
SENATE BILL NO. 509—COMMITTEE ON FINANCE

JUNE 2, 2003

Referred to Committee on Finance

SUMMARY—Provides revenue in support of state budget.
(BDR 32-1382)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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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 financial administration; providing for the imposition and administration of state taxes on business entities and financial institutions for the privilege of doing business in this state; imposing a tax on the admission charge to a place where live entertainment is provided; revising the taxes on liquor and cigarettes; imposing a state tax on the transfer of real property; revising the fees charged for certain gaming licenses; establishing the Legislative Committee on Taxation, Public Revenue and Tax Policy; requiring the Department of Education to prescribe a minimum amount of money that each school district must expend each year for textbooks, instructional supplies and instructional hardware; apportioning the State Distributive School Account in the State General Fund for the 2003-2005 biennium; authorizing certain expenditures; making an appropriation; providing penalties; and providing other matters properly relating thereto.

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



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 38, 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 11,*
6 *inclusive, of this act have the meanings ascribed to them in those*
7 *sections.*

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

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

12 (a) *A corporation, partnership, proprietorship, limited-liability*
13 *company, business association, joint venture, limited-liability*
14 *partnership, business trust and their equivalents organized under*
15 *the laws of another jurisdiction and any other person engaging in*
16 *a business; and*

17 (b) *A natural person engaging in a business if he is deemed to*
18 *be a business entity pursuant to section 17 of this act.*

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

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

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

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

28 **Sec. 7. 1.** *“Gross profit” means:*

29 (a) *Except as otherwise provided in paragraph (b), the total*
30 *revenue of a business entity in this state minus the cost of the*
31 *goods sold by the business entity, the proceeds of which are*
32 *included in the total revenue of the business entity in this state; or*

33 (b) *If a business consists of the production of tangible personal*
34 *property, the value of the products of the business entity, as*
35 *determined pursuant to section 18 of this act, minus the cost of*
36 *any goods produced by the business entity, the value of which are*
37 *included in that determination.*

38 2. *For the purposes of this section, the cost of the goods:*

39 (a) *Includes:*

40 (1) *The cost of materials used in the production of goods by*
41 *the business entity; and*

42 (2) *The cost of goods purchased for resale; and*

43 (b) *Excludes, without limitation, the cost of direct labor,*
44 *indirect labor, overhead expenses, rent, utilities, supplies,*



1 *maintenance, repairs, shipping, storage, benefits paid, financing*
2 *and interest.*

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

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

14 **Sec. 9.** *“Production” means the process of making,*
15 *manufacturing, fabricating, constructing, forming or assembling*
16 *tangible personal property from raw, unfinished or semifinished*
17 *materials.*

18 **Sec. 10.** *“Total amount received or receivable” means the*
19 *total sum of any money and the fair market value of any other*
20 *property or services received or receivable, including, without*
21 *limitation, rents, royalties, interest and dividends, and gains*
22 *realized from the sale or exchange of stocks, bonds and other*
23 *evidence of indebtedness.*

24 **Sec. 11. 1.** *Except as otherwise provided in this section,*
25 *“total revenue” means the total gross amount received or*
26 *receivable on the use, sale or exchange of property or capital or*
27 *for the performance of services, from any transaction involving a*
28 *business, without any reduction for the basis of real or tangible*
29 *personal property sold, the cost of goods or services sold, or any*
30 *other expense of the business.*

31 **2.** *“Total revenue” does not include:*

32 *(a) Any revenue received by a nonprofit organization that*
33 *qualifies as a tax-exempt organization pursuant to 26 U.S.C. §*
34 *501(c).*

35 *(b) Any operating revenue of a public utility for the provision*
36 *of electric, gas, water or sewer service which is operated or*
37 *regulated by a governmental entity.*

38 *(c) Any revenue received by a natural person from the rental*
39 *of not more than four residential units.*

40 *(d) Any revenue from the sale of agricultural products at*
41 *wholesale.*

42 *(e) If a business entity pays a license fee pursuant to NRS*
43 *463.370, the total sum of all amounts specifically included by*
44 *statute in and all amounts specifically excluded by statute from the*
45 *calculation of that fee for the business entity.*



1 (f) *If a business entity pays a tax on its net income pursuant to*
2 *section 51 of this act, the gross income of the business entity from*
3 *which that net income is determined.*

4 (g) *Any revenue from the operation of a vending stand*
5 *pursuant to NRS 426.640.*

6 (h) *Any revenue received by a certified disadvantaged business*
7 *enterprise.*

8 **Sec. 12.** *The Legislature hereby finds and declares that the*
9 *tax imposed by this chapter on a business entity must not be*
10 *construed as a tax upon the customers of the business entity, but*
11 *as a tax which is imposed upon and collectible from the business*
12 *entity and which constitutes part of the operating overhead of the*
13 *business entity.*

14 **Sec. 13.** *The Department shall:*

15 1. *Administer and enforce the provisions of this chapter, and*
16 *may adopt such regulations as it deems appropriate for that*
17 *purpose.*

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

21 **Sec. 14.** 1. *Each person responsible for maintaining the*
22 *records of a business entity shall:*

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

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

28 (c) *Make the records available for inspection by the*
29 *Department upon demand at reasonable times during regular*
30 *business hours.*

