chapter 374
13 of NRS;

14 (2) The tax on aviation fuel and motor vehicle fuel imposed
15 by or pursuant to chapter 365 of NRS;

16 (3) The tax on intoxicating liquor imposed by chapter 369
17 of NRS;

18 (4) The tax on fuel imposed pursuant to chapter 373 of NRS;

19 (5) The tax on tobacco imposed by chapter 370 of NRS;

20 (6) The governmental services tax imposed by or pursuant to
21 chapter 371 of NRS;

22 (7) The tax imposed on gaming licensees by or pursuant to
23 chapter 463 of NRS;

24 (8) Property taxes imposed pursuant to chapter 361 of NRS;

25 (9) The tax on the transfer of real property imposed by or
26 pursuant to chapter 375 of NRS; and

27 (10) Any other state or local tax.

28 (b) The proper crediting of gasoline tax revenue if the collection
29 is moved to the terminal rack level.

30 3. The committee may:

31 (a) Conduct investigations and hold hearings in connection with
32 its review and study;

33 (b) Contract with one or more consultants to obtain technical
34 advice concerning the study conducted pursuant to NRS 218.53884;

35 (c) Apply for any available grants and accept any gifts, grants or
36 donations and use any such gifts, grants or donations to aid the
37 committee in carrying out its duties pursuant to this chapter;

38 (d) Direct the Legislative Counsel Bureau to assist in its
39 research, investigations, review and study; and

40 (e) Recommend to the Legislature, as a result of its review and
41 study, any appropriate legislation.

42 **Sec. 157.** Chapter 223 of NRS is hereby amended by adding
43 thereto a new section to read as follows:

44 ***1. The Office of Federal Grants Acquisition is hereby***
45 ***established in the Office of the Governor.***



1 2. *The Governor shall appoint the Director of the Office of*
2 *Federal Grants Acquisition who:*
3 (a) *Is not in the classified or unclassified service of the State*
4 *and serves at the pleasure of the Governor; and*
5 (b) *Shall devote his entire time and attention to the business of*
6 *his office and shall not engage in any other gainful employment*
7 *or occupation.*
8 3. *The Director shall, in cooperation with the appropriate*
9 *agencies of this state and of the political subdivisions thereof:*
10 (a) *Coordinate a statewide effort to maximize federal funding*
11 *in this state;*
12 (b) *Identify all programs for which federal funding has been*
13 *provided in this state and all programs for which federal funding*
14 *is available but has not been received in this state;*
15 (c) *Identify any federal grants for which this state or any local*
16 *governmental entities in this state are or may become eligible to*
17 *apply, disseminate information regarding those grants to the*
18 *appropriate state agencies and local governmental entities, and*
19 *assist those state agencies and local governmental entities in*
20 *applying for and acquiring those grants;*
21 (d) *Monitor changes in federal programs and ensure that the*
22 *appropriate agencies of this state and of the political subdivisions*
23 *of this state are informed of those changes;*
24 (e) *Determine whether this state and its political subdivisions*
25 *are receiving less than their proportionate share of federal*
26 *funding and, if so, identify the reasons therefor and develop*
27 *strategies to increase the amount of federal funding in this state;*
28 *and*
29 (f) *Submit to the Governor and to the Director of the*
30 *Legislative Counsel Bureau for transmittal to the Legislature a*
31 *biennial report setting forth:*
32 (1) *The rank of this state among the 50 states with regard to*
33 *the receipt of federal funding;*
34 (2) *Any changes in policy among the agencies of this state*
35 *and of the political subdivisions of this state regarding federal*
36 *funding;*
37 (3) *Any federal funding available to the agencies of this*
38 *state or of the political subdivisions of this state that was not*
39 *obtained and the reasons therefor; and*
40 (4) *A strategy for increasing federal funding in this state*
41 *during the next biennium which includes, without limitation,*
42 *specific actions, goals and objectives.*
43 **Sec. 158.** NRS 223.085 is hereby amended to read as follows:
44 223.085 1. The Governor may, within the limits of available
45 money, employ such persons as he deems necessary to provide an



1 appropriate staff for the Office of the Governor, including, without
2 limitation, the Agency for Nuclear Projects, *the Office of Federal*
3 *Grants Acquisition*, the Office of Science, Innovation and
4 Technology, and the Governor's mansion. Any such employees are
5 not in the classified or unclassified service of the State and serve at
6 the pleasure of the Governor.

7 2. The Governor shall:

8 (a) Determine the salaries and benefits of the persons employed
9 pursuant to subsection 1, within limits of money available for that
10 purpose; and

11 (b) Adopt such rules and policies as he deems appropriate to
12 establish the duties and employment rights of the persons employed
13 pursuant to subsection 1.

14 **Sec. 159.** NRS 225.140 is hereby amended to read as follows:

15 225.140 1. Except as otherwise provided in subsection 2, in
16 addition to other fees authorized by law, the Secretary of State shall
17 charge and collect the following fees:

- 18
- 19 For a copy of any law, joint resolution,
- 20 transcript of record, or other paper on file or
- 21 of record in his office, other than a
- 22 document required to be filed pursuant to
- 23 title 24 of NRS, per page.....~~[\$1.00]~~ **\$1.50**
- 24 For a copy of any document required to be
- 25 filed pursuant to title 24 of NRS, per page~~[-.50]~~ **.75**
- 26 For certifying to any such copy and use of the
- 27 State Seal, for each impression~~[-10.00]~~ **15.00**
- 28 For each passport or other document signed by
- 29 the Governor and attested by the Secretary
- 30 of State~~[-10.00]~~ **15.00**
- 31 For a negotiable instrument returned unpaid~~[-10.00]~~ **15.00**
- 32

33 2. The Secretary of State:

34 (a) Shall charge a reasonable fee for searching records and
35 documents kept in his office.

36 (b) May charge or collect any filing or other fees for services
37 rendered by him to the State of Nevada, any local governmental
38 agency or agency of the Federal Government, or any officer thereof
39 in his official capacity or respecting his office or official duties.

40 (c) May not charge or collect a filing or other fee for:

41 (1) Attesting extradition papers or executive warrants for
42 other states.

43 (2) Any commission or appointment issued or made by the
44 Governor, either for the use of the State Seal or otherwise.

45 (d) May charge a reasonable fee ~~[-, not to exceed:]~~



1 ~~(1) Five hundred dollars,] of:~~
2 (1) *Not more than \$750* for providing service within 2 hours
3 after the time the service is requested; and

4 (2) ~~[One hundred dollars,] Not more than \$150~~ for providing
5 any other special service, including, but not limited to, providing
6 service more than 2 hours but within 24 hours after the time the
7 service is requested, accepting documents filed by facsimile
8 machine and other use of new technology.

9 (e) Shall charge a fee, not to exceed the actual cost to the
10 Secretary of State, for providing:

11 (1) A copy of any record kept in his office that is stored on a
12 computer or on microfilm if the copy is provided on a tape, disc or
13 other medium used for the storage of information by a computer or
14 on duplicate film.

15 (2) Access to his computer database on which records are
16 stored.

17 3. From each fee collected pursuant to paragraph (d) of
18 subsection 2:

19 (a) The entire amount or \$50, whichever is less, of the fee
20 collected pursuant to subparagraph (1) of that paragraph and ~~[half]~~
21 *one-third* of the fee collected pursuant to subparagraph (2) of that
22 paragraph must be deposited with the State Treasurer for credit to
23 the Account for Special Services of the Secretary of State in the
24 State General Fund. Any amount remaining in the Account at the
25 end of a fiscal year in excess of \$2,000,000 must be transferred to
26 the State General Fund. Money in the Account may be transferred to
27 the Secretary of State's Operating General Fund Budget Account
28 and must only be used to create and maintain the capability of the
29 Office of the Secretary of State to provide special services,
30 including, but not limited to, providing service:

31 (1) On the day it is requested or within 24 hours; or

32 (2) Necessary to increase or maintain the efficiency of the
33 office.

34 Any transfer of money from the Account for Expenditure by the
35 Secretary of State must be approved by the Interim Finance
36 Committee.

37 (b) After deducting the amount required pursuant to paragraph
38 (a), the remainder must be deposited with the State Treasurer for
39 credit to the State General Fund.

40 **Sec. 160.** NRS 240.030 is hereby amended to read as follows:

41 240.030 1. Except as otherwise provided in subsection 4,
42 each person applying for appointment as a notary public must:

43 (a) At the time he submits his application, pay to the Secretary
44 of State ~~[\$35.] \$55.~~



1 (b) Take and subscribe to the oath set forth in Section 2 of
2 Article 15 of the Constitution of the State of Nevada as if he were a
3 public officer.

4 (c) Enter into a bond to the State of Nevada in the sum of
5 \$10,000, to be filed with the clerk of the county in which the
6 applicant resides or, if the applicant is a resident of an adjoining
7 state, with the clerk of the county in this state in which the applicant
8 maintains a place of business or is employed. The applicant shall
9 submit to the Secretary of State a certificate issued by the
10 appropriate county clerk which indicates that the applicant filed the
11 bond required pursuant to this paragraph.

