
SENATE BILL NO. 238—COMMITTEE ON TAXATION

(ON BEHALF OF THE GOVERNOR)

MARCH 5, 2003

Referred to Committee on Taxation

SUMMARY—Provides revenue in support of state budget.
(BDR 32-1208)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State: Contains Appropriation included in
Executive Budget.

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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; making an appropriation; and providing other matters properly relating thereto.

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



* S B 2 3 8 *

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 33, 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. 1.** *“Business entity” includes:*

9 (a) *A corporation, partnership, proprietorship, business*
10 *association and any other person engaging in a business; and*

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

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

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

15 **Sec. 4.** *“Business” means any activity engaged in or caused*
16 *to be engaged in with the object of gain, benefit or advantage,*
17 *either direct or indirect, to any person or governmental entity.*

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

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

25 **Sec. 7.** *“Fiscal year” means the 12-month period beginning*
26 *on the first day of July and ending on the last day of June.*

27 **Sec. 8.** *“Gross amount received or receivable” means the*
28 *total sum of any money and the fair market value of any other*
29 *property or services received or receivable, including, without*
30 *limitation, rents, royalties, interest and dividends.*

31 **Sec. 9. 1.** *Except as otherwise provided in this section,*
32 *“gross receipts” means the gross amount received or receivable on*
33 *the use, sale or exchange of property or capital or for the*
34 *performance of services, from any transaction involving a*
35 *business, without any reduction for the basis of property sold, the*
36 *cost of goods or services sold, or any other expense of the*
37 *business.*

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

39 (a) *Any revenue which this state is prohibited from taxing*
40 *pursuant to the Constitution or laws of the United States or the*
41 *Nevada Constitution.*

42 (b) *Any revenue received by a nonprofit organization that*
43 *qualifies as a tax-exempt organization pursuant to 26 U.S.C. §*
44 *501(c), as membership fees or dues or as a result of its fund-*
45 *raising activities.*



- 1 (c) Any revenue received by a natural person from the rental
- 2 of not more than four residential units.
- 3 (d) Any revenue from the sale of agricultural products at
- 4 wholesale.
- 5 (e) If a business entity pays a tax on premiums pursuant to title
- 6 57 of NRS, the total income of the business entity derived from
- 7 direct premiums written.
- 8 (f) If a business entity pays a license fee pursuant to NRS
- 9 463.370, the total sum of all amounts specifically included by
- 10 statute in and all amounts specifically excluded by statute from the
- 11 calculation of that fee for the business entity.
- 12 (g) If a business entity pays a license fee pursuant to NRS
- 13 463.373, the gross receipts of the business entity from the
- 14 operation of the slot machines upon which that fee is paid.
- 15 **Sec. 10. 1. "Pass-through revenue" means revenue**
- 16 **received by a business entity solely on behalf of another in a**
- 17 **disclosed agency capacity, including, without limitation, revenue**
- 18 **received as a broker, bailee, consignee or auctioneer,**
- 19 **notwithstanding that the business entity may incur liability,**
- 20 **primarily or secondarily, in a transaction in its capacity as an**
- 21 **agent.**
- 22 **2. "Pass-through revenue" includes reimbursement for**
- 23 **advances made by a business entity on behalf of a customer or**
- 24 **client, other than with respect to services rendered or with respect**
- 25 **to purchases of goods by the business entity in carrying out the**
- 26 **business in which it engages.**
- 27 **Sec. 11. The Legislature hereby finds and declares that the**
- 28 **tax imposed by this chapter on a business entity must not be**
- 29 **construed as a tax upon the customers of the business entity, but**
- 30 **as a tax which is imposed upon and collectible from the business**
- 31 **entity and which constitutes part of the operating overhead of the**
- 32 **business entity.**
- 33 **Sec. 12. The Department shall:**
- 34 **1. Administer and enforce the provisions of this chapter, and**
- 35 **may adopt such regulations as it deems appropriate for that**
- 36 **purpose.**
- 37 **2. Deposit all taxes, interest and penalties it receives pursuant**
- 38 **to this chapter in the State Treasury for credit to the State General**
- 39 **Fund.**
- 40 **Sec. 13. 1. Each person responsible for maintaining the**
- 41 **records of a business entity shall:**
- 42 **(a) Keep such records as may be necessary to determine the**
- 43 **amount of its liability pursuant to the provisions of this chapter;**



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

4 **(c) Make the records available for inspection by the**
5 **Department upon demand at reasonable times during regular**
6 **business hours.**

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

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

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

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

37 **2. The records and files of the Department concerning the**
38 **administration of this chapter are not confidential and privileged**
39 **in the following cases:**

40 **(a) Testimony by a member or employee of the Department**
41 **and production of records, files and information on behalf of the**
42 **Department or a taxpayer in any action or proceeding pursuant to**
43 **the provisions of this chapter if that testimony or the records, files**
44 **or information, or the facts shown thereby are directly involved in**
45 **the action or proceeding.**



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

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

6 **(d) Exchanges of information with the Internal Revenue**
7 **Service in accordance with compacts made and provided for in**
8 **such cases.**

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

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

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

21 **Sec. 16. A natural person engaging in a business shall be**
22 **deemed to be a business entity that is subject to the provisions of**
23 **this chapter if the person is required to file with the Internal**
24 **Revenue Service a Schedule C (Form 1040), Profit or Loss From**
25 **Business form, or its equivalent or successor form, or a Schedule**
26 **F (Form 1040), Profit or Loss From Farming form, or its**
27 **equivalent or successor form, for the business.**

28 **Sec. 17. 1. An excise tax is hereby imposed upon each**
29 **business entity for the privilege of engaging in a business in this**
30 **state at the rate of 0.25 percent of the amount of the gross receipts**
31 **of the business entity in this state in excess of \$450,000 per fiscal**
32 **year. The tax is due and payable as provided in this section.**

33 **2. Each business entity engaging in a business in this state**
34 **during a calendar quarter shall, on or before the last day of**
35 **the month immediately following that calendar quarter, file with**
36 **the Department a return on a form prescribed by the Department.**
37 **The form must provide each business entity with an opportunity**
38 **for account reconciliation.**

39 **3. Except as otherwise provided in subsection 4, a business**
40 **entity shall remit with the return required to be filed pursuant to**
41 **subsection 2 on or before the last day of:**

42 **(a) October, a sum equal to 0.25 percent of the amount of the**
43 **gross receipts of the business entity in this state for the first**
44 **calendar quarter of that fiscal year in excess of \$112,500;**



1 **(b) January, a sum equal to 0.25 percent of the amount of the**
2 **gross receipts of the business entity in this state for the first 2**
3 **calendar quarters of that fiscal year in excess of \$225,000, except**
4 **that the business entity is entitled to a credit against the sum due**
5 **pursuant to this paragraph equal to the amount of any sum**
6 **remitted pursuant to paragraph (a) for that fiscal year;**

7 **(c) April, a sum equal to 0.25 percent of the amount of the**
8 **gross receipts of the business entity in this state for the first 3**
9 **calendar quarters of that fiscal year in excess of \$337,500, except**
10 **that the business entity is entitled to a credit against the sum due**
11 **pursuant to this paragraph equal to the total amount of any sums**
12 **remitted pursuant to paragraphs (a) and (b) for that fiscal year;**
13 **and**

14 **(d) July, a sum equal to 0.25 percent of the amount of the**
15 **gross receipts of the business entity in this state for the**
16 **immediately preceding fiscal year in excess of \$450,000, except**
17 **that the business entity is entitled to a credit against the sum due**
18 **pursuant to this paragraph equal to the total amount of any sums**
19 **remitted pursuant to paragraphs (a), (b) and (c) for that fiscal**
20 **year.**

21 **4. A business entity may, under such conditions as the**
22 **Department deems appropriate, elect to defer the remittance of any**
23 **of the sums due pursuant to paragraphs (a), (b) and (c) of**
24 **subsection 3 for a fiscal year until not later than the last day of**
25 **July immediately following that fiscal year. If a business entity**
26 **elects to defer any payments pursuant to this subsection and the**
27 **amount of the gross receipts of the business entity in this state for**
28 **that fiscal year:**

29 **(a) Does not exceed \$450,000, the business entity is not liable**
30 **for the payment of any of the amounts otherwise required**
31 **pursuant to subsection 3 for that fiscal year.**

32 **(b) Exceeds \$450,000, the deferral of any payments pursuant**
33 **to this subsection shall be deemed, for the purposes of NRS**
34 **360.417, to constitute a failure to pay the tax within the time**
35 **required pursuant to this section.**

36 **Sec. 18. 1. The Department shall, by regulation, adopt**
37 **criteria for determining the amount of gross receipts attributable**
38 **to business conducted in this state by each business entity for the**
39 **purpose of calculating the tax liability of the business entity**
40 **pursuant to this chapter.**

41 **2. The regulations required by subsection 1 must include**
42 **criteria which:**

43 **(a) Give adequate weight to the essential elements responsible**
44 **for the earning of income by each business entity;**



1 (b) Fairly, equitably and reasonably determine the amount of
2 the gross receipts of each business entity to which the tax imposed
3 pursuant to this chapter is applicable;

4 (c) Ensure that all gross receipts that are lawfully taxable
5 pursuant to this chapter are included in the calculation of the tax
6 liability of each business entity; and

7 (d) Ensure that the business entity is not liable for the taxes
8 imposed by this state if another state lawfully imposes taxes on the
9 same gross receipts.

10 3. The criteria required by subsection 2 may include, without
11 limitation, consideration of such factors as sales, purchases,
12 expenses of manufacture, payroll, value and situs of tangible
13 property to determine gross receipts or reference to any of these or
14 other factors or such other method of determination as is fairly
15 calculated to determine the gross receipts derived from or
16 attributable to business within this state. In determining the gross
17 receipts derived from the sale of products, the Department may
18 provide for the determination of the value of the products based
19 upon the gross receipts from sales within this state of similar
20 products of like character and quality, in similar quantities by
21 other business entities, if the Department determines that the
22 income derived from the sale of the products is not indicative of
23 the true value of the subject matter of the sale.

24 4. The Department shall ensure that the tax imposed by this
25 chapter:

26 (a) Is applied only to business that has a substantial nexus
27 with this state;

28 (b) Does not discriminate against interstate commerce; and

29 (c) Is fairly related to the presence and activities of the
30 business entity within this state.

31 5. The Department shall include in the regulations adopted
32 pursuant to subsection 1 appropriate procedures for appeals from
33 decisions made by the Department in carrying out the regulations
34 adopted pursuant to this section. The regulations must require that
35 to prevail in the appeal the taxpayer must prove by clear and
36 convincing evidence that the method used by the Department for
37 determining the amount of gross receipts that are taxable
38 pursuant to this chapter did not fairly represent the extent of the
39 business conducted by the business entity in this state.

40 **Sec. 19.** In calculating the tax liability of a business entity
41 pursuant to this chapter, the business entity is entitled to deduct
42 from it gross receipts:

43 1. The amount of any federal, state or local governmental
44 fuel taxes collected by the business entity.



- 1 2. Any revenue of the business entity attributable to interest
- 2 upon any bonds or securities of the Federal Government, the State
- 3 of Nevada, or a political subdivision of this state.
- 4 3. Any pass-through revenue of the business entity.
- 5 4. Any revenue received as dividends or distributions by a
- 6 parent organization from the capital account of a subsidiary entity
- 7 of the parent organization.
- 8 5. Any operating revenue of a public utility for the provision
- 9 of electric, gas, water or sewer service.
- 10 6. Any revenue received by a hospital or provider of health
- 11 care from a governmental entity.
- 12 7. Any cash discounts the business entity allows a purchaser
- 13 of property, rights or services.
- 14 8. Any indebtedness to the business entity which is impossible
- 15 or impracticable to collect and which is written off by the business
- 16 entity as a bad debt for purposes of federal taxation.
- 17 9. Any counterfeit currency received by the business entity for
- 18 which the business entity is not reimbursed.
- 19 10. The amount of any payments received by the business
- 20 entity upon claims for health, casualty or life insurance.
- 21 11. The amount of any refunds by the business entity of the
- 22 purchase price of defective goods.
- 23 **Sec. 20. 1. If the Department determines, after notice and**
- 24 **hearing, that:**
- 25 (a) Two or more business entities are members of the same
- 26 control group;
- 27 (b) Those business entities are engaged in essentially identical
- 28 activities; and
- 29 (c) The purpose of engaging in those activities through
- 30 multiple legal entities is to avoid or to reduce liability for the tax
- 31 imposed by this chapter,
- 32 the Department may require those business entities or the control
- 33 group to compute their liability for the tax imposed by this chapter
- 34 as a single business entity.
- 35 2. As used in this section, "control group" means any
- 36 business entity in which 50 percent or more of the ownership
- 37 belongs to a single legal entity, whether through holdings of stock
- 38 or otherwise.
- 39 **Sec. 21. Upon written application made before the date on**
- 40 **which payment must be made, the Department may for good cause**
- 41 **extend by 30 days the time within which a business entity is**
- 42 **required to pay the tax imposed by this chapter. If the tax is paid**
- 43 **during the period of extension, no penalty or late charge may be**
- 44 **imposed for failure to pay at the time required, but the business**
- 45 **entity shall pay interest at the rate of 1 percent per month from the**



1 *date on which the amount would have been due without the*
2 *extension until the date of payment, unless otherwise provided in*
3 *NRS 360.232 or 360.320.*

4 **Sec. 22.** *The remedies of the State provided for in this*
5 *chapter are cumulative, and no action taken by the Department or*
6 *the Attorney General constitutes an election by the State to pursue*
7 *any remedy to the exclusion of any other remedy for which*
8 *provision is made in this chapter.*

9 **Sec. 23.** *If the Department determines that any tax, penalty*
10 *or interest has been paid more than once or has been erroneously*
11 *or illegally collected or computed, the Department shall set forth*
12 *that fact in the records of the Department and certify to the State*
13 *Board of Examiners the amount collected in excess of the amount*
14 *legally due and the business entity or person from which it was*
15 *collected or by whom paid. If approved by the State Board of*
16 *Examiners, the excess amount collected or paid must be credited*
17 *on any amounts then due from the person or business entity under*
18 *this chapter, and the balance refunded to the person or business*
19 *entity, or its successors, administrators or executors.*

20 **Sec. 24.** *1. Except as otherwise provided in NRS 360.235*
21 *and 360.395:*

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

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

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

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

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

38 **Sec. 25.** *1. Except as otherwise provided in this section and*
39 *NRS 360.320, interest must be paid upon any overpayment of any*
40 *amount of the tax imposed by this chapter at the rate of 0.50*
41 *percent per month, or fraction thereof, from the last day of July*
42 *immediately following the fiscal year for which the overpayment*
43 *was made. No refund or credit may be made of any interest*
44 *imposed upon the person or business entity making the*



1 *overpayment with respect to the amount being refunded or*
2 *credited.*

3 *2. The interest must be paid:*

4 *(a) In the case of a refund, to the last day of the calendar*
5 *month following the date upon which the person making the*
6 *overpayment, if he has not already filed a claim, is notified by*
7 *the Department that a claim may be filed or the date upon which*
8 *the claim is certified to the State Board of Examiners, whichever is*
9 *earlier.*

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

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

16 **Sec. 26.** *1. No injunction, writ of mandate or other legal or*
17 *equitable process may issue in any suit, action or proceeding in*
18 *any court against this state or against any officer of the State to*
19 *prevent or enjoin the collection under this chapter of the tax*
20 *imposed by this chapter or any amount of tax, penalty or interest*
21 *required to be collected.*

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

26 **Sec. 27.** *1. Within 90 days after a final decision upon a*
27 *claim filed pursuant to this chapter is rendered by the*
28 *Commission, the claimant may bring an action against the*
29 *Department on the grounds set forth in the claim in a court of*
30 *competent jurisdiction in Carson City, the county of this state*
31 *where the claimant resides or maintains his principal place of*
32 *business or a county in which any relevant proceedings were*
33 *conducted by the Department, for the recovery of the whole or any*
34 *part of the amount with respect to which the claim has been*
35 *disallowed.*

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

39 **Sec. 28.** *1. If the Department fails to mail notice of action*
40 *on a claim within 6 months after the claim is filed, the claimant*
41 *may consider the claim disallowed and file an appeal with the*
42 *Commission within the 30 days after the last day of the 6-month*
43 *period. If the claimant is aggrieved by the decision of the*
44 *Commission rendered on appeal, the claimant may, within 90 days*
45 *after the decision is rendered, bring an action against the*



1 *Department on the grounds set forth in the claim for the recovery*
2 *of the whole or any part of the amount claimed as an*
3 *overpayment.*

4 *2. If judgment is rendered for the plaintiff, the amount of the*
5 *judgment must first be credited towards any tax due from the*
6 *plaintiff.*

7 *3. The balance of the judgment must be refunded to the*
8 *plaintiff.*

9 **Sec. 29.** *In any judgment, interest must be allowed at the rate*
10 *of 6 percent per annum upon the amount found to have been*
11 *illegally collected from the date of payment of the amount to the*
12 *date of allowance of credit on account of the judgment, or to a*
13 *date preceding the date of the refund warrant by not more than 30*
14 *days. The date must be determined by the Department.*

15 **Sec. 30.** *A judgment may not be rendered in favor of the*
16 *plaintiff in any action brought against the Department to recover*
17 *any amount paid when the action is brought by or in the name of*
18 *an assignee of the business entity paying the amount or by any*
19 *person other than the person or business entity which paid the*
20 *amount.*

21 **Sec. 31.** *1. The Department may recover a refund or any*
22 *part thereof which is erroneously made and any credit or part*
23 *thereof which is erroneously allowed in an action brought in a*
24 *court of competent jurisdiction in Carson City or Clark County in*
25 *the name of the State of Nevada.*

26 *2. The action must be tried in Carson City or Clark County*
27 *unless the court with the consent of the Attorney General orders a*
28 *change of place of trial.*

29 *3. The Attorney General shall prosecute the action, and the*
30 *provisions of NRS, the Nevada Rules of Civil Procedure and the*
31 *Nevada Rules of Appellate Procedure relating to service of*
32 *summons, pleadings, proofs, trials and appeals are applicable to*
33 *the proceedings.*

34 **Sec. 32.** *1. If any amount in excess of \$25 has been*
35 *illegally determined, either by the person filing the return or by the*
36 *Department, the Department shall certify this fact to the State*
37 *Board of Examiners, and the latter shall authorize the*
38 *cancellation of the amount upon the records of the Department.*

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

44 **Sec. 33.** *1. A person shall not:*



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

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

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

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

15 **Sec. 34.** Title 32 of NRS is hereby amended by adding thereto
16 a new chapter to consist of the provisions set forth as sections 35 to
17 60, inclusive, of this act.

18 **Sec. 35.** *As used in this chapter, unless the context otherwise*
19 *requires, the words and terms defined in sections 36 to 39,*
20 *inclusive, of this act have the meanings ascribed to them in those*
21 *sections.*

22 **Sec. 36.** *“Admission charge” means the total amount,*
23 *expressed in terms of money, of:*

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

27 2. *If any consideration is otherwise required for the right or*
28 *privilege to have access to a place or location where group*
29 *entertainment is provided and all or part of that consideration is*
30 *waived as part of a promotional or marketing plan, the total*
31 *amount of the consideration that would otherwise be required.*

32 **Sec. 37.** *“Commission” means the Nevada Tax Commission.*

33 **Sec. 38.** *“Group entertainment” means entertainment*
34 *provided for groups of spectators, including, without limitation:*

35 1. *Athletic and sporting events, including, without limitation,*
36 *motor sports, rodeos and equestrian events.*

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

38 3. *Displays of motion pictures.*

39 4. *Concerts.*

40 5. *Theatrical productions, stage productions and other*
41 *presentations of performing arts, including, without limitation,*
42 *circuses and ice shows.*

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

44 7. *Beauty contests.*

45 8. *Lectures and speaking performances.*



1 9. *Live entertainment provided at cocktail lounges, nightclubs*
2 *and similar venues.*

3 10. *Adult cabarets, gentlemen's clubs and similar forms of*
4 *entertainment.*

5 11. *Tours and tour services.*

6 **Sec. 39.** *"Taxpayer" means any person liable for the tax*
7 *imposed pursuant to this chapter.*

8 **Sec. 40.** *The Department shall:*

9 1. *Administer and enforce the provisions of this chapter, and*
10 *may adopt such regulations as it deems appropriate for that*
11 *purpose.*

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

15 **Sec. 41.** 1. *Each person responsible for maintaining the*
16 *records of a taxpayer shall:*

17 (a) *Keep such records as may be necessary to determine the*
18 *amount of the liability of the taxpayer pursuant to the provisions*
19 *of this chapter;*

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

23 (c) *Make the records available for inspection by the*
24 *Department upon demand at reasonable times during regular*
25 *business hours.*

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

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

31 **Sec. 42.** 1. *To verify the accuracy of any return filed, or, if*
32 *no return is filed by a taxpayer, to determine the amount required*
33 *to be paid, the Department, or any person authorized in writing by*
34 *the Department, may examine the books, papers and records of*
35 *any person who may be liable for the tax imposed by this chapter.*

36 2. *Any person who may be liable for the tax imposed by this*
37 *chapter and who keeps outside of this state any books, papers and*
38 *records relating thereto shall pay to the Department an amount*
39 *equal to the allowance provided for state officers and employees*
40 *generally while traveling outside of the State for each day or*
41 *fraction thereof during which an employee of the Department is*
42 *engaged in examining those documents, plus any other actual*
43 *expenses incurred by the employee while he is absent from his*
44 *regular place of employment to examine those documents.*



1 **Sec. 43. 1.** *Except as otherwise provided in this section and*
2 *NRS 360.250, the records and files of the Department concerning*
3 *the administration of this chapter are confidential and privileged.*
4 *The Department, and any employee engaged in the administration*
5 *of this chapter or charged with the custody of any such records or*
6 *files, shall not disclose any information obtained from the*
7 *Department's records or files or from any examination,*
8 *investigation or hearing authorized by the provisions of this*
9 *chapter. Neither the Department nor any employee of the*
10 *Department may be required to produce any of the records, files*
11 *and information for the inspection of any person or for use in any*
12 *action or proceeding.*

13 **2.** *The records and files of the Department concerning the*
14 *administration of this chapter are not confidential and privileged*
15 *in the following cases:*

16 **(a)** *Testimony by a member or employee of the Department*
17 *and production of records, files and information on behalf of the*
18 *Department or a taxpayer in any action or proceeding pursuant to*
19 *the provisions of this chapter if that testimony or the records, files*
20 *or information, or the facts shown thereby are directly involved in*
21 *the action or proceeding.*

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

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

27 **(d)** *Exchanges of information with the Internal Revenue*
28 *Service in accordance with compacts made and provided for in*
29 *such cases.*

30 **(e)** *Disclosure in confidence to the Governor or his agent in*
31 *the exercise of the Governor's general supervisory powers, or to*
32 *any person authorized to audit the accounts of the Department in*
33 *pursuance of an audit, or to the Attorney General or other legal*
34 *representative of the State in connection with an action or*
35 *proceeding pursuant to this chapter, or to any agency of this or*
36 *any other state charged with the administration or enforcement of*
37 *laws relating to taxation.*

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

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

42 **Sec. 44. 1.** *There is hereby imposed an excise tax of 7.25*
43 *percent of the admission charge to any place or location in this*
44 *state where group entertainment is provided.*



- 1 2. *The person who receives an admission charge is liable for*
2 *the tax imposed by this section, but is entitled to collect*
3 *reimbursement from the person paying the admission charge.*
4 3. *Any ticket for admission to a place or location in this state*
5 *where group entertainment is provided must state whether the tax*
6 *imposed by this section is included in the price of the ticket. If the*
7 *ticket does not include such a statement, the taxpayer shall pay the*
8 *tax on the face amount of the ticket.*
9 4. *The tax imposed by this section does not apply to an*
10 *admission charge:*
11 (a) *Included in the computation of the tax imposed pursuant*
12 *to NRS 463.401 or any fee imposed pursuant to chapter 467 of*
13 *NRS;*
14 (b) *Provided to a governmental entity or a public or private*
15 *educational institution for any group entertainment sponsored by*
16 *a governmental entity;*
17 (c) *Provided to a nonprofit organization that qualifies as a tax-*
18 *exempt organization pursuant to 26 U.S.C. § 501(c), or to a person*
19 *who remits to such a nonprofit organization at least 60 percent of*
20 *the net revenue from the group entertainment for which access is*
21 *granted;*
22 (d) *Provided for the right or privilege to have access to a*
23 *convention, an exhibition or a trade show, if the opportunity for*
24 *admission is not made available to the general public; or*
25 (e) *Provided for the right or privilege to engage in a*
26 *participatory recreational activity, including, without limitation,*
27 *any consideration provided:*
28 (1) *For the use or rental of bicycles, boats, exercise*
29 *equipment, horses, motorcycles, snowboards, skis or other*
30 *recreational equipment;*
31 (2) *To engage in games of billiards, bowling, golf,*
32 *racquetball or tennis, or similar recreational games;*
33 (3) *To engage in aerobics, calisthenics, fishing, hunting,*
34 *running, shooting, skiing, snowboarding, swimming, ice skating*
35 *or roller skating, or similar recreational activities;*
36 (4) *For memberships in country clubs, golf clubs, tennis*
37 *clubs, gun clubs or similar recreational clubs;*
38 (5) *For access to the participatory portions of amusement,*
39 *theme or water parks, or similar recreational parks; or*
40 (6) *To participate in classes of instruction on recreational*
41 *activities, including, without limitation, classes of instruction in*
42 *arts and crafts, culinary arts, massage, yoga, athletic or sporting*
43 *activities, or similar recreational activities.*



1 **Sec. 45.** *A taxpayer shall hold the amount of all taxes for*
2 *which he is liable pursuant to this chapter in a separate account in*
3 *trust for the State.*

4 **Sec. 46.** *1. The tax imposed by this chapter is payable to the*
5 *Department monthly on or before the last day of the month*
6 *immediately following the month in which liability for the tax*
7 *arose.*

8 *2. Each taxpayer shall file with the Department a return on a*
9 *form prescribed by the Department, together with the remittance*
10 *of the tax due pursuant to this chapter, on or before the last day of*
11 *the month immediately following the month in which liability for*
12 *the tax arose.*

13 **Sec. 47.** *A taxpayer may deduct and withhold from the*
14 *amount of the tax otherwise due from him pursuant to this chapter*
15 *1.25 percent of that amount to reimburse himself for the cost of*
16 *collecting, reporting and remitting the tax.*

17 **Sec. 48.** *Upon written application made before the date on*
18 *which payment must be made, the Department may for good cause*
19 *extend by 30 days the time within which a taxpayer is required to*
20 *pay the tax imposed by this chapter. If the tax is paid during the*
21 *period of extension, no penalty or late charge may be imposed for*
22 *failure to pay at the time required, but the taxpayer shall pay*
23 *interest at the rate of 1 percent per month from the date on which*
24 *the amount would have been due without the extension until the*
25 *date of payment, unless otherwise provided in NRS 360.232 or*
26 *360.320.*

27 **Sec. 49.** *The remedies of the State provided for in this*
28 *chapter are cumulative, and no action taken by the Department or*
29 *the Attorney General constitutes an election by the State to pursue*
30 *any remedy to the exclusion of any other remedy for which*
31 *provision is made in this chapter.*

32 **Sec. 50.** *If the Department determines that any tax, penalty*
33 *or interest has been paid more than once or has been erroneously*
34 *or illegally collected or computed, the Department shall set forth*
35 *that fact in the records of the Department and certify to the State*
36 *Board of Examiners the amount collected in excess of the amount*
37 *legally due and the person from which it was collected or by whom*
38 *paid. If approved by the State Board of Examiners, the excess*
39 *amount collected or paid must be credited on any amounts then*
40 *due from the person under this chapter, and the balance refunded*
41 *to the person or his successors in interest.*

42 **Sec. 51.** *1. Except as otherwise provided in NRS 360.235*
43 *and 360.395:*



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

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

7 2. Each claim must be in writing and must state the specific
8 grounds upon which the claim is founded.