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

33 **Sec. 15.** 1. *To verify the accuracy of any return filed or, if*
34 *no return is filed by a business entity, to determine the amount*
35 *required to be paid, the Department, or any person authorized in*
36 *writing by the Department, may examine the books, papers and*
37 *records of any person or business entity that may be liable for the*
38 *tax imposed by this chapter.*

39 2. *Any person or business entity which may be liable for the*
40 *tax imposed by this chapter and which keeps outside of this state*
41 *its books, papers and records relating thereto shall pay to the*
42 *Department an amount equal to the allowance provided for state*
43 *officers and employees generally while traveling outside of the*
44 *State for each day or fraction thereof during which an employee*
45 *of the Department is engaged in examining those documents, plus*



1 *any other actual expenses incurred by the employee while he is*
2 *absent from his regular place of employment to examine those*
3 *documents.*

4 **Sec. 16.** *1. Except as otherwise provided in this section and*
5 *NRS 360.250, the records and files of the Department concerning*
6 *the administration of this chapter are confidential and privileged.*
7 *The Department, and any employee engaged in the administration*
8 *of this chapter or charged with the custody of any such records or*
9 *files, shall not disclose any information obtained from the*
10 *Department's records or files or from any examination,*
11 *investigation or hearing authorized by the provisions of this*
12 *chapter. Neither the Department nor any employee of the*
13 *Department may be required to produce any of the records, files*
14 *and information for the inspection of any person or for use in any*
15 *action or proceeding.*

16 *2. The records and files of the Department concerning the*
17 *administration of this chapter are not confidential and privileged*
18 *in the following cases:*

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

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

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

30 *(d) Exchanges of information with the Internal Revenue*
31 *Service in accordance with compacts made and provided for in*
32 *such cases.*

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

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

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



1 **Sec. 17.** *A natural person engaging in a business shall be*
2 *deemed to be a business entity that is subject to the provisions of*
3 *this chapter if the person is required to file with the Internal*
4 *Revenue Service a Schedule C (Form 1040), Profit or Loss From*
5 *Business, or its equivalent or successor form, or a Schedule F*
6 *(Form 1040), Profit or Loss From Farming, or its equivalent or*
7 *successor form, for the business.*

8 **Sec. 18.** *1. Except as otherwise provided in subsection 2, an*
9 *excise tax is hereby imposed upon each business entity for the*
10 *privilege of engaging in a business in this state at the rate of:*

11 *(a) Except as otherwise provided in paragraph (b), 0.25*
12 *percent of the amount of the total revenue of the business entity in*
13 *this state per calendar quarter in excess of the quarterly exclusion,*
14 *not to exceed 1 percent of the gross profit of the business entity in*
15 *this state per calendar quarter; or*

16 *(b) If the business consists of the production of tangible*
17 *personal property in this state, 0.25 percent of the value of the*
18 *products of the business entity per calendar quarter in excess of*
19 *the quarterly exclusion, not to exceed 1 percent of the gross profit*
20 *of the business entity in this state per calendar quarter. For the*
21 *purpose of this paragraph:*

22 *(1) Except as otherwise provided in subparagraph (2), the*
23 *value of the products shall be deemed equal to the total revenue*
24 *derived from the sale of the products, irrespective of the location*
25 *of the sale; or*

26 *(2) If the Department determines that the total revenue*
27 *derived from the sale of the products are not indicative of the true*
28 *value of the subject matter of the sale, the Department may*
29 *determine the value of the products based upon the total revenue*
30 *from sales within this state of similar products of like character*
31 *and quality, in similar quantities by or to other business entities.*

32 **2.** *A business entity is exempt from the tax imposed by this*
33 *section for a calendar quarter if:*

34 *(a) Except as otherwise provided in paragraph (b), the total*
35 *revenue of the business entity in this state for the calendar quarter*
36 *does not exceed \$750,000; or*

37 *(b) If the business consists of the production of tangible*
38 *personal property in this state, the value of the products of the*
39 *business entity for the calendar quarter, as determined pursuant to*
40 *subsection 1, does not exceed \$750,000.*

41 **3.** *Each business entity engaging in a business in this state*
42 *during a calendar quarter shall file with the Department a return*
43 *on a form prescribed by the Department, together with the*
44 *remittance of any tax due pursuant to this chapter for that*



1 *calendar quarter, on or before the last day of the month*
2 *immediately following that calendar quarter.*

3 *4. If the amount of the total revenue of a business entity for a*
4 *calendar quarter is less than \$112,500, including the value of the*
5 *products of the business entity if the business consists of the*
6 *production of tangible personal property in this state, the business*
7 *entity may add the sum obtained by subtracting that amount from*
8 *\$112,500, to the amount excluded pursuant to this section from*
9 *the taxable amount of the total revenue of the business entity for*
10 *any other calendar quarter of the same fiscal year.*

11 *5. For the purposes of this section, "quarterly exclusion"*
12 *means the sum of \$112,500 and any additional amount authorized*
13 *for a calendar quarter pursuant to subsection 4.*

14 **Sec. 19.** *1. Except as otherwise provided in this section, the*
15 *total revenue of a business entity in this state must be computed*
16 *based upon the accounting method used by the business entity to*
17 *compute its income for the purposes of federal income taxation. If*
18 *a business entity does not regularly use a single accounting*
19 *method, or if the Department determines that the accounting*
20 *method used by the business entity does not clearly reflect the total*
21 *revenue of the business entity in this state, the calculation of that*
22 *revenue must be made on the basis of such an accounting method*
23 *as, in the opinion of the Department, clearly reflects the total*
24 *revenue of the business entity in this state.*