12 2. In addition to the requirements set forth in subsection 1, an
13 applicant for appointment as a notary public, including, without
14 limitation, a court reporter, who resides in an adjoining state must
15 submit to the Secretary of State with his application:

16 (a) An affidavit setting forth the adjoining state in which he
17 resides, his mailing address and the address of his place of business
18 or employment that is located within the State of Nevada; and

19 (b) Unless the applicant is self-employed, an affidavit from his
20 employer setting forth the facts that show:

21 (1) The employer is licensed to do business in the State of
22 Nevada; and

23 (2) The employer regularly employs the applicant at an
24 office, business or facility which is located within the State of
25 Nevada.

26 3. In completing an application, bond, oath or other document
27 necessary to apply for appointment as a notary public, an applicant
28 must not be required to disclose his residential address or telephone
29 number on any such document which will become available to the
30 public.

31 4. A court reporter who has received a certificate of registration
32 pursuant to NRS 656.180 may apply for appointment as a notary
33 public with limited powers. Such an applicant is not required to
34 enter into a bond to obtain the limited power of a notary public to
35 administer oaths or affirmations.

36 5. If required, the bond, together with the oath, must be filed
37 and recorded in the office of the county clerk of the county in which
38 the applicant resides when he applies for his appointment or, if the
39 applicant is a resident of an adjoining state, with the clerk of the
40 county in this state in which the applicant maintains a place of
41 business or is employed. On a form provided by the Secretary of
42 State, the county clerk shall immediately certify to the Secretary
43 of State that the required bond and oath have been filed and
44 recorded. Upon receipt of the application, fee and certification that
45 the required bond and oath have been filed and recorded, the



1 Secretary of State shall issue a certificate of appointment as a notary
2 public to the applicant.

3 6. Except as otherwise provided in subsection 7, the term of a
4 notary public commences on the effective date of the bond required
5 pursuant to paragraph (c) of subsection 1. A notary public shall not
6 perform a notarial act after the effective date of the bond unless he
7 has been issued a certificate of appointment.

8 7. The term of a notary public with limited powers commences
9 on the date set forth in his certificate of appointment.

10 8. Except as otherwise provided in this subsection, the
11 Secretary of State shall charge a fee of ~~[\$10]~~ \$15 for each duplicate
12 or amended certificate of appointment which is issued to a notary. If
13 the notary public does not receive an original certificate of
14 appointment, the Secretary of State shall provide a duplicate
15 certificate of appointment without charge if the notary public
16 requests such a duplicate within 60 days after the date on which the
17 original certificate was issued.

18 **Sec. 161.** NRS 240.033 is hereby amended to read as follows:

19 240.033 1. The bond required to be filed pursuant to NRS
20 240.030 must be executed by the person applying to become a
21 notary public as principal and by a surety company qualified and
22 authorized to do business in this state. The bond must be made
23 payable to the State of Nevada and *must* be conditioned to provide
24 indemnification to a person determined to have suffered damage as
25 a result of an act by the notary public which violates a provision of
26 NRS 240.001 to 240.169, inclusive. The surety company shall pay a
27 final, nonappealable judgment of a court of this state that has
28 jurisdiction ~~to~~ upon receipt of written notice of final judgment. The
29 bond may be continuous , but ~~to~~ regardless of the duration of the
30 bond, the aggregate liability of the surety does not exceed the penal
31 sum of the bond.

32 2. If the penal sum of the bond is exhausted, the surety
33 company shall notify the Secretary of State in writing within 30
34 days after its exhaustion.

35 3. The surety bond must cover the period of the appointment of
36 the notary public, except when a surety is released.

37 4. A surety on a bond filed pursuant to NRS 240.030 may be
38 released after the surety gives 30 days' written notice to the
39 Secretary of State and *to the* notary public, but the release does not
40 discharge or otherwise affect a claim filed by a person for damage
41 resulting from an act of the notary public which is alleged to have
42 occurred while the bond was in effect.

43 5. The appointment of a notary public is suspended by
44 operation of law when the notary public is no longer covered by a
45 surety bond as required by this section and NRS 240.030 or the



1 penal sum of the bond is exhausted. If the Secretary of State
2 receives notice pursuant to subsection 4 that the bond will be
3 released or pursuant to subsection 2 that the penal sum of the bond
4 is exhausted, the Secretary shall immediately notify the notary
5 public in writing that his appointment will be suspended by
6 operation of law until another surety bond is filed in the same
7 manner and amount as the bond being terminated.

8 6. The Secretary of State may reinstate the appointment of a
9 notary public whose appointment has been suspended pursuant to
10 subsection 5, if the notary public, before his current term of
11 appointment expires:

12 (a) Submits to the Secretary of State:

13 (1) An application for an amended certificate of appointment
14 as a notary public; and

15 (2) A certificate issued by the clerk of the county in which
16 the applicant resides or, if the applicant is a resident of an adjoining
17 state, the county in this state in which the applicant maintains a
18 place of business or is employed, which indicates that the applicant
19 filed a new surety bond with the clerk.

20 (b) Pays to the Secretary of State a fee of ~~[\$10.]~~ \$15.

21 **Sec. 162.** NRS 240.036 is hereby amended to read as follows:

22 240.036 1. If, at any time during his appointment, a notary
23 public changes his mailing address, county of residence or signature
24 or, if he is a resident of an adjoining state, changes his place of
25 business or employment, he shall submit to the Secretary of State a
26 request for an amended certificate of appointment on a form
27 provided by the Secretary of State. The request must:

28 (a) Include the new information;

29 (b) Be submitted within 30 days after making that change; and

30 (c) Be accompanied by a fee of ~~[\$10.]~~ \$15.

31 2. The Secretary of State may suspend the appointment of a
32 notary public who fails to provide to the Secretary of State notice of
33 a change in any of the information specified in subsection 1.

34 3. If a notary public changes his name during his appointment
35 and he intends to use his new name in the performance of his
36 notarial duties, he shall submit to the Secretary of State a request for
37 an amended certificate of appointment on a form provided by the
38 Secretary of State. The request must:

39 (a) Include his new name and signature and his address;

40 (b) Be submitted within 30 days after making the change; and

41 (c) Be accompanied by a fee of ~~[\$10.]~~ \$15.

42 4. Upon receipt of a request for an amended certificate of
43 appointment and the appropriate fee, the Secretary of State shall
44 issue an amended certificate of appointment.



1 5. When the notary public receives the amended certificate of
2 appointment, he shall:

3 (a) Destroy his notary's stamp and obtain a new notary's stamp
4 which includes the information on the amended certificate.

5 (b) Notify the surety company which issued his bond of the
6 changes.

7 **Sec. 163.** NRS 240.045 is hereby amended to read as follows:

8 240.045 1. If the stamp of a notary public is lost, the notary
9 public shall, within 10 days after the stamp is lost, submit to the
10 Secretary of State a request for an amended certificate of
11 appointment, on a form provided by the Secretary of State, and
12 obtain a new stamp in accordance with NRS 240.036. The request
13 must be accompanied by a fee of ~~[\$10.]~~ **\$15.**

14 2. If the stamp is destroyed, broken, damaged or otherwise
15 rendered inoperable, the notary public shall immediately notify the
16 Secretary of State of that fact and obtain a new stamp.

17 3. A person or governmental entity shall not make,
18 manufacture or otherwise produce a notary's stamp unless the
19 notary public presents his original or amended certificate of
20 appointment or a certified copy of his original or amended
21 certificate of appointment to that person or governmental entity.

22 **Sec. 164.** NRS 240.165 is hereby amended to read as follows:

23 240.165 1. A notarial act has the same effect under the law of
24 this state as if performed by a notarial officer of this state if
25 performed within the jurisdiction of and under authority of a foreign
26 nation or its constituent units or a multinational or international
27 organization by the following persons:

28 (a) A notary public;

29 (b) A judge, clerk or deputy clerk of a court of record; or

30 (c) A person authorized by the law of that jurisdiction to
31 perform notarial acts.

32 2. An "apostille" in the form prescribed by the Hague
33 Convention of October 5, 1961, conclusively establishes that the
34 signature of the notarial officer is genuine and that the officer holds
35 the indicated office. The Secretary of State shall, upon request and
36 payment of a fee of ~~[\$20.]~~ **\$30,** issue an apostille to verify a
37 signature of a notarial officer on a document that is kept in the
38 records of the Secretary of State unless the document had not been
39 notarized in accordance with the provisions of this chapter.

40 3. A certificate by an officer of the foreign service or consular
41 officer of the United States stationed in the nation under the
42 jurisdiction of which the notarial act was performed, or a certificate
43 by an officer of the foreign service or consular officer of that nation
44 stationed in the United States, conclusively establishes a matter



1 relating to the authenticity or validity of the notarial act set forth in
2 the certificate.