9 3. Failure to file a claim within the time prescribed in this
10 chapter constitutes a waiver of any demand against the State on
11 account of overpayment.

12 4. Within 30 days after rejecting any claim in whole or in
13 part, the Department shall serve notice of its action on the
14 claimant in the manner prescribed for service of notice of a
15 deficiency determination.

16 **Sec. 52.** 1. Except as otherwise provided in this section and
17 NRS 360.320, interest must be paid upon any overpayment of any
18 amount of the tax imposed by this chapter at the rate of 0.50
19 percent per month, or fraction thereof, from the last day of the
20 calendar month following the month for which the overpayment
21 was made. No refund or credit may be made of any interest
22 imposed upon the person making the overpayment with respect to
23 the amount being refunded or credited.

24 2. The interest must be paid:

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

31 (b) In the case of a credit, to the same date as that to which
32 interest is computed on the tax or amount against which the credit
33 is applied.

34 3. If the Department determines that any overpayment has
35 been made intentionally or by reason of carelessness, the
36 Department shall not allow any interest on the overpayment.

37 **Sec. 53.** 1. No injunction, writ of mandate or other legal or
38 equitable process may issue in any suit, action or proceeding in
39 any court against this state or against any officer of the State to
40 prevent or enjoin the collection under this chapter of the tax
41 imposed by this chapter or any amount of tax, penalty or interest
42 required to be collected.

43 2. No suit or proceeding may be maintained in any court for
44 the recovery of any amount alleged to have been erroneously or



1 *illegally determined or collected unless a claim for refund or credit*
2 *has been filed.*

3 **Sec. 54.** 1. *Within 90 days after a final decision upon a*
4 *claim filed pursuant to this chapter is rendered by the*
5 *Commission, the claimant may bring an action against the*
6 *Department on the grounds set forth in the claim in a court of*
7 *competent jurisdiction in Carson City, the county of this state*
8 *where the claimant resides or maintains his principal place of*
9 *business or a county in which any relevant proceedings were*
10 *conducted by the Department, for the recovery of the whole or any*
11 *part of the amount with respect to which the claim has been*
12 *disallowed.*

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

16 **Sec. 55.** 1. *If the Department fails to mail notice of action*
17 *on a claim within 6 months after the claim is filed, the claimant*
18 *may consider the claim disallowed and file an appeal with the*
19 *Commission within 30 days after the last day of the 6-month*
20 *period. If the claimant is aggrieved by the decision of the*
21 *Commission rendered on appeal, the claimant may, within 90 days*
22 *after the decision is rendered, bring an action against the*
23 *Department on the grounds set forth in the claim for the recovery*
24 *of the whole or any part of the amount claimed as an*
25 *overpayment.*

26 2. *If judgment is rendered for the plaintiff, the amount of the*
27 *judgment must first be credited towards any tax due from the*
28 *plaintiff.*

29 3. *The balance of the judgment must be refunded to the*
30 *plaintiff.*

31 **Sec. 56.** *In any judgment, interest must be allowed at the rate*
32 *of 6 percent per annum upon the amount found to have been*
33 *illegally collected from the date of payment of the amount to the*
34 *date of allowance of credit on account of the judgment, or to a*
35 *date preceding the date of the refund warrant by not more than 30*
36 *days. The date must be determined by the Department.*

37 **Sec. 57.** *A judgment may not be rendered in favor of the*
38 *plaintiff in any action brought against the Department to recover*
39 *any amount paid when the action is brought by or in the name of*
40 *an assignee of the person paying the amount or by any person*
41 *other than the person who paid the amount.*

42 **Sec. 58.** 1. *The Department may recover a refund or any*
43 *part thereof which is erroneously made and any credit or part*
44 *thereof which is erroneously allowed in an action brought in a*



1 *court of competent jurisdiction in Carson City or Clark County in*
2 *the name of the State of Nevada.*

3 2. *The action must be tried in Carson City or Clark County*
4 *unless the court with the consent of the Attorney General orders a*
5 *change of place of trial.*

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

11 **Sec. 59.** 1. *If any amount in excess of \$25 has been*
12 *illegally determined, either by the person filing the return or by the*
13 *Department, the Department shall certify this fact to the State*
14 *Board of Examiners, and the latter shall authorize the*
15 *cancellation of the amount upon the records of the Department.*

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

21 **Sec. 60.** 1. *A person shall not:*

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

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

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

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

36 **Sec. 61.** Chapter 360 of NRS is hereby amended by adding
37 thereto a new section to read as follows:

38 *The Nevada Tax Commission shall adopt regulations providing*
39 *for:*

40 1. *The electronic submission of returns to the Department;*
41 *and*

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



1 **Sec. 62.** NRS 360.2935 is hereby amended to read as follows:
2 360.2935 Except as otherwise provided in ~~[NRS 361.485.]~~ *this*
3 *title*, a taxpayer is entitled to receive on any overpayment of taxes,
4 after the offset required by NRS 360.320 has been made, a refund
5 together with interest at a rate determined pursuant to NRS 17.130.
6 No interest is allowed on a refund of any penalties or interest paid
7 by a taxpayer.

8 **Sec. 63.** NRS 360.300 is hereby amended to read as follows:
9 360.300 1. If a person fails to file a return or the Department
10 is not satisfied with the return or returns of any tax, contribution or
11 premium or amount of tax, contribution or premium required to be
12 paid to the State by any person, in accordance with the applicable
13 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,
14 374, 377, 377A or 444A of NRS, NRS 482.313, ~~[or]~~ chapter 585 or
15 680B of NRS , *or sections 35 to 60, inclusive, of this act* as
16 administered or audited by the Department, it may compute and
17 determine the amount required to be paid upon the basis of:

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

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

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

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

32 5. When a business is discontinued, a determination may be
33 made at any time thereafter within the time prescribed in NRS
34 360.355 as to liability arising out of that business, irrespective of
35 whether the determination is issued before the due date of the
36 liability.

37 **Sec. 64.** NRS 360.300 is hereby amended to read as follows:
38 360.300 1. If a person fails to file a return or the Department
39 is not satisfied with the return or returns of any tax, contribution or
40 premium or amount of tax, contribution or premium required to be
41 paid to the State by any person, in accordance with the applicable
42 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,
43 374, 377, 377A or 444A of NRS, NRS 482.313, chapter 585 or
44 680B of NRS, or sections *2 to 33, inclusive, or* 35 to 60, inclusive,
45 of this act as administered or audited by the Department, it may



1 compute and determine the amount required to be paid upon the
2 basis of:

- 3 (a) The facts contained in the return;
- 4 (b) Any information within its possession or that may come into
5 its possession; or

6 (c) Reasonable estimates of the amount.

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

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

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

17 5. When a business is discontinued, a determination may be
18 made at any time thereafter within the time prescribed in NRS
19 360.355 as to liability arising out of that business, irrespective of
20 whether the determination is issued before the due date of the
21 liability.

22 **Sec. 65.** NRS 360.417 is hereby amended to read as follows:

23 360.417 Except as otherwise provided in NRS 360.232 and
24 360.320, and unless a different penalty or rate of interest is
25 specifically provided by statute, any person who fails to pay any tax
26 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
27 444A or 585 of NRS, *or sections 35 to 60, inclusive, of this act*
28 or the fee provided for in NRS 482.313, to the State or a county
29 within the time required, shall pay a penalty of not more than 10
30 percent of the amount of the tax or fee which is owed, as determined
31 by the Department, in addition to the tax or fee, plus interest at the
32 rate of 1 percent per month, or fraction of a month, from the last day
33 of the month following the period for which the amount or any
34 portion of the amount should have been reported until the date of
35 payment. The amount of any penalty imposed must be based on a
36 graduated schedule adopted by the Nevada Tax Commission which
37 takes into consideration the length of time the tax or fee remained
38 unpaid.

39 **Sec. 66.** NRS 360.417 is hereby amended to read as follows:

40 360.417 Except as otherwise provided in NRS 360.232 and
41 360.320, and unless a different penalty or rate of interest is
42 specifically provided by statute, any person who fails to pay any tax
43 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
44 444A or 585 of NRS, or sections *2 to 33, inclusive, or* 35 to 60,
45 inclusive, of this act or the fee provided for in NRS 482.313, to the



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

11 **Sec. 67.** NRS 360.419 is hereby amended to read as follows:

12 360.419 1. If the Executive Director or a designated hearing
13 officer finds that the failure of a person to make a timely return or
14 payment of a tax imposed pursuant to NRS 361.320 or chapter
15 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
16 370, 372, 372A, 374, 375A or 375B of NRS, *or sections 35 to 60,*
17 *inclusive, of this act* is the result of circumstances beyond his
18 control and occurred despite the exercise of ordinary care and
19 without intent, the Department may relieve him of all or part of any
20 interest or penalty, or both.

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

24 3. The Department shall disclose, upon the request of any
25 person:

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

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

31 **Sec. 68.** NRS 360.419 is hereby amended to read as follows:

32 360.419 1. If the Executive Director or a designated hearing
33 officer finds that the failure of a person to make a timely return or
34 payment of a tax imposed pursuant to NRS 361.320 or chapter
35 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
36 370, 372, 372A, 374, 375A or 375B of NRS, or sections *2 to 33,*
37 *inclusive, or 35 to 60, inclusive, of this act* is the result of
38 circumstances beyond his control and occurred despite the exercise
39 of ordinary care and without intent, the Department may relieve him
40 of all or part of any interest or penalty, or both.

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

44 3. The Department shall disclose, upon the request of any
45 person:



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

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

6 **Sec. 69.** NRS 360.510 is hereby amended to read as follows:

7 360.510 1. If any person is delinquent in the payment of any
8 tax or fee administered by the Department or if a determination has
9 been made against him which remains unpaid, the Department may:

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

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

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

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

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

35 4. Every person notified by a demand to transmit shall, within
36 10 days after receipt of the demand to transmit, inform the
37 Department of, and transmit to the Department all such credits,
38 other personal property, or debts in his possession, under his control
39 or owing by him within the time and in the manner requested by the
40 Department. Except as otherwise provided in subsection 5, no
41 further notice is required to be served to that person.

42 5. If the property of the delinquent taxpayer consists of a series
43 of payments owed to him, the person who owes or controls the
44 payments shall transmit the payments to the Department until
45 otherwise notified by the Department. If the debt of the delinquent



1 taxpayer is not paid within 1 year after the Department issued the
2 original demand to transmit, the Department shall issue another
3 demand to transmit to the person responsible for making the
4 payments informing him to continue to transmit payments to the
5 the Department or that his duty to transmit the payments to the
6 Department has ceased.

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

14 7. If any person notified by the notice of the delinquency
15 makes any transfer or other disposition of the property or debts
16 required to be withheld or transmitted, to the extent of the value of
17 the property or the amount of the debts thus transferred or paid, he is
18 liable to the State for any indebtedness due pursuant to this chapter,
19 ~~for~~ chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or
20 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS , *or*
21 *sections 35 to 60, inclusive, of this act* from the person with respect
22 to whose obligation the notice was given if solely by reason of
23 the transfer or other disposition the State is unable to recover the
24 indebtedness of the person with respect to whose obligation the
25 notice was given.

26 **Sec. 70.** NRS 360.510 is hereby amended to read as follows:

27 360.510 1. If any person is delinquent in the payment of any
28 tax or fee administered by the Department or if a determination has
29 been made against him which remains unpaid, the Department may:

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

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

35 give a notice of the delinquency and a demand to transmit
36 personally or by registered or certified mail to any person,
37 including, without limitation, any officer or department of this state
38 or any political subdivision or agency of this state, who has in his
39 possession or under his control any credits or other personal
40 property belonging to the delinquent, or owing any debts to the
41 delinquent or person against whom a determination has been made
42 which remains unpaid, or owing any debts to the delinquent or that
43 person. In the case of any state officer, department or agency, the
44 notice must be given to the officer, department or agency before



1 the Department presents the claim of the delinquent taxpayer to the
2 State Controller.

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

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

11 4. Every person notified by a demand to transmit shall, within
12 10 days after receipt of the demand to transmit, inform the
13 Department of, and transmit to the Department all such credits,
14 other personal property, or debts in his possession, under his control
15 or owing by him within the time and in the manner requested by the
16 Department. Except as otherwise provided in subsection 5, no
17 further notice is required to be served to that person.

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

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

35 7. If any person notified by the notice of the delinquency
36 makes any transfer or other disposition of the property or debts
37 required to be withheld or transmitted, to the extent of the value of
38 the property or the amount of the debts thus transferred or paid, he is
39 liable to the State for any indebtedness due pursuant to this chapter,
40 chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or 444A of
41 NRS, NRS 482.313, or chapter 585 or 680B of NRS, or sections **2**
42 **to 33, inclusive, or** 35 to 60, inclusive, of this act from the person
43 with respect to whose obligation the notice was given if solely by
44 reason of the transfer or other disposition the State is unable to



1 recover the indebtedness of the person with respect to whose
2 obligation the notice was given.

3 **Sec. 71.** NRS 360A.020 is hereby amended to read as follows:
4 360A.020 The Department shall adopt ~~[such]~~ :

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

7 **2. *Regulations providing for:***

8 **(a) *The electronic submission of returns to the Department;***
9 ***and***

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

14 **Sec. 72.** NRS 361.186 is hereby amended to read as follows:

15 361.186 1. A taxpayer may collect an admission fee for the
16 exhibition of fine art otherwise exempt from taxation pursuant to
17 NRS 361.068 if the taxpayer offers to residents of the State of
18 Nevada a discount of 50 percent from any admission fee charged to
19 nonresidents. The discounted admission fee for residents must be
20 offered at any time the exhibition is open to the public and
21 admission fees are being charged.

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

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

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

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



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

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

17 6. For the purposes of this section:

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

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

30 (1) *Any taxes on those fees imposed pursuant to section 44*
31 *of this act;*

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

33 ~~(2)~~ (3) The cost of educational programs associated with
34 the taxpayer's public display of fine art, including the cost of
35 meeting the requirements of sub-subparagraph (IV) of subparagraph
36 (1) of paragraph (b) of subsection ~~(5)~~ 4 of NRS 361.068.

37 **Sec. 73.** NRS 361.453 is hereby amended to read as follows:

38 361.453 1. Except as otherwise provided in this section and
39 NRS 354.705, 354.723 and 450.760, the total ad valorem tax levy
40 for all public purposes must not exceed ~~[\$3.64]~~ \$3.14 on each \$100
41 of assessed valuation, or a lesser or greater amount fixed by the
42 State Board of Examiners if the State Board of Examiners is
43 directed by law to fix a lesser or greater amount for that fiscal year.

44 2. Any levy imposed by the Legislature for the repayment of
45 bonded indebtedness or the operating expenses of the State of



1 Nevada and any levy imposed by the board of county
2 commissioners pursuant to NRS 387.195 ~~[that is in excess of 50~~
3 ~~cents on each \$100 of assessed valuation of taxable property within~~
4 ~~the county]~~ must not be included in calculating the limitation set
5 forth in subsection 1 on the total ad valorem tax levied within the
6 boundaries of the county, city or unincorporated town . ~~[, if, in a~~
7 ~~county whose population is 40,000 or less, or in a city or~~
8 ~~unincorporated town located within that county:~~
9 ~~—(a) The combined tax rate certified by the Nevada Tax~~
10 ~~Commission was at least \$3.50 on each \$100 of assessed valuation~~
11 ~~on June 25, 1998;~~
12 ~~—(b) The governing body of that county, city or unincorporated~~
13 ~~town proposes to its registered voters an additional levy ad valorem~~
14 ~~above the total ad valorem tax levy for all public purposes set forth~~
15 ~~in subsection 1;~~
16 ~~—(c) The proposal specifies the amount of money to be derived,~~
17 ~~the purpose for which it is to be expended and the duration of the~~
18 ~~levy; and~~
19 ~~—(d) The proposal is approved by a majority of the voters voting~~
20 ~~on the question at a general election or a special election called for~~
21 ~~that purpose.~~
22 ~~—3. The duration of the additional levy ad valorem levied~~
23 ~~pursuant to subsection 2 must not exceed 5 years. The governing~~
24 ~~body of the county, city or unincorporated town may discontinue the~~
25 ~~levy before it expires and may not thereafter reimpose it in whole or~~
26 ~~in part without following the procedure required for its original~~
27 ~~imposition set forth in subsection 2.~~
28 ~~—4. A special election may be held pursuant to subsection 2 only~~
29 ~~if the governing body of the county, city or unincorporated town~~
30 ~~determines, by a unanimous vote, that an emergency exists. The~~
31 ~~determination made by the governing body is conclusive unless it is~~
32 ~~shown that the governing body acted with fraud or a gross abuse of~~
33 ~~discretion. An action to challenge the determination made by the~~
34 ~~governing body must be commenced within 15 days after the~~
35 ~~governing body's determination is final. As used in this subsection,~~
36 ~~“emergency” means any unexpected occurrence or combination of~~
37 ~~occurrences which requires immediate action by the governing body~~
38 ~~of the county, city or unincorporated town to prevent or mitigate a~~
39 ~~substantial financial loss to the county, city or unincorporated town~~
40 ~~or to enable the governing body to provide an essential service to~~
41 ~~the residents of the county, city or unincorporated town.]~~
42 **Sec. 74.** NRS 361.4545 is hereby amended to read as follows:
43 361.4545 1. On or before May 5 of each year or within 5
44 days after receiving the projections of revenue from the Department,
45 whichever is later, the ex officio tax receivers shall prepare and



1 cause to be published in a newspaper of general circulation in their
2 respective counties, a notice which contains at least the following
3 information:

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

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

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

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

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

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

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

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

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

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

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

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

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

39 **Sec. 75.** NRS 364A.040 is hereby amended to read as follows:
40 364A.040 1. "Employee" includes:

41 (a) A natural person who receives wages or other remuneration
42 from a business for personal services, including commissions and
43 bonuses and remuneration payable in a medium other than cash; and

44 (b) A natural person engaged in the operation of a business.

45 2. The term includes:



- 1 (a) ~~[A]~~ *Each* partner or other co-owner of a business; and
2 (b) Except as otherwise provided in subsection 3, a natural
3 person reported as an employee to the:
4 (1) Employment Security Division of the Department of
5 Employment, Training and Rehabilitation;
6 (2) Administrator of the Division of Industrial Relations of
7 the Department of Business and Industry; or
8 (3) Internal Revenue Service on an Employer's Quarterly
9 Federal Tax Return (Form 941), Employer's Monthly Federal Tax
10 Return (Form 941-M), Employer's Annual Tax Return for
11 Agricultural Employees (Form 943), or any equivalent or successor
12 form.
- 13 3. The term does not include:
14 (a) A business, including an independent contractor, that
15 performs services on behalf of another business.
16 (b) A natural person who is retired or otherwise receiving
17 remuneration solely because of past service to the business.
18 (c) A newspaper carrier or the immediate supervisor of a
19 newspaper carrier who is an independent contractor of the
20 newspaper and receives compensation solely from persons who
21 purchase the newspaper.
22 (d) A natural person who performs all of his duties for the
23 business outside of this state.
- 24 4. An independent contractor is not an employee of a business
25 with whom he contracts.
- 26 **Sec. 76.** NRS 364A.130 is hereby amended to read as follows:
27 364A.130 1. Except as otherwise provided in subsection ~~[6,]~~
28 **7**, a person shall not conduct a business in this state unless he has a
29 business license issued by the Department.
- 30 2. ~~[The]~~ *An* application for *the issuance of* a business license
31 must:
32 (a) Be made upon a form prescribed by the Department;
33 (b) Set forth the name under which the applicant transacts or
34 intends to transact business and the location of his place or places of
35 business;
36 (c) Declare the estimated number of employees for the previous
37 calendar quarter;
38 (d) Be accompanied by a fee of ~~[\$25,]~~ **\$100**; and
39 (e) Include any other information that the Department deems
40 necessary.
- 41 3. The application must be signed by:
42 (a) The owner, if the business is owned by a natural person;
43 (b) A member or partner, if the business is owned by an
44 association or partnership; or



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

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

6 5. *Each business license issued by the Department expires 1*
7 *year after the last day of the calendar month in which it was*
8 *issued and must be renewed annually on or before that date by the*
9 *payment of a renewal fee of \$100.*

10 6. 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.~~ 7. A person who takes part in a trade show or convention
19 held in this state for a purpose related to the conduct of a business is
20 not required to obtain a business license specifically for that event.

21 **Sec. 77.** NRS 364A.140 is hereby amended to read as follows:

22 364A.140 1. A tax is hereby imposed upon the privilege of
23 conducting business in this state. Except as otherwise provided in
24 this section, the tax for each calendar quarter is due on the last day
25 of the quarter and must be paid on or before the last day of the
26 month immediately following the quarter on the basis of the total
27 number of equivalent full-time employees employed by the business
28 in the quarter.

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



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

4 4. Except as otherwise provided in NRS 364A.152 and
5 364A.170, the amount of tax due for a business for each calendar
6 quarter is ~~[\$25]~~ \$75 for each equivalent full-time employee
7 employed by the business in the quarter.

8 5. Each business shall file a return on a form prescribed by the
9 Department with each remittance of the tax. If the payment due is
10 greater than \$1,000, the payment must be made by direct deposit at
11 a bank or credit union in which the State has an account, unless the
12 Department waives this requirement pursuant to regulations adopted
13 by the Commission. The return must include:

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

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

22 6. The Commission shall adopt regulations concerning the
23 payment of the tax imposed pursuant to this section by direct
24 deposit.

25 **Sec. 78.** NRS 364A.140 is hereby amended to read as follows:

26 364A.140 1. A tax is hereby imposed upon the privilege of
27 conducting business in this state. Except as otherwise provided in
28 this section, the tax for each calendar quarter is due on the last day
29 of the quarter and must be paid on or before the last day of the
30 month immediately following the quarter on the basis of the total
31 number of equivalent full-time employees employed by the business
32 in the quarter.

33 2. If the tax required to be paid by a business for a calendar
34 quarter pursuant to subsection 1 is less than \$25, the business may
35 submit a written request to the Department to pay the tax annually
36 for each calendar quarter of a fiscal year ending June 30. Upon
37 approval of the request, the tax becomes due on the last day of the
38 fiscal year and must be paid on or before the last day of July
39 immediately following the fiscal year. If a business ceases operation
40 before the end of the fiscal year, the tax becomes due on the date on
41 which the business ceases its operation and must be paid on or
42 before the last day of the month immediately following the calendar
43 quarter in which the business ceases its operation. A business may
44 continue to pay the tax annually until the Department withdraws its
45 approval for the annual payment. The Department may withdraw its



1 approval at any time if it determines that the tax due for any
2 calendar quarter is at least \$25.

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

6 4. Except as otherwise provided in NRS 364A.152 and
7 364A.170, the amount of tax due for a business for each calendar
8 quarter is ~~[\$75]~~ \$20 for each equivalent full-time employee
9 employed by the business in the quarter.

10 5. Each business shall file a return on a form prescribed by the
11 Department with each remittance of the tax. If the payment due is
12 greater than \$1,000, the payment must be made by direct deposit at
13 a bank or credit union in which the State has an account, unless the
14 Department waives this requirement pursuant to regulations adopted
15 by the Commission. The return must include:

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

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

24 6. The Commission shall adopt regulations concerning the
25 payment of the tax imposed pursuant to this section by direct
26 deposit.

27 **Sec. 79.** NRS 364A.150 is hereby amended to read as follows:

28 364A.150 1. The total number of equivalent full-time
29 employees employed by a business in a quarter must be calculated
30 by dividing the total number of hours all employees have worked
31 during the quarter by 468.