25 *2. If a business entity is engaged in more than one type of*
26 *business, the business entity:*

27 *(a) May, in computing its total revenue in this state, use a*
28 *different accounting method for each of those types of business;*
29 *and*

30 *(b) Shall compute its total revenue in this state for each of*
31 *those types of business based upon the accounting method used by*
32 *the business entity to compute its income for that type of business*
33 *for the purposes of federal income taxation.*

34 *3. If a business entity changes the accounting method upon*
35 *which it computes its income for the purposes of federal income*
36 *taxation, the business entity shall, before using that method to*
37 *compute its total revenue in this state, provide the Department*
38 *with written notification of the change in accounting method. If:*

39 *(a) The business entity or any of its owners, officers,*
40 *employees, agents or representatives are required, on behalf of the*
41 *business entity, to obtain the consent of the Internal Revenue*
42 *Service to the change in accounting method, the business entity*
43 *shall include a notarized copy of that consent in its written*
44 *notification to the Department; or*



1 **(b) The business entity is not required to obtain the consent of**
2 **the Internal Revenue Service to the change in its accounting**
3 **method, the business entity shall obtain the consent of the**
4 **Department to the change in accounting method before using that**
5 **method to compute its total revenue in this state.**

6 **4. If a business entity fails to comply with the provisions of**
7 **subsections 1 and 2, any required change in the accounting**
8 **method does not affect the imposition and calculation of any**
9 **penalty, or the calculation of any additional amount of tax due,**
10 **pursuant to this chapter.**

11 **Sec. 20. 1. The Department shall provide each business**
12 **entity engaging in business in this state with an annual**
13 **opportunity for the reconciliation of its accounts. If, as a result of**
14 **such a reconciliation, it is determined that the tax liability of a**
15 **business entity for its fiscal year, as determined pursuant to**
16 **section 18 of this act, exceeds:**

17 **(a) Except as otherwise provided in paragraph (b), 0.25**
18 **percent of the amount of the total revenue of the business entity in**
19 **this state for that fiscal year in excess of \$450,000, or 1 percent of**
20 **the gross profit of the business entity in this state for that fiscal**
21 **year, whichever is less; or**

22 **(b) If the business consists of the production of tangible**
23 **personal property in this state, 0.25 percent of the value of the**
24 **products of the business entity, as determined pursuant to section**
25 **18 of this act, for that fiscal year in excess of \$450,000, or 1**
26 **percent of the gross profit of the business entity in this state for**
27 **that fiscal year, whichever is less,**
28 **the business entity is entitled to a refund or credit in the amount of**
29 **that excess.**

30 **2. The Department shall adopt such regulations as it deems**
31 **appropriate for the administration of this section.**

32 **Sec. 21. 1. Except as otherwise provided in subsection 2:**

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

42 **(b) If a business consists of the production of tangible personal**
43 **property in another state and the sale of that property in this state,**
44 **and the business entity is liable for a gross revenue tax imposed in**
45 **that other state for the production of that property in that state, the**



1 *business entity is entitled to a credit against the tax imposed*
2 *pursuant to this chapter in the amount of the gross revenue tax*
3 *paid in that other state for the production of that property which is*
4 *sold in this state, except that the amount of the credit must not*
5 *exceed the amount of the tax imposed pursuant to this chapter for*
6 *the sale of that property in this state.*

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

15 3. *The Department shall adopt such regulations as it deems*
16 *appropriate for the administration of this section.*

17 4. *As used in this section:*

18 (a) *“Gross revenue tax” means a tax which:*

19 (1) *Is imposed upon or measured by the total volume of*
20 *business, in terms of gross revenue or other terms;*

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

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

26 (b) *“State” includes:*

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

31 (2) *A foreign country and any agency or political*
32 *subdivision thereof.*

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

36 1. *Any revenue which this state is prohibited from taxing*
37 *pursuant to the Constitution or laws of the United States or the*
38 *Nevada Constitution.*

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

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

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



- 1 5. *Any revenue received as dividends or distributions by a*
- 2 *parent organization from the capital account of a subsidiary entity*
- 3 *of the parent organization.*
- 4 6. *Any revenue received by a hospital or provider of health*
- 5 *care from a governmental entity.*
- 6 7. *Any cash discounts the business entity allows a purchaser*
- 7 *of property, rights or services.*
- 8 8. *Any indebtedness to the business entity which is impossible*
- 9 *or impracticable to collect and which is written off by the business*
- 10 *entity as a bad debt for purposes of federal taxation.*
- 11 9. *Any counterfeit currency received by the business entity for*
- 12 *which the business entity is not reimbursed.*
- 13 10. *The amount of any payments received by the business*
- 14 *entity upon claims for health, casualty or life insurance.*
- 15 11. *Any revenue received by the business entity from any sale*
- 16 *of food for human consumption which is exempt from taxation*
- 17 *under the Sales and Use Tax Act.*
- 18 12. *The cost of all payments made to contractors and*
- 19 *subcontractors by a business entity that is in the business of*
- 20 *developing improved real property and who sells that improved*
- 21 *real property to a person who is not in the business of developing*
- 22 *real property. The amount of the deduction must not exceed the*
- 23 *gross receipts for the transaction.*
- 24 13. *Any promotional allowances by the business entity.*
- 25 14. *The gross revenue attributable to damaged or returned*
- 26 *merchandise.*
- 27 **Sec. 23.** *1. The Department shall adopt regulations*
- 28 *providing for the allocation or apportionment of the tax liability*
- 29 *pursuant to this chapter of business entities engaging in a*
- 30 *business both within and outside of this state. The regulations*
- 31 *must:*
- 32 (a) *Except as otherwise provided in this section, be consistent*
- 33 *with the methods of dividing income contained in the Uniform*
- 34 *Division of Income for Tax Purposes Act.*
- 35 (b) *If the business consists of a financial activity, as defined in*
- 36 *the Uniform Division of Income for Tax Purposes Act, be*
- 37 *consistent with the Recommended Formula for the Apportionment*
- 38 *and Allocation of Net Income of Financial Institutions.*
- 39 (c) *If the business consists of the production or sale of tangible*
- 40 *personal property, provide methods and conditions for allocating*
- 41 *total revenue to this state.*
- 42 2. *As used in this section:*
- 43 (a) *“Recommended Formula for the Apportionment and*
- 44 *Allocation of Net Income of Financial Institutions” means the*
- 45 *provisions of the Recommended Formula for the Apportionment*