3 4. An official stamp or seal of the person performing the
4 notarial act is prima facie evidence that the signature is genuine and
5 that the person holds the indicated title.

6 5. An official stamp or seal of an officer listed in paragraph (a)
7 or (b) of subsection 1 is prima facie evidence that a person with the
8 indicated title has authority to perform notarial acts.

9 6. If the title of office and indication of authority to perform
10 notarial acts appears either in a digest of foreign law or in a list
11 customarily used as a source for that information, the authority of an
12 officer with that title to perform notarial acts is conclusively
13 established.

14 **Sec. 165.** NRS 240.270 is hereby amended to read as follows:

15 240.270 1. Each commissioned abstracter, before entering
16 upon the acts authorized in NRS 240.240 to 240.330, inclusive, and
17 at the time he receives his commission, shall:

18 (a) Pay to the Secretary of State the sum of ~~[\$10.]~~ \$15.

19 (b) Take the official oath as prescribed by law, which oath shall
20 be endorsed on his commission.

21 (c) Enter into a bond to the State of Nevada in the sum of
22 \$2,000, to be approved by the district judge of the county for which
23 the commissioned abstracter may be appointed.

24 2. Each commissioned abstracter shall have his commission,
25 together with the bond, recorded in the office of the clerk of the
26 county for which he has been appointed.

27 **Sec. 166.** Chapter 338 of NRS is hereby amended by adding
28 thereto a new section to read as follows:

29 *A public body shall include in each contract for the*
30 *construction, alteration or repair of any public work, a clause*
31 *requiring each contractor, subcontractor and other person who*
32 *provides labor, equipment, materials, supplies or services for the*
33 *public work to comply with the requirements of all applicable state*
34 *and local laws, including, without limitation, any applicable*
35 *licensing requirements and requirements for the payment of sales*
36 *and use taxes on equipment, materials and supplies provided for*
37 *the public work.*

38 **Sec. 167.** NRS 353.1465 is hereby amended to read as
39 follows:

40 353.1465 1. Upon approval of the State Board of Finance, a
41 state agency may enter into contracts with issuers of credit cards or
42 debit cards or operators of systems that provide for the electronic
43 transfer of money to provide for the acceptance of credit cards, debit
44 cards or electronic transfers of money by the agency:



- 1 (a) For the payment of money owed to the agency for taxes,
2 interest, penalties or any other obligation; or
3 (b) In payment for goods or services.
- 4 2. Before a state agency may enter into a contract pursuant to
5 subsection 1, the agency must submit the proposed contract to the
6 State Treasurer for his review and transmittal to the State Board of
7 Finance.
- 8 3. Except as otherwise provided in subsection 4, if the issuer or
9 operator charges the state agency a fee for each use of a credit card
10 or debit card or for each electronic transfer of money, the state
11 agency may require the cardholder or the person requesting the
12 electronic transfer of money to pay a fee which must not exceed
13 the amount charged to the state agency by the issuer or operator.
- 14 4. A state agency that is required to pay a fee charged by the
15 issuer or operator for the use of a credit card or debit card or for an
16 electronic transfer of money may, pursuant to NRS 353.148, file a
17 claim with the Director of the Department of Administration for
18 reimbursement of the fees paid to the issuer or operator during the
19 immediately preceding quarter.
- 20 5. *The Director of the Department of Administration shall*
21 *adopt regulations providing for the submission of payments to*
22 *state agencies pursuant to contracts authorized by this section.*
23 *The regulations must not conflict with a regulation adopted*
24 *pursuant to NRS 360A.020 or section 64 of this act.*
- 25 6. As used in this section:
- 26 (a) "Cardholder" means the person or organization named on the
27 face of a credit card or debit card to whom or for whose benefit the
28 credit card or debit card is issued by an issuer.
- 29 (b) "Credit card" means any instrument or device, whether
30 known as a credit card or credit plate or by any other name,
31 issued with or without a fee by an issuer for the use of the
32 cardholder in obtaining money, property, goods, services or
33 anything else of value on credit.
- 34 (c) "Debit card" means any instrument or device, whether
35 known as a debit card or by any other name, issued with or without
36 a fee by an issuer for the use of the cardholder in depositing,
37 obtaining or transferring funds.
- 38 (d) "Electronic transfer of money" has the meaning ascribed to it
39 in NRS 463.01473.
- 40 (e) "Issuer" means a business organization, financial institution
41 or authorized agent of a business organization or financial institution
42 that issues a credit card or debit card.



1 **Sec. 168.** NRS 354.705 is hereby amended to read as follows:
2 354.705 1. As soon as practicable after the Department takes
3 over the management of a local government, the Executive Director
4 shall:
5 (a) Determine the total amount of expenditures necessary to
6 allow the local government to perform the basic functions for which
7 it was created;
8 (b) Determine the amount of revenue reasonably expected to be
9 available to the local government; and
10 (c) Consider any alternative sources of revenue available to the
11 local government.
12 2. If the Executive Director determines that the available
13 revenue is not sufficient to provide for the payment of required debt
14 service and operating expenses, he may submit his findings to the
15 Committee who shall review the determinations made by the
16 Executive Director. If the Committee determines that additional
17 revenue is needed, it shall prepare a recommendation to the Nevada
18 Tax Commission as to which one or more of the following
19 additional taxes or charges should be imposed by the local
20 government:
21 (a) The levy of a property tax up to a rate which , when
22 combined with all other overlapping rates levied in the State ,
23 *including, without limitation, any levy imposed by the Legislature*
24 *for the repayment of bonded indebtedness or the operating*
25 *expenses of the State of Nevada and any levy imposed by the board*
26 *of county commissioners pursuant to NRS 387.195, does not*
27 exceed \$4.50 on each \$100 of assessed valuation.
28 (b) An additional tax on transient lodging at a rate not to exceed
29 1 percent of the gross receipts from the rental of transient lodging
30 within the boundaries of the local government upon all persons in
31 the business of providing lodging. Any such tax must be collected
32 and administered in the same manner as all other taxes on transient
33 lodging are collected by or for the local government.
34 (c) Additional service charges appropriate to the local
35 government.
36 (d) If the local government is a county or has boundaries that are
37 conterminous with the boundaries of the county:
38 (1) An additional tax on the gross receipts from the sale or
39 use of tangible personal property not to exceed one-quarter of 1
40 percent throughout the county. The ordinance imposing any such tax
41 must include provisions in substance which comply with the
42 requirements of subsections 2 to 5, inclusive, of NRS 377A.030.
43 (2) An additional governmental services tax of not more than
44 1 cent on each \$1 of valuation of the vehicle for the privilege of
45 operating upon the public streets, roads and highways of the county



1 on each vehicle based in the county except those vehicles exempt
2 from the governmental services tax imposed pursuant to chapter 371
3 of NRS or a vehicle subject to NRS 706.011 to 706.861, inclusive,
4 which is engaged in interstate or intercounty operations. As used in
5 this subparagraph, "based" has the meaning ascribed to it in
6 NRS 482.011.

7 3. Upon receipt of the plan from the Committee, a panel
8 consisting of three members of the Nevada Tax Commission
9 appointed by the Nevada Tax Commission and three members of the
10 Committee appointed by the Committee shall hold a public hearing
11 at a location within the boundaries of the local government in which
12 the severe financial emergency exists after giving public notice of
13 the hearing at least 10 days before the date on which the hearing will
14 be held. In addition to the public notice, the panel shall give notice
15 to the governing body of each local government whose jurisdiction
16 overlaps with the jurisdiction of the local government in which the
17 severe financial emergency exists.

18 4. After the public hearing conducted pursuant to subsection 3,
19 the Nevada Tax Commission may adopt the plan as submitted or
20 adopt a revised plan. Any plan adopted pursuant to this section must
21 include the duration for which any new or increased taxes or charges
22 may be collected which must not exceed 5 years.

23 5. Upon adoption of the plan by the Nevada Tax Commission,
24 the local government in which the severe financial emergency exists
25 shall impose or cause to be imposed the additional taxes and charges
26 included in the plan for the duration stated in the plan or until the
27 severe financial emergency has been determined by the Nevada Tax
28 Commission to have ceased to exist.

29 6. The allowed revenue from taxes ad valorem determined
30 pursuant to NRS 354.59811 does not apply to any additional
31 property tax levied pursuant to this section.

32 7. If a plan fails to satisfy the expenses of the local government
33 to the extent expected, the Committee shall report such failure to:

- 34 (a) The county for consideration of absorption of services; or
- 35 (b) If the local government is a county, to the next regular
36 session of the Legislature.

37 **Sec. 169.** NRS 354.723 is hereby amended to read as follows:

38 354.723 1. If the Executive Director determines that a severe
39 financial emergency which exists in a local government under
40 management by the Department is unlikely to cease to exist within 3
41 years, he shall determine:

- 42 (a) The amount any tax or mandatory assessment levied by the
43 local government must be raised to ensure a balanced budget for the
44 local government; and



1 (b) The manner in which the services provided by the local
2 government must be limited to ensure a balanced budget for the
3 local government,
4 and submit his findings to the Committee.