32 2. To determine the total number of hours all employees have
33 worked during the quarter, the business must add the total number
34 of hours worked by full-time employees based in this state during
35 the quarter to the total number of hours worked by part-time
36 employees based in this state during the quarter and to the total
37 number of hours worked in this state by employees described in
38 subsection 6. A "full-time employee" is a person who is employed
39 to work at least 36 hours per week. All other employees are part-
40 time employees. An occasional reduction in the number of hours
41 actually worked in any week by a particular employee, as the result
42 of sickness, vacation or other compensated absence, does not affect
43 his status for the purposes of this section if his regular hours of work
44 are 36 or more per week. All hours for which a part-time employee
45 is paid must be included.



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

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

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

10 4. Except as otherwise provided in subsection 7, the total
11 number of hours worked by part-time employees of a business
12 during the quarter must be calculated by determining from the
13 records of the business the number of hours each part-time
14 employee has worked during the quarter and totaling the results.

15 5. The total number of hours all employees have worked
16 during the quarter must be calculated ~~excluding~~, *including*
17 the hours worked by a sole proprietor or one natural person in any
18 unincorporated business . ~~[, who shall be deemed the owner of the~~
19 ~~business rather than an employee.]~~

20 6. To determine the total number of hours all employees have
21 worked during the quarter, in the case of a business which employs
22 a natural person at a base or business location outside Nevada, but
23 directs that person to perform at least some of his duties in Nevada,
24 the calculation must include the total number of hours actually
25 worked by that person in Nevada during the quarter. To calculate
26 the number of hours worked in Nevada, the formula in paragraph (b)
27 of subsection 3 must be used for full-time employees, and the
28 formula in subsection 4 must be used for part-time employees.

29 7. Except as otherwise provided in subsection 8, if a business
30 employs in a calendar quarter a person whose monthly income for
31 that calendar quarter is 150 percent or less of the federally
32 designated level signifying poverty, the business may exclude the
33 total number of hours which the employee worked during that
34 calendar quarter in calculating the total number of hours worked by
35 employees of the business during the quarter if the business
36 provided to the employee for the whole calendar quarter:

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

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

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



1 9. As used in this section, the term “on-site child care facility”
2 has the meaning ascribed to it in NRS 432A.0275.

3 **Sec. 80.** NRS 369.174 is hereby amended to read as follows:
4 369.174 Each month, the State Controller shall transfer to the
5 Tax on Liquor Program Account in the State General Fund, from the
6 tax on liquor containing more than 22 percent of alcohol by volume,
7 the portion of the tax which exceeds ~~[\$1.90]~~ \$3.72 per wine gallon.

8 **Sec. 81.** NRS 369.330 is hereby amended to read as follows:
9 369.330 Except as otherwise provided in this chapter, an excise
10 tax is hereby levied and must be collected respecting all liquor and
11 upon the privilege of importing, possessing, storing or selling liquor,
12 according to the following rates and classifications:

13 1. On liquor containing more than 22 percent of alcohol by
14 volume, ~~[\$2.05]~~ \$3.87 per wine gallon or proportionate part thereof.

15 2. On liquor containing more than 14 percent up to and
16 including 22 percent of alcohol by volume, ~~[75-cents]~~ \$1.42 per
17 wine gallon or proportionate part thereof.

18 3. On liquor containing from one-half of 1 percent up to and
19 including 14 percent of alcohol by volume, ~~[40]~~ 76 cents per wine
20 gallon or proportionate part thereof.

21 4. On all malt beverage liquor brewed or fermented and bottled
22 in or outside this state, ~~[9]~~ 17 cents per gallon.

23 **Sec. 82.** NRS 370.165 is hereby amended to read as follows:

24 370.165 There is hereby levied a tax upon the purchase or
25 possession of cigarettes by a consumer in the State of Nevada at the
26 rate of ~~[\$7.5]~~ 52.5 mills per cigarette. The tax may be represented
27 and precollected by the affixing of a revenue stamp or other
28 approved evidence of payment to each package, packet or container
29 in which cigarettes are sold. The tax must be precollected by the
30 wholesale or retail dealer, and must be recovered from the consumer
31 by adding the amount of the tax to the selling price. Each person
32 who sells cigarettes at retail shall prominently display on his
33 premises a notice that the tax is included in the selling price and is
34 payable under the provisions of this chapter.

35 **Sec. 83.** NRS 370.260 is hereby amended to read as follows:

36 370.260 1. All taxes and license fees imposed by the
37 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
38 granted as provided by law, must be paid to the Department in the
39 form of remittances payable to the Department.

40 2. The Department shall:

41 (a) As compensation to the state for the costs of collecting the
42 taxes and license fees, transmit each month the sum the Legislature
43 specifies from the remittances made to it pursuant to subsection 1
44 during the preceding month to the State Treasurer for deposit to the



1 credit of the Department. The deposited money must be expended
2 by the Department in accordance with its work program.

3 (b) From the remittances made to it pursuant to subsection 1
4 during the preceding month, less the amount transmitted pursuant to
5 paragraph (a), transmit each month the portion of the tax which is
6 equivalent to ~~12.5~~ 47.5 mills per cigarette to the State Treasurer
7 for deposit to the credit of the Account for the Tax on Cigarettes in
8 the State General Fund.

9 (c) Transmit the balance of the payments each month to the
10 State Treasurer for deposit in the Local Government Tax
11 Distribution Account created by NRS 360.660.

12 (d) Report to the State Controller monthly the amount of
13 collections.

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

19 **Sec. 84.** NRS 370.350 is hereby amended to read as follows:

20 370.350 1. Except as otherwise provided in subsection 3, a
21 tax is hereby levied and imposed upon the use of cigarettes in this
22 state.

23 2. The amount of the use tax is ~~17.5~~ 52.5 mills per cigarette.

24 3. The use tax does not apply where:

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

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

28 **Sec. 85.** NRS 372.130 is hereby amended to read as follows:

29 372.130 At the time of making an application, the applicant
30 must pay to the Department a permit fee of ~~1~~ \$5 for each permit.

31 **Sec. 86.** NRS 372.140 is hereby amended to read as follows:

32 372.140 A seller whose permit has been previously suspended
33 or revoked must pay the Department a fee of ~~1~~ \$5 for the renewal
34 or issuance of a permit.

35 **Sec. 87.** NRS 372.370 is hereby amended to read as follows:

36 372.370 ~~The taxpayer shall~~ *A taxpayer may, to reimburse*
37 *himself for the cost of collecting the tax,* deduct and withhold from
38 the ~~taxes~~ *amount of the tax* otherwise due from him :

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

43 *2. Except as otherwise provided in subsection 1, if full*
44 *payment is received by the Department on or before the last day of*



1 *the month immediately following the reporting period for which*
2 *the payment is made, 0.75 percent of the amount otherwise due.*

3 **Sec. 88.** NRS 374.135 is hereby amended to read as follows:
4 374.135 At the time of making an application, the applicant
5 shall pay to the Department a permit fee of ~~[\$1]~~ \$5 for each permit.

6 **Sec. 89.** NRS 374.145 is hereby amended to read as follows:
7 374.145 A seller whose permit has been previously suspended
8 or revoked shall pay the Department a fee of ~~[\$1]~~ \$5 for the renewal
9 or issuance of a permit.

10 **Sec. 90.** NRS 374.2911 is hereby amended to read as follows:
11 374.2911 1. A taxpayer may collect an admission fee for the
12 exhibition of fine art otherwise exempt from taxation on its sale,
13 storage, use or other consumption pursuant to NRS 374.291 if the
14 taxpayer offers to residents of the State of Nevada a discount of 50
15 percent from any admission fee charged to nonresidents. The
16 discounted admission fee for residents must be offered at any time
17 the exhibition is open to the public and admission fees are being
18 charged.

19 2. If a taxpayer collects a fee for the exhibition of fine art
20 otherwise exempt from taxation on its sale, storage, use or other
21 consumption pursuant to NRS 374.291 and the fee is collected
22 during the first full fiscal year after the purchase of the fine art, the
23 exemption pertaining to that fine art must be reduced by the net
24 revenue derived by the taxpayer for that first full fiscal year. The
25 exemption pertaining to fine art must not be reduced below zero,
26 regardless of the amount of the net revenue derived by the taxpayer
27 for that first full fiscal year.

28 3. Any tax due pursuant to this section must be paid with the
29 first sales and use tax return otherwise required to be filed by the
30 taxpayer following the 15th day of the fourth month after the end of
31 the first full fiscal year following the purchase of the fine art or, if
32 no sales and use tax return is otherwise required to be filed by the
33 taxpayer, with a sales and use tax return filed specifically for this
34 purpose on or before the last day of the fourth month after the end of
35 the first full fiscal year following the purchase of the fine art.

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

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



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

3 5. For the purposes of this section:

4 (a) "Direct costs of owning and exhibiting the fine art" does not
5 include any allocation of the general and administrative expense of a
6 business or organization that conducts activities in addition to the
7 operation of the facility in which the fine art is displayed, including,
8 without limitation, an allocation of the salary and benefits of a
9 senior executive who is responsible for the oversight of the facility
10 in which the fine art is displayed and who has substantial
11 responsibilities related to the other activities of the business or
12 organization.

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

16 (1) *Any taxes on those fees imposed pursuant to section 44*
17 *of this act;*

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

19 ~~(2)~~ (3) The cost of educational programs associated with
20 the taxpayer's public display of fine art, including the cost of
21 meeting the requirements of subsubparagraph (IV) of subparagraph
22 (1) of paragraph (a) of subsection 4 of NRS 374.291.

23 **Sec. 91.** NRS 374.375 is hereby amended to read as follows:

24 374.375 ~~[The taxpayer shall]~~ *A taxpayer may, to reimburse*
25 *himself for the cost of collecting the tax,* deduct and withhold from
26 the ~~[taxes]~~ *amount of the tax* otherwise due from him :

27 1. *If full payment is received by the Department within 7 days*
28 *after the end of the reporting period for which the payment is*
29 *made, 1.25 percent* ~~[thereof to reimburse himself for the cost of~~
30 ~~collecting the tax.]~~ *of the amount otherwise due; and*

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

35 **Sec. 92.** NRS 14.030 is hereby amended to read as follows:

36 14.030 1. If any artificial person described in NRS 14.020
37 fails to appoint a resident agent, or fails to file a certificate of
38 acceptance of appointment for 30 days after a vacancy occurs in the
39 agency, on the production of a certificate of the Secretary of State
40 showing either fact, which is conclusive evidence of the fact so
41 certified to be made a part of the return of service, the artificial
42 person may be served with any and all legal process, or a demand or
43 notice described in NRS 14.020, by delivering a copy to the
44 Secretary of State, or, in his absence, to any deputy secretary of



1 state, and such service is valid to all intents and purposes. The copy
2 must:

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

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

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

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

13 3. Before such service is authorized, the plaintiff shall make or
14 cause to be made and filed an affidavit setting forth the facts,
15 showing that due diligence has been used to ascertain the
16 whereabouts of the officers of the artificial person to be served, and
17 the facts showing that direct or personal service on, or notice to, the
18 artificial person cannot be had.

19 4. If it appears from the affidavit that there is a last known
20 address of the artificial person or any known officers thereof, the
21 plaintiff shall, in addition to and after such service on the Secretary
22 of State, mail or cause to be mailed to the artificial person or to the
23 known officer, at such address, by registered or certified mail, a
24 copy of the summons and a copy of the complaint, and in all such
25 cases the defendant has 40 days after the date of the mailing within
26 which to appear in the action.

27 5. This section provides an additional manner of serving
28 process ~~[.]~~ and does not affect the validity of any other valid service.

29 **Sec. 93.** NRS 78.0295 is hereby amended to read as follows:

30 78.0295 1. A corporation may correct a document filed by
31 the Secretary of State with respect to the corporation if the
32 document contains an inaccurate record of a corporate action
33 described in the document or was defectively executed, attested,
34 sealed, verified or acknowledged.

35 2. To correct a document, the corporation shall:

- 36 (a) Prepare a certificate of correction which:
37 (1) States the name of the corporation;
38 (2) Describes the document, including, without limitation, its
39 filing date;
40 (3) Specifies the inaccuracy or defect;
41 (4) Sets forth the inaccurate or defective portion of the
42 document in an accurate or corrected form; and
43 (5) Is signed by an officer of the corporation.
44 (b) Deliver the certificate to the Secretary of State for filing.
45 (c) Pay a filing fee of ~~[\$150]~~ \$225 to the Secretary of State.



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

5 **Sec. 94.** NRS 78.150 is hereby amended to read as follows:

6 78.150 1. A corporation organized pursuant to the laws of
7 this state shall, on or before the first day of the second month after
8 the filing of its articles of incorporation with the Secretary of State,
9 file with the Secretary of State a list, on a form furnished by him,
10 containing:

- 11 (a) The name of the corporation;
- 12 (b) The file number of the corporation, if known;
- 13 (c) The names and titles of the president, secretary, treasurer and
14 of all the directors of the corporation;
- 15 (d) The mailing or street address, either residence or business, of
16 each officer and director listed, following the name of the officer or
17 director;
- 18 (e) The name and street address of the resident agent of the
19 corporation; and
- 20 (f) The signature of an officer of the corporation certifying that
21 the list is true, complete and accurate.

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

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

30 4. Upon filing the list required by:

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

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

35 5. The Secretary of State shall, 60 days before the last day for
36 filing each annual list required by subsection 2, cause to be mailed
37 to each corporation which is required to comply with the provisions
38 of NRS 78.150 to 78.185, inclusive, and which has not become
39 delinquent, a notice of the fee due pursuant to subsection 4 and a
40 reminder to file the annual list required by subsection 2. Failure of
41 any corporation to receive a notice or form does not excuse it from
42 the penalty imposed by law.

43 6. If the list to be filed pursuant to the provisions of subsection
44 1 or 2 is defective in any respect or the fee required by subsection 4



1 or 8 is not paid, the Secretary of State may return the list for
2 correction or payment.

3 7. An annual list for a corporation not in default which 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 must
6 be accompanied by a fee of ~~[\$85]~~ **\$130** for filing. A payment
7 submitted pursuant to this subsection does not satisfy the
8 requirements of subsection 2 for the year to which the due date is
9 applicable.

10 8. If the corporation is an association as defined in NRS
11 116.110315, the Secretary of State shall not accept the filing
12 required by this section unless it is accompanied by evidence of the
13 payment of the fee required to be paid pursuant to NRS 116.31155
14 that is provided to the association pursuant to subsection 4 of that
15 section.

16 **Sec. 95.** NRS 78.170 is hereby amended to read as follows:

17 78.170 1. Each corporation required to make a filing and pay
18 the fee prescribed in NRS 78.150 to 78.185, inclusive, which refuses
19 or neglects to do so within the time provided shall be deemed in
20 default.

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

24 **Sec. 96.** NRS 78.180 is hereby amended to read as follows:

25 78.180 1. Except as otherwise provided in subsections 3 and
26 4, the Secretary of State shall reinstate a corporation which has
27 forfeited its right to transact business pursuant to the provisions of
28 this chapter and restore to the corporation its right to carry on
29 business in this state, and to exercise its corporate privileges and
30 immunities, if it:

31 (a) Files with the Secretary of State the list required by NRS
32 78.150; and

33 (b) Pays to the Secretary of State:

34 (1) The filing fee and penalty set forth in NRS 78.150 and
35 78.170 for each year or portion thereof during which it failed to file
36 each required annual list in a timely manner; and

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

38 2. When the Secretary of State reinstates the corporation, he
39 shall:

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

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



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

5 4. If a corporate charter has been revoked pursuant to the
6 provisions of this chapter and has remained revoked for a period of
7 5 consecutive years, the charter must not be reinstated.

8 **Sec. 97.** NRS 78.390 is hereby amended to read as follows:

9 78.390 1. Every amendment adopted pursuant to the
10 provisions of NRS 78.385 must be made in the following manner:

11 (a) The board of directors must adopt a resolution setting forth
12 the amendment proposed and declaring its advisability, and either
13 call a special meeting of the stockholders entitled to vote on the
14 amendment or direct that the proposed amendment be considered at
15 the next annual meeting of the stockholders entitled to vote on the
16 amendment.

17 (b) At the meeting, of which notice must be given to each
18 stockholder entitled to vote pursuant to the provisions of this
19 section, a vote of the stockholders entitled to vote in person or by
20 proxy must be taken for and against the proposed amendment. If it
21 appears upon the canvassing of the votes that stockholders holding
22 shares in the corporation entitling them to exercise at least a
23 majority of the voting power, or such greater proportion of the
24 voting power as may be required in the case of a vote by classes or
25 series, as provided in subsections 2 and 4, or as may be required by
26 the provisions of the articles of incorporation, have voted in favor of
27 the amendment, an officer of the corporation shall sign a certificate
28 setting forth the amendment, or setting forth the articles of
29 incorporation as amended, and the vote by which the amendment
30 was adopted.

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

33 2. If any proposed amendment would adversely alter or change
34 any preference or any relative or other right given to any class or
35 series of outstanding shares, then the amendment must be approved
36 by the vote, in addition to the affirmative vote otherwise required, of
37 the holders of shares representing a majority of the voting power of
38 each class or series adversely affected by the amendment regardless
39 of limitations or restrictions on the voting power thereof.

40 3. Provision may be made in the articles of incorporation
41 requiring, in the case of any specified amendments, a larger
42 proportion of the voting power of stockholders than that required by
43 this section.

44 4. Different series of the same class of shares do not constitute
45 different classes of shares for the purpose of voting by classes



1 except when the series is adversely affected by an amendment in a
2 different manner than other series of the same class.

3 5. The resolution of the stockholders approving the proposed
4 amendment may provide that at any time before the effective date of
5 the amendment, notwithstanding approval of the proposed
6 amendment by the stockholders, the board of directors may, by
7 resolution, abandon the proposed amendment without further action
8 by the stockholders.

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

13 7. If a certificate filed pursuant to subsection 1 specifies an
14 effective date and if the resolution of the stockholders approving the
15 proposed amendment provides that the board of directors may
16 abandon the proposed amendment pursuant to subsection 5, the
17 board of directors may terminate the effectiveness of the certificate
18 by resolution and by filing a certificate of termination with the
19 Secretary of State that:

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

22 (b) Identifies the certificate being terminated;

23 (c) States that, pursuant to the resolution of the stockholders, the
24 board of directors is authorized to terminate the effectiveness of the
25 certificate;

26 (d) States that the effectiveness of the certificate has been
27 terminated;

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

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

30 **Sec. 98.** NRS 78.760 is hereby amended to read as follows:

31 78.760 1. The fee for filing articles of incorporation is
32 prescribed in the following schedule:

33	
34	If the amount represented by the total number of
35	shares provided for in the articles is:
36	\$75,000 or less [\$175] \$265
37	Over \$75,000 and not over \$200,000..... [225] 340
38	Over \$200,000 and not over \$500,000..... [325] 490
39	Over \$500,000 and not over \$1,000,000..... [425] 640
40	Over \$1,000,000:
41	For the first \$1,000,000..... [425] 640
42	For each additional \$500,000 or fraction
43	thereof [225] 340



- 1 2. The maximum fee which may be charged pursuant to this
2 section is ~~[\$25,000]~~ \$37,500 for:
- 3 (a) The original filing of articles of incorporation.
4 (b) A subsequent filing of any instrument which authorizes an
5 increase in stock.
- 6 3. For the purposes of computing the filing fees according to
7 the schedule in subsection 1, the amount represented by the total
8 number of shares provided for in the articles of incorporation is:
- 9 (a) The aggregate par value of the shares, if only shares with a
10 par value are therein provided for;
11 (b) The product of the number of shares multiplied by \$1,
12 regardless of any lesser amount prescribed as the value or
13 consideration for which shares may be issued and disposed of, if
14 only shares without par value are therein provided for; or
15 (c) The aggregate par value of the shares with a par value plus
16 the product of the number of shares without par value multiplied by
17 \$1, regardless of any lesser amount prescribed as the value or
18 consideration for which the shares without par value may be issued
19 and disposed of, if shares with and without par value are therein
20 provided for.
21 For the purposes of this subsection, shares with no prescribed par
22 value shall be deemed shares without par value.
- 23 4. The Secretary of State shall calculate filing fees pursuant to
24 this section with respect to shares with a par value of less than one-
25 tenth of a cent as if the par value were one-tenth of a cent.
- 26 **Sec. 99.** NRS 78.765 is hereby amended to read as follows:
27 78.765 1. The fee for filing a certificate changing the number
28 of authorized shares pursuant to NRS 78.209 or a certificate of
29 amendment to articles of incorporation that increases the
30 corporation's authorized stock or a certificate of correction that
31 increases the corporation's authorized stock is the difference
32 between the fee computed at the rates specified in NRS 78.760 upon
33 the total authorized stock of the corporation, including the proposed
34 increase, and the fee computed at the rates specified in NRS 78.760
35 upon the total authorized capital, excluding the proposed increase.
36 In no case may the amount be less than ~~[\$150.]~~ \$225.
- 37 2. The fee for filing a certificate of amendment to articles of
38 incorporation that does not increase the corporation's authorized
39 stock or a certificate of correction that does not increase the
40 corporation's authorized stock is ~~[\$150.]~~ \$225.
- 41 3. The fee for filing a certificate or an amended certificate
42 pursuant to NRS 78.1955 is ~~[\$150.]~~ \$225.
- 43 4. The fee for filing a certificate of termination pursuant to
44 NRS 78.1955, 78.209 or 78.380 is ~~[\$150.]~~ \$225.



1 **Sec. 100.** NRS 78.767 is hereby amended to read as follows:
2 78.767 1. The fee for filing a certificate of restated articles of
3 incorporation that does not increase the corporation's authorized
4 stock is ~~[\$150.]~~ **\$225.**

5 2. The fee for filing a certificate of restated articles of
6 incorporation that increases the corporation's authorized stock is the
7 difference between the fee computed pursuant to NRS 78.760 based
8 upon the total authorized stock of the corporation, including the
9 proposed increase, and the fee computed pursuant to NRS 78.760
10 based upon the total authorized stock of the corporation, excluding
11 the proposed increase. In no case may the amount be less than
12 ~~[\$150.]~~ **\$225.**

13 **Sec. 101.** NRS 78.780 is hereby amended to read as follows:
14 78.780 1. The fee for filing a certificate of extension of
15 corporate existence of any corporation is an amount equal to one-
16 fourth of the fee computed at the rates specified in NRS 78.760 for
17 filing articles of incorporation.

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

21 **Sec. 102.** NRS 78.785 is hereby amended to read as follows:
22 78.785 1. The fee for filing a certificate of change of location
23 of a corporation's registered office and resident agent, or a new
24 designation of resident agent, is ~~[\$30.]~~ **\$45.**

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

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

30 4. The fee for certifying an authorized printed copy of the
31 general corporation law as compiled by the Secretary of State is
32 ~~[\$20.]~~ **\$30.**

33 5. The fee for reserving a corporate name is ~~[\$20.]~~ **\$30.**

34 6. The fee for executing a certificate of corporate existence
35 which does not list the previous documents relating to the
36 corporation, or a certificate of change in a corporate name, is
37 ~~[\$40.]~~ **\$60.**

38 7. The fee for executing a certificate of corporate existence
39 which lists the previous documents relating to the corporation is
40 ~~[\$40.]~~ **\$60.**

41 8. The fee for executing, certifying or filing any certificate or
42 document not provided for in NRS 78.760 to 78.785, inclusive, is
43 ~~[\$40.]~~ **\$60.**

44 9. The fee for copies made at the Office of the Secretary of
45 State is ~~[\$1.]~~ **\$1.50** per page.



1 10. The fees for filing articles of incorporation, articles of
2 merger, or certificates of amendment increasing the basic surplus of
3 a mutual or reciprocal insurer must be computed pursuant to NRS
4 78.760, 78.765 and 92A.210, on the basis of the amount of basic
5 surplus of the insurer.

6 11. The fee for examining and provisionally approving any
7 document at any time before the document is presented for filing is
8 ~~[\$100.]~~ **\$150.**

9 **Sec. 103.** NRS 78.795 is hereby amended to read as follows:

10 78.795 1. Any natural person or corporation residing or
11 located in this state may, on or after January 1 of any year but before
12 January 31 of that year, register his willingness to serve as the
13 resident agent of a domestic or foreign corporation, limited-liability
14 company or limited partnership with the Secretary of State. The
15 registration must be accompanied by a fee of ~~[\$250]~~ **\$375** per office
16 location of the resident agent.

17 2. The Secretary of State shall maintain a list of those persons
18 who are registered pursuant to subsection 1 and make the list
19 available to persons seeking to do business in this state.

20 **Sec. 104.** NRS 80.050 is hereby amended to read as follows:

21 80.050 1. Except as otherwise provided in subsection 3,
22 foreign corporations shall pay the same fees to the Secretary of State
23 as are required to be paid by corporations organized pursuant to the
24 laws of this state, but the amount of fees to be charged must not
25 exceed:

26 (a) The sum of ~~[\$25,000]~~ **\$37,500** for filing documents for
27 initial qualification; or

28 (b) The sum of ~~[\$25,000]~~ **\$37,500** for each subsequent filing of
29 a certificate increasing authorized capital stock.

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

35 3. Foreign corporations which are nonprofit corporations and
36 do not have or issue shares of stock shall pay the same fees to the
37 Secretary of State as are required to be paid by nonprofit
38 corporations organized pursuant to the laws of this state.

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

41 **Sec. 105.** NRS 80.110 is hereby amended to read as follows:

42 80.110 1. Each foreign corporation doing business in this
43 state shall, on or before the first day of the second month after the
44 filing of its certificate of corporate existence with the Secretary of
45 State, and annually thereafter on or before the last day of the month



1 in which the anniversary date of its qualification to do business in
2 this state occurs in each year, file with the Secretary of State a list,
3 on a form furnished by him, that contains:

- 4 (a) The names of its president, secretary and treasurer or their
5 equivalent, and all of its directors;
- 6 (b) A designation of its resident agent in this state; and
- 7 (c) The signature of an officer of the corporation.