1 *and Allocation of Net Income of Financial Institutions adopted by*
2 *the Multistate Tax Commission, as those provisions existed on*
3 *July 1, 2003.*

4 *(b) "Uniform Division of Income for Tax Purposes Act"*
5 *means the provisions of the Uniform Division of Income for Tax*
6 *Purposes Act approved by the National Conference of*
7 *Commissioners on Uniform State Laws, as those provisions*
8 *existed on July 1, 2003.*

9 **Sec. 24.** *The Department shall, upon application by a*
10 *business entity engaging in a business both within and outside of*
11 *this state, reduce the tax liability of the business entity pursuant to*
12 *this chapter to the extent required by the Constitution or laws of*
13 *the United States or the Nevada Constitution, as a result of the tax*
14 *liability of the business entity to other states and their political*
15 *subdivisions.*

16 **Sec. 25. 1.** *If the Department determines, after notice and*
17 *hearing, that:*

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

20 *(b) The primary or a substantial purpose for engaging in that*
21 *type of business through affiliated business entities is to avoid or*
22 *to reduce liability for the tax imposed by this chapter by increasing*
23 *the amount excluded from taxable total revenue pursuant to*
24 *section 18 of this act,*

25 *the Department shall, notwithstanding the provisions of section 18*
26 *of this act, disallow the use of that exclusion by more than one of*
27 *those business entities.*

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

29 *(a) "Affiliated business entity" means a business entity that*
30 *directly, or indirectly through one or more intermediaries,*
31 *controls, is controlled by or is under common control with,*
32 *another specified business entity.*

33 *(b) "Control," as used in the terms "controls," "controlled by"*
34 *and "under common control with," means the possession, directly*
35 *or indirectly, of the power to direct or cause the direction of the*
36 *management and policies of a business entity, whether through*
37 *the ownership of voting securities, by contract or otherwise.*

38 **Sec. 26.** *Upon written application made before the date on*
39 *which payment must be made, the Department may for good cause*
40 *extend by 30 days the time within which a business entity is*
41 *required to pay the tax imposed by this chapter. If the tax is paid*
42 *during the period of extension, no penalty or late charge may be*
43 *imposed for failure to pay at the time required, but the business*
44 *entity shall pay interest at the rate of 1 percent per month from the*
45 *date on which the amount would have been due without the*



1 *extension until the date of payment, unless otherwise provided in*
2 *NRS 360.232 or 360.320.*

3 **Sec. 27.** *The remedies of the State provided for in this*
4 *chapter are cumulative, and no action taken by the Department or*
5 *the Attorney General constitutes an election by the State to pursue*
6 *any remedy to the exclusion of any other remedy for which*
7 *provision is made in this chapter.*

8 **Sec. 28.** *If the Department determines that any tax, penalty*
9 *or interest has been paid more than once or has been erroneously*
10 *or illegally collected or computed, the Department shall set forth*
11 *that fact in the records of the Department and certify to the State*
12 *Board of Examiners the amount collected in excess of the amount*
13 *legally due and the business entity or person from which it was*
14 *collected or by whom paid. If approved by the State Board of*
15 *Examiners, the excess amount collected or paid must be credited*
16 *on any amounts then due from the person or business entity under*
17 *this chapter, and the balance refunded to the person or business*
18 *entity, or its successors, administrators or executors.*

19 **Sec. 29. 1.** *Except as otherwise provided in NRS 360.235*
20 *and 360.395:*

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

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

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

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

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

37 **Sec. 30. 1.** *Except as otherwise provided in this section and*
38 *NRS 360.320, interest must be paid upon any overpayment of any*
39 *amount of the tax imposed by this chapter at the rate of 0.5*
40 *percent per month, or fraction thereof, from the last day of July*
41 *immediately following the fiscal year for which the overpayment*
42 *was made. No refund or credit may be made of any interest*
43 *imposed upon the person or business entity making the*
44 *overpayment with respect to the amount being refunded or*
45 *credited.*



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

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

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

14 **Sec. 31.** 1. *No injunction, writ of mandate or other legal or*
15 *equitable process may issue in any suit, action or proceeding in*
16 *any court against this state or against any officer of the State to*
17 *prevent or enjoin the collection under this chapter of the tax*
18 *imposed by this chapter or any amount of tax, penalty or interest*
19 *required to be collected.*

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

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

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

37 **Sec. 33.** 1. *If the Department fails to mail notice of action*
38 *on a claim within 6 months after the claim is filed, the claimant*
39 *may consider the claim disallowed and file an appeal with the*
40 *Commission within 30 days after the last day of the 6-month*
41 *period. If the claimant is aggrieved by the decision of the*
42 *Commission rendered on appeal, the claimant may, within 90 days*
43 *after the decision is rendered, bring an action against the*
44 *Department on the grounds set forth in the claim for the recovery*



1 of the whole or any part of the amount claimed as an
2 overpayment.