5 2. The Committee shall review the findings submitted by the
6 Executive Director pursuant to subsection 1. If the Committee
7 determines that the severe financial emergency which exists in the
8 local government is unlikely to cease to exist within 3 years and that
9 the findings made by the Executive Director are appropriate, the
10 Committee shall submit its recommendation to the Nevada Tax
11 Commission. If the Committee determines that the financial
12 emergency is likely to cease to exist within 3 years, that decision is
13 not subject to review by the Nevada Tax Commission.

14 3. The Nevada Tax Commission shall schedule a public
15 hearing within 30 days after the Committee submits its
16 recommendation. The Nevada Tax Commission shall provide public
17 notice of the hearing at least 10 days before the date on which the
18 hearing will be held. The Executive Director shall provide copies of
19 all documents relevant to the recommendation of the Committee to
20 the governing body of the local government in severe financial
21 emergency.

22 4. If, after the public hearing, the Nevada Tax Commission
23 determines that the recommendation of the Committee is
24 appropriate, a question must be submitted to the electors of the local
25 government at the next primary or general municipal election or
26 primary or general state election, as applicable, asking whether the
27 local government should be disincorporated or dissolved. If the
28 electors of the local government do not approve the disincorporation
29 or dissolution of the local government:

30 (a) The maximum ad valorem tax levied within the local
31 government, if any, must be raised to \$5 on each \$100 of assessed
32 valuation;

33 (b) Any other taxes or mandatory assessments levied in the local
34 government, notwithstanding any limitation on those taxes or
35 assessments provided by statute, must be raised in an amount the
36 Nevada Tax Commission determines is necessary to ensure a
37 balanced budget for the local government; and

38 (c) The services provided by the local government must be
39 limited in a manner the Nevada Tax Commission determines
40 is necessary to ensure a balanced budget for the local
41 government.

42 *In calculating the rate of tax required by paragraph (a), any levy*
43 *imposed by the Legislature for the repayment of bonded*
44 *indebtedness or the operating expenses of the State of Nevada and*



1 *any levy imposed by the board of county commissioners pursuant*
2 *to NRS 387.195 must not be excluded.*

3 5. If the electors of the local government approve the
4 disincorporation or dissolution of a local government that is:

5 (a) Created by another local government, it must be
6 disincorporated or dissolved:

7 (1) Pursuant to the applicable provisions of law; or
8 (2) If there are no specific provisions of law providing for
9 the disincorporation or dissolution of the local government, by the
10 entity that created the local government. If, at the time of the
11 disincorporation or dissolution of the local government pursuant to
12 this paragraph, there are any outstanding loans or bonded
13 indebtedness of the local government, including, without limitation,
14 loans made to the local government by the county in which the local
15 government is located, the taxes for the payment of the bonds or
16 other indebtedness must continue to be levied and collected in the
17 same manner as if the local government had not been
18 disincorporated or dissolved until all outstanding indebtedness is
19 repaid, but for all other purposes the local government shall be
20 deemed disincorporated or dissolved at the time that the entity
21 which created the local government disincorporates or dissolves the
22 local government. Any other liabilities and any remaining assets
23 shall revert to the entity that created the local government which is
24 being disincorporated or dissolved.

25 (b) Created by a special or local act of the Legislature, it may
26 only be disincorporated or dissolved by the Legislature. The
27 Executive Director shall submit notification of the vote approving
28 the disincorporation or dissolution of the local government to the
29 Director of the Legislative Counsel Bureau for transmittal to the
30 Legislature. At the first opportunity, the Legislature shall consider
31 the question of whether the special or local act will be repealed.

32 (c) Created in any other manner, it must be disincorporated or
33 dissolved:

34 (1) Pursuant to the applicable provisions of law; or
35 (2) If there are no specific provisions of law providing for
36 the disincorporation or dissolution of the local government, by the
37 governing body of that local government. If, at the time of the
38 disincorporation or dissolution of the local government pursuant to
39 this paragraph, there are any outstanding loans or bonded
40 indebtedness of the local government, including, without limitation,
41 loans made to the local government by the county or counties in
42 which the local government is located, the taxes for the payment of
43 the bonds or other indebtedness must continue to be levied and
44 collected in the same manner as if the local government had not
45 been disincorporated or dissolved until all outstanding indebtedness



1 is repaid, but for all other purposes the local government shall be
2 deemed disincorporated or dissolved at the time that the governing
3 body of the local government disincorporates or dissolves the local
4 government. Except as otherwise provided in this subparagraph, any
5 other liabilities and any remaining assets of the local government
6 shall revert to the board of county commissioners of the county in
7 which the local government is located. If the local government is
8 located in more than one county, the governing body of the local
9 government shall apportion the remaining liabilities and assets
10 among the boards of county commissioners of the counties in which
11 the local government is located.

12 6. Within 10 days after the Nevada Tax Commission makes a
13 determination pursuant to subsection 4, the Executive Director shall
14 notify:

- 15 (a) The city clerk, if the local government is a city; or
- 16 (b) The county clerk in all other cases,

17 and provide the clerk with the amount any tax or mandatory
18 assessment levied by the local government must be raised and a
19 description of the manner in which the services provided by the
20 local government must be limited to ensure a balanced budget for
21 the local government.

22 7. After the Executive Director notifies the city clerk or the
23 county clerk, as applicable, pursuant to subsection 6, the clerk shall
24 cause to be published in a newspaper of general circulation that is
25 printed in the local government a notice of the election once in each
26 calendar week for 2 successive calendar weeks by two weekly
27 insertions a week apart, the first publication to be not more than 30
28 days nor less than 22 days next preceding the date of the election. If
29 no newspaper is printed in the local government, publication of the
30 notice of election must be made in a newspaper printed in this state
31 and having a general circulation in the local government.

32 8. The notice required pursuant to subsection 7 must contain
33 the following information:

34 (a) That the Nevada Tax Commission has determined that the
35 severe financial emergency which exists in the local government is
36 unlikely to cease to exist within 3 years;

37 (b) That the question of whether the local government should be
38 disincorporated or dissolved will be submitted to the electors of the
39 local government at the next primary or general municipal election
40 or the next primary or general state election, as applicable; and

41 (c) That if the electors do not approve the disincorporation or
42 dissolution:

43 (1) The maximum ad valorem tax levied within the local
44 government, if any, will be raised to \$5 on each \$100 of assessed
45 valuation;



1 (2) Any taxes or mandatory assessment levied in the local
2 government will be raised to ensure a balanced budget for the local
3 government and the amount by which those taxes or mandatory
4 assessments will be raised; and

5 (3) The services the local government provides will be
6 limited to ensure a balanced budget for the local government and the
7 manner in which those services will be limited.

8 9. If any provisions providing generally for the
9 disincorporation or dissolution of the local government require that
10 the question of disincorporating or dissolving be published or
11 submitted to a vote of the electors of the local government, the
12 publication required by subsection 3 and the election required by
13 subsection 4 satisfy those requirements. If:

14 (a) There is any other conflict between the provisions of this
15 section and any provisions providing generally for the
16 disincorporation or dissolution of a local government; or

17 (b) The provisions providing generally for the disincorporation
18 or dissolution of a local government provide additional rights to
19 protest the disincorporation or dissolution of a local government not
20 provided by this section,
21 the provisions of this section control a disincorporation or
22 dissolution pursuant to this section and any person wishing to
23 protest such a disincorporation or dissolution must proceed in
24 accordance with the provisions of this section.

25 10. As used in this section, "local government" does not
26 include a county, a school district or any agency or department of a
27 county or city which prepares a budget separate from that of the
28 parent political subdivision.

29 **Sec. 170.** NRS 450.760 is hereby amended to read as follows:

30 450.760 In a county whose population is less than 400,000:

31 1. If, after a hearing, the board of county commissioners
32 determines that the dissolution of a hospital district is necessary, the
33 board shall by resolution provide for the dissolution of the hospital
34 district. On and after the filing of the resolution with the county
35 recorder, the hospital district shall be deemed dissolved.