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

11 2. Upon filing:

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

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

16 3. The Secretary of State shall, 60 days before the last day for
17 filing each annual list required by subsection 1, cause to be mailed
18 to each corporation required to comply with the provisions of NRS
19 80.110 to 80.170, inclusive, which has not become delinquent, the
20 blank forms to be completed and filed with him. Failure of any
21 corporation to receive the forms does not excuse it from the penalty
22 imposed by the provisions of NRS 80.110 to 80.170, inclusive.

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

28 **Sec. 106.** NRS 80.150 is hereby amended to read as follows:

29 80.150 1. Any corporation required to make a filing and pay
30 the fee prescribed in NRS 80.110 to 80.170, inclusive, which refuses
31 or neglects to do so within the time provided ~~[]~~ is in default.

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

39 **Sec. 107.** NRS 80.170 is hereby amended to read as follows:

40 80.170 1. Except as otherwise provided in subsections 3 and
41 4, the Secretary of State shall reinstate a corporation which has
42 forfeited or which forfeits its right to transact business under the
43 provisions of this chapter and restore to the corporation its right to
44 transact business in this state, and to exercise its corporate privileges
45 and immunities if it:



1 (a) Files with the Secretary of State a list as provided in NRS
2 80.110 and 80.140; and

3 (b) Pays to the Secretary of State:

4 (1) The filing fee and penalty set forth in NRS 80.110 and
5 80.150 for each year or portion thereof that its right to transact
6 business was forfeited; and

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

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

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

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

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

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

24 **Sec. 108.** NRS 82.193 is hereby amended to read as follows:

25 82.193 1. A corporation shall have a resident agent in the
26 manner provided in NRS 78.090, 78.095, 78.097 and 78.110. The
27 resident agent and the corporation shall comply with the provisions
28 of those sections.

29 2. A corporation is subject to the provisions of NRS 78.150 to
30 78.185, inclusive, except that:

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

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

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

34 **Sec. 109.** NRS 82.531 is hereby amended to read as follows:

35 82.531 1. The fee for filing articles of incorporation,
36 amendments to or restatements of articles of incorporation,
37 certificates pursuant to NRS 82.061 and 82.063 and documents for
38 dissolution is ~~[\$25]~~ \$40 for each document.

39 2. Except as otherwise provided in NRS 82.193 and subsection
40 1, the fees for filing documents are those set forth in NRS 78.765 to
41 78.785, inclusive.

42 **Sec. 110.** NRS 84.090 is hereby amended to read as follows:

43 84.090 1. The fee for filing articles of incorporation,
44 amendments to or restatements of articles of incorporation,



1 certificates of reinstatement and documents for dissolution is ~~[\$25]~~
2 **\$40** for each document.

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

5 **Sec. 111.** NRS 84.130 is hereby amended to read as follows:

6 84.130 1. Each corporation sole that is required to make the
7 filings and pay the fees prescribed in this chapter but refuses or
8 neglects to do so within the time provided is in default.

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

12 **Sec. 112.** NRS 84.150 is hereby amended to read as follows:

13 84.150 1. Except as otherwise provided in subsections 3 and
14 4, the Secretary of State shall reinstate any corporation sole which
15 has forfeited its right to transact business under the provisions of
16 this chapter and restore the right to carry on business in this state
17 and exercise its corporate privileges and immunities, if it:

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

20 (b) Pays to the Secretary of State:

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

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

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

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

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

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

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

39 **Sec. 113.** NRS 86.226 is hereby amended to read as follows:

40 86.226 1. A signed certificate of amendment, or a certified
41 copy of a judicial decree of amendment, must be filed with the
42 Secretary of State. A person who executes a certificate as an agent,
43 officer or fiduciary of the limited-liability company need not exhibit
44 evidence of his authority as a prerequisite to filing. Unless the



1 Secretary of State finds that a certificate does not conform to law,
2 upon his receipt of all required filing fees he shall file the certificate.

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

7 3. If a certificate specifies an effective date and if the
8 resolution of the members approving the proposed amendment
9 provides that one or more managers or, if management is not vested
10 in a manager, one or more members may abandon the proposed
11 amendment, then those managers or members may terminate the
12 effectiveness of the certificate by filing a certificate of termination
13 with the Secretary of State that:

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

16 (b) Identifies the certificate being terminated;

17 (c) States that, pursuant to the resolution of the members, the
18 manager of the company or, if management is not vested in a
19 manager, a designated member is authorized to terminate the
20 effectiveness of the certificate;

21 (d) States that the effectiveness of the certificate has been
22 terminated;

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

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

26 **Sec. 114.** NRS 86.263 is hereby amended to read as follows:

27 86.263 1. A limited-liability company shall, on or before the
28 first day of the second month after the filing of its articles of
29 organization with the Secretary of State, file with the Secretary of
30 State, on a form furnished by him, a list that contains:

31 (a) The name of the limited-liability company;

32 (b) The file number of the limited-liability company, if known;

33 (c) The names and titles of all of its managers or, if there is no
34 manager, all of its managing members;

35 (d) The mailing or street address, either residence or business, of
36 each manager or managing member listed, following the name of
37 the manager or managing member;

38 (e) The name and street address of the resident agent of the
39 limited-liability company; and

40 (f) The signature of a manager or managing member of the
41 limited-liability company certifying that the list is true, complete
42 and accurate.

43 2. The limited-liability company shall annually thereafter, on
44 or before the last day of the month in which the anniversary date of
45 its organization occurs, file with the Secretary of State, on a form



1 furnished by him, an amended list containing all of the information
2 required in subsection 1. If the limited-liability company has had no
3 changes in its managers or, if there is no manager, its managing
4 members, since its previous list was filed, no amended list need be
5 filed if a manager or managing member of the limited-liability
6 company certifies to the Secretary of State as a true and accurate
7 statement that no changes in the managers or managing members
8 have occurred.

9 3. Each list required by subsection 1 and each list or
10 certification required by subsection 2 must be accompanied by a
11 declaration under penalty of perjury that the limited-liability
12 company has complied with the provisions of chapter 364A of NRS.

13 4. Upon filing:

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

16 (b) Each annual list required by subsection 2 or certifying that
17 no changes have occurred, the limited-liability company shall pay to
18 the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

19 5. The Secretary of State shall, 60 days before the last day for
20 filing each list required by subsection 2, cause to be mailed to each
21 limited-liability company required to comply with the provisions of
22 this section, which has not become delinquent, a notice of the fee
23 due under subsection 4 and a reminder to file a list required by
24 subsection 2 or a certification of no change. Failure of any company
25 to receive a notice or form does not excuse it from the penalty
26 imposed by law.

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

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

33 **Sec. 115.** NRS 86.272 is hereby amended to read as follows:

34 86.272 1. Each limited-liability company required to make a
35 filing and pay the fee prescribed in NRS 86.263 which refuses or
36 neglects to do so within the time provided is in default.

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

40 **Sec. 116.** NRS 86.276 is hereby amended to read as follows:

41 86.276 1. Except as otherwise provided in subsections 3 and
42 4, the Secretary of State shall reinstate any limited-liability company
43 which has forfeited its right to transact business pursuant to the
44 provisions of this chapter and restore to the company its right to



1 carry on business in this state, and to exercise its privileges and
2 immunities, if it:

3 (a) Files with the Secretary of State the list required by NRS
4 86.263; and

5 (b) Pays to the Secretary of State:

6 (1) The filing fee and penalty set forth in NRS 86.263 and
7 86.272 for each year or portion thereof during which it failed *to file*
8 in a timely manner each required annual list; and

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

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

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

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

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

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

24 **Sec. 117.** NRS 86.561 is hereby amended to read as follows:

25 86.561 1. The Secretary of State shall charge and collect for:

26 (a) Filing the original articles of organization, or for registration
27 of a foreign company, ~~[\$175;]~~ \$265;

28 (b) Amending or restating the articles of organization, amending
29 the registration of a foreign company or filing a certificate of
30 correction, ~~[\$150;]~~ \$225;

31 (c) Filing the articles of dissolution of a domestic or foreign
32 company, ~~[\$60;]~~ \$90;

33 (d) Filing a statement of change of address of a records or
34 registered office, or change of the resident agent, ~~[\$30;]~~ \$45;

35 (e) Certifying articles of organization or an amendment to the
36 articles, in both cases where a copy is provided, ~~[\$20;]~~ \$30;

37 (f) Certifying an authorized printed copy of this chapter,
38 ~~[\$20;]~~ \$30;

39 (g) Reserving a name for a limited-liability company,
40 ~~[\$20;]~~ \$30;

41 (h) Filing a certificate of cancellation, ~~[\$60;]~~ \$90;

42 (i) Executing, filing or certifying any other document, ~~[\$40;]~~
43 \$60; and

44 (j) Copies made at the Office of the Secretary of State, ~~[\$1]~~
45 \$1.50 per page.



1 2. The Secretary of State shall charge and collect at the time of
2 any service of process on him as agent for service of process of a
3 limited-liability company, ~~[\$10]~~ \$15 which may be recovered as
4 taxable costs by the party to the action causing the service to be
5 made if the party prevails in the action.

6 3. Except as otherwise provided in this section, the fees set
7 forth in NRS 78.785 apply to this chapter.

8 **Sec. 118.** NRS 86.568 is hereby amended to read as follows:

9 86.568 1. A limited-liability company may correct a
10 document filed by the Secretary of State with respect to the limited-
11 liability company if the document contains an inaccurate record of a
12 company action described in the document or was defectively
13 executed, attested, sealed, verified or acknowledged.

14 2. To correct a document, the limited-liability company must:

15 (a) Prepare a certificate of correction that:

16 (1) States the name of the limited-liability company;

17 (2) Describes the document, including, without limitation, its
18 filing date;

19 (3) Specifies the inaccuracy or defect;

20 (4) Sets forth the inaccurate or defective portion of the
21 document in an accurate or corrected form; and

22 (5) Is signed by a manager of the company, or if
23 management is not vested in a manager, by a member of the
24 company.

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

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

27 3. A certificate of correction is effective on the effective date
28 of the document it corrects except as to persons relying on the
29 uncorrected document and adversely affected by the correction. As
30 to those persons, the certificate is effective when filed.

31 **Sec. 119.** NRS 87.440 is hereby amended to read as follows:

32 87.440 1. To become a registered limited-liability
33 partnership, a partnership shall file with the Secretary of State a
34 certificate of registration stating each of the following:

35 (a) The name of the partnership.

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

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

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

43 (e) A brief statement of the professional service rendered by the
44 partnership.



1 (f) That the partnership thereafter will be a registered limited-
2 liability partnership.

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

4 2. The certificate of registration must be executed by a majority
5 in interest of the partners or by one or more partners authorized to
6 execute such a certificate.

7 3. The certificate of registration must be accompanied by a fee
8 of ~~[\$175.]~~ \$265.

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

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

14 **Sec. 120.** NRS 87.460 is hereby amended to read as follows:

15 87.460 1. A certificate of registration of a registered limited-
16 liability partnership may be amended by filing with the Secretary of
17 State a certificate of amendment. The certificate of amendment must
18 set forth:

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

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

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

25 2. The certificate of amendment must be:

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

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

29 **Sec. 121.** NRS 87.470 is hereby amended to read as follows:

30 87.470 The registration of a registered limited-liability
31 partnership is effective until:

32 1. Its certificate of registration is revoked pursuant to NRS
33 87.520; or

34 2. The registered limited-liability partnership files with the
35 Secretary of State a written notice of withdrawal executed by a
36 managing partner. The notice must be accompanied by a fee of
37 ~~[\$60.]~~ \$90.

38 **Sec. 122.** NRS 87.490 is hereby amended to read as follows:

39 87.490 1. If a registered limited-liability partnership wishes
40 to change the location of its principal office in this state or its
41 resident agent, it shall first file with the Secretary of State a
42 certificate of change that sets forth:

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

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



- 1 (c) If the location of its principal office will be changed, the
- 2 street address of its new principal office;
- 3 (d) The name of its resident agent; and
- 4 (e) If its resident agent will be changed, the name of its new
- 5 resident agent.

6 The certificate of acceptance of its new resident agent must
7 accompany the certificate of change.

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

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

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

12 **Sec. 123.** NRS 87.510 is hereby amended to read as follows:

13 87.510 1. A registered limited-liability partnership shall, on
14 or before the first day of the second month after the filing of its
15 certificate of registration with the Secretary of State, and annually
16 thereafter on or before the last day of the month in which the
17 anniversary date of the filing of its certificate of registration with the
18 Secretary of State occurs, file with the Secretary of State, on a form
19 furnished by him, a list that contains:

- 20 (a) The name of the registered limited-liability partnership;
- 21 (b) The file number of the registered limited-liability
- 22 partnership, if known;
- 23 (c) The names of all of its managing partners;
- 24 (d) The mailing or street address, either residence or business, of
- 25 each managing partner;
- 26 (e) The name and street address of the resident agent of the
- 27 registered limited-liability partnership; and
- 28 (f) The signature of a managing partner of the registered limited-
- 29 liability partnership certifying that the list is true, complete and
- 30 accurate.

31 Each list filed pursuant to this subsection must be accompanied by a
32 declaration under penalty of perjury that the registered limited-- 33 liability partnership has complied with the provisions of chapter
34 364A of NRS.

35 2. Upon filing:

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

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

42 3. The Secretary of State shall, at least 60 days before the last
43 day for filing each annual list required by subsection 1, cause to be
44 mailed to the registered limited-liability partnership a notice of the
45 fee due pursuant to subsection 2 and a reminder to file the annual



1 list required by subsection 1. The failure of any registered limited-
2 liability partnership to receive a notice or form does not excuse it
3 from complying with the provisions of this section.

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

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

12 **Sec. 124.** NRS 87.520 is hereby amended to read as follows:

13 87.520 1. A registered limited-liability partnership that fails
14 to comply with the provisions of NRS 87.510 is in default.

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

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

24 4. If a registered limited-liability partnership fails to pay the
25 amount that is due, the certificate of registration of the registered
26 limited-liability partnership shall be deemed revoked on the first day
27 of the ninth month after the month in which the fee required to be
28 paid pursuant to NRS 87.510 was due. The Secretary of State shall
29 notify a registered limited-liability partnership, by certified mail,
30 addressed to its resident agent or, if the registered limited-liability
31 partnership does not have a resident agent, to a managing partner,
32 that its certificate of registration is revoked and the amount of any
33 fees and penalties that are due.

34 **Sec. 125.** NRS 87.530 is hereby amended to read as follows:

35 87.530 1. Except as otherwise provided in subsection 3, the
36 Secretary of State shall reinstate the certificate of registration of a
37 registered limited-liability partnership that is revoked pursuant to
38 NRS 87.520 if the registered limited-liability partnership:

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

41 (b) Pays to the Secretary of State:

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

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

44 and

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



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

3 (a) Deliver to the registered limited-liability partnership a
4 certificate of reinstatement authorizing it to transact business
5 retroactively from the date the fee required by NRS 87.510 was due;
6 and

7 (b) Upon request, issue to the registered limited-liability
8 partnership one or more certified copies of the certificate of
9 reinstatement.

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

14 **Sec. 126.** NRS 87.547 is hereby amended to read as follows:

15 87.547 1. A limited-liability partnership may correct a
16 document filed by the Secretary of State with respect to the limited-
17 liability partnership if the document contains an inaccurate record of
18 a partnership action described in the document or was defectively
19 executed, attested, sealed, verified or acknowledged.

20 2. To correct a document, the limited-liability partnership
21 must:

22 (a) Prepare a certificate of correction that:

23 (1) States the name of the limited-liability partnership;
24 (2) Describes the document, including, without limitation, its
25 filing date;

26 (3) Specifies the inaccuracy or defect;

27 (4) Sets forth the inaccurate or defective portion of the
28 document in an accurate or corrected form; and

29 (5) Is signed by a managing partner of the limited-liability
30 partnership.

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

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

33 3. A certificate of correction is effective on the effective date
34 of the document it corrects except as to persons relying on the
35 uncorrected document and adversely affected by the correction. As
36 to those persons, the certificate is effective when filed.

37 **Sec. 127.** NRS 87.550 is hereby amended to read as follows:

38 87.550 In addition to any other fees required by NRS 87.440 to
39 87.540, inclusive, and 87.560, the Secretary of State shall charge
40 and collect the following fees for services rendered pursuant to
41 those sections:

42 1. For certifying documents required by NRS 87.440 to 87.540,
43 inclusive, and 87.560, ~~[\$20]~~ \$30 per certification.

44 2. For executing a certificate verifying the existence of a
45 registered limited-liability partnership, if the registered limited-



1 liability partnership has not filed a certificate of amendment,
2 ~~[\$40.] \$60.~~

3 3. For executing a certificate verifying the existence of a
4 registered limited-liability partnership, if the registered limited-
5 liability partnership has filed a certificate of amendment, ~~[\$40.] \$60.~~

6 4. For executing, certifying or filing any certificate or
7 document not required by NRS 87.440 to 87.540, inclusive, and
8 87.560, ~~[\$40.] \$60.~~

9 5. For any copies made by the Office of the Secretary of State,
10 ~~[\$1] \$1.50~~ per page.

11 6. For examining and provisionally approving any document
12 before the document is presented for filing, ~~[\$100.] \$150.~~

13 **Sec. 128.** NRS 88.339 is hereby amended to read as follows:

14 88.339 1. A limited partnership may correct a document filed
15 by the Secretary of State with respect to the limited partnership if
16 the document contains an inaccurate record of a partnership action
17 described in the document or was defectively executed, attested,
18 sealed, verified or acknowledged.

19 2. To correct a document, the limited partnership must:

- 20 (a) Prepare a certificate of correction that:
 - 21 (1) States the name of the limited partnership;
 - 22 (2) Describes the document, including, without limitation, its
23 filing date;
 - 24 (3) Specifies the inaccuracy or defect;
 - 25 (4) Sets forth the inaccurate or defective portion of the
26 document in an accurate or corrected form; and
 - 27 (5) Is signed by a general partner of the limited partnership.

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

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

30 3. A certificate of correction is effective on the effective date
31 of the document it corrects except as to persons relying on the
32 uncorrected document and adversely affected by the correction. As
33 to those persons, the certificate is effective when filed.

34 **Sec. 129.** NRS 88.395 is hereby amended to read as follows:

35 88.395 1. A limited partnership shall, on or before the first
36 day of the second month after the filing of its certificate of limited
37 partnership with the Secretary of State, and annually thereafter on or
38 before the last day of the month in which the anniversary date of the
39 filing of its certificate of limited partnership occurs, file with the
40 Secretary of State, on a form furnished by him, a list that contains:

- 41 (a) The name of the limited partnership;
- 42 (b) The file number of the limited partnership, if known;
- 43 (c) The names of all of its general partners;
- 44 (d) The mailing or street address, either residence or business, of
45 each general partner;



1 (e) The name and street address of the resident agent of the
2 limited partnership; and

3 (f) The signature of a general partner of the limited partnership
4 certifying that the list is true, complete and accurate.

5 Each list filed pursuant to this subsection must be accompanied by a
6 declaration under penalty of perjury that the limited partnership has
7 complied with the provisions of chapter 364A of NRS.

8 2. Upon filing:

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

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

13 3. The Secretary of State shall, 60 days before the last day for
14 filing each annual list required by subsection 1, cause to be mailed
15 to each limited partnership required to comply with the provisions
16 of this section which has not become delinquent a notice of the fee
17 due pursuant to the provisions of subsection 2 and a reminder to file
18 the annual list. Failure of any limited partnership to receive a notice
19 or form does not excuse it from the penalty imposed by
20 NRS 88.400.

21 4. If the list to be filed pursuant to the provisions of subsection
22 1 is defective or the fee required by subsection 2 is not paid, the
23 Secretary of State may return the list for correction or payment.

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

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

32 **Sec. 130.** NRS 88.400 is hereby amended to read as follows:

33 88.400 1. If a limited partnership has filed the list in
34 compliance with NRS 88.395 and has paid the appropriate fee for
35 the filing, the canceled check received by the limited partnership
36 constitutes a certificate authorizing it to transact its business within
37 this state until the anniversary date of the filing of its certificate of
38 limited partnership in the next succeeding calendar year. If the
39 limited partnership desires a formal certificate upon its payment of
40 the annual fee, its payment must be accompanied by a self-
41 addressed, stamped envelope.

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

44 3. For default there must be added to the amount of the fee a
45 penalty of ~~[\$50.]~~ **\$75**, and unless the filings are made and the fee



1 and penalty are paid on or before the first day of the first
2 anniversary of the month following the month in which filing was
3 required, the defaulting limited partnership, by reason of its default,
4 forfeits its right to transact any business within this state.

5 **Sec. 131.** NRS 88.410 is hereby amended to read as follows:

6 88.410 1. Except as otherwise provided in subsections 3 and
7 4, the Secretary of State may:

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

10 (b) Restore to the limited partnership its right to carry on
11 business in this state, and to exercise its privileges and
12 immunities,

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

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

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

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

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

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

31 **Sec. 132.** NRS 88.415 is hereby amended to read as follows:

32 88.415 The Secretary of State, for services relating to his
33 official duties and the records of his office, shall charge and collect
34 the following fees:

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

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

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

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



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

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

5 7. For copies made at the Office of the Secretary of State, ~~[\$1]~~
6 **\$1.50** per page.

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

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

11 **Sec. 133.** NRS 88A.600 is hereby amended to read as follows:

12 88A.600 1. A business trust formed pursuant to this chapter
13 shall, on or before the first day of the second month after the filing
14 of its certificate of trust with the Secretary of State, and annually
15 thereafter on or before the last day of the month in which the
16 anniversary date of the filing of its certificate of trust with the
17 Secretary of State occurs, file with the Secretary of State, on a form
18 furnished by him, a list signed by at least one trustee that contains
19 the name and mailing address of its resident agent and at least one
20 trustee. Each list filed pursuant to this subsection must be
21 accompanied by a declaration under penalty of perjury that the
22 business trust has complied with the provisions of chapter 364A of
23 NRS.

24 2. Upon filing:

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

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

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

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

39 **Sec. 134.** NRS 88A.630 is hereby amended to read as follows:

40 88A.630 1. Each business trust required to file the list and
41 pay the fee prescribed in NRS 88A.600 to 88A.660, inclusive,
42 which refuses or neglects to do so within the time provided shall be
43 deemed in default.



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

4 **Sec. 135.** NRS 88A.650 is hereby amended to read as follows:
5 88A.650 1. Except as otherwise provided in subsection 3, the
6 Secretary of State shall reinstate a business trust which has forfeited
7 its right to transact business pursuant to the provisions of this
8 chapter and restore to the business trust its right to carry on business
9 in this state, and to exercise its privileges and immunities, if it:

10 (a) Files with the Secretary of State the list required by NRS
11 88A.600; and

12 (b) Pays to the Secretary of State:

13 (1) The filing fee and penalty set forth in NRS 88A.600 and
14 88A.630 for each year or portion thereof during which its certificate
15 of trust was revoked; and

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

17 2. When the Secretary of State reinstates the business trust, he
18 shall:

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

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

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

28 **Sec. 136.** NRS 88A.900 is hereby amended to read as follows:
29 88A.900 The Secretary of State shall charge and collect the
30 following fees for:

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

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

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

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

38 5. Certifying an authorized printed copy of this chapter,
39 ~~[\$20.]~~ \$30.

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

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

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



- 1 9. Filing a statement of change of address of the registered
2 office for each business trust, ~~[\$30.] \$45.~~
- 3 10. Filing a statement of change of the registered agent,
4 ~~[\$30.] \$45.~~
- 5 11. Executing, certifying or filing any certificate or document
6 not otherwise provided for in this section, ~~[\$40.] \$60.~~
- 7 12. Examining and provisionally approving a document before
8 the document is presented for filing, ~~[\$100.] \$150.~~
- 9 13. Copying a document on file with him, for each page, ~~[\$1.]~~
10 ~~\$1.50.~~

11 **Sec. 137.** NRS 88A.930 is hereby amended to read as follows:
12 88A.930 1. A business trust may correct a document filed by
13 the Secretary of State with respect to the business trust if the
14 document contains an inaccurate record of a trust action described in
15 the document or was defectively executed, attested, sealed, verified
16 or acknowledged.

- 17 2. To correct a document, the business trust must:
 - 18 (a) Prepare a certificate of correction that:
 - 19 (1) States the name of the business trust;
 - 20 (2) Describes the document, including, without limitation, its
21 filing date;
 - 22 (3) Specifies the inaccuracy or defect;
 - 23 (4) Sets forth the inaccurate or defective portion of the
24 document in an accurate or corrected form; and
 - 25 (5) Is signed by a trustee of the business trust.
 - 26 (b) Deliver the certificate to the Secretary of State for filing.
 - 27 (c) Pay a filing fee of ~~[\$150] \$225~~ to the Secretary of State.

28 3. A certificate of correction is effective on the effective date
29 of the document it corrects except as to persons relying on the
30 uncorrected document and adversely affected by the correction. As
31 to those persons, the certificate is effective when filed.