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

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

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

14 **Sec. 35.** A judgment may not be rendered in favor of the
15 plaintiff in any action brought against the Department to recover
16 any amount paid when the action is brought by or in the name of
17 an assignee of the business entity paying the amount or by any
18 person other than the person or business entity which paid the
19 amount.

20 **Sec. 36. 1.** The Department may recover a refund or any
21 part thereof which is erroneously made and any credit or part
22 thereof which is erroneously allowed in an action brought in a
23 court of competent jurisdiction in Carson City or Clark County in
24 the name of the State of Nevada.

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

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

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

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

43 **Sec. 38. 1.** A person shall not:

44 (a) Make, cause to be made or permit to be made any false or
45 fraudulent return or declaration or false statement in any return



1 *or declaration with intent to defraud the State or to evade payment*
2 *of the tax or any part of the tax imposed by this chapter.*

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

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

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

13 **Sec. 39.** Title 32 of NRS is hereby amended by adding thereto
14 a new chapter to consist of the provisions set forth as sections 40 to
15 64, inclusive, of this act.

16 **Sec. 40.** *As used in this chapter, unless the context otherwise*
17 *requires, the words and terms defined in sections 41 to 45,*
18 *inclusive, of this act have the meanings ascribed to them in those*
19 *sections.*

20 **Sec. 41.** *“Commission” means the Nevada Tax Commission.*

21 **Sec. 42.** *“Financial institution” means an institution*
22 *licensed, registered or otherwise authorized to do business in this*
23 *state pursuant to the provisions of chapter 604, 645B, 645E or 649*
24 *of NRS or title 55 or 56 of NRS, or a similar institution chartered*
25 *or licensed pursuant to federal law. The term does not include:*

26 1. *A nonprofit organization that is recognized as exempt from*
27 *taxation pursuant to 26 U.S.C. §501(c).*

28 2. *A credit union organized under the provisions of chapter*
29 *678 of NRS or the Federal Credit Union Act.*

30 **Sec. 43. 1.** *“Gross income” means all gains, profits and*
31 *other income earned by a financial institution from its operation*
32 *as a financial institution, including, without limitation:*

33 (a) *All rents, compensation for services, commissions and*
34 *brokerage and other fees;*

35 (b) *All gains or profits from the sale or other disposition of any*
36 *real or personal property; and*

37 (c) *All recoveries on losses sustained in the ordinary course of*
38 *business.*

39 2. *The term does not include any income which this state is*
40 *prohibited from taxing pursuant to the Constitution or laws of the*
41 *United States or the Nevada Constitution.*

42 **Sec. 44.** *“Net income” means gross income minus all*
43 *ordinary and necessary expenses paid or incurred by a financial*
44 *institution to carry on its business, including, without limitation:*



- 1 1. *Salaries and other compensation for personal services*
- 2 *actually rendered;*
- 3 2. *Bad debts;*
- 4 3. *All interest paid or accrued on the indebtedness of the*
- 5 *financial institution;*
- 6 4. *The cost of insurance and advertising;*
- 7 5. *Losses sustained and not compensated for by insurance or*
- 8 *otherwise;*
- 9 6. *All taxes on real or personal property paid to the United*
- 10 *States, this state or any political subdivision of this state, except*
- 11 *the tax imposed by this chapter;*
- 12 7. *All payments or contributions to or under any pension or*
- 13 *retirement fund or plan for the officers and employees of the*
- 14 *financial institution;*
- 15 8. *Reasonable allowances for depreciation and depletion; and*
- 16 9. *Amortization of premiums on bonds, debentures, notes or*
- 17 *other securities or evidences of indebtedness.*
- 18 **Sec. 45.** *“Taxpayer” means any person liable for a tax*
- 19 *imposed pursuant to this chapter.*
- 20 **Sec. 46.** *The Legislature hereby finds and declares that the*
- 21 *tax imposed pursuant to this chapter on a financial institution*
- 22 *must not be construed as a tax upon the customers of the financial*
- 23 *institution, but as a tax which is imposed upon and collectible*
- 24 *from the financial institution and which constitutes part of the*
- 25 *operating overhead of the financial institution.*
- 26 **Sec. 47.** *The Department shall:*
- 27 1. *Administer and enforce the provisions of this chapter, and*
- 28 *may adopt such regulations as it deems appropriate for that*
- 29 *purpose.*
- 30 2. *Deposit all taxes, interest and penalties it receives pursuant*
- 31 *to this chapter in the State Treasury for credit to the State General*
- 32 *Fund.*
- 33 **Sec. 48.** 1. *Each person responsible for maintaining the*
- 34 *records of a financial institution shall:*
- 35 (a) *Keep such records as may be necessary to determine the*
- 36 *amount of its liability pursuant to the provisions of this chapter;*
- 37 (b) *Preserve those records for 4 years or until any litigation or*
- 38 *prosecution pursuant to this chapter is finally determined,*
- 39 *whichever is longer; and*
- 40 (c) *Make the records available for inspection by the*
- 41 *Department upon demand at reasonable times during regular*
- 42 *business hours.*
- 43 2. *Any person who violates the provisions of subsection 1 is*
- 44 *guilty of a misdemeanor.*