36 2. Before dissolving a hospital district pursuant to subsection 1,
37 the board of county commissioners shall determine whether the
38 proceeds from the taxes currently being levied in the district, if any,
39 for the operation of the hospital and the repayment of debt are
40 sufficient to repay any outstanding obligations of the hospital
41 district within a reasonable period after the dissolution of
42 the district. If there are no taxes currently being levied for the
43 hospital district or the taxes being levied are not sufficient to repay
44 the outstanding obligations of the hospital district within a
45 reasonable period after the dissolution of the district, before



1 dissolving the district pursuant to subsection 1 the board of county
2 commissioners may levy a property tax on all of the taxable
3 property in the district that is sufficient, when combined with any
4 revenue from taxes currently being levied in the district, to repay the
5 outstanding obligations of the hospital district within a reasonable
6 period after the dissolution of the district. The allowed revenue from
7 taxes ad valorem determined pursuant to NRS 354.59811 does not
8 apply to any additional property tax levied pursuant to this
9 subsection. If the hospital district is being managed by the
10 Department of Taxation pursuant to NRS 354.685 to 354.725,
11 inclusive, at the time of dissolution, the rate levied pursuant to this
12 subsection must not be included in the total ad valorem tax levy for
13 the purposes of the application of the limitation in NRS 361.453, but
14 the rate levied , when combined with all other overlapping rates
15 levied in the State , *including, without limitation, any levy imposed*
16 *by the Legislature for the repayment of bonded indebtedness or the*
17 *operating expenses of the State of Nevada and any levy imposed by*
18 *the board of county commissioners pursuant to NRS 387.195,*
19 must not exceed \$4.50 on each \$100 of assessed valuation. The
20 board of county commissioners shall discontinue any rate levied
21 pursuant to this subsection on a date that will ensure that no taxes
22 are collected for this purpose after the outstanding obligations of the
23 hospital district have been paid in full.

24 3. If, at the time of the dissolution of the hospital district, there
25 are any outstanding loans, bonded indebtedness or other obligations
26 of the hospital district, including, without limitation, unpaid
27 obligations to organizations such as the Public Employees'
28 Retirement System, unpaid salaries or unpaid loans made to the
29 hospital district by the county, the taxes being levied in the district
30 at the time of dissolution must continue to be levied and collected in
31 the same manner as if the hospital district had not been dissolved
32 until all outstanding obligations of the district have been paid in full,
33 but for all other purposes the hospital district shall be deemed
34 dissolved from the time the resolution is filed pursuant to
35 subsection 1.

36 4. If the hospital district is being managed by the Department
37 of Taxation pursuant to NRS 354.685 to 354.725, inclusive, at the
38 time of dissolution, the management ceases upon dissolution, but
39 the board of county commissioners shall continue to make such
40 financial reports to the Department of Taxation as the Department
41 deems necessary until all outstanding obligations of the hospital
42 district have been paid in full.

43 5. The property of the dissolved hospital district may be
44 retained by the board of county commissioners for use as a hospital
45 or disposed of in any manner the board deems appropriate. Any



1 proceeds of the sale or other transfer of the property of the dissolved
2 hospital district and any proceeds from taxes which had been levied
3 and received by the hospital district before dissolution, whether
4 levied for operating purposes or for the repayment of debt, must be
5 used by the board of county commissioners to repay any
6 indebtedness of the hospital district.

7 **Sec. 171.** NRS 463.370 is hereby amended to read as follows:
8 463.370 1. Except as otherwise provided in NRS 463.373,
9 the Commission shall charge and collect from each licensee a
10 license fee based upon all the gross revenue of the licensee as
11 follows:

12 (a) Three *and one-quarter* percent of all the gross revenue of
13 the licensee which does not exceed \$50,000 per calendar month;

14 (b) Four *and one-quarter* percent of all the gross revenue of the
15 licensee which exceeds \$50,000 per calendar month and does not
16 exceed \$134,000 per calendar month; and

17 (c) Six and ~~one-quarter~~ *one-half* percent of all the gross
18 revenue of the licensee which exceeds \$134,000 per calendar month.

19 2. Unless the licensee has been operating for less than a full
20 calendar month, the Commission shall charge and collect the fee
21 prescribed in subsection 1, based upon the gross revenue for the
22 preceding calendar month, on or before the 24th day of the
23 following month. Except for the fee based on the first full month of
24 operation, the fee is an estimated payment of the license fee for the
25 third month following the month whose gross revenue is used as its
26 basis.

27 3. When a licensee has been operating for less than a full
28 calendar month, the Commission shall charge and collect the fee
29 prescribed in subsection 1, based on the gross revenue received
30 during that month, on or before the 24th day of the following
31 calendar month of operation. After the first full calendar month of
32 operation, the Commission shall charge and collect the fee based on
33 the gross revenue received during that month, on or before the 24th
34 day of the following calendar month. The payment of the fee due for
35 the first full calendar month of operation must be accompanied by
36 the payment of a fee equal to three times the fee for the first full
37 calendar month. This additional amount is an estimated payment of
38 the license fees for the next 3 calendar months. Thereafter, each
39 license fee must be paid in the manner described in subsection 2.
40 Any deposit held by the Commission on July 1, 1969, must be
41 treated as an advance estimated payment.

42 4. All revenue received from any game or gaming device
43 which is operated on the premises of a licensee, regardless of
44 whether any portion of the revenue is shared with any other person,
45 must be attributed to the licensee for the purposes of this section and



1 counted as part of the gross revenue of the licensee. Any other
2 person, including, without limitation, an operator of an inter-casino
3 linked system, who is authorized to receive a share of the revenue
4 from any game, gaming device or inter-casino linked system that is
5 operated on the premises of a licensee is liable to the licensee for
6 that person's proportionate share of the license fees paid by the
7 licensee pursuant to this section and shall remit or credit the full
8 proportionate share to the licensee on or before the 24th day of each
9 calendar month. The proportionate share of an operator of an inter-
10 casino linked system must be based on all compensation and other
11 consideration received by the operator of the inter-casino linked
12 system, including, without limitation, amounts that accrue to the
13 meter of the primary progressive jackpot of the inter-casino linked
14 system and amounts that fund the reserves of such a jackpot, subject
15 to all appropriate adjustments for deductions, credits, offsets and
16 exclusions that the licensee is entitled to take or receive pursuant to
17 the provisions of this chapter. A licensee is not liable to any other
18 person authorized to receive a share of the licensee's revenue from
19 any game, gaming device or inter-casino linked system that is
20 operated on the premises of the licensee for that person's
21 proportionate share of the license fees to be remitted or credited to
22 the licensee by that person pursuant to this section.

23 5. An operator of an inter-casino linked system shall not enter
24 into any agreement or arrangement with a licensee that provides for
25 the operator of the inter-casino linked system to be liable to the
26 licensee for less than its full proportionate share of the license fees
27 paid by the licensee pursuant to this section, whether accomplished
28 through a rebate, refund, charge-back or otherwise.

29 6. Any person required to pay a fee pursuant to this section
30 shall file with the Commission, on or before the 24th day of each
31 calendar month, a report showing the amount of all gross revenue
32 received during the preceding calendar month. Each report must be
33 accompanied by:

34 (a) The fee due based on the revenue of the month covered by
35 the report; and

36 (b) An adjustment for the difference between the estimated fee
37 previously paid for the month covered by the report, if any, and
38 the fee due for the actual gross revenue earned in that month. If the
39 adjustment is less than zero, a credit must be applied to the
40 estimated fee due with that report.

41 7. If the amount of license fees required to be reported and paid
42 pursuant to this section is later determined to be greater or less than
43 the amount actually reported and paid, the Commission shall:

44 (a) Charge and collect the additional license fees determined to
45 be due, with interest thereon until paid; or



1 (b) Refund any overpayment to the person entitled thereto
2 pursuant to this chapter, with interest thereon.

3 Interest pursuant to paragraph (a) must be computed at the rate
4 prescribed in NRS 17.130 from the first day of the first month
5 following the due date of the additional license fees until paid.

6 Interest pursuant to paragraph (b) must be computed at one-half the
7 rate prescribed in NRS 17.130 from the first day of the first month
8 following the date of overpayment until paid.

9 8. Failure to pay the fees provided for in this section shall be
10 deemed a surrender of the license at the expiration of the period for
11 which the estimated payment of fees has been made, as established
12 in subsection 2.

13 9. Except as otherwise provided in NRS 463.386, the amount
14 of the fee prescribed in subsection 1 must not be prorated.

15 10. Except as otherwise provided in NRS 463.386, if a licensee
16 ceases operation, the Commission shall:

17 (a) Charge and collect the additional license fees determined to
18 be due with interest computed pursuant to paragraph (a) of
19 subsection 7; or

20 (b) Refund any overpayment to the licensee with interest
21 computed pursuant to paragraph (b) of subsection 7,
22 based upon the gross revenue of the licensee during the last 3
23 months immediately preceding the cessation of operation, or
24 portions of those last 3 months.

25 11. If in any month ~~the~~ the amount of gross revenue is less than
26 zero, the licensee may offset the loss against gross revenue in
27 succeeding months until the loss has been fully offset.

28 12. If in any month ~~the~~ the amount of the license fee due is less
29 than zero, the licensee is entitled to receive a credit against any
30 license fees due in succeeding months until the credit has been fully
31 offset.

32 **Sec. 172.** NRS 463.373 is hereby amended to read as follows:

33 463.373 1. Before issuing a state gaming license to an
34 applicant for a restricted operation, the Commission shall charge
35 and collect from him for each slot machine for each quarter year:

36 (a) A license fee of ~~[\$64]~~ **\$81** for each slot machine if he will
37 have at least one but not more than five slot machines.

38 (b) A license fee of ~~[\$305 plus \$106]~~ **\$405 plus \$141** for each
39 slot machine in excess of five if he will have at least six but not
40 more than 15 slot machines.