32 **Sec. 138.** NRS 89.210 is hereby amended to read as follows:
33 89.210 1. Within 30 days after the organization of a
34 professional association under this chapter, the association shall file
35 with the Secretary of State a copy of the articles of association, duly
36 executed, and shall pay at that time a filing fee of ~~[\$175.] \$265.~~ Any
37 such association formed as a common-law association before July 1,
38 1969, shall file, within 30 days after July 1, 1969, a certified copy of
39 its articles of association, with any amendments thereto, with the
40 Secretary of State, and shall pay at that time a filing fee of \$25. A
41 copy of any amendments to the articles of association adopted after
42 July 1, 1969, must also be filed with the Secretary of State within 30
43 days after the adoption of such amendments. Each copy of
44 amendments so filed must be certified as true and correct and be
45 accompanied by a filing fee of ~~[\$150.] \$225.~~



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

7 **Sec. 139.** NRS 89.250 is hereby amended to read as follows:

8 89.250 1. Except as otherwise provided in subsection 2, a
9 professional association shall, on or before the first day of the
10 second month after the filing of its articles of association with the
11 Secretary of State, and annually thereafter on or before the last day
12 of the month in which the anniversary date of its organization occurs
13 in each year, furnish a statement to the Secretary of State showing
14 the names and residence addresses of all members and employees in
15 the association and certifying that all members and employees are
16 licensed to render professional service in this state.

17 2. A professional association organized and practicing pursuant
18 to the provisions of this chapter and NRS 623.349 shall, on or
19 before the first day of the second month after the filing of its articles
20 of association with the Secretary of State, and annually thereafter on
21 or before the last day of the month in which the anniversary date of
22 its organization occurs in each year, furnish a statement to the
23 Secretary of State:

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

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

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

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

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

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

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

41 4. Upon filing:

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

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



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

5 **Sec. 140.** NRS 89.252 is hereby amended to read as follows:

6 89.252 1. Each professional association that is required to
7 make a filing and pay the fee prescribed in NRS 89.250 but refuses
8 to do so within the time provided is in default.

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

12 **Sec. 141.** NRS 89.256 is hereby amended to read as follows:

13 89.256 1. Except as otherwise provided in subsections 3 and
14 4, the Secretary of State shall reinstate any professional association
15 which has forfeited its right to transact business under the provisions
16 of this chapter and restore the right to carry on business in this state
17 and exercise its privileges and immunities if it:

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

20 (b) Pays to the Secretary of State:

21 (1) The filing fee and penalty set forth in NRS 89.250 and
22 89.252 for each year or portion thereof during which the articles of
23 association have been revoked; and

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

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

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

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

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

36 4. If the articles of association of a professional association
37 have been revoked pursuant to the provisions of this chapter and
38 have remained revoked for 10 consecutive years, the articles must
39 not be reinstated.

40 **Sec. 142.** NRS 90.360 is hereby amended to read as follows:

41 90.360 1. An applicant for licensing shall pay a
42 nonrefundable licensing fee, due annually in the following amounts:

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

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

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



- 1 (d) Representative of an investment adviser, ~~§55.1~~ §85.
2 2. The Administrator by regulation may require licensing of
3 branch offices and impose a fee for the licensing and an annual fee.
4 3. For the purpose of this section, a "branch office" means any
5 place of business in this state other than the principal office in the
6 state of the broker-dealer, from which one or more sales
7 representatives transact business.
8 **Sec. 143.** NRS 90.380 is hereby amended to read as follows:
9 90.380 1. Unless a proceeding under NRS 90.420 has been
10 instituted, the license of any broker-dealer, sales representative,
11 investment adviser or representative of an investment adviser
12 becomes effective 30 days after an application for licensing has
13 been filed and is complete, including any amendment, if all
14 requirements imposed pursuant to NRS 90.370 and 90.375 have
15 been satisfied. An application or amendment is complete when the
16 applicant has furnished information responsive to each applicable
17 item of the application. The Administrator may authorize an earlier
18 effective date of licensing.
19 2. The license of a broker-dealer, sales representative,
20 investment adviser or representative of an investment adviser is
21 effective until terminated by revocation, suspension, expiration or
22 withdrawal.
23 3. The license of a sales representative is only effective with
24 respect to transactions effected on behalf of the broker-dealer or
25 issuer for whom the sales representative is licensed.
26 4. A person shall not at any one time act as a sales
27 representative for more than one broker-dealer or for more than one
28 issuer, unless the Administrator by regulation or order authorizes
29 multiple licenses.
30 5. If a person licensed as a sales representative terminates
31 association with a broker-dealer or issuer or ceases to be a sales
32 representative, the sales representative and the broker-dealer or
33 issuer on whose behalf the sales representative was acting shall
34 promptly notify the Administrator.
35 6. The Administrator by regulation may authorize one or more
36 special classifications of licenses as a broker-dealer, sales
37 representative, investment adviser or representative of an investment
38 adviser to be issued to applicants subject to limitations and
39 conditions on the nature of the activities that may be conducted by
40 persons so licensed.
41 7. The license of a broker-dealer, sales representative,
42 investment adviser or representative of an investment adviser
43 expires if:
44 (a) The statement required pursuant to NRS 90.375 is not
45 submitted when it is due; or



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

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

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

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

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

12 **Sec. 144.** NRS 90.456 is hereby amended to read as follows:

13 90.456 1. The Administrator may charge a fee not to exceed
14 ~~[-25]~~ 0.4 percent of the total value of each transaction involving the
15 purchase, sale or other transfer of a security conducted by a
16 securities exchange located in this state.

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

20 **Sec. 145.** NRS 90.500 is hereby amended to read as follows:

21 90.500 1. A registration statement may be filed by the issuer,
22 any other person on whose behalf the offering is to be made, or a
23 broker-dealer licensed under this chapter.

24 2. Except as provided in subsection 3, a person filing a
25 registration statement shall pay a filing fee of ~~[one-tenth of 1]~~ 0.15
26 percent of the maximum aggregate offering price at which the
27 registered securities are to be offered in this state, but not less than
28 ~~[\$350]~~ \$525 or more than ~~[\$2,500.]~~ \$3,750. If a registration
29 statement is withdrawn before the effective date or a pre-effective
30 order is entered under NRS 90.510, the Administrator shall retain
31 the fee.

32 3. An open-end management company, a face amount
33 certificate company or a unit investment trust, as defined in the
34 Investment Company Act of 1940, may register an indefinite
35 amount of securities under a registration statement. The registrant
36 shall pay:

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

38 (b) Within 60 days after the registrant's fiscal year during which
39 its statement is effective, a fee of ~~[\$2,000.]~~ \$3,000, or file a report
40 on a form the Administrator adopts, specifying its sale of securities
41 to persons in this state during the fiscal year and pay a fee of ~~[one-~~
42 ~~tenth of 1]~~ 0.15 percent of the aggregate sales price of the securities
43 sold to persons in this state, but the latter fee must not be less than
44 ~~[\$350]~~ \$525 or more than ~~[\$2,500.]~~ \$3,750.



1 4. Except as otherwise permitted by subsection 3, a statement
2 must specify:

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

6 (b) Any adverse order, judgment or decree entered by a
7 securities agency or administrator in any state or by a court or the
8 Securities and Exchange Commission in connection with the
9 offering.

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

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

16 7. In the case of a nonissuer offering, the Administrator may
17 not require information under *subsection 13 or* NRS 90.510 ~~for~~
18 ~~subsection 13 of this section~~ unless it is known to the person filing
19 the registration statement or to the person on whose behalf the
20 offering is to be made, or can be furnished by one of them without
21 unreasonable effort or expense.

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

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

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

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

38 9. The Administrator by regulation may require as a condition
39 of registration under NRS 90.480 or 90.490 that the proceeds from
40 the sale of the registered security in this state *must* be impounded
41 until the issuer receives a specified amount from the sale of the
42 security. The Administrator by regulation or order may determine
43 the conditions of an impounding arrangement required under this
44 subsection, but the Administrator may not reject a depository solely
45 because of its location in another state.



1 10. If a security is registered pursuant to NRS 90.470 or
2 90.480, the prospectus filed under the Securities Act of 1933 must
3 be delivered to each purchaser in accordance with the requirements
4 of that act for the delivery of a prospectus.

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

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

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

16 (c) Payment pursuant to a sale; or

17 (d) Delivery pursuant to a sale.

18 12. Except for a registration statement under which an
19 indefinite amount of securities are registered as provided in
20 subsection 3, a statement remains effective for 1 year after its
21 effective date unless the Administrator by regulation extends the
22 period of effectiveness. A registration statement under which an
23 indefinite amount of securities are registered remains effective until
24 60 days after the beginning of the registrant's next fiscal year
25 following the date the statement was filed. All outstanding securities
26 of the same class as a registered security are considered to be
27 registered for the purpose of a nonissuer transaction while the
28 registration statement is effective, unless the Administrator by
29 regulation or order provides otherwise. A registration statement may
30 not be withdrawn after its effective date if any of the securities
31 registered have been sold in this state, unless the Administrator by
32 regulation or order provides otherwise. No registration statement is
33 effective while an order is in effect under subsection 1 of
34 NRS 90.510.

35 13. During the period that an offering is being made pursuant
36 to an effective registration statement, the Administrator by
37 regulation or order may require the person who filed the registration
38 statement to file reports, not more often than quarterly, to keep
39 reasonably current the information contained in the registration
40 statement and to disclose the progress of the offering.

41 14. A registration statement filed under NRS 90.470 or 90.480
42 may be amended after its effective date to increase the securities
43 specified to be offered and sold. The amendment becomes effective
44 upon filing of the amendment and payment of an additional filing
45 fee of 3 times the fee otherwise payable, calculated in the manner



1 specified in subsection 2, with respect to the additional securities to
2 be offered and sold. The effectiveness of the amendment relates
3 back to the date or dates of sale of the additional securities being
4 registered.

5 15. A registration statement filed under NRS 90.490 may be
6 amended after its effective date to increase the securities specified to
7 be offered and sold, if the public offering price and underwriters'
8 discounts and commissions are not changed from the respective
9 amounts which the Administrator was informed. The amendment
10 becomes effective when the Administrator so orders and relates
11 back to the date of sale of the additional securities being registered.
12 A person filing an amendment shall pay an additional filing fee of 3
13 times the fee otherwise payable, calculated in the manner specified
14 in subsection 2, with respect to the additional securities to be offered
15 and sold.

16 **Sec. 146.** NRS 90.520 is hereby amended to read as follows:

17 90.520 1. As used in this section:

18 (a) "Guaranteed" means guaranteed as to payment of all or
19 substantially all of principal and interest or dividends.

20 (b) "Insured" means insured as to payment of all or substantially
21 all of principal and interest or dividends.

22 2. Except as otherwise provided in subsections 4 and 5, the
23 following securities are exempt from NRS 90.460 and 90.560:

24 (a) A security, including a revenue obligation, issued, insured or
25 guaranteed by the United States, an agency or corporate or other
26 instrumentality of the United States, an international agency or
27 corporate or other instrumentality of which the United States and
28 one or more foreign governments are members, a state, a political
29 subdivision of a state, or an agency or corporate or other
30 instrumentality of one or more states or their political subdivisions,
31 or a certificate of deposit for any of the foregoing, but this
32 exemption does not include a security payable solely from revenues
33 to be received from an enterprise unless the:

34 (1) Payments are insured or guaranteed by the United States,
35 an agency or corporate or other instrumentality of the United States,
36 an international agency or corporate or other instrumentality of
37 which the United States and one or more foreign governments are
38 members, a state, a political subdivision of a state, or an agency or
39 corporate or other instrumentality of one or more states or their
40 political subdivisions, or by a person whose securities are exempt
41 from registration pursuant to paragraphs (b) to (e), inclusive, or (g),
42 or the revenues from which the payments are to be made are a direct
43 obligation of such a person;

44 (2) Security is issued by this state or an agency,
45 instrumentality or political subdivision of this state; or



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1 (3) Payments are insured or guaranteed by a person who,
2 within the 12 months next preceding the date on which the securities
3 are issued, has received a rating within one of the top four rating
4 categories of either Moody's Investors Service, Inc., or Standard
5 and Poor's Ratings Services.

6 (b) A security issued, insured or guaranteed by Canada, a
7 Canadian province or territory, a political subdivision of Canada or
8 of a Canadian province or territory, an agency or corporate or other
9 instrumentality of one or more of the foregoing, or any other foreign
10 government or governmental combination or entity with which the
11 United States maintains diplomatic relations, if the security is
12 recognized as a valid obligation by the issuer, insurer or guarantor.

13 (c) A security issued by and representing an interest in or a
14 direct obligation of a depository institution if the deposit or share
15 accounts of the depository institution are insured by the Federal
16 Deposit Insurance Corporation, the National Credit Union Share
17 Insurance Fund or a successor to an applicable agency authorized by
18 federal law.

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

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

25 (1) Subject to the jurisdiction of the Surface Transportation
26 Board;

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

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

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

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

38 (g) A security listed or approved for listing upon notice of
39 issuance on the New York Stock Exchange, the American Stock
40 Exchange, the Midwest Stock Exchange, the Pacific Stock
41 Exchange or other exchange designated by the Administrator, any
42 other security of the same issuer which is of senior or substantially
43 equal rank, a security called for by subscription right or warrant so
44 listed or approved, or a warrant or right to purchase or subscribe to
45 any of the foregoing.



1 (h) A security designated or approved for designation upon
2 issuance or notice of issuance for inclusion in the national market
3 system by the National Association of Securities Dealers, Inc., any
4 other security of the same issuer which is of senior or substantially
5 equal rank, a security called for by subscription right or warrant so
6 designated, or a warrant or a right to purchase or subscribe to any of
7 the foregoing.

8 (i) An option issued by a clearing agency registered under the
9 Securities Exchange Act of 1934, other than an off-exchange futures
10 contract or substantially similar arrangement, if the security,
11 currency, commodity ~~+~~ or other interest underlying the option is:

- 12 (1) Registered under NRS 90.470, 90.480 or 90.490;
13 (2) Exempt pursuant to this section; or
14 (3) Not otherwise required to be registered under this
15 chapter.

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

25 (k) A promissory note, draft, bill of exchange or banker's
26 acceptance that evidences an obligation to pay cash within 9 months
27 after the date of issuance, exclusive of days of grace, is issued in
28 denominations of at least \$50,000 and receives a rating in one of the
29 three highest rating categories from a nationally recognized
30 statistical rating organization, or a renewal of such an obligation that
31 is likewise limited, or a guarantee of such an obligation or of a
32 renewal.

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

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

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

- 44 (1) The issuer is advised by an investment adviser that is a
45 depository institution exempt from registration under the Investment



1 Adviser Act of 1940 or that is currently registered as an investment
2 adviser, and has been registered, or is affiliated with an adviser that
3 has been registered, as an investment adviser under the Investment
4 Advisers Act of 1940 for at least 3 years next preceding an offer or
5 sale of a security claimed to be exempt pursuant to this paragraph,
6 and the issuer has acted, or is affiliated with an investment adviser
7 that has acted, as investment adviser to one or more registered
8 investment companies or unit investment trusts for at least 3 years
9 next preceding an offer or sale of a security claimed to be exempt
10 under this paragraph; or

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

16 3. For the purpose of paragraph (n) of subsection 2, an
17 investment adviser is affiliated with another investment adviser if it
18 controls, is controlled by, or is under common control with the other
19 investment adviser.

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

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

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

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

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

37 **Sec. 147.** NRS 90.530 is hereby amended to read as follows:

38 90.530 The following transactions are exempt from NRS
39 90.460 and 90.560:

40 1. An isolated nonissuer transaction, whether or not effected
41 through a broker-dealer.

42 2. A nonissuer transaction in an outstanding security if the
43 issuer of the security has a class of securities subject to registration
44 under section 12 of the Securities Exchange Act of 1934, 15 U.S.C.
45 § 781, and has been subject to the reporting requirements of section



1 13 or ~~15(e)~~ 15(d) of the Securities Exchange Act of 1934, 15
2 U.S.C. §§ 78m and 78o(d), for not less than 90 days next preceding
3 the transaction, or has filed and maintained with the Administrator
4 for not less than 90 days preceding the transaction information, in
5 such form as the Administrator, by regulation, specifies,
6 substantially comparable to the information the issuer would be
7 required to file under section 12(b) or 12(g) of the Securities
8 Exchange Act of 1934, 15 U.S.C. §§ 78l(b) and 78l(g), were the
9 issuer to have a class of its securities registered under section 12 of
10 the Securities Exchange Act of 1934, 15 U.S.C. § 78l, and paid a fee
11 of \$225 with the filing. ~~of \$150.~~

12 3. A nonissuer transaction by a sales representative licensed in
13 this state, in an outstanding security if:

14 (a) The security is sold at a price reasonably related to the
15 current market price of the security at the time of the transaction;

16 (b) The security does not constitute all or part of an unsold
17 allotment to, or subscription or participation by, a broker-dealer as
18 an underwriter of the security;

19 (c) At the time of the transaction, a recognized securities manual
20 designated by the Administrator by regulation or order contains the
21 names of the issuer's officers and directors, a statement of the
22 financial condition of the issuer as of a date within the preceding 18
23 months, and a statement of income or operations for each of the last
24 2 years next preceding the date of the statement of financial
25 condition, or for the period as of the date of the statement of
26 financial condition if the period of existence is less than 2 years;

27 (d) The issuer of the security has not undergone a major
28 reorganization, merger or acquisition within the preceding 30 days
29 which is not reflected in the information contained in the manual;
30 and

31 (e) At the time of the transaction, the issuer of the security has a
32 class of equity security listed on the New York Stock Exchange,
33 American Stock Exchange or other exchange designated by the
34 Administrator, or on the National Market System of the National
35 Association of Securities Dealers Automated Quotation System. The
36 requirements of this paragraph do not apply if:

37 (1) The security has been outstanding for at least 180 days;

38 (2) The issuer of the security is actually engaged in business
39 and is not developing his business, in bankruptcy or in receivership;
40 and

41 (3) The issuer of the security has been in continuous
42 operation for at least 5 years.

43 4. A nonissuer transaction in a security that has a fixed
44 maturity or a fixed interest or dividend provision if there has been
45 no default during the current fiscal year or within the 3 preceding



1 years, or during the existence of the issuer, and any predecessors if
2 less than 3 years, in the payment of principal, interest or dividends
3 on the security.

4 5. A nonissuer transaction effected by or through a registered
5 broker-dealer pursuant to an unsolicited order or offer to purchase.

6 6. A transaction between the issuer or other person on whose
7 behalf the offering of a security is made and an underwriter, or a
8 transaction among underwriters.

9 7. A transaction in a bond or other evidence of indebtedness
10 secured by a real estate mortgage, deed of trust, personal property
11 security agreement, or by an agreement for the sale of real estate or
12 personal property, if the entire mortgage, deed of trust or agreement,
13 together with all the bonds or other evidences of indebtedness
14 secured thereby, is offered and sold as a unit.

15 8. A transaction by an executor, administrator, sheriff, marshal,
16 receiver, trustee in bankruptcy, guardian or conservator.

17 9. A transaction executed by a bona fide secured party without
18 the purpose of evading this chapter.

19 10. An offer to sell or sale of a security to a financial or
20 institutional investor or to a broker-dealer.

21 11. Except as otherwise provided in this subsection, a
22 transaction pursuant to an offer to sell securities of an issuer if:

23 (a) The transaction is part of an issue in which there are not
24 more than 25 purchasers in this state, other than those designated in
25 subsection 10, during any 12 consecutive months;

26 (b) No general solicitation or general advertising is used in
27 connection with the offer to sell or sale of the securities;

28 (c) No commission or other similar compensation is paid or
29 given, directly or indirectly, to a person, other than a broker-dealer
30 licensed or not required to be licensed under this chapter, for
31 soliciting a prospective purchaser in this state; and

32 (d) One of the following conditions is satisfied:

33 (1) The seller reasonably believes that all the purchasers in
34 this state, other than those designated in subsection 10, are
35 purchasing for investment; or

36 (2) Immediately before and immediately after the
37 transaction, the issuer reasonably believes that the securities of the
38 issuer are held by 50 or fewer beneficial owners, other than those
39 designated in subsection 10, and the transaction is part of an
40 aggregate offering that does not exceed \$500,000 during any 12
41 consecutive months.

42 The Administrator by rule or order as to a security or transaction or
43 a type of security or transaction may withdraw or further
44 condition the exemption set forth in this subsection or waive one or
45 more of the conditions of the exemption.



1 12. An offer to sell or sale of a preorganization certificate or
2 subscription if:

- 3 (a) No commission or other similar compensation is paid or
4 given, directly or indirectly, for soliciting a prospective subscriber;
5 (b) No public advertising or general solicitation is used in
6 connection with the offer to sell or sale;
7 (c) The number of offers does not exceed 50;
8 (d) The number of subscribers does not exceed 10; and
9 (e) No payment is made by a subscriber.

10 13. An offer to sell or sale of a preorganization certificate or
11 subscription issued in connection with the organization of a
12 depository institution if that organization is under the supervision of
13 an official or agency of a state or of the United States which has and
14 exercises the authority to regulate and supervise the organization of
15 the depository institution. For the purpose of this subsection, "under
16 the supervision of an official or agency" means that the official or
17 agency by law has authority to require disclosures to prospective
18 investors similar to those required under NRS 90.490, impound
19 proceeds from the sale of a preorganization certificate or
20 subscription until organization of the depository institution is
21 completed, and require refund to investors if the depository
22 institution does not obtain a grant of authority from the appropriate
23 official or agency.

24 14. A transaction pursuant to an offer to sell to existing
25 security holders of the issuer, including persons who at the time of
26 the transaction are holders of transferable warrants exercisable
27 within not more than 90 days after their issuance, convertible
28 securities or nontransferable warrants, if:

- 29 (a) No commission or other similar compensation other than a
30 standby commission, is paid or given, directly or indirectly, for
31 soliciting a security holder in this state; or
32 (b) The issuer first files a notice specifying the terms of the offer
33 to sell, together with a nonrefundable fee of ~~[\$150,]~~ \$225, and the
34 Administrator does not by order disallow the exemption within the
35 next 5 full business days.

36 15. A transaction involving an offer to sell, but not a sale, of a
37 security not exempt from registration under the Securities Act of
38 1933, 15 U.S.C. §§ 77a et seq., if:

- 39 (a) A registration or offering statement or similar document as
40 required under the Securities Act of 1933, 15 U.S.C. §§ 77a et seq.,
41 has been filed, but is not effective;
42 (b) A registration statement, if required, has been filed under
43 this chapter, but is not effective; and
44 (c) No order denying, suspending or revoking the effectiveness
45 of registration, of which the offeror is aware, has been entered by



1 the Administrator or the Securities and Exchange Commission, and
2 no examination or public proceeding that may culminate in that kind
3 of order is known by the offeror to be pending.

4 16. A transaction involving an offer to sell, but not a sale, of a
5 security exempt from registration under the Securities Act of 1933,
6 15 U.S.C. §§ 77a et seq., if:

7 (a) A registration statement has been filed under this chapter, but
8 is not effective; and

9 (b) No order denying, suspending or revoking the effectiveness
10 of registration, of which the offeror is aware, has been entered by
11 the Administrator and no examination or public proceeding that may
12 culminate in that kind of order is known by the offeror to be
13 pending.

14 17. A transaction involving the distribution of the securities of
15 an issuer to the security holders of another person in connection
16 with a merger, consolidation, exchange of securities, sale of assets
17 or other reorganization to which the issuer, or its parent or
18 subsidiary, and the other person, or its parent or subsidiary, are
19 parties, if:

20 (a) The securities to be distributed are registered under the
21 Securities Act of 1933, 15 U.S.C. §§ 77a et seq., before the
22 consummation of the transaction; or

23 (b) The securities to be distributed are not required to be
24 registered under the Securities Act of 1933, 15 U.S.C. §§ 77a et
25 seq., written notice of the transaction and a copy of the materials, if
26 any, by which approval of the transaction will be solicited, together
27 with a nonrefundable fee of ~~[\$150.] \$225~~, are given to the
28 Administrator at least 10 days before the consummation of
29 the transaction and the Administrator does not, by order, disallow
30 the exemption within the next 10 days.

31 18. A transaction involving the offer to sell or sale of one or
32 more promissory notes each of which is directly secured by a first
33 lien on a single parcel of real estate, or a transaction involving the
34 offer to sell or sale of participation interests in the notes if the notes
35 and participation interests are originated by a depository institution
36 and are offered and sold subject to the following conditions:

37 (a) The minimum aggregate sales price paid by each purchaser
38 may not be less than \$250,000;

39 (b) Each purchaser must pay cash either at the time of the sale or
40 within 60 days after the sale; and

41 (c) Each purchaser may buy for his own account only.

42 19. A transaction involving the offer to sell or sale of one or
43 more promissory notes directly secured by a first lien on a single
44 parcel of real estate or participating interests in the notes, if the
45 notes and interests are originated by a mortgagee approved by the



1 Secretary of Housing and Urban Development under sections 203
2 and 211 of the National Housing Act, 12 U.S.C. §§ 1709 and 1715b,
3 and are offered or sold, subject to the conditions specified in
4 subsection 18, to a depository institution or insurance company, the
5 Federal Home Loan Mortgage Corporation, the Federal National
6 Mortgage Association or the Government National Mortgage
7 Association.

8 20. A transaction between any of the persons described in
9 subsection 19 involving a nonassignable contract to buy or sell the
10 securities described in subsection 18 if the contract is to be
11 completed within 2 years and if:

12 (a) The seller of the securities pursuant to the contract is one of
13 the parties described in subsection 18 or 19 who may originate
14 securities;

15 (b) The purchaser of securities pursuant to a contract is any
16 other person described in subsection 19; and

17 (c) The conditions described in subsection 18 are fulfilled.

18 21. A transaction involving one or more promissory notes
19 secured by a lien on real estate, or participating interests in those
20 notes, by:

21 (a) A mortgage company licensed pursuant to chapter 645E of
22 NRS to engage in those transactions; or

23 (b) A mortgage broker licensed pursuant to chapter 645B of
24 NRS to engage in those transactions.

25 **Sec. 148.** NRS 90.540 is hereby amended to read as follows:

26 90.540 The Administrator by regulation or order may:

27 1. Exempt any other security or transaction or class of
28 securities or transactions from NRS 90.460 and 90.560.