1 **Sec. 49. 1.** *To verify the accuracy of any return filed or, if*
2 *no return is filed by a financial institution, to determine the*
3 *amount required to be paid, the Department, or any person*
4 *authorized in writing by the Department, may examine the books,*
5 *papers and records of any person or financial institution that may*
6 *be liable for the tax imposed by this chapter.*

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

17 **Sec. 50. 1.** *Except as otherwise provided in this section and*
18 *NRS 360.250, the records and files of the Department concerning*
19 *the administration of this chapter are confidential and privileged.*
20 *The Department, and any employee engaged in the administration*
21 *of this chapter or charged with the custody of any such records or*
22 *files, shall not disclose any information obtained from the records*
23 *or files of the Department or from any examination, investigation*
24 *or hearing authorized by the provisions of this chapter. Neither*
25 *the Department nor any employee of the Department may be*
26 *required to produce any of the records, files and information for*
27 *the inspection of any person or for use in any action or*
28 *proceeding.*

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

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

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

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

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



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

9 (f) *Exchanges of information pursuant to subsection 3.*
10 3. *The Commission may agree with the Commissioner of*
11 *Financial Institutions for the continuing exchange of information*
12 *concerning taxpayers. The Commissioner shall, at the request of*
13 *the Commission, provide such information as is necessary to carry*
14 *out the provisions of this chapter.*

15 **Sec. 51.** 1. *An excise tax is hereby imposed upon each*
16 *financial institution for the privilege of doing business in this state*
17 *at the rate of 5 percent of the amount of the net income of the*
18 *financial institution derived from business conducted by it within*
19 *this state for the preceding calendar quarter.*

20 2. *Each financial institution shall file with the Department a*
21 *return on a form prescribed by the Department, together with the*
22 *remittance of any tax due pursuant to this chapter for that*
23 *calendar quarter, on or before the last day of the month*
24 *immediately following that calendar quarter. With the prior*
25 *approval of the Department, a financial institution that operates*
26 *more than one office or branch office in this state may file one*
27 *return.*

28 3. *If the net income of a financial institution is derived from*
29 *business conducted within and outside this state, the*
30 *apportionment factor for determining the net income of the*
31 *financial institution derived from business conducted by it in this*
32 *state must consist of a fraction of the net income of the financial*
33 *institution, the numerator of which is the gross income of the*
34 *financial institution from customers whose address is within this*
35 *state, and the denominator of which is the gross income of the*
36 *financial institution from its entire operation as a financial*
37 *institution. The Commission shall adopt regulations to carry out*
38 *the provisions of this subsection.*

39 **Sec. 52.** *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 financial institution 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 financial*
45 *institution shall pay interest at the rate most recently established*



1 *pursuant to NRS 99.040 for each month, or fraction of a month,*
2 *from the last day of the month following the date on which the*
3 *amount would have been due without the extension until the date*
4 *of payment, unless otherwise provided in NRS 360.232 or 360.320.*

5 **Sec. 53.** *The remedies of the State provided for in this*
6 *chapter are cumulative, and no action taken by the Department or*
7 *the Attorney General constitutes an election by the State to pursue*
8 *any remedy to the exclusion of any other remedy for which*
9 *provision is made in this chapter.*

10 **Sec. 54.** *If the Department determines that any tax, penalty*
11 *or interest has been paid more than once or has been erroneously*
12 *or illegally collected or computed, the Department shall set forth*
13 *that fact in the records of the Department and certify to the State*
14 *Board of Examiners the amount collected in excess of the amount*
15 *legally due and the financial institution or person from whom it*
16 *was collected or by whom it was paid. If approved by the State*
17 *Board of Examiners, the excess amount collected or paid must be*
18 *credited on any amounts then due from the person or financial*
19 *institution under this chapter, and the balance refunded to the*
20 *person or financial institution, or its successors, administrators or*
21 *executors.*

22 **Sec. 55. 1.** *Except as otherwise provided in NRS 360.235*
23 *and 360.395:*

24 *(a) No refund may be allowed unless a claim for refund is filed*
25 *with the Department within 3 years after the last day of the month*
26 *following the close of the calendar quarter for which the*
27 *overpayment was made.*

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

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

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

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

40 **Sec. 56. 1.** *Except as otherwise provided in this section and*
41 *NRS 360.320, interest must be paid upon any overpayment of any*
42 *amount of the tax imposed by this chapter at the rate of 0.5*
43 *percent per month, or fraction thereof, from the last day of the*
44 *calendar month following the calendar quarter for which the*
45 *overpayment was made. No refund or credit may be made of any*



1 *interest imposed upon the person or financial institution making*
2 *the overpayment with respect to the amount being refunded or*
3 *credited.*