41 2. The Commission shall charge and collect the fee prescribed
42 in subsection 1:

43 (a) On or before the last day of the last month in a calendar
44 quarter, for the ensuing calendar quarter, from a licensee whose
45 operation is continuing.



1 (b) In advance from a licensee who begins operation or puts
2 additional slot machines into play during a calendar quarter.

3 3. Except as otherwise provided in NRS 463.386, no proration
4 of the fee prescribed in subsection 1 may be allowed for any reason.

5 4. The operator of the location where slot machines are situated
6 shall pay the fee prescribed in subsection 1 upon the total number of
7 slot machines situated in that location, whether or not the machines
8 are owned by one or more licensee-owners.

9 **Sec. 173.** NRS 463.770 is hereby amended to read as follows:

10 463.770 1. All gross revenue from operating interactive
11 gaming received by an establishment licensed to operate interactive
12 gaming, regardless of whether any portion of the revenue is shared
13 with another person, must be attributed to the licensee and counted
14 as part of the gross revenue of the licensee for the purpose of
15 computing the license fee required by NRS 463.370.

16 2. A manufacturer of interactive gaming systems who is
17 authorized by an agreement to receive a share of the revenue from
18 an interactive gaming system from an establishment licensed to
19 operate interactive gaming is liable to the establishment for a
20 portion of the license fee paid pursuant to subsection 1. The portion
21 for which the manufacturer of interactive gaming systems is liable is
22 ~~{6.25}~~ 6.5 percent of the amount of revenue to which the
23 manufacturer of interactive gaming systems is entitled pursuant to
24 the agreement.

25 3. For the purposes of subsection 2, the amount of revenue to
26 which the manufacturer of interactive gaming systems is entitled
27 pursuant to an agreement to share the revenue from an
28 interactive gaming system:

29 (a) Includes all revenue of the manufacturer of interactive
30 gaming systems that is his share of the revenue from the interactive
31 gaming system pursuant to the agreement; and

32 (b) Does not include revenue that is the fixed purchase price for
33 the sale of a component of the interactive gaming system.

34 **Sec. 174.** NRS 597.800 is hereby amended to read as follows:

35 597.800 1. The right of publicity established by NRS
36 597.790 is freely transferable, in whole or in part, by contract,
37 license, gift, conveyance, assignment, devise or testamentary trust
38 by a person or his successor in interest.

39 2. If a deceased person has not transferred his rights as
40 provided by subsection 1, and he has no surviving beneficiary or
41 successor in interest upon his death, the commercial use of his
42 name, voice, signature, photograph or likeness does not require
43 consent.

44 3. A successor in interest or a licensee of a deceased person
45 may file in the Office of the Secretary of State, on a form prescribed



1 by the Secretary of State and upon the payment of a filing fee of
2 ~~[\$25,] \$40~~, a verified application for registration of his claim. The
3 application must include:

- 4 (a) The legal and professional name of the deceased person;
- 5 (b) The date of death of the deceased person;
- 6 (c) The name and address of the claimant;
- 7 (d) The basis of the claim; and
- 8 (e) A description of the rights claimed.

9 4. A successor in interest or a licensee of a deceased person
10 may not assert any right against any unauthorized commercial use of
11 the deceased person's name, voice, signature, photograph or
12 likeness that begins before the filing of an application to register his
13 claim.

14 5. A person, firm or corporation seeking to use the name,
15 voice, signature, photograph or likeness of a deceased person for
16 commercial purposes must first make a reasonable effort, in good
17 faith, to discover the identity of any person who qualifies as a
18 successor in interest to the deceased person. A person claiming to be
19 a successor in interest to a deceased person must, within 6 months
20 after the date he becomes aware or should reasonably have become
21 aware of an unauthorized commercial use of the deceased person's
22 name, voice, signature, photograph or likeness, register a claim with
23 the Secretary of State pursuant to subsection 3. Failure to register
24 shall be deemed a waiver of any right of publicity.

25 6. The Secretary of State may microfilm or reproduce by other
26 techniques any document filed pursuant to this section and thereafter
27 destroy the original of the document. The microfilm or other
28 reproduction is admissible in any court of record. The Secretary of
29 State may destroy the microfilm or other reproduction 50 years after
30 the death of the person whose identity is the subject of the claim.

31 7. A claim registered pursuant to this section is a public record.

32 **Sec. 175.** NRS 599B.210 is hereby amended to read as
33 follows:

34 599B.210 1. Every registrant, other than a registrant
35 incorporated in this state, shall file with the Secretary of State an
36 irrevocable consent appointing the Secretary of State as his agent to
37 receive service of any lawful process in any action or proceeding
38 against him arising pursuant to this chapter. Any lawful process
39 against the registrant served upon the Secretary of State as provided
40 in subsection 2 has the same force and validity as if served upon the
41 registrant personally.

42 2. Service of process authorized by subsection 1 must be made
43 by filing with the Secretary of State:

- 44 (a) Two copies of the process. The copies must include a
45 specific citation to the provisions of this section. The Secretary of



1 State may refuse to accept such service if the proper citation is not
2 included in each copy.

3 (b) A fee of ~~[\$10.]~~ **\$15.**

4 The Secretary of State shall forthwith forward one copy of the
5 process by registered or certified mail prepaid to the registrant ~~H~~ or
6 , in the case of a registrant organized under the laws of a foreign
7 government, to the United States manager or last appointed United
8 States general agent of the registrant, giving the day and the hour of
9 the service.

10 3. Service of process is not complete until the copy thereof has
11 been mailed and received by the registrant, and the receipt of the
12 addressee is prima facie evidence of the completion of the service.

13 4. If service of summons is made upon the Secretary of State in
14 accordance with the provisions of this section, the time within which
15 the registrant is required to appear is extended 10 days.

16 **Sec. 176.** NRS 600.340 is hereby amended to read as follows:

17 600.340 1. A person who has adopted and is using a mark in
18 this state may file in the Office of the Secretary of State, on a form
19 to be furnished by the Secretary of State, an application for
20 registration of that mark setting forth, but not limited to, the
21 following information:

22 (a) Whether the mark to be registered is a trademark, trade name
23 or service mark;

24 (b) A description of the mark by name, words displayed in it or
25 other information;

26 (c) The name and business address of the person applying for
27 the registration and, if it is a corporation, limited-liability company,
28 limited partnership or registered limited-liability partnership, the
29 state of incorporation or organization;

30 (d) The specific goods or services in connection with which the
31 mark is used and the mode or manner in which the mark is used in
32 connection with those goods or services and the class as designated
33 by the Secretary of State which includes those goods or services;

34 (e) The date when the mark was first used anywhere and the
35 date when it was first used in this state by the applicant or his
36 predecessor in business which must precede the filing of the
37 application; and

38 (f) A statement that the applicant is the owner of the mark and
39 that no other person has the right to use the mark in this state either
40 in the form set forth in the application or in such near resemblance
41 to it as might deceive or cause mistake.

42 2. The application must:

43 (a) Be signed and verified by the applicant or by a member of
44 the firm or an officer of the corporation or association applying.



1 (b) Be accompanied by a specimen or facsimile of the mark in
2 duplicate and by a filing fee of ~~[\$100]~~ \$150 payable to the Secretary
3 of State.

4 3. If the application fails to comply with this section or NRS
5 600.343, the Secretary of State shall return it for correction.

6 **Sec. 177.** NRS 600.355 is hereby amended to read as follows:

7 600.355 1. If any statement in an application for registration
8 of a mark was incorrect when made or any arrangements or other
9 facts described in the application have changed, making the
10 application inaccurate in any respect without materially altering the
11 mark, the registrant shall promptly file in the Office of the Secretary
12 of State a certificate, signed by the registrant or his successor or by a
13 member of the firm or an officer of the corporation or association to
14 which the mark is registered, correcting the statement.

15 2. Upon the filing of a certificate of amendment or judicial
16 decree of amendment and the payment of a filing fee of ~~[\$60,]~~ \$90,
17 the Secretary of State shall issue, in accordance with NRS 600.350,
18 an amended certificate of registration for the remainder of the period
19 of the registration.

20 **Sec. 178.** NRS 600.360 is hereby amended to read as follows:

21 600.360 1. The registration of a mark is effective for 5 years
22 from the date of registration and, upon application filed within 6
23 months before the expiration of that period, on a form to be
24 furnished by the Secretary of State, the registration may be renewed
25 for a successive period of 5 years. A renewal fee of ~~[\$50,]~~ \$75,
26 payable to the Secretary of State, must accompany the application
27 for renewal of the registration.

28 2. The registration of a mark may be renewed for additional
29 successive 5-year periods if the requirements of subsection 1 are
30 satisfied.

31 3. The Secretary of State shall give notice to each registrant
32 when his registration is about to expire. The notice must be given
33 within the year next preceding the expiration date, by writing to the
34 registrant's last known address.

35 4. All applications for renewals must include a statement that
36 the mark is still in use in this state.