29 2. Adopt a transactional exemption for limited offerings that
30 will further the objectives of compatibility with the exemptions from
31 securities registration authorized by the Securities Act of 1933 and
32 uniformity among the states.

33 3. Require the filing of a notice and the payment of a fee not
34 greater than ~~[\$250]~~ \$375 for an exemption adopted pursuant to this
35 section.

36 **Sec. 149.** NRS 92A.190 is hereby amended to read as follows:

37 92A.190 1. One or more foreign entities may merge or enter
38 into an exchange of owner's interests with one or more domestic
39 entities if:

40 (a) In a merger, the merger is permitted by the law of the
41 jurisdiction under whose law each foreign entity is organized and
42 governed and each foreign entity complies with that law in effecting
43 the merger;

44 (b) In an exchange, the entity whose owner's interests will be
45 acquired is a domestic entity, whether or not an exchange of



1 owner's interests is permitted by the law of the jurisdiction under
2 whose law the acquiring entity is organized;

3 (c) The foreign entity complies with NRS 92A.200 to 92A.240,
4 inclusive, if it is the surviving entity in the merger or acquiring
5 entity in the exchange and sets forth in the articles of merger or
6 exchange its address where copies of process may be sent by the
7 Secretary of State; and

8 (d) Each domestic entity complies with the applicable provisions
9 of NRS 92A.100 to 92A.180, inclusive, and, if it is the surviving
10 entity in the merger or acquiring entity in the exchange, with NRS
11 92A.200 to 92A.240, inclusive.

12 2. When the merger or exchange takes effect, the surviving
13 foreign entity in a merger and the acquiring foreign entity in an
14 exchange shall be deemed:

15 (a) To appoint the Secretary of State as its agent for service of
16 process in a proceeding to enforce any obligation or the rights of
17 dissenting owners of each domestic entity that was a party to the
18 merger or exchange. Service of such process must be made by
19 personally delivering to and leaving with the Secretary of State
20 duplicate copies of the process and the payment of a fee of ~~[\$50]~~
21 \$75 for accepting and transmitting the process. The Secretary of
22 State shall forthwith send by registered or certified mail one of the
23 copies to the surviving or acquiring entity at its specified address,
24 unless the surviving or acquiring entity has designated in writing to
25 the Secretary of State a different address for that purpose, in which
26 case it must be mailed to the last address so designated.

27 (b) To agree that it will promptly pay to the dissenting owners of
28 each domestic entity that is a party to the merger or exchange the
29 amount, if any, to which they are entitled under or created pursuant
30 to NRS 92A.300 to 92A.500, inclusive.

31 3. This section does not limit the power of a foreign entity to
32 acquire all or part of the owner's interests of one or more classes or
33 series of a domestic entity through a voluntary exchange or
34 otherwise.

35 **Sec. 150.** NRS 92A.195 is hereby amended to read as follows:

36 92A.195 1. One foreign entity or foreign general partnership
37 may convert into one domestic entity if:

38 (a) The conversion is permitted by the law of the jurisdiction
39 governing the foreign entity or foreign general partnership and the
40 foreign entity or foreign general partnership complies with that law
41 in effecting the conversion;

42 (b) The foreign entity or foreign general partnership complies
43 with the applicable provisions of NRS 92A.205 and, if it is the
44 resulting entity in the conversion, with NRS 92A.210 to 92A.240,
45 inclusive; and



1 (c) The domestic entity complies with the applicable provisions
2 of NRS 92A.105, 92A.120, 92A.135, 92A.140 and 92A.165 and, if
3 it is the resulting entity in the conversion, with NRS 92A.205 to
4 92A.240, inclusive.

5 2. When the conversion takes effect, the resulting foreign entity
6 in a conversion shall be deemed to have appointed the Secretary of
7 State as its agent for service of process in a proceeding to enforce
8 any obligation. Service of process must be made personally by
9 delivering to and leaving with the Secretary of State duplicate
10 copies of the process and the payment of a fee of ~~[\$25]~~ \$40 for
11 accepting and transmitting the process. The Secretary of State shall
12 send one of the copies of the process by registered or certified mail
13 to the resulting entity at its specified address, unless the resulting
14 entity has designated in writing to the Secretary of State a different
15 address for that purpose, in which case it must be mailed to the last
16 address so designated.

17 **Sec. 151.** NRS 92A.210 is hereby amended to read as follows:

18 92A.210 1. Except as otherwise provided in this section, the
19 fee for filing articles of merger, articles of conversion, articles of
20 exchange, articles of domestication or articles of termination is
21 ~~[\$325.]~~ \$490. The fee for filing the constituent documents of a
22 domestic resulting entity is the fee for filing the constituent
23 documents determined by the chapter of NRS governing the
24 particular domestic resulting entity.

25 2. The fee for filing articles of merger of two or more domestic
26 corporations is the difference between the fee computed at the rates
27 specified in NRS 78.760 upon the aggregate authorized stock of the
28 corporation created by the merger and the fee computed upon the
29 aggregate amount of the total authorized stock of the constituent
30 corporation.

31 3. The fee for filing articles of merger of one or more domestic
32 corporations with one or more foreign corporations is the difference
33 between the fee computed at the rates specified in NRS 78.760 upon
34 the aggregate authorized stock of the corporation created by the
35 merger and the fee computed upon the aggregate amount of the total
36 authorized stock of the constituent corporations which have paid the
37 fees required by NRS 78.760 and 80.050.

38 4. The fee for filing articles of merger of two or more domestic
39 or foreign corporations must not be less than ~~[\$325.]~~ \$490. The
40 amount paid pursuant to subsection 3 must not exceed ~~[\$25,000.]~~
41 \$37,500.

42 **Sec. 152.** NRS 104.9525 is hereby amended to read as
43 follows:

44 104.9525 1. Except as otherwise provided in subsection 5,
45 the fee for filing and indexing a record under this part, other than an



1 initial financing statement of the kind described in subsection 2 of
2 NRS 104.9502, is:

3 (a) ~~Twenty~~ *Thirty* dollars if the record is communicated in
4 writing and consists of one or two pages;

5 (b) ~~Forty~~ *Sixty* dollars if the record is communicated in writing
6 and consists of more than two pages, and ~~the~~ *\$1.50* for each page
7 over 20 pages;

8 (c) ~~Ten~~ *Fifteen* dollars if the record is communicated by
9 another medium authorized by filing-office rule; and

10 (d) One dollar *and fifty cents* for each additional debtor, trade
11 name or reference to another name under which business is done.

12 2. The filing officer may charge and collect ~~the~~ *\$1.50* for each
13 page of copy or record of filings produced by him at the request of
14 any person.

15 3. Except as otherwise provided in subsection 5, the fee for
16 filing and indexing an initial financing statement of the kind
17 described in subsection 3 of NRS 104.9502 is:

18 (a) ~~Forty~~ *Sixty* dollars if the financing statement indicates that
19 it is filed in connection with a public-finance transaction; and

20 (b) ~~Twenty~~ *Thirty* dollars if the financing statement indicates
21 that it is filed in connection with a manufactured-home transaction.

22 4. The fee for responding to a request for information from the
23 filing office, including for issuing a certificate showing whether
24 there is on file any financing statement naming a particular debtor,
25 is:

26 (a) ~~Twenty~~ *Thirty* dollars if the request is communicated in
27 writing; and

28 (b) ~~Fifteen~~ *Twenty-five* dollars if the request is communicated
29 by another medium authorized by filing-office rule.

30 5. This section does not require a fee with respect to a
31 mortgage that is effective as a financing statement filed as a fixture
32 filing or as a financing statement covering as-extracted collateral or
33 timber to be cut under subsection 3 of NRS 104.9502. However, the
34 fees for recording and satisfaction which otherwise would be
35 applicable to the mortgage apply.

36 **Sec. 153.** NRS 105.070 is hereby amended to read as follows:

37 105.070 1. The Secretary of State or county recorder shall
38 mark any security instrument and any statement of change, merger
39 or consolidation presented for filing with the day and hour of filing
40 and the file number assigned to it. This mark is, in the absence of
41 other evidence, conclusive proof of the time and fact of presentation
42 for filing.

43 2. The Secretary of State or county recorder shall retain and
44 file all security instruments and statements of change, merger or
45 consolidation presented for filing.



1 3. The uniform fee for filing and indexing a security
2 instrument, or a supplement or amendment thereto, and a statement
3 of change, merger or consolidation, and for stamping a copy of
4 those documents furnished by the secured party or the public utility,
5 to show the date and place of filing is ~~[\$15]~~ \$25 if the document is
6 in the standard form prescribed by the Secretary of State and
7 otherwise is ~~[\$20, plus \$1]~~ \$30, plus \$1.50 for each additional
8 debtor or trade name.

9 **Sec. 154.** NRS 105.080 is hereby amended to read as follows:
10 105.080 Upon the request of any person, the Secretary of State
11 shall issue his certificate showing whether there is on file on the
12 date and hour stated therein, any presently effective security
13 instrument naming a particular public utility, and if there is, giving
14 the date and hour of filing of the instrument and the names and
15 addresses of each secured party. The uniform fee for such a
16 certificate is ~~[\$15]~~ \$25 if the request for the certificate is in the
17 standard form prescribed by the Secretary of State and otherwise is
18 ~~[\$20]~~ \$30. Upon request , the Secretary of State or a county
19 recorder shall furnish a copy of any filed security instrument upon
20 payment of the statutory fee for copies.

21 **Sec. 155.** NRS 108.831 is hereby amended to read as follows:
22 108.831 1. If a notice of federal lien, a refiling of a notice of
23 federal lien, or a notice of revocation of any certificate described in
24 subsection 2 is presented to the filing officer who is:

25 (a) The Secretary of State, he shall cause the notice to be
26 marked, held and indexed in accordance with the provisions of NRS
27 104.9519 as if the notice were a financing statement within the
28 meaning of the Uniform Commercial Code.

29 (b) Any other officer described in NRS 108.827, he shall
30 endorse thereon his identification and the date and time of receipt
31 and forthwith file it alphabetically or enter it in an alphabetical
32 index showing the name of the person named in the notice and the
33 date of receipt.

34 2. If a certificate of release, nonattachment, discharge or
35 subordination of any federal lien is presented to the Secretary of
36 State for filing , he shall:

37 (a) Cause a certificate of release or nonattachment to be marked,
38 held and indexed as if the certificate were a termination statement
39 within the meaning of the Uniform Commercial Code, except that
40 the notice of lien to which the certificate relates must not be
41 removed from the files; and

42 (b) Cause a certificate of discharge or subordination to be held,
43 marked and indexed as if the certificate were a release of collateral
44 within the meaning of the Uniform Commercial Code.



1 3. If a refiled notice of federal lien referred to in subsection 1
2 or any of the certificates or notices referred to in subsection 2 is
3 presented for filing with any other filing officer specified in NRS
4 108.827, he shall enter the refiled notice or the certificate with the
5 date of filing in any alphabetical index of liens.

6 4. Upon request of any person, the filing officer shall issue his
7 certificate showing whether there is on file, on the date and hour
8 stated therein, any active notice of lien or certificate or notice
9 affecting any lien filed under NRS 108.825 to 108.837, inclusive,
10 naming a particular person, and if a notice or certificate is on file,
11 giving the date and hour of filing of each notice or certificate. The
12 certificate must state that it reveals active liens only. The fee for a
13 certificate is ~~[\$15]~~ \$25 if the statement is in the standard form
14 prescribed by the Secretary of State and otherwise is ~~[\$20]~~ \$30.
15 Upon request, the filing officer shall furnish a copy of any notice of
16 federal lien or notice or certificate affecting a federal lien for the
17 statutory fee for copies.

18 **Sec. 156.** NRS 119.130 is hereby amended to read as follows:

19 119.130 1. No subdivision or lot, parcel, unit or interest in
20 any subdivision may in any way be offered or sold in this state by
21 any person until:

22 (a) He has appointed in writing the Secretary of State to be his
23 agent, upon whom all process, in any action or proceeding against
24 him, may be served, and in this writing he agrees that any process
25 against him which is served on the Secretary of State is of the same
26 legal validity as if served on him and that the appointment continues
27 in force as long as any liability remains outstanding against him in
28 this state. The written appointment must be acknowledged before a
29 notary public and must be filed in the Office of the Secretary of
30 State with a fee of ~~[\$10]~~ \$15 for accepting and transmitting any
31 legal process served on the Secretary of State. Copies certified by
32 the Secretary of State are sufficient evidence of the appointment and
33 agreement.

34 (b) He has received a license under NRS 119.160.

35 2. Service of process authorized by paragraph (a) of subsection
36 1 must be made by filing with the Secretary of State:

37 (a) Two copies of the legal process. The copies must include a
38 specific citation to the provisions of this section. The Secretary of
39 State may refuse to accept such service if the proper citation is not
40 included in each copy.

41 (b) A fee of ~~[\$10]~~ \$15.

42 The Secretary of State shall forthwith forward one copy of the legal
43 process to the licensee, by registered or certified mail prepaid to the
44 licensee.



1 **Sec. 157.** NRS 218.53883 is hereby amended to read as
2 follows:

3 218.53883 1. The committee shall:

4 (a) Review the laws relating to *the exemptions from and* the
5 distribution of revenue generated by state and local taxes. In
6 conducting the review, the committee ~~may~~:

7 (1) *May* consider the purposes for which the various state
8 and local taxes were imposed, the actual use of the revenue
9 collected from the various state and local taxes and any relief to the
10 taxpayers from the burden of the various state and local taxes that
11 may result from any possible recommendations of the committee.

12 (2) *Shall consider the purposes for which various*
13 *exemptions from those taxes were adopted, whether any of those*
14 *exemptions have become obsolete or no longer serve their*
15 *intended purpose, and whether any of those exemptions should be*
16 *repealed.*

17 (b) Study whether removing the authority of the board of county
18 commissioners of Washoe County to impose a certain additional
19 governmental services tax is a prudent act which is in the best
20 interests of this state.

21 2. In conducting its review of the laws relating to *the*
22 *exemptions from and* the distribution of revenue generated by state
23 and local taxes, the committee may review:

24 (a) The *exemptions and* distribution of the revenue from:

25 (1) The local school support tax imposed by chapter 374 of
26 NRS;

27 (2) The tax on aviation fuel and motor vehicle fuel imposed
28 by or pursuant to chapter 365 of NRS;

29 (3) The tax on intoxicating liquor imposed by chapter 369 of
30 NRS;

31 (4) The tax on fuel imposed pursuant to chapter 373 of NRS;

32 (5) The tax on tobacco imposed by chapter 370 of NRS;

33 (6) The governmental services tax imposed by or pursuant to
34 chapter 371 of NRS;

35 (7) The tax imposed on gaming licensees by or pursuant to
36 chapter 463 of NRS;

37 (8) Property taxes imposed pursuant to chapter 361 of NRS;

38 (9) The tax on the transfer of real property imposed by or
39 pursuant to chapter 375 of NRS; and

40 (10) Any other state or local tax.

41 (b) The proper crediting of gasoline tax revenue if the collection
42 is moved to the terminal rack level.

43 3. The committee may:

44 (a) Conduct investigations and hold hearings in connection with
45 its review and study;



- 1 (b) Contract with one or more consultants to obtain technical
- 2 advice concerning the study conducted pursuant to NRS 218.53884;
- 3 (c) Apply for any available grants and accept any gifts, grants or
- 4 donations and use any such gifts, grants or donations to aid the
- 5 committee in carrying out its duties pursuant to this chapter;
- 6 (d) Direct the Legislative Counsel Bureau to assist in its
- 7 research, investigations, review and study; and
- 8 (e) Recommend to the Legislature, as a result of its review and
- 9 study, any appropriate legislation.

10 **Sec. 158.** NRS 225.140 is hereby amended to read as follows:
 11 225.140 1. Except as otherwise provided in subsection 2, in
 12 addition to other fees authorized by law, the Secretary of State shall
 13 charge and collect the following fees:

14		
15	For a copy of any law, joint resolution,	
16	transcript of record, or other paper on file	
17	or of record in his office, other than a	
18	document required to be filed pursuant to	
19	title 24 of NRS, per page.....	[\$1.00] \$1.50
20	For a copy of any document required to be	
21	filed pursuant to title 24 of NRS, per page	[-.50] .75
22	For certifying to any such copy and use of the	
23	State Seal, for each impression	[\$0.00] 15.00
24	For each passport or other document signed	
25	by the Governor and attested by the	
26	Secretary of State	[\$0.00] 15.00
27	For a negotiable instrument returned unpaid	[\$0.00] 15.00
28		

- 29 2. The Secretary of State:
- 30 (a) Shall charge a reasonable fee for searching records and
- 31 documents kept in his office.
- 32 (b) May charge or collect any filing or other fees for services
- 33 rendered by him to the State of Nevada, any local governmental
- 34 agency or agency of the Federal Government, or any officer thereof
- 35 in his official capacity or respecting his office or official duties.
- 36 (c) May not charge or collect a filing or other fee for:
- 37 (1) Attesting extradition papers or executive warrants for
- 38 other states.
- 39 (2) Any commission or appointment issued or made by the
- 40 Governor, either for the use of the State Seal or otherwise.
- 41 (d) May charge a reasonable fee ~~[-, not to exceed:~~
- 42 ~~(1) Five hundred dollars,] of:~~
- 43 **(1) Not more than \$750** for providing service within 2 hours
- 44 after the time the service is requested; and



1 (2) ~~One hundred dollars,~~ *Not more than \$150* for providing
2 any other special service, including, but not limited to, providing
3 service more than 2 hours but within 24 hours after the time the
4 service is requested, accepting documents filed by facsimile
5 machine and other use of new technology.

6 (e) Shall charge a fee, not to exceed the actual cost to the
7 Secretary of State, for providing:

8 (1) A copy of any record kept in his office that is stored on a
9 computer or on microfilm if the copy is provided on a tape, disc or
10 other medium used for the storage of information by a computer or
11 on duplicate film.

12 (2) Access to his computer database on which records are
13 stored.

14 3. From each fee collected pursuant to paragraph (d) of
15 subsection 2:

16 (a) The entire amount or \$50, whichever is less, of the fee
17 collected pursuant to subparagraph (1) of that paragraph and ~~half~~
18 *one-third* of the fee collected pursuant to subparagraph (2) of that
19 paragraph must be deposited with the State Treasurer for credit to
20 the Account for Special Services of the Secretary of State in the
21 State General Fund. Any amount remaining in the Account at the
22 end of a fiscal year in excess of \$2,000,000 must be transferred to
23 the State General Fund. Money in the Account may be transferred to
24 the Secretary of State's Operating General Fund Budget Account
25 and must only be used to create and maintain the capability of the
26 Office of the Secretary of State to provide special services,
27 including, but not limited to, providing service:

28 (1) On the day it is requested or within 24 hours; or

29 (2) Necessary to increase or maintain the efficiency of the
30 office.

31 Any transfer of money from the Account for Expenditure by the
32 Secretary of State must be approved by the Interim Finance
33 Committee.

34 (b) After deducting the amount required pursuant to paragraph
35 (a), the remainder must be deposited with the State Treasurer for
36 credit to the State General Fund.

37 **Sec. 159.** NRS 240.030 is hereby amended to read as follows:

38 240.030 1. Except as otherwise provided in subsection 4,
39 each person applying for appointment as a notary public must:

40 (a) At the time he submits his application, pay to the Secretary
41 of State ~~\$35.~~ *\$55.*

42 (b) Take and subscribe to the oath set forth in Section 2 of
43 Article 15 of the Constitution of the State of Nevada as if he were a
44 public officer.



1 (c) Enter into a bond to the State of Nevada in the sum of
2 \$10,000, to be filed with the clerk of the county in which the
3 applicant resides or, if the applicant is a resident of an adjoining
4 state, with the clerk of the county in this state in which the applicant
5 maintains a place of business or is employed. The applicant shall
6 submit to the Secretary of State a certificate issued by the
7 appropriate county clerk which indicates that the applicant filed the
8 bond required pursuant to this paragraph.

9 2. In addition to the requirements set forth in subsection 1, an
10 applicant for appointment as a notary public, including, without
11 limitation, a court reporter, who resides in an adjoining state must
12 submit to the Secretary of State with his application:

13 (a) An affidavit setting forth the adjoining state in which he
14 resides, his mailing address and the address of his place of business
15 or employment that is located within the State of Nevada; and

16 (b) Unless the applicant is self-employed, an affidavit from his
17 employer setting forth the facts that show:

18 (1) The employer is licensed to do business in the State of
19 Nevada; and

20 (2) The employer regularly employs the applicant at an
21 office, business or facility which is located within the State of
22 Nevada.

23 3. In completing an application, bond, oath or other document
24 necessary to apply for appointment as a notary public, an applicant
25 must not be required to disclose his residential address or telephone
26 number on any such document which will become available to the
27 public.

28 4. A court reporter who has received a certificate of registration
29 pursuant to NRS 656.180 may apply for appointment as a notary
30 public with limited powers. Such an applicant is not required to
31 enter into a bond to obtain the limited power of a notary public to
32 administer oaths or affirmations.

33 5. If required, the bond, together with the oath, must be filed
34 and recorded in the office of the county clerk of the county in which
35 the applicant resides when he applies for his appointment or, if the
36 applicant is a resident of an adjoining state, with the clerk of the
37 county in this state in which the applicant maintains a place of
38 business or is employed. On a form provided by the Secretary
39 of State, the county clerk shall immediately certify to the Secretary
40 of State that the required bond and oath have been filed and
41 recorded. Upon receipt of the application, fee and certification that
42 the required bond and oath have been filed and recorded, the
43 Secretary of State shall issue a certificate of appointment as a notary
44 public to the applicant.



1 6. Except as otherwise provided in subsection 7, the term of a
2 notary public commences on the effective date of the bond required
3 pursuant to paragraph (c) of subsection 1. A notary public shall not
4 perform a notarial act after the effective date of the bond unless he
5 has been issued a certificate of appointment.

6 7. The term of a notary public with limited powers commences
7 on the date set forth in his certificate of appointment.

8 8. Except as otherwise provided in this subsection, the
9 Secretary of State shall charge a fee of ~~[\$10]~~ \$15 for each duplicate
10 or amended certificate of appointment which is issued to a notary. If
11 the notary public does not receive an original certificate of
12 appointment, the Secretary of State shall provide a duplicate
13 certificate of appointment without charge if the notary public
14 requests such a duplicate within 60 days after the date on which the
15 original certificate was issued.

16 **Sec. 160.** NRS 240.033 is hereby amended to read as follows:

17 240.033 1. The bond required to be filed pursuant to NRS
18 240.030 must be executed by the person applying to become a
19 notary public as principal and by a surety company qualified and
20 authorized to do business in this state. The bond must be made
21 payable to the State of Nevada and be conditioned to provide
22 indemnification to a person determined to have suffered damage as
23 a result of an act by the notary public which violates a provision of
24 NRS 240.001 to 240.169, inclusive. The surety company shall pay a
25 final, nonappealable judgment of a court of this state that has
26 jurisdiction, upon receipt of written notice of final judgment. The
27 bond may be continuous but, regardless of the duration of the bond,
28 the aggregate liability of the surety does not exceed the penal sum of
29 the bond.

30 2. If the penal sum of the bond is exhausted, the surety
31 company shall notify the Secretary of State in writing within 30
32 days after its exhaustion.

33 3. The surety bond must cover the period of the appointment of
34 the notary public, except when a surety is released.

35 4. A surety on a bond filed pursuant to NRS 240.030 may be
36 released after the surety gives 30 days' written notice to the
37 Secretary of State and notary public, but the release does not
38 discharge or otherwise affect a claim filed by a person for damage
39 resulting from an act of the notary public which is alleged to have
40 occurred while the bond was in effect.

41 5. The appointment of a notary public is suspended by
42 operation of law when the notary public is no longer covered by a
43 surety bond as required by this section and NRS 240.030 or the
44 penal sum of the bond is exhausted. If the Secretary of State
45 receives notice pursuant to subsection 4 that the bond will be



1 released or pursuant to subsection 2 that the penal sum of the bond
2 is exhausted, the Secretary shall immediately notify the notary
3 public in writing that his appointment will be suspended by
4 operation of law until another surety bond is filed in the same
5 manner and amount as the bond being terminated.

6 6. The Secretary of State may reinstate the appointment of a
7 notary public whose appointment has been suspended pursuant to
8 subsection 5, if the notary public, before his current term of
9 appointment expires:

10 (a) Submits to the Secretary of State:

11 (1) An application for an amended certificate of appointment
12 as a notary public; and

13 (2) A certificate issued by the clerk of the county in which
14 the applicant resides or, if the applicant is a resident of an adjoining
15 state, the county in this state in which the applicant maintains a
16 place of business or is employed, which indicates that the applicant
17 filed a new surety bond with the clerk.

18 (b) Pays to the Secretary of State a fee of ~~[\$10.]~~ **\$15.**

19 **Sec. 161.** NRS 240.036 is hereby amended to read as follows:

20 240.036 1. If, at any time during his appointment, a notary
21 public changes his mailing address, county of residence or signature
22 or, if he is a resident of an adjoining state, changes his place of
23 business or employment, he shall submit to the Secretary of State a
24 request for an amended certificate of appointment on a form
25 provided by the Secretary of State. The request must:

26 (a) Include the new information;

27 (b) Be submitted within 30 days after making that change; and

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

29 2. The Secretary of State may suspend the appointment of a
30 notary public who fails to provide to the Secretary of State notice of
31 a change in any of the information specified in subsection 1.

32 3. If a notary public changes his name during his appointment
33 and he intends to use his new name in the performance of his
34 notarial duties, he shall submit to the Secretary of State a request for
35 an amended certificate of appointment on a form provided by the
36 Secretary of State. The request must:

37 (a) Include his new name and signature and his address;

38 (b) Be submitted within 30 days after making the change; and

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

40 4. Upon receipt of a request for an amended certificate of
41 appointment and the appropriate fee, the Secretary of State shall
42 issue an amended certificate of appointment.