4 *2. The interest must be paid:*

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

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

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

17 **Sec. 57.** *1. No injunction, writ of mandate or other legal or*
18 *equitable process may issue in any suit, action or proceeding in*
19 *any court against this state or against any officer of the State to*
20 *prevent or enjoin the collection under this chapter of the tax*
21 *imposed by this chapter or any amount of tax, penalty or interest*
22 *required to be collected.*

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

27 **Sec. 58.** *1. Within 90 days after a final decision upon a*
28 *claim filed pursuant to this chapter is rendered by the*
29 *Commission, the claimant may bring an action against the*
30 *Department on the grounds set forth in the claim in a court of*
31 *competent jurisdiction in Carson City, the county of this state*
32 *where the claimant resides or maintains his principal place of*
33 *business or a county in which any relevant proceedings were*
34 *conducted by the Department, for the recovery of the whole or any*
35 *part of the amount with respect to which the claim has been*
36 *disallowed.*

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

40 **Sec. 59.** *1. If the Department fails to mail notice of action*
41 *on a claim within 6 months after the claim is filed, the claimant*
42 *may consider the claim disallowed and file an appeal with the*
43 *Commission within 30 days after the last day of the 6-month*
44 *period. If the claimant is aggrieved by the decision of the*
45 *Commission rendered on appeal, he may, within 90 days after the*



1 *decision is rendered, bring an action against the Department on*
2 *the grounds set forth in the claim for the recovery of the whole or*
3 *any part of the amount claimed as an 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. 60.** *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. 61.** *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 financial institution paying the amount or by*
19 *any person other than the person or financial institution which*
20 *paid the amount.*

21 **Sec. 62.** *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*
28 *a 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. 63.** *1. If any amount in excess of \$25 has been*
35 *illegally determined, either by the person or financial institution*
36 *filing the return or by the Department, the Department shall*
37 *certify this fact to the State Board of Examiners, and the latter*
38 *shall authorize the cancellation of the amount upon the records of*
39 *the Department.*

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



1 **Sec. 64. 1. A person shall not:**
2 (a) *Make, cause to be made or permit to be made any false or*
3 *fraudulent return or declaration or false statement in any return*
4 *or declaration, with intent to defraud the State or to evade*
5 *payment of the tax or any part of the tax imposed by this chapter.*
6 (b) *Make, cause to be made or permit to be made any false*
7 *entry in books, records or accounts with intent to defraud the State*
8 *or to evade the payment of the tax or any part of the tax imposed*
9 *by this chapter.*
10 (c) *Keep, cause to be kept or permit to be kept more than one*
11 *set of books, records or accounts with intent to defraud the State*
12 *or to evade the payment of the tax or any part of the tax imposed*
13 *by this chapter.*
14 **2. Any person who violates the provisions of subsection 1 is**
15 **guilty of a gross misdemeanor.**
16 **Sec. 65.** Title 32 of NRS is hereby amended by adding thereto
17 a new chapter to consist of the provisions set forth as sections 66 to
18 97, inclusive, of this act.
19 **Sec. 66.** *As used in this chapter, unless the context otherwise*
20 *requires, the words and terms defined in sections 67 to 73,*
21 *inclusive, of this act have the meanings ascribed to them in those*
22 *sections.*
23 **Sec. 67.** *“Admission charge” means the total amount,*
24 *expressed in terms of money, of consideration provided for the*
25 *right or privilege to have access to the premises of a business*
26 *entity where live entertainment is provided. The term includes all*
27 *amounts paid for food, refreshments and merchandise purchased*
28 *at the premises where the live entertainment is provided.*
29 **Sec. 68.** *“Board” means the State Gaming Control Board.*
30 **Sec. 69.** *“Business” means any activity engaged in or*
31 *caused to be engaged in by a business entity with the object of*
32 *gain, benefit or advantage, either direct or indirect, to any person*
33 *or governmental entity.*
34 **Sec. 70. 1. “Business entity” includes:**
35 (a) *A corporation, partnership, proprietorship, business*
36 *association and any other person engaging in business.*
37 (b) *A natural person engaging in a business if he is deemed to*
38 *be a business entity pursuant to section 74 of this act.*
39 (c) *A house of prostitution.*
40 **2. The term does not include a governmental entity.**
41 **Sec. 71.** *“Licensed gaming establishment” has the meaning*
42 *ascribed to it in NRS 463.0169.*
43 **Sec. 72.** *“Live entertainment” means any activity provided*
44 *for pleasure, enjoyment, recreation, relaxation, diversion or other*
45 *similar purpose by a person or persons who are physically present*



1 *when providing that activity to a patron or group of patrons who*
2 *are physically present.*

3 **Sec. 73.** *“Taxpayer” means any person liable for the tax*
4 *imposed pursuant to this chapter.*

5 **Sec. 74.** *A natural person engaging in a business shall be*
6 *deemed to be a business entity that is subject to the provisions of*
7 *this chapter if the person is required to file with the Internal*
8 *Revenue Service a Schedule C (Form 1040), Profit or Loss From*
9 *Business, or its equivalent or successor form, or a Schedule F*
10 *(Form 1040), Profit or Loss From Farming, or its equivalent or*
11 *successor form, for the business.*

12 **Sec. 75.** *The Department shall provide by regulation for a*
13 *more detailed definition of live entertainment consistent with the*
14 *general definition set forth in section 72 of this act for use by the*
15 *Board and the Department in determining whether an activity is a*
16 *taxable activity under the provisions of this chapter.*