37 **Sec. 179.** NRS 600.370 is hereby amended to read as follows:

38 600.370 1. A mark and its registration are assignable with the
39 good will of the business in which the mark is used, or with that part
40 of the good will of the business connected with the use of and
41 symbolized by the mark. An assignment must:

42 (a) Be in writing;

43 (b) Be signed and acknowledged by the registrant or his
44 successor or a member of the firm or an officer of the corporation or
45 association under whose name the mark is registered; and



1 (c) Be recorded with the Secretary of State upon the payment of
2 a fee of ~~[\$100]~~ \$150 to the Secretary of State who, upon recording
3 the assignment, shall issue in the name of the assignee a certificate
4 of assignment for the remainder of the period of the registration.

5 2. An assignment of any registration is void as against any
6 subsequent purchaser for valuable consideration without notice,
7 unless:

8 (a) The assignment is recorded with the Secretary of State
9 within 3 months after the date of the assignment; or

10 (b) The assignment is recorded before the subsequent purchase.

11 **Sec. 180.** NRS 600.395 is hereby amended to read as follows:

12 600.395 The fee for filing a cancellation of registration
13 pursuant to NRS 600.390 is ~~[\$50.]~~ \$75.

14 **Sec. 181.** NRS 662.245 is hereby amended to read as follows:

15 662.245 1. An organization that does not maintain an office
16 in this state to conduct the business of a trust company may be
17 appointed to act as fiduciary by any court or by authority of any law
18 of this state if, in addition to any other requirements of law, the
19 organization:

20 (a) Associates as cofiduciary a bank authorized to do business in
21 this state or a trust company licensed pursuant to chapter 669 of
22 NRS; or

23 (b) Is a trust corporation or trust company which:

24 (1) Is organized under the laws of and has its principal place
25 of business in another state which allows trust corporations or trust
26 companies licensed pursuant to chapter 669 of NRS to act as
27 fiduciary in that state;

28 (2) Is authorized by its charter to act as fiduciary; and

29 (3) Before the appointment as fiduciary, files with the
30 Secretary of State a document, acknowledged before a notarial
31 officer, which:

32 (I) Appoints the Secretary of State as its agent upon
33 whom all process in any action or proceeding against it may be
34 served;

35 (II) Contains its agreement that the appointment continues
36 in force as long as any liability remains outstanding against it in this
37 state, and that any process against it which is served on the
38 Secretary of State is of the same legal validity as if served on it
39 personally;

40 (III) Contains an address to which the Secretary of State
41 may mail the process when received; and

42 (IV) Is accompanied by a fee of ~~[\$10.]~~ \$15.

43 A copy of the document required by this subparagraph, certified by
44 the Secretary of State, is sufficient evidence of the appointment and
45 agreement.



1 2. A court which has jurisdiction over the accounts of a
2 fiduciary that is a trust corporation or trust company described in
3 paragraph (b) of subsection 1 may require the fiduciary to provide a
4 bond to ensure the performance of its duties as fiduciary, in the
5 same manner and to the same extent as the court may require such a
6 bond from a fiduciary that is a bank or trust company described in
7 paragraph (a) of subsection 1.

8 3. Service of process authorized by subparagraph (3) of
9 paragraph (b) of subsection 1 must be made by filing with the
10 Secretary of State:

11 (a) Two copies of the legal process. The copies must include a
12 specific citation to the provisions of this section. The Secretary of
13 State may refuse to accept such service if the proper citation is not
14 included in each copy.

15 (b) A fee of ~~[\$10.]~~ **\$15.**

16 The Secretary of State shall forthwith forward one copy of the legal
17 process to the organization, by registered or certified mail prepaid to
18 the address provided in the document filed pursuant to subparagraph
19 (3) of paragraph (b) of subsection 1.

20 4. As used in this section:

21 (a) "Fiduciary" means an executor, commissioner, guardian of
22 minors or estates, receiver, depositary or trustee.

23 (b) "Notarial officer" has the meaning ascribed to it in
24 NRS 240.005.

25 (c) "State" means any state or territory of the United States, or
26 the District of Columbia.

27 **Sec. 182.** NRS 680B.037 is hereby amended to read as
28 follows:

29 680B.037 ~~[Payment]~~ **1. Except as otherwise provided in**
30 **subsection 2, payment** by an insurer of the tax imposed by NRS
31 680B.027 is in lieu of all taxes imposed by the State or any city,
32 town or county upon premiums or upon income of insurers and of
33 franchise, privilege or other taxes measured by income of the
34 insurer.

35 **2. The provisions of subsection 1 do not apply to the tax**
36 **imposed pursuant to the provisions of sections 2 to 35, inclusive,**
37 **of this act.**

38 **Sec. 183.** NRS 694C.450 is hereby amended to read as
39 follows:

40 694C.450 1. Except as otherwise provided in this section, a
41 captive insurer shall pay to the Division, not later than March 1 of
42 each year, a tax at the rate of:

43 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net
44 direct premiums;



1 (b) One-fifth of 1 percent on the next \$20,000,000 of its net
2 direct premiums; and

3 (c) Seventy-five thousandths of 1 percent on each additional
4 dollar of its net direct premiums.

5 2. Except as otherwise provided in this section, a captive
6 insurer shall pay to the Division, not later than March 1 of each
7 year, a tax at a rate of:

8 (a) Two hundred twenty-five thousandths of 1 percent on the
9 first \$20,000,000 of revenue from assumed reinsurance premiums;

10 (b) One hundred fifty thousandths of 1 percent on the next
11 \$20,000,000 of revenue from assumed reinsurance premiums; and

12 (c) Twenty-five thousandths of 1 percent on each additional
13 dollar of revenue from assumed reinsurance premiums.

14 The tax on reinsurance premiums pursuant to this subsection must
15 not be levied on premiums for risks or portions of risks which are
16 subject to taxation on a direct basis pursuant to subsection 1. A
17 captive insurer is not required to pay any reinsurance premium tax
18 pursuant to this subsection on revenue related to the receipt of assets
19 by the captive insurer in exchange for the assumption of loss
20 reserves and other liabilities of another insurer that is under
21 common ownership and control with the captive insurer, if the
22 transaction is part of a plan to discontinue the operation of the other
23 insurer and the intent of the parties to the transaction is to renew or
24 maintain such business with the captive insurer.

25 3. If the sum of the taxes to be paid by a captive insurer
26 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any
27 given year, the captive insurer shall pay a tax of \$5,000 for that
28 year.

29 4. Two or more captive insurers under common ownership and
30 control must be taxed as if they were a single captive insurer.

31 5. Notwithstanding any specific statute to the contrary, ~~and~~
32 except as otherwise provided in this subsection, the tax provided for
33 by this section constitutes all the taxes collectible pursuant to the
34 laws of this state from a captive insurer, and no occupation tax or
35 other taxes may be levied or collected from a captive insurer by this
36 state or by any county, city or municipality within this state, except
37 for *the tax imposed pursuant to the provisions of sections 2 to 35,*
38 *inclusive, of this act and* ad valorem taxes on real or personal
39 property located in this state used in the production of income by the
40 captive insurer.

41 6. Ten percent of the revenues collected from the tax imposed
42 pursuant to this section must be deposited with the State Treasurer
43 for credit to the Account for the Regulation and Supervision of
44 Captive Insurers created pursuant to NRS 694C.460. The remaining



1 90 percent of the revenues collected must be deposited with the
2 State Treasurer for credit to the State General Fund.

3 7. As used in this section, unless the context otherwise
4 requires:

5 (a) "Common ownership and control" means:

6 (1) In the case of a stock insurer, the direct or indirect
7 ownership of 80 percent or more of the outstanding voting stock of
8 two or more corporations by the same member or members.

9 (2) In the case of a mutual insurer, the direct or indirect
10 ownership of 80 percent or more of the surplus and the voting power
11 of two or more corporations by the same member or members.

12 (b) "Net direct premiums" means the direct premiums collected
13 or contracted for on policies or contracts of insurance written by a
14 captive insurer during the preceding calendar year, less the amounts
15 paid to policyholders as return premiums, including dividends on
16 unabsorbed premiums or premium deposits returned or credited to
17 policyholders.

18 **Sec. 184.** NRS 695A.550 is hereby amended to read as
19 follows:

20 695A.550 Every society organized or licensed under this
21 chapter is hereby declared to be a charitable and benevolent
22 institution, and is exempt from every state, county, district,
23 municipal and school tax other than *the tax imposed pursuant to*
24 *the provisions of sections 2 to 35, inclusive, of this act and* taxes on
25 real property and office equipment.