43 5. When the notary public receives the amended certificate of
44 appointment, he shall:



1 (a) Destroy his notary's stamp and obtain a new notary's stamp
2 which includes the information on the amended certificate.

3 (b) Notify the surety company which issued his bond of the
4 changes.

5 **Sec. 162.** NRS 240.045 is hereby amended to read as follows:

6 240.045 1. If the stamp of a notary public is lost, the notary
7 public shall, within 10 days after the stamp is lost, submit to the
8 Secretary of State a request for an amended certificate of
9 appointment, on a form provided by the Secretary of State, and
10 obtain a new stamp in accordance with NRS 240.036. The request
11 must be accompanied by a fee of ~~[\$10.]~~ **\$15.**

12 2. If the stamp is destroyed, broken, damaged or otherwise
13 rendered inoperable, the notary public shall immediately notify the
14 Secretary of State of that fact and obtain a new stamp.

15 3. A person or governmental entity shall not make,
16 manufacture or otherwise produce a notary's stamp unless the
17 notary public presents his original or amended certificate of
18 appointment or a certified copy of his original or amended
19 certificate of appointment to that person or governmental entity.

20 **Sec. 163.** NRS 240.165 is hereby amended to read as follows:

21 240.165 1. A notarial act has the same effect under the law of
22 this state as if performed by a notarial officer of this state if
23 performed within the jurisdiction of and under authority of a foreign
24 nation or its constituent units or a multinational or international
25 organization by the following persons:

26 (a) A notary public;

27 (b) A judge, clerk or deputy clerk of a court of record; or

28 (c) A person authorized by the law of that jurisdiction to
29 perform notarial acts.

30 2. An "apostille" in the form prescribed by the Hague
31 Convention of October 5, 1961, conclusively establishes that the
32 signature of the notarial officer is genuine and that the officer holds
33 the indicated office. The Secretary of State shall, upon request and
34 payment of a fee of ~~[\$20.]~~ **\$30,** issue an apostille to verify a
35 signature of a notarial officer on a document that is kept in the
36 records of the Secretary of State unless the document had not been
37 notarized in accordance with the provisions of this chapter.

38 3. A certificate by an officer of the foreign service or consular
39 officer of the United States stationed in the nation under the
40 jurisdiction of which the notarial act was performed, or a certificate
41 by an officer of the foreign service or consular officer of that nation
42 stationed in the United States, conclusively establishes a matter
43 relating to the authenticity or validity of the notarial act set forth in
44 the certificate.



1 4. An official stamp or seal of the person performing the
2 notarial act is prima facie evidence that the signature is genuine and
3 that the person holds the indicated title.

4 5. An official stamp or seal of an officer listed in paragraph (a)
5 or (b) of subsection 1 is prima facie evidence that a person with the
6 indicated title has authority to perform notarial acts.

7 6. If the title of office and indication of authority to perform
8 notarial acts appears either in a digest of foreign law or in a list
9 customarily used as a source for that information, the authority of an
10 officer with that title to perform notarial acts is conclusively
11 established.

12 **Sec. 164.** NRS 240.270 is hereby amended to read as follows:

13 240.270 1. Each commissioned abstractor, before entering
14 upon the acts authorized in NRS 240.240 to 240.330, inclusive, and
15 at the time he receives his commission, shall:

16 (a) Pay to the Secretary of State the sum of ~~[\$10.]~~ **\$15.**

17 (b) Take the official oath as prescribed by law, which oath shall
18 be endorsed on his commission.

19 (c) Enter into a bond to the State of Nevada in the sum of
20 \$2,000, to be approved by the district judge of the county for which
21 the commissioned abstractor may be appointed.

22 2. Each commissioned abstractor shall have his commission,
23 together with the bond, recorded in the office of the clerk of the
24 county for which he has been appointed.

25 **Sec. 165.** Chapter 338 of NRS is hereby amended by adding
26 thereto a new section to read as follows:

27 *A public body shall include in each contract for the*
28 *construction, alteration or repair of any public work, a clause*
29 *requiring each contractor, subcontractor and other person who*
30 *provides labor, equipment, materials, supplies or services for the*
31 *public work to comply with the requirements of all applicable state*
32 *and local laws, including, without limitation, any applicable*
33 *licensing requirements and requirements for the payment of sales*
34 *and use taxes on equipment, materials and supplies provided for*
35 *the public work.*

36 **Sec. 166.** NRS 353.1465 is hereby amended to read as
37 follows:

38 353.1465 1. Upon approval of the State Board of Finance, a
39 state agency may enter into contracts with issuers of credit cards or
40 debit cards or operators of systems that provide for the electronic
41 transfer of money to provide for the acceptance of credit cards, debit
42 cards or electronic transfers of money by the agency:

43 (a) For the payment of money owed to the agency for taxes,
44 interest, penalties or any other obligation; or

45 (b) In payment for goods or services.



1 2. Before a state agency may enter into a contract pursuant to
2 subsection 1, the agency must submit the proposed contract to the
3 State Treasurer for his review and transmittal to the State Board of
4 Finance.

5 3. Except as otherwise provided in subsection 4, if the issuer or
6 operator charges the state agency a fee for each use of a credit card
7 or debit card or for each electronic transfer of money, the state
8 agency may require the cardholder or the person requesting the
9 electronic transfer of money to pay a fee, which must not exceed the
10 amount charged to the state agency by the issuer or operator.

11 4. A state agency that is required to pay a fee charged by the
12 issuer or operator for the use of a credit card or debit card or for an
13 electronic transfer of money may, pursuant to NRS 353.148, file a
14 claim with the Director of the Department of Administration for
15 reimbursement of the fees paid to the issuer or operator during the
16 immediately preceding quarter.

17 5. *The Director of the Department of Administration shall*
18 *adopt regulations providing for the submission of payments to*
19 *state agencies pursuant to contracts authorized by this section.*
20 *The regulations must not conflict with a regulation adopted*
21 *pursuant to NRS 360A.020 or section 61 of this act.*

22 6. As used in this section:

23 (a) "Cardholder" means the person or organization named on the
24 face of a credit card or debit card to whom or for whose benefit the
25 credit card or debit card is issued by an issuer.

26 (b) "Credit card" means any instrument or device, whether
27 known as a credit card or credit plate, or by any other name, issued
28 with or without a fee by an issuer for the use of the cardholder in
29 obtaining money, property, goods, services or anything else of value
30 on credit.

31 (c) "Debit card" means any instrument or device, whether
32 known as a debit card or by any other name, issued with or without
33 a fee by an issuer for the use of the cardholder in depositing,
34 obtaining or transferring funds.

35 (d) "Electronic transfer of money" has the meaning ascribed to it
36 in NRS 463.01473.

37 (e) "Issuer" means a business organization, financial institution
38 or authorized agent of a business organization or financial institution
39 that issues a credit card or debit card.

40 **Sec. 167.** NRS 354.705 is hereby amended to read as follows:

41 354.705 1. As soon as practicable after the Department takes
42 over the management of a local government, the Executive Director
43 shall:



1 (a) Determine the total amount of expenditures necessary to
2 allow the local government to perform the basic functions for which
3 it was created;

4 (b) Determine the amount of revenue reasonably expected to be
5 available to the local government; and

6 (c) Consider any alternative sources of revenue available to the
7 local government.

8 2. If the Executive Director determines that the available
9 revenue is not sufficient to provide for the payment of required debt
10 service and operating expenses, he may submit his findings to the
11 Committee who shall review the determinations made by the
12 Executive Director. If the Committee determines that additional
13 revenue is needed, it shall prepare a recommendation to the Nevada
14 Tax Commission as to which one or more of the following
15 additional taxes or charges should be imposed by the local
16 government:

17 (a) The levy of a property tax up to a rate which , when
18 combined with all other overlapping rates levied in the State ,
19 *including, without limitation, any levy imposed by the Legislature*
20 *for the repayment of bonded indebtedness or the operating*
21 *expenses of the State of Nevada and any levy imposed by the board*
22 *of county commissioners pursuant to NRS 387.195,* does not
23 exceed \$4.50 on each \$100 of assessed valuation.

24 (b) An additional tax on transient lodging at a rate not to exceed
25 1 percent of the gross receipts from the rental of transient lodging
26 within the boundaries of the local government upon all persons in
27 the business of providing lodging. Any such tax must be collected
28 and administered in the same manner as all other taxes on transient
29 lodging are collected by or for the local government.

30 (c) Additional service charges appropriate to the local
31 government.

32 (d) If the local government is a county or has boundaries that are
33 conterminous with the boundaries of the county:

34 (1) An additional tax on the gross receipts from the sale or
35 use of tangible personal property not to exceed one quarter of 1
36 percent throughout the county. The ordinance imposing any such tax
37 must include provisions in substance which comply with the
38 requirements of subsections 2 to 5, inclusive, of NRS 377A.030.

39 (2) An additional governmental services tax of not more than
40 1 cent on each \$1 of valuation of the vehicle for the privilege of
41 operating upon the public streets, roads and highways of the county
42 on each vehicle based in the county except those vehicles exempt
43 from the governmental services tax imposed pursuant to chapter 371
44 of NRS or a vehicle subject to NRS 706.011 to 706.861, inclusive,
45 which is engaged in interstate or intercounty operations. As used in



1 this subparagraph, "based" has the meaning ascribed to it in
2 NRS 482.011.

3 3. Upon receipt of the plan from the Committee, a panel
4 consisting of three members of the Nevada Tax Commission
5 appointed by the Nevada Tax Commission and three members of the
6 Committee appointed by the Committee shall hold a public hearing
7 at a location within the boundaries of the local government in which
8 the severe financial emergency exists after giving public notice of
9 the hearing at least 10 days before the date on which the hearing will
10 be held. In addition to the public notice, the panel shall give notice
11 to the governing body of each local government whose jurisdiction
12 overlaps with the jurisdiction of the local government in which the
13 severe financial emergency exists.

14 4. After the public hearing conducted pursuant to subsection 3,
15 the Nevada Tax Commission may adopt the plan as submitted or
16 adopt a revised plan. Any plan adopted pursuant to this section must
17 include the duration for which any new or increased taxes or charges
18 may be collected which must not exceed 5 years.

19 5. Upon adoption of the plan by the Nevada Tax Commission,
20 the local government in which the severe financial emergency exists
21 shall impose or cause to be imposed the additional taxes and charges
22 included in the plan for the duration stated in the plan or until the
23 severe financial emergency has been determined by the Nevada Tax
24 Commission to have ceased to exist.

25 6. The allowed revenue from taxes ad valorem determined
26 pursuant to NRS 354.59811 does not apply to any additional
27 property tax levied pursuant to this section.

28 7. If a plan fails to satisfy the expenses of the local government
29 to the extent expected, the Committee shall report such failure to:

- 30 (a) The county for consideration of absorption of services; or
31 (b) If the local government is a county, to the next regular
32 session of the Legislature.

33 **Sec. 168.** NRS 354.723 is hereby amended to read as follows:

34 354.723 1. If the Executive Director determines that a severe
35 financial emergency which exists in a local government under
36 management by the Department is unlikely to cease to exist within 3
37 years, he shall determine:

38 (a) The amount any tax or mandatory assessment levied by the
39 local government must be raised to ensure a balanced budget for the
40 local government; and

41 (b) The manner in which the services provided by the local
42 government must be limited to ensure a balanced budget for the
43 local government,

44 and submit his findings to the Committee.



1 2. The Committee shall review the findings submitted by the
2 Executive Director pursuant to subsection 1. If the Committee
3 determines that the severe financial emergency which exists in the
4 local government is unlikely to cease to exist within 3 years and that
5 the findings made by the Executive Director are appropriate, the
6 Committee shall submit its recommendation to the Nevada Tax
7 Commission. If the Committee determines that the financial
8 emergency is likely to cease to exist within 3 years, that decision is
9 not subject to review by the Nevada Tax Commission.

10 3. The Nevada Tax Commission shall schedule a public
11 hearing within 30 days after the Committee submits its
12 recommendation. The Nevada Tax Commission shall provide public
13 notice of the hearing at least 10 days before the date on which the
14 hearing will be held. The Executive Director shall provide copies of
15 all documents relevant to the recommendation of the Committee to
16 the governing body of the local government in severe financial
17 emergency.

18 4. If, after the public hearing, the Nevada Tax Commission
19 determines that the recommendation of the Committee is
20 appropriate, a question must be submitted to the electors of the local
21 government at the next primary or general municipal election or
22 primary or general state election, as applicable, asking whether the
23 local government should be disincorporated or dissolved. If the
24 electors of the local government do not approve the disincorporation
25 or dissolution of the local government:

26 (a) The maximum ad valorem tax levied within the local
27 government, if any, must be raised to \$5 on each \$100 of assessed
28 valuation;

29 (b) Any other taxes or mandatory assessments levied in the local
30 government, notwithstanding any limitation on those taxes or
31 assessments provided by statute, must be raised in an amount the
32 Nevada Tax Commission determines is necessary to ensure a
33 balanced budget for the local government; and

34 (c) The services provided by the local government must be
35 limited in a manner the Nevada Tax Commission determines
36 is necessary to ensure a balanced budget for the local
37 government.

38 *In calculating the rate of tax required by paragraph (a), any levy*
39 *imposed by the Legislature for the repayment of bonded*
40 *indebtedness or the operating expenses of the State of Nevada and*
41 *any levy imposed by the board of county commissioners pursuant*
42 *to NRS 387.195 must not be excluded.*

43 5. If the electors of the local government approve the
44 disincorporation or dissolution of a local government that is:



- 1 (a) Created by another local government, it must be
2 disincorporated or dissolved:
- 3 (1) Pursuant to the applicable provisions of law; or
4 (2) If there are no specific provisions of law providing for
5 the disincorporation or dissolution of the local government, by the
6 entity that created the local government. If, at the time of the
7 disincorporation or dissolution of the local government pursuant to
8 this paragraph, there are any outstanding loans or bonded
9 indebtedness of the local government, including, without limitation,
10 loans made to the local government by the county in which the local
11 government is located, the taxes for the payment of the bonds or
12 other indebtedness must continue to be levied and collected in the
13 same manner as if the local government had not been
14 disincorporated or dissolved until all outstanding indebtedness is
15 repaid, but for all other purposes the local government shall be
16 deemed disincorporated or dissolved at the time that the entity
17 which created the local government disincorporates or dissolves the
18 local government. Any other liabilities and any remaining assets
19 shall revert to the entity that created the local government which is
20 being disincorporated or dissolved.
- 21 (b) Created by a special or local act of the Legislature, it may
22 only be disincorporated or dissolved by the Legislature. The
23 Executive Director shall submit notification of the vote approving
24 the disincorporation or dissolution of the local government to the
25 Director of the Legislative Counsel Bureau for transmittal to the
26 Legislature. At the first opportunity, the Legislature shall consider
27 the question of whether the special or local act will be repealed.
- 28 (c) Created in any other manner, it must be disincorporated or
29 dissolved:
- 30 (1) Pursuant to the applicable provisions of law; or
31 (2) If there are no specific provisions of law providing for
32 the disincorporation or dissolution of the local government, by the
33 governing body of that local government. If, at the time of the
34 disincorporation or dissolution of the local government pursuant to
35 this paragraph, there are any outstanding loans or bonded
36 indebtedness of the local government, including, without limitation,
37 loans made to the local government by the county or counties in
38 which the local government is located, the taxes for the payment of
39 the bonds or other indebtedness must continue to be levied and
40 collected in the same manner as if the local government had not
41 been disincorporated or dissolved until all outstanding indebtedness
42 is repaid, but for all other purposes the local government shall be
43 deemed disincorporated or dissolved at the time that the governing
44 body of the local government disincorporates or dissolves the local
45 government. Except as otherwise provided in this subparagraph, any



1 other liabilities and any remaining assets of the local government
2 shall revert to the board of county commissioners of the county in
3 which the local government is located. If the local government is
4 located in more than one county, the governing body of the local
5 government shall apportion the remaining liabilities and assets
6 among the boards of county commissioners of the counties in which
7 the local government is located.

8 6. Within 10 days after the Nevada Tax Commission makes a
9 determination pursuant to subsection 4, the Executive Director shall
10 notify:

11 (a) The city clerk, if the local government is a city; or

12 (b) The county clerk in all other cases,

13 and provide the clerk with the amount any tax or mandatory
14 assessment levied by the local government must be raised and a
15 description of the manner in which the services provided by the
16 local government must be limited to ensure a balanced budget for
17 the local government.

18 7. After the Executive Director notifies the city clerk or the
19 county clerk, as applicable, pursuant to subsection 6, the clerk shall
20 cause to be published in a newspaper of general circulation that is
21 printed in the local government a notice of the election once in each
22 calendar week for 2 successive calendar weeks by two weekly
23 insertions a week apart, the first publication to be not more than 30
24 days nor less than 22 days next preceding the date of the election. If
25 no newspaper is printed in the local government, publication of the
26 notice of election must be made in a newspaper printed in this state
27 and having a general circulation in the local government.

28 8. The notice required pursuant to subsection 7 must contain
29 the following information:

30 (a) That the Nevada Tax Commission has determined that the
31 severe financial emergency which exists in the local government is
32 unlikely to cease to exist within 3 years;

33 (b) That the question of whether the local government should be
34 disincorporated or dissolved will be submitted to the electors of the
35 local government at the next primary or general municipal election
36 or the next primary or general state election, as applicable; and

37 (c) That if the electors do not approve the disincorporation or
38 dissolution:

39 (1) The maximum ad valorem tax levied within the local
40 government, if any, will be raised to \$5 on each \$100 of assessed
41 valuation;

42 (2) Any taxes or mandatory assessment levied in the local
43 government will be raised to ensure a balanced budget for the local
44 government and the amount by which those taxes or mandatory
45 assessments will be raised; and



1 (3) The services the local government provides will be
2 limited to ensure a balanced budget for the local government and the
3 manner in which those services will be limited.

4 9. If any provisions providing generally for the
5 disincorporation or dissolution of the local government require that
6 the question of disincorporating or dissolving be published or
7 submitted to a vote of the electors of the local government, the
8 publication required by subsection 3 and the election required by
9 subsection 4 satisfy those requirements. If:

10 (a) There is any other conflict between the provisions of this
11 section and any provisions providing generally for the
12 disincorporation or dissolution of a local government; or

13 (b) The provisions providing generally for the disincorporation
14 or dissolution of a local government provide additional rights to
15 protest the disincorporation or dissolution of a local government not
16 provided by this section,

17 the provisions of this section control a disincorporation or
18 dissolution pursuant to this section and any person wishing to
19 protest such a disincorporation or dissolution must proceed in
20 accordance with the provisions of this section.

21 10. As used in this section, "local government" does not
22 include a county, a school district or any agency or department of a
23 county or city which prepares a budget separate from that of the
24 parent political subdivision.

25 **Sec. 169.** NRS 450.760 is hereby amended to read as follows:

26 450.760 In a county whose population is less than 400,000:

27 1. If, after a hearing, the board of county commissioners
28 determines that the dissolution of a hospital district is necessary, the
29 board shall by resolution provide for the dissolution of the hospital
30 district. On and after the filing of the resolution with the county
31 recorder, the hospital district shall be deemed dissolved.

32 2. Before dissolving a hospital district pursuant to subsection 1,
33 the board of county commissioners shall determine whether the
34 proceeds from the taxes currently being levied in the district, if any,
35 for the operation of the hospital and the repayment of debt are
36 sufficient to repay any outstanding obligations of the hospital
37 district within a reasonable period after the dissolution of
38 the district. If there are no taxes currently being levied for the
39 hospital district or the taxes being levied are not sufficient to repay
40 the outstanding obligations of the hospital district within a
41 reasonable period after the dissolution of the district, before
42 dissolving the district pursuant to subsection 1 the board of county
43 commissioners may levy a property tax on all of the taxable
44 property in the district that is sufficient, when combined with any
45 revenue from taxes currently being levied in the district, to repay the



1 outstanding obligations of the hospital district within a reasonable
2 period after the dissolution of the district. The allowed revenue from
3 taxes ad valorem determined pursuant to NRS 354.59811 does not
4 apply to any additional property tax levied pursuant to this
5 subsection. If the hospital district is being managed by the
6 Department of Taxation pursuant to NRS 354.685 to 354.725,
7 inclusive, at the time of dissolution, the rate levied pursuant to this
8 subsection must not be included in the total ad valorem tax levy for
9 the purposes of the application of the limitation in NRS 361.453, but
10 the rate levied , when combined with all other overlapping rates
11 levied in the State , *including, without limitation, any levy imposed*
12 *by the Legislature for the repayment of bonded indebtedness or the*
13 *operating expenses of the State of Nevada and any levy imposed by*
14 *the board of county commissioners pursuant to NRS 387.195,*
15 must not exceed \$4.50 on each \$100 of assessed valuation. The
16 board of county commissioners shall discontinue any rate levied
17 pursuant to this subsection on a date that will ensure that no taxes
18 are collected for this purpose after the outstanding obligations of the
19 hospital district have been paid in full.

20 3. If, at the time of the dissolution of the hospital district, there
21 are any outstanding loans, bonded indebtedness or other obligations
22 of the hospital district, including, without limitation, unpaid
23 obligations to organizations such as the Public Employees'
24 Retirement System, unpaid salaries or unpaid loans made to the
25 hospital district by the county, the taxes being levied in the district
26 at the time of dissolution must continue to be levied and collected in
27 the same manner as if the hospital district had not been dissolved
28 until all outstanding obligations of the district have been paid in full,
29 but for all other purposes the hospital district shall be
30 deemed dissolved from the time the resolution is filed pursuant to
31 subsection 1.

32 4. If the hospital district is being managed by the Department
33 of Taxation pursuant to NRS 354.685 to 354.725, inclusive, at the
34 time of dissolution, the management ceases upon dissolution, but
35 the board of county commissioners shall continue to make such
36 financial reports to the Department of Taxation as the Department
37 deems necessary until all outstanding obligations of the hospital
38 district have been paid in full.

39 5. The property of the dissolved hospital district may be
40 retained by the board of county commissioners for use as a hospital
41 or disposed of in any manner the board deems appropriate. Any
42 proceeds of the sale or other transfer of the property of the dissolved
43 hospital district and any proceeds from taxes which had been levied
44 and received by the hospital district before dissolution, whether
45 levied for operating purposes or for the repayment of debt, must be



1 used by the board of county commissioners to repay any
2 indebtedness of the hospital district.

3 **Sec. 170.** NRS 463.370 is hereby amended to read as follows:

4 463.370 1. Except as otherwise provided in NRS 463.373,
5 the Commission shall charge and collect from each licensee a
6 license fee based upon all the gross revenue of the licensee as
7 follows:

8 (a) Three *and one-quarter* percent of all the gross revenue of
9 the licensee which does not exceed \$50,000 per calendar month;

10 (b) Four *and one-quarter* percent of all the gross revenue of the
11 licensee which exceeds \$50,000 per calendar month and does not
12 exceed \$134,000 per calendar month; and

13 (c) Six ~~and one-quarter~~ *one-half* percent of all the gross
14 revenue of the licensee which exceeds \$134,000 per calendar month.

15 2. Unless the licensee has been operating for less than a full
16 calendar month, the Commission shall charge and collect the fee
17 prescribed in subsection 1, based upon the gross revenue for the
18 preceding calendar month, on or before the 24th day of the
19 following month. Except for the fee based on the first full month of
20 operation, the fee is an estimated payment of the license fee for the
21 third month following the month whose gross revenue is used as its
22 basis.

23 3. When a licensee has been operating for less than a full
24 calendar month, the Commission shall charge and collect the fee
25 prescribed in subsection 1, based on the gross revenue received
26 during that month, on or before the 24th day of the following
27 calendar month of operation. After the first full calendar month of
28 operation, the Commission shall charge and collect the fee based on
29 the gross revenue received during that month, on or before the 24th
30 day of the following calendar month. The payment of the fee due for
31 the first full calendar month of operation must be accompanied by
32 the payment of a fee equal to three times the fee for the first full
33 calendar month. This additional amount is an estimated payment of
34 the license fees for the next 3 calendar months. Thereafter, each
35 license fee must be paid in the manner described in subsection 2.
36 Any deposit held by the Commission on July 1, 1969, must be
37 treated as an advance estimated payment.

38 4. All revenue received from any game or gaming device
39 which is operated on the premises of a licensee, regardless of
40 whether any portion of the revenue is shared with any other person,
41 must be attributed to the licensee for the purposes of this section and
42 counted as part of the gross revenue of the licensee. Any other
43 person, including, without limitation, an operator of an inter-casino
44 linked system, who is authorized to receive a share of the revenue
45 from any game, gaming device or inter-casino linked system that is



1 operated on the premises of a licensee is liable to the licensee for
2 that person's proportionate share of the license fees paid by the
3 licensee pursuant to this section and shall remit or credit the full
4 proportionate share to the licensee on or before the 24th day of each
5 calendar month. The proportionate share of an operator of an inter-
6 casino linked system must be based on all compensation and other
7 consideration received by the operator of the inter-casino linked
8 system, including, without limitation, amounts that accrue to the
9 meter of the primary progressive jackpot of the inter-casino linked
10 system and amounts that fund the reserves of such a jackpot, subject
11 to all appropriate adjustments for deductions, credits, offsets and
12 exclusions that the licensee is entitled to take or receive pursuant to
13 the provisions of this chapter. A licensee is not liable to any other
14 person authorized to receive a share of the licensee's revenue from
15 any game, gaming device or inter-casino linked system that is
16 operated on the premises of the licensee for that person's
17 proportionate share of the license fees to be remitted or credited to
18 the licensee by that person pursuant to this section.