17 **Sec. 76. 1.** *There is hereby imposed an excise tax of 10*
18 *percent of the admission charge to any business in this state where*
19 *live entertainment is provided. Amounts paid for gratuities directly*
20 *or indirectly remitted to employees of the business or for service*
21 *charges, including those imposed in connection with the use of*
22 *credit cards or debit cards, which are collected and retained by*
23 *persons other than the taxpayer, are not taxable pursuant to this*
24 *section.*

25 **2.** *The business entity that is paid an admission charge is*
26 *liable for the tax imposed by this section, but is entitled to collect*
27 *reimbursement from the person paying the admission charge.*

28 **3.** *Any ticket for admission to a business where live*
29 *entertainment is provided must state whether the tax imposed by*
30 *this section is included in the price of the ticket. If the ticket does*
31 *not include such a statement, the taxpayer shall pay the tax based*
32 *on the face amount of the ticket.*

33 **4.** *The tax imposed by this section does not apply to:*

34 **(a)** *An admission charge to any live entertainment that this*
35 *state is prohibited from taxing under the Constitution or laws of*
36 *the United States or the Nevada Constitution.*

37 **(b)** *Any merchandise sold outside the premises where live*
38 *entertainment is presented, unless the purchase of the*
39 *merchandise entitles the purchaser to admission to the*
40 *entertainment.*

41 **(c)** *Any boxing contest or exhibition governed by the*
42 *provisions of chapter 467 of NRS.*

43 **Sec. 77.** *A taxpayer shall hold the amount of all taxes for*
44 *which he is liable pursuant to this chapter in a separate account in*
45 *trust for the State.*



1 **Sec. 78. 1. The Board shall:**
2 (a) *Collect the tax imposed by this chapter from taxpayers who*
3 *are licensed gaming establishments; and*
4 (b) *Adopt such regulations as are necessary to carry out the*
5 *provisions of paragraph (a). The regulations must be adopted in*
6 *accordance with the provisions of chapter 233B of NRS and*
7 *codified in the Nevada Administrative Code.*
8 **2. The Department shall:**
9 (a) *Collect the tax imposed by this chapter from all other*
10 *taxpayers; and*
11 (b) *Adopt such regulations as are necessary to carry out the*
12 *provisions of paragraph (a).*
13 **3. For the purposes of:**
14 (a) *Subsection 1, the provisions of chapter 463 of NRS relating*
15 *to the payment, collection, administration and enforcement of*
16 *gaming license fees and taxes, including, without limitation, any*
17 *provisions relating to the imposition of penalties and interest, shall*
18 *be deemed to apply to the payment, collection, administration and*
19 *enforcement of the taxes imposed by this chapter to the extent that*
20 *those provisions do not conflict with the provisions of this chapter.*
21 (b) *Subsection 2, the provisions of chapter 360 of NRS relating*
22 *to the payment, collection, administration and enforcement of*
23 *taxes, including, without limitation, any provisions relating to the*
24 *imposition of penalties and interest, shall be deemed to apply to*
25 *the payment, collection, administration and enforcement of the*
26 *taxes imposed by this chapter to the extent that those provisions do*
27 *not conflict with the provisions of this chapter.*
28 **Sec. 79. 1. Each taxpayer who is a licensed gaming**
29 *establishment shall file with the Board, on or before the 24th day*
30 *of each month, a report showing the amount of all taxable receipts*
31 *for the preceding month. The report must be in a form prescribed*
32 *by the Board.*
33 **2. All other taxpayers shall file with the Department, on or**
34 *before the 24th day of each month, a report showing the amount*
35 *of all taxable receipts for the preceding month. The report must be*
36 *in a form prescribed by the Department.*
37 **3. Each report required to be filed by this section must be**
38 *accompanied by the amount of the tax that is due for the month*
39 *covered by the report.*
40 **4. The Board and the Department shall deposit all taxes,**
41 *interest and penalties it receives pursuant to this chapter in the*
42 *State Treasury for credit to the State General Fund.*
43 **Sec. 80. Upon written application made before the date on**
44 *which payment must be made, the Board or the Department may*
45 *for good cause extend by 30 days the time within which a taxpayer*



1 *is required to pay the tax imposed by this chapter. If the tax is paid*
2 *during the period of extension, no penalty or late charge may be*
3 *imposed for failure to pay at the time required, but the taxpayer*
4 *shall pay interest at the rate of 1 percent per month from the date*
5 *on which the amount would have been due without the extension*
6 *until the date of payment, unless otherwise provided in NRS*
7 *360.232 or 360.320.*

8 **Sec. 81. 1.** *Each person responsible for maintaining the*
9 *records of a taxpayer shall:*

10 (a) *Keep such records as may be necessary to determine the*
11 *amount of the liability of the taxpayer pursuant to the provisions*
12 *of this chapter;*

13 (b) *Preserve those records for at least 4 years or until any*
14 *litigation or prosecution pursuant to this chapter is finally*
15 *determined, whichever is longer; and*

16 (c) *Make the records available for inspection by the Board or*
17 *the Department upon demand at reasonable times during regular*
18 *business hours.*

19 2. *The Board and the Department may by regulation specify*
20 *the types of records which must be kept to determine the amount*
21 *of the liability of a taxpayer from whom they are required to*
22 *collect the tax imposed by this chapter.*

23 3. *Any agreement that is entered into, modified or extended*
24 *after January 1, 2004, for the lease, assignment or transfer of any*
25 *premises