26 **Sec. 185.** NRS 705.060 is hereby amended to read as follows:

27 705.060 1. The contracts authorized by NRS 705.030 to
28 705.070, inclusive, ~~shall~~ *must* be filed with the Secretary of State
29 and recorded by him in a book of records to be kept for that purpose.
30 On payment in full of the purchase money and the performance of
31 the terms and conditions stipulated in any such contract, a
32 declaration in writing to that effect ~~shall~~ *must* be made by the
33 vendor, lessor or bailor, or his or its assignee, by a separate
34 instrument, to be acknowledged by the vendor, lessor or bailor, or
35 his or its assignee, and recorded ~~as aforesaid.~~ *in the same manner*
36 *as the contract.*

37 2. The Secretary of State shall collect and pay into the State
38 Treasury ~~[\$5]~~ *\$10* for filing each of such contracts or declarations
39 and ~~[20]~~ *30* cents per folio for recording the same.

40 **Sec. 186.** NRS 707.240 is hereby amended to read as follows:

41 707.240 1. The person or persons, or the president or the
42 managing agent of the company, association or corporation
43 mentioned in NRS 707.230, ~~shall~~ *must* make, sign and
44 acknowledge, before some person authorized by law to take
45 acknowledgments of deeds, a certificate in writing setting forth:



1 (a) The name or names of the person or persons, company,
2 association or corporation, ~~{H}~~ as the case may be, ~~{H}~~ by whom the
3 line is to be operated.

4 (b) The names of the points or places constituting the termini of
5 the line within this state.

6 (c) A general description of the route of the line.

7 2. The certificate ~~{shall}~~ *must* be filed and recorded in the
8 Office of the Secretary of State, for which such person or persons,
9 company, association or corporation shall pay the Secretary of State,
10 for deposit in the *State* General Fund, the sum of ~~{\$5,}~~ *\$10*, and also
11 ~~{25}~~ *40* cents for each folio contained in the certificate.

12 3. The record of the certificates shall *be deemed to* give
13 constructive notice to all persons of the matter therein contained.
14 The work of constructing such line, if not already commenced or
15 completed within 30 days after the filing of the certificate
16 ~~{aforesaid, shall}~~ *pursuant to this section, must* be continued, with
17 all reasonable dispatch, until completed.

18 **Sec. 187.** Section 50 of this act is hereby amended to read as
19 follows:

20 Sec. 50. A taxpayer may, *to reimburse himself for the*
21 *cost of collecting, reporting and remitting the taxes imposed*
22 *pursuant to this chapter*, deduct and withhold from the
23 amount of the taxes otherwise due from him ~~{pursuant to this~~
24 ~~chapter}~~ :

25 1. *If full payment is received by the Department within*
26 *7 days after the end of the month for which the payment is*
27 *made*, 1.25 percent of ~~{that amount to reimburse himself for~~
28 ~~the cost of collecting, reporting and remitting the taxes.}~~ *the*
29 *amount otherwise due; and*

30 2. *Except as otherwise provided in subsection 1, if full*
31 *payment is received by the Department on or before the last*
32 *day of the month immediately following the month for*
33 *which the payment is made, 0.75 percent of the amount*
34 *otherwise due.*

35 **Sec. 188.** NRS 364A.160 is hereby repealed.

36 **Sec. 189.** 1. There is hereby appropriated from the State
37 General Fund to the Department of Taxation for the payment of
38 such expenses of the Department as are necessary for the
39 Department to carry out its duties pursuant to this act:

40 For the Fiscal Year 2003-2004..... \$20,000,000
41 For the Fiscal Year 2004-2005..... \$5,000,000

42 2. The sums appropriated by subsection 1 are available for
43 either fiscal year. Any balance of those sums must not be committed
44 for expenditure after June 30, 2005, and reverts to the State General
45 Fund as soon as all payments of money committed have been made.



1 **Sec. 190.** 1. An ad valorem tax of 13 cents on each \$100 of
2 assessed valuation of taxable property is hereby levied for the Fiscal
3 Year commencing July 1, 2003, and ending June 30, 2004, and an
4 ad valorem tax of 5 cents on each \$100 of assessed valuation of
5 taxable property is hereby levied for the Fiscal Year commencing
6 July 1, 2004, and ending June 30, 2005, for the operating expenses
7 of the State of Nevada. The taxes levied by this section must be
8 collected in the manner provided in chapter 361 of NRS on all
9 taxable property in this state, including the net proceeds of minerals
10 and excluding such property as is by law exempt from taxation.

11 2. The proceeds of the taxes levied by subsection 1 must be
12 deposited in the State General Fund.

13 **Sec. 191.** 1. There is hereby created the Task Force on Tax
14 Policy in Nevada. The Task Force consists of:

15 (a) Two members appointed by the Governor who are interested
16 in tax policy in Nevada;

17 (b) One member appointed by the Governor who is
18 representative of taxpayers in Nevada;

19 (c) One member appointed by the Governor who is
20 representative of services supported primarily by public revenue in
21 Nevada;

22 (d) Two members appointed by the Majority Leader of the
23 Senate who are interested in tax policy in Nevada; and

24 (e) Two members appointed by the Speaker of the Assembly
25 who are interested in tax policy in Nevada;

26 2. The Task Force shall:

27 (a) Monitor the fiscal effects of the provisions of this act;

28 (b) Consider the desirability and feasibility of:

29 (1) Taking further steps to provide additional revenue for
30 state programs, to stabilize the tax base of the State and to reduce
31 the long-term structural deficit of the state budget; and

32 (2) Options to broaden the transaction base for the
33 application of sales and use taxes in this state and to lower those
34 taxes over time as new tax revenues become available; and

35 (c) On or before November 15, 2004, submit a report of the
36 results of its deliberations and any recommendations for legislation
37 to the Governor and the Director of the Legislative Counsel Bureau
38 for transmittal to the 73rd Session of the Nevada Legislature.

39 3. As soon as practicable after July 1, 2003, the Governor, the
40 Majority Leader of the Senate and the Speaker of the Assembly
41 shall appoint the members of the Task Force in accordance with
42 subsection 1.

43 **Sec. 192.** If the governing body of a county, city or
44 unincorporated town has levied an additional ad valorem tax
45 pursuant to the provisions of subsection 2 of NRS 361.453 and that



1 levy does not expire or is not discontinued before July 1, 2003, that
2 levy must be included in the calculation of the limitation set forth in
3 subsection 1 of NRS 361.453 until the levy expires.

4 **Sec. 193.** 1. A business license issued pursuant to chapter
5 364A of NRS before July 1, 2003, expires on the last day of the
6 calendar month in which the anniversary date of its issuance first
7 occurs after June 30, 2003, unless it is renewed pursuant to NRS
8 364A.130, as amended by section 79 of this act, on or before the
9 date of expiration.

10 2. A business license issued or renewed pursuant to chapter
11 364A of NRS on or after July 1, 2003, and before July 1, 2004,
12 expires on the last day of the calendar month in which the
13 anniversary date of its issuance first occurs after June 30, 2004,
14 unless it is renewed pursuant to NRS 364A.130, as amended by
15 section 79 of this act, on or before the date of expiration.

16 **Sec. 194.** The provisions of:

17 1. Sections 81, 82, 83, 84, 172 and 188 of this act do not affect
18 the amount of any taxes or license fees due for any period ending on
19 or before June 30, 2003.

20 2. Sections 85, 86 and 87 of this act do not apply to any taxes
21 precollected pursuant to chapter 370 of NRS on or before June 30,
22 2003.

23 3. Section 166 of this act do not apply to any contracts made on
24 or before June 30, 2003.

25 4. Section 171 of this act do not affect the amount of any
26 license fees due for any period ending on or before June 30, 2004.

27 **Sec. 195.** 1. This section and sections 65 and 194 of this act
28 become effective upon passage and approval.

29 2. Sections 36 to 63, inclusive, 66, 68, 70, 72, 75, 78, 79, 81 to
30 87, inclusive, 89, 91 to 155, inclusive, 157 to 165, inclusive, 172,
31 174 to 181, inclusive, 185, 186, 188 and 193 of this act become
32 effective:

33 (a) Upon passage and approval for the purpose of adopting
34 regulations and performing any other preparatory administrative
35 tasks that are necessary to carry out the provisions of this act; and

36 (b) On July 1, 2003, for all other purposes.

37 3. Sections 64, 74, 76, 77, 166 to 170, inclusive, 189, 190 and
38 192 of this act become effective on July 1, 2003.

39 4. Section 191 of this act becomes effective on July 1, 2003,
40 and expires by limitation on June 30, 2005.

41 5. Section 156 of this act becomes effective on July 1, 2003,
42 and expires by limitation on July 1, 2005.

43 6. Sections 1 to 35, inclusive, 67, 69, 71, 73, 171, 173, 182,
44 183 and 184 of this act become effective:



- 1 (a) Upon passage and approval for the purpose of adopting
2 regulations and performing any other preparatory administrative
3 tasks that are necessary to carry out the provisions of this act; and
4 (b) On July 1, 2004, for all other purposes.
5 7. Sections 80, 88, 90 and 187 of this act become effective on
6 July 1, 2005.

TEXT OF REPEALED SECTION

364A.160 Exemption for natural person with no employees during calendar quarter. A natural person who does not employ any employees during a calendar quarter is exempt from the provisions of this chapter for that calendar quarter.

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