19 5. An operator of an inter-casino linked system shall not enter
20 into any agreement or arrangement with a licensee that provides for
21 the operator of the inter-casino linked system to be liable to the
22 licensee for less than its full proportionate share of the license fees
23 paid by the licensee pursuant to this section, whether accomplished
24 through a rebate, refund, charge-back or otherwise.

25 6. Any person required to pay a fee pursuant to this section
26 shall file with the Commission, on or before the 24th day of each
27 calendar month, a report showing the amount of all gross revenue
28 received during the preceding calendar month. Each report must be
29 accompanied by:

30 (a) The fee due based on the revenue of the month covered by
31 the report; and

32 (b) An adjustment for the difference between the estimated fee
33 previously paid for the month covered by the report, if any, and
34 the fee due for the actual gross revenue earned in that month. If the
35 adjustment is less than zero, a credit must be applied to the
36 estimated fee due with that report.

37 7. If the amount of license fees required to be reported and paid
38 pursuant to this section is later determined to be greater or less than
39 the amount actually reported and paid, the Commission shall:

40 (a) Charge and collect the additional license fees determined to
41 be due, with interest thereon until paid; or

42 (b) Refund any overpayment to the person entitled thereto
43 pursuant to this chapter, with interest thereon.

44 Interest pursuant to paragraph (a) must be computed at the rate
45 prescribed in NRS 17.130 from the first day of the first month



1 following the due date of the additional license fees until paid.
2 Interest pursuant to paragraph (b) must be computed at one-half the
3 rate prescribed in NRS 17.130 from the first day of the first month
4 following the date of overpayment until paid.

5 8. Failure to pay the fees provided for in this section shall be
6 deemed a surrender of the license at the expiration of the period for
7 which the estimated payment of fees has been made, as established
8 in subsection 2.

9 9. Except as otherwise provided in NRS 463.386, the amount
10 of the fee prescribed in subsection 1 must not be prorated.

11 10. Except as otherwise provided in NRS 463.386, if a licensee
12 ceases operation, the Commission shall:

13 (a) Charge and collect the additional license fees determined to
14 be due with interest computed pursuant to paragraph (a) of
15 subsection 7; or

16 (b) Refund any overpayment to the licensee with interest
17 computed pursuant to paragraph (b) of subsection 7,
18 based upon the gross revenue of the licensee during the last 3
19 months immediately preceding the cessation of operation, or
20 portions of those last 3 months.

21 11. If in any month ~~the~~ the amount of gross revenue is less than
22 zero, the licensee may offset the loss against gross revenue in
23 succeeding months until the loss has been fully offset.

24 12. If in any month ~~the~~ the amount of the license fee due is less
25 than zero, the licensee is entitled to receive a credit against any
26 license fees due in succeeding months until the credit has been fully
27 offset.

28 **Sec. 171.** NRS 463.373 is hereby amended to read as follows:

29 463.373 1. Before issuing a state gaming license to an
30 applicant for a restricted operation, the Commission shall charge
31 and collect from him for each slot machine for each quarter year:

32 (a) A license fee of ~~[\$64]~~ **\$81** for each slot machine if he will
33 have at least one but not more than five slot machines.

34 (b) A license fee of ~~[\$305 plus \$106]~~ **\$405 plus \$141** for each
35 slot machine in excess of five if he will have at least six but not
36 more than 15 slot machines.

37 2. The Commission shall charge and collect the fee prescribed
38 in subsection 1:

39 (a) On or before the last day of the last month in a calendar
40 quarter, for the ensuing calendar quarter, from a licensee whose
41 operation is continuing.

42 (b) In advance from a licensee who begins operation or puts
43 additional slot machines into play during a calendar quarter.

44 3. Except as otherwise provided in NRS 463.386, no proration
45 of the fee prescribed in subsection 1 may be allowed for any reason.



1 4. The operator of the location where slot machines are situated
2 shall pay the fee prescribed in subsection 1 upon the total number of
3 slot machines situated in that location, whether or not the machines
4 are owned by one or more licensee-owners.

5 **Sec. 172.** NRS 463.770 is hereby amended to read as follows:
6 463.770 1. All gross revenue from operating interactive
7 gaming received by an establishment licensed to operate interactive
8 gaming, regardless of whether any portion of the revenue is shared
9 with another person, must be attributed to the licensee and counted
10 as part of the gross revenue of the licensee for the purpose of
11 computing the license fee required by NRS 463.370.

12 2. A manufacturer of interactive gaming systems who is
13 authorized by an agreement to receive a share of the revenue from
14 an interactive gaming system from an establishment licensed to
15 operate interactive gaming is liable to the establishment for a
16 portion of the license fee paid pursuant to subsection 1. The portion
17 for which the manufacturer of interactive gaming systems is liable is
18 ~~6.25~~ 6.5 percent of the amount of revenue to which the
19 manufacturer of interactive gaming systems is entitled pursuant to
20 the agreement.

21 3. For the purposes of subsection 2, the amount of revenue to
22 which the manufacturer of interactive gaming systems is entitled
23 pursuant to an agreement to share the revenue from an interactive
24 gaming system:

25 (a) Includes all revenue of the manufacturer of interactive
26 gaming systems that is his share of the revenue from the interactive
27 gaming system pursuant to the agreement; and

28 (b) Does not include revenue that is the fixed purchase price for
29 the sale of a component of the interactive gaming system.

30 **Sec. 173.** NRS 597.800 is hereby amended to read as follows:
31 597.800 1. The right of publicity established by NRS
32 597.790 is freely transferable, in whole or in part, by contract,
33 license, gift, conveyance, assignment, devise or testamentary trust
34 by a person or his successor in interest.

35 2. If a deceased person has not transferred his rights as
36 provided by subsection 1, and he has no surviving beneficiary or
37 successor in interest upon his death, the commercial use of his
38 name, voice, signature, photograph or likeness does not require
39 consent.

40 3. A successor in interest or a licensee of a deceased person
41 may file in the Office of the Secretary of State, on a form prescribed
42 by the Secretary of State and upon the payment of a filing fee of
43 ~~\$25~~ \$40, a verified application for registration of his claim. The
44 application must include:

45 (a) The legal and professional name of the deceased person;



- 1 (b) The date of death of the deceased person;
- 2 (c) The name and address of the claimant;
- 3 (d) The basis of the claim; and
- 4 (e) A description of the rights claimed.

5 4. A successor in interest or a licensee of a deceased person
6 may not assert any right against any unauthorized commercial use of
7 the deceased person's name, voice, signature, photograph or
8 likeness that begins before the filing of an application to register his
9 claim.

10 5. A person, firm or corporation seeking to use the name,
11 voice, signature, photograph or likeness of a deceased person for
12 commercial purposes must first make a reasonable effort, in good
13 faith, to discover the identity of any person who qualifies as a
14 successor in interest to the deceased person. A person claiming to be
15 a successor in interest to a deceased person must, within 6 months
16 after the date he becomes aware or should reasonably have become
17 aware of an unauthorized commercial use of the deceased person's
18 name, voice, signature, photograph or likeness, register a claim with
19 the Secretary of State pursuant to subsection 3. Failure to register
20 shall be deemed a waiver of any right of publicity.

21 6. The Secretary of State may microfilm or reproduce by other
22 techniques any document filed pursuant to this section and thereafter
23 destroy the original of the document. The microfilm or other
24 reproduction is admissible in any court of record. The Secretary of
25 State may destroy the microfilm or other reproduction 50 years after
26 the death of the person whose identity is the subject of the claim.

27 7. A claim registered pursuant to this section is a public record.
28 **Sec. 174.** NRS 599B.210 is hereby amended to read as
29 follows:

30 599B.210 1. Every registrant, other than a registrant
31 incorporated in this state, shall file with the Secretary of State an
32 irrevocable consent appointing the Secretary of State as his agent to
33 receive service of any lawful process in any action or proceeding
34 against him arising pursuant to this chapter. Any lawful process
35 against the registrant served upon the Secretary of State as provided
36 in subsection 2 has the same force and validity as if served upon the
37 registrant personally.

38 2. Service of process authorized by subsection 1 must be made
39 by filing with the Secretary of State:

40 (a) Two copies of the process. The copies must include a
41 specific citation to the provisions of this section. The Secretary of
42 State may refuse to accept such service if the proper citation is not
43 included in each copy.

44 (b) A fee of ~~[\$10.]~~ **\$15.**



1 The Secretary of State shall forthwith forward one copy of the
2 process by registered or certified mail prepaid to the registrant ~~§~~ or
3 , in the case of a registrant organized under the laws of a foreign
4 government, to the United States manager or last appointed United
5 States general agent of the registrant, giving the day and the hour of
6 the service.

7 3. Service of process is not complete until the copy thereof has
8 been mailed and received by the registrant, and the receipt of the
9 addressee is prima facie evidence of the completion of the service.

10 4. If service of summons is made upon the Secretary of State in
11 accordance with the provisions of this section, the time within which
12 the registrant is required to appear is extended 10 days.

13 **Sec. 175.** NRS 600.340 is hereby amended to read as follows:

14 600.340 1. A person who has adopted and is using a mark in
15 this state may file in the Office of the Secretary of State, on a form
16 to be furnished by the Secretary of State, an application for
17 registration of that mark setting forth, but not limited to, the
18 following information:

19 (a) Whether the mark to be registered is a trademark, trade name
20 or service mark;

21 (b) A description of the mark by name, words displayed in it or
22 other information;

23 (c) The name and business address of the person applying for
24 the registration and, if it is a corporation, limited-liability company,
25 limited partnership or registered limited-liability partnership, the
26 state of incorporation or organization;

27 (d) The specific goods or services in connection with which the
28 mark is used and the mode or manner in which the mark is used in
29 connection with those goods or services and the class as designated
30 by the Secretary of State which includes those goods or services;

31 (e) The date when the mark was first used anywhere and the
32 date when it was first used in this state by the applicant or his
33 predecessor in business which must precede the filing of the
34 application; and

35 (f) A statement that the applicant is the owner of the mark and
36 that no other person has the right to use the mark in this state either
37 in the form set forth in the application or in such near resemblance
38 to it as might deceive or cause mistake.

39 2. The application must:

40 (a) Be signed and verified by the applicant or by a member of
41 the firm or an officer of the corporation or association applying.

42 (b) Be accompanied by a specimen or facsimile of the mark in
43 duplicate and by a filing fee of ~~[\$100]~~ \$150 payable to the Secretary
44 of State.



1 3. If the application fails to comply with this section or NRS
2 600.343, the Secretary of State shall return it for correction.

3 **Sec. 176.** NRS 600.355 is hereby amended to read as follows:
4 600.355 1. If any statement in an application for registration
5 of a mark was incorrect when made or any arrangements or other
6 facts described in the application have changed, making the
7 application inaccurate in any respect without materially altering the
8 mark, the registrant shall promptly file in the Office of the Secretary
9 of State a certificate, signed by the registrant or his successor or by a
10 member of the firm or an officer of the corporation or association to
11 which the mark is registered, correcting the statement.

12 2. Upon the filing of a certificate of amendment or judicial
13 decree of amendment and the payment of a filing fee of ~~[\$60.]~~ \$90,
14 the Secretary of State shall issue, in accordance with NRS 600.350,
15 an amended certificate of registration for the remainder of the period
16 of the registration.

17 **Sec. 177.** NRS 600.360 is hereby amended to read as follows:
18 600.360 1. The registration of a mark is effective for 5 years
19 from the date of registration and, upon application filed within 6
20 months before the expiration of that period, on a form to be
21 furnished by the Secretary of State, the registration may be renewed
22 for a successive period of 5 years. A renewal fee of ~~[\$50.]~~ \$75,
23 payable to the Secretary of State, must accompany the application
24 for renewal of the registration.

25 2. The registration of a mark may be renewed for additional
26 successive 5-year periods if the requirements of subsection 1 are
27 satisfied.

28 3. The Secretary of State shall give notice to each registrant
29 when his registration is about to expire. The notice must be given
30 within the year next preceding the expiration date, by writing to the
31 registrant's last known address.

32 4. All applications for renewals must include a statement that
33 the mark is still in use in this state.

34 **Sec. 178.** NRS 600.370 is hereby amended to read as follows:
35 600.370 1. A mark and its registration are assignable with the
36 good will of the business in which the mark is used, or with that part
37 of the good will of the business connected with the use of and
38 symbolized by the mark. An assignment must:

- 39 (a) Be in writing;
40 (b) Be signed and acknowledged by the registrant or his
41 successor or a member of the firm or an officer of the corporation or
42 association under whose name the mark is registered; and

43 (c) Be recorded with the Secretary of State upon the payment of
44 a fee of ~~[\$100]~~ \$150 to the Secretary of State who, upon recording



1 the assignment, shall issue in the name of the assignee a certificate
2 of assignment for the remainder of the period of the registration.

3 2. An assignment of any registration is void as against any
4 subsequent purchaser for valuable consideration without notice,
5 unless:

6 (a) The assignment is recorded with the Secretary of State
7 within 3 months after the date of the assignment; or

8 (b) The assignment is recorded before the subsequent purchase.

9 **Sec. 179.** NRS 600.395 is hereby amended to read as follows:

10 600.395 The fee for filing a cancellation of registration
11 pursuant to NRS 600.390 is ~~[\$50.]~~ **\$75.**

12 **Sec. 180.** NRS 662.245 is hereby amended to read as follows:

13 662.245 1. An organization that does not maintain an office
14 in this state to conduct the business of a trust company may be
15 appointed to act as fiduciary by any court or by authority of any law
16 of this state if, in addition to any other requirements of law, the
17 organization:

18 (a) Associates as cofiduciary a bank authorized to do business in
19 this state or a trust company licensed pursuant to chapter 669 of
20 NRS; or

21 (b) Is a trust corporation or trust company which:

22 (1) Is organized under the laws of and has its principal place
23 of business in another state which allows trust corporations or trust
24 companies licensed pursuant to chapter 669 of NRS to act as
25 fiduciary in that state;

26 (2) Is authorized by its charter to act as fiduciary; and

27 (3) Before the appointment as fiduciary, files with the
28 Secretary of State a document, acknowledged before a notarial
29 officer, which:

30 (I) Appoints the Secretary of State as its agent upon
31 whom all process in any action or proceeding against it may be
32 served;

33 (II) Contains its agreement that the appointment continues
34 in force as long as any liability remains outstanding against it in this
35 state, and that any process against it which is served on the
36 Secretary of State is of the same legal validity as if served on it
37 personally;

38 (III) Contains an address to which the Secretary of State
39 may mail the process when received; and

40 (IV) Is accompanied by a fee of ~~[\$10.]~~ **\$15.**

41 A copy of the document required by this subparagraph, certified by
42 the Secretary of State, is sufficient evidence of the appointment and
43 agreement.

44 2. A court which has jurisdiction over the accounts of a
45 fiduciary that is a trust corporation or trust company described in



1 paragraph (b) of subsection 1 may require the fiduciary to provide a
2 bond to ensure the performance of its duties as fiduciary, in the
3 same manner and to the same extent as the court may require such a
4 bond from a fiduciary that is a bank or trust company described in
5 paragraph (a) of subsection 1.

6 3. Service of process authorized by subparagraph (3) of
7 paragraph (b) of subsection 1 must be made by filing with the
8 Secretary of State:

9 (a) Two copies of the legal process. The copies must include a
10 specific citation to the provisions of this section. The Secretary of
11 State may refuse to accept such service if the proper citation is not
12 included in each copy.

13 (b) A fee of ~~[\$10.]~~ **\$15.**

14 The Secretary of State shall forthwith forward one copy of the legal
15 process to the organization, by registered or certified mail prepaid to
16 the address provided in the document filed pursuant to subparagraph
17 (3) of paragraph (b) of subsection 1.

18 4. As used in this section:

19 (a) "Fiduciary" means an executor, commissioner, guardian of
20 minors or estates, receiver, depository or trustee.

21 (b) "Notarial officer" has the meaning ascribed to it in
22 NRS 240.005.

23 (c) "State" means any state or territory of the United States, or
24 the District of Columbia.

25 **Sec. 181.** NRS 680B.037 is hereby amended to read as
26 follows:

27 680B.037 ~~[Payment]~~ **1. Except as otherwise provided in**
28 **subsection 2, payment** by an insurer of the tax imposed by NRS
29 680B.027 is in lieu of all taxes imposed by the State or any city,
30 town or county upon premiums or upon income of insurers and of
31 franchise, privilege or other taxes measured by income of the
32 insurer.

33 **2. The provisions of subsection 1 do not apply to the tax**
34 **imposed pursuant to the provisions of sections 2 to 33, inclusive,**
35 **of this act.**

36 **Sec. 182.** NRS 694C.450 is hereby amended to read as
37 follows:

38 694C.450 1. Except as otherwise provided in this section, a
39 captive insurer shall pay to the Division, not later than March 1 of
40 each year, a tax at the rate of:

41 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net
42 direct premiums;

43 (b) One-fifth of 1 percent on the next \$20,000,000 of its net
44 direct premiums; and



1 (c) Seventy-five thousandths of 1 percent on each additional
2 dollar of its net direct premiums.

3 2. Except as otherwise provided in this section, a captive
4 insurer shall pay to the Division, not later than March 1 of each
5 year, a tax at a rate of:

6 (a) Two hundred twenty-five thousandths of 1 percent on the
7 first \$20,000,000 of revenue from assumed reinsurance premiums;

8 (b) One hundred fifty thousandths of 1 percent on the next
9 \$20,000,000 of revenue from assumed reinsurance premiums; and

10 (c) Twenty-five thousandths of 1 percent on each additional
11 dollar of revenue from assumed reinsurance premiums.

12 The tax on reinsurance premiums pursuant to this subsection must
13 not be levied on premiums for risks or portions of risks which are
14 subject to taxation on a direct basis pursuant to subsection 1. A
15 captive insurer is not required to pay any reinsurance premium tax
16 pursuant to this subsection on revenue related to the receipt of assets
17 by the captive insurer in exchange for the assumption of loss
18 reserves and other liabilities of another insurer that is under
19 common ownership and control with the captive insurer, if the
20 transaction is part of a plan to discontinue the operation of the other
21 insurer and the intent of the parties to the transaction is to renew or
22 maintain such business with the captive insurer.

23 3. If the sum of the taxes to be paid by a captive insurer
24 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any
25 given year, the captive insurer shall pay a tax of \$5,000 for that
26 year.

27 4. Two or more captive insurers under common ownership and
28 control must be taxed as if they were a single captive insurer.

29 5. Notwithstanding any specific statute to the contrary, ~~and~~
30 except as otherwise provided in this subsection, the tax provided for
31 by this section constitutes all the taxes collectible pursuant to the
32 laws of this state from a captive insurer, and no occupation tax or
33 other taxes may be levied or collected from a captive insurer by this
34 state or by any county, city or municipality within this state, except
35 for *the tax imposed pursuant to the provisions of sections 2 to 33,*
36 *inclusive, of this act and* ad valorem taxes on real or personal
37 property located in this state used in the production of income by the
38 captive insurer.

39 6. Ten percent of the revenues collected from the tax imposed
40 pursuant to this section must be deposited with the State Treasurer
41 for credit to the Account for the Regulation and Supervision of
42 Captive Insurers created pursuant to NRS 694C.460. The remaining
43 90 percent of the revenues collected must be deposited with the
44 State Treasurer for credit to the State General Fund.



1 7. As used in this section, unless the context otherwise
2 requires:

3 (a) "Common ownership and control" means:

4 (1) In the case of a stock insurer, the direct or indirect
5 ownership of 80 percent or more of the outstanding voting stock of
6 two or more corporations by the same member or members.

7 (2) In the case of a mutual insurer, the direct or indirect
8 ownership of 80 percent or more of the surplus and the voting power
9 of two or more corporations by the same member or members.

10 (b) "Net direct premiums" means the direct premiums collected
11 or contracted for on policies or contracts of insurance written by a
12 captive insurer during the preceding calendar year, less the amounts
13 paid to policyholders as return premiums, including dividends on
14 unabsorbed premiums or premium deposits returned or credited to
15 policyholders.

16 **Sec. 183.** NRS 695A.550 is hereby amended to read as
17 follows:

18 695A.550 Every society organized or licensed under this
19 chapter is hereby declared to be a charitable and benevolent
20 institution, and is exempt from every state, county, district,
21 municipal and school tax other than *the tax imposed pursuant to*
22 *the provisions of sections 2 to 33, inclusive, of this act and* taxes on
23 real property and office equipment.

24 **Sec. 184.** NRS 705.060 is hereby amended to read as follows:

25 705.060 1. The contracts authorized by NRS 705.030 to
26 705.070, inclusive, ~~shall~~ *must* be filed with the Secretary of State
27 and recorded by him in a book of records to be kept for that purpose.
28 On payment in full of the purchase money and the performance of
29 the terms and conditions stipulated in any such contract, a
30 declaration in writing to that effect ~~shall~~ *must* be made by the
31 vendor, lessor or bailor, or his or its assignee, by a separate
32 instrument, to be acknowledged by the vendor, lessor or bailor, or
33 his or its assignee, and recorded ~~as aforesaid.~~ *in the same manner*
34 *as the contract.*

35 2. The Secretary of State shall collect and pay into the State
36 Treasury ~~[\$5]~~ *\$10* for filing each of such contracts or declarations
37 and ~~[20]~~ *30* cents per folio for recording the same.

38 **Sec. 185.** NRS 707.240 is hereby amended to read as follows:

39 707.240 1. The person or persons, or the president or the
40 managing agent of the company, association or corporation
41 mentioned in NRS 707.230, ~~shall~~ *must* make, sign and
42 acknowledge, before some person authorized by law to take
43 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. 186.** Section 47 of this act is hereby amended to read as
19 follows:

20 Sec. 47. A taxpayer may, *to reimburse himself for the*
21 *cost of collecting, reporting and remitting the tax imposed*
22 *pursuant to this chapter*, deduct and withhold from the
23 amount of the tax 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 tax.}~~ *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. 187.** NRS 364A.160 is hereby repealed.

36 **Sec. 188.** 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..... \$12,500,000
41 For the Fiscal Year 2004-2005..... \$20,000,000

42 2. Any balance of the appropriations made by subsection 1
43 remaining at the end of the respective fiscal years must not be
44 committed for expenditure after June 30 of the respective fiscal



1 years and reverts to the State General Fund as soon as all payments
2 of money committed have been made.

3 **Sec. 189.** 1. An ad valorem tax of 15 cents on each \$100 of
4 assessed valuation of taxable property is hereby levied for the fiscal
5 year commencing July 1, 2004, and ending June 30, 2005, for the
6 operating expenses of the State of Nevada. The taxes levied by this
7 section must be collected in the manner provided in chapter 361 of
8 NRS on all taxable property in this state, including the net proceeds
9 of minerals and excluding such property as is by law exempt from
10 taxation.

11 2. The proceeds of the taxes levied by subsection 1 must be
12 deposited in the State General Fund.

13 **Sec. 190.** If the governing body of a county, city or
14 unincorporated town has levied an additional ad valorem tax
15 pursuant to the provisions of subsection 2 of NRS 361.453 and that
16 levy does not expire or is not discontinued before July 1, 2004, that
17 levy must be included in the calculation of the limitation set forth in
18 subsection 1 of NRS 361.453 until the levy expires.

19 **Sec. 191.** Notwithstanding the amendatory provisions of
20 section 76 of this act, a business license issued pursuant to chapter
21 364A of NRS before July 1, 2002, expires on the last day of the
22 calendar month in which the anniversary date of its issuance first
23 occurs after June 30, 2003, unless it is renewed pursuant to NRS
24 364A.130, as amended by this act, on or before the date of
25 expiration.

26 **Sec. 192.** The provisions of:

27 1. Sections 77, 79, 80, 81, 171 and 187 of this act do not affect
28 the amount of any taxes or license fees due for any period ending on
29 or before June 30, 2003.

30 2. Sections 82, 83 and 84 of this act do not apply to any taxes
31 precollected pursuant to chapter 370 of NRS on or before June 30,
32 2003.

33 3. Section 165 of this act do not apply to any contracts made on
34 or before June 30, 2003.

35 4. Sections 78 and 170 of this act do not affect the amount of
36 any license fees due for any period ending on or before June 30,
37 2005.

38 **Sec. 193.** 1. This section and sections 62 and 192 of this act
39 become effective upon passage and approval.

40 2. Sections 75, 76, 77, 79, 92 to 156, inclusive, 158 to 164,
41 inclusive, 173 to 180, inclusive, 184, 185, 187 and 191 of this act
42 become effective:

43 (a) Upon passage and approval for the purpose of adopting
44 regulations and performing any other preparatory administrative
45 tasks that are necessary to carry out the provisions of this act; and



- 1 (b) On July 1, 2003, for all other purposes.
2 3. Sections 61, 71, 80 to 86, inclusive, 88, 89, 165, 166, 171
3 and 188 of this act become effective on July 1, 2003.
4 4. Section 157 of this act becomes effective on July 1, 2003,
5 and expires by limitation on July 1, 2005.
6 5. Sections 34 to 60, inclusive, 63, 65, 67, 69, 72 and 90 of this
7 act become effective:
8 (a) Upon passage and approval for the purpose of adopting
9 regulations and performing any other preparatory administrative
10 tasks that are necessary to carry out the provisions of this act; and
11 (b) On October 1, 2003, for all other purposes.
12 6. Sections 73, 74, 167, 168, 169, 189 and 190 of this act
13 become effective on July 1, 2004.
14 7. Sections 1 to 33, inclusive, 64, 66, 68, 70, 78, 87, 91, 170,
15 172, 181, 182, 183 and 186 of this act become effective:
16 (a) Upon passage and approval for the purpose of adopting
17 regulations and performing any other preparatory administrative
18 tasks that are necessary to carry out the provisions of this act; and
19 (b) On July 1, 2005, for all other purposes.

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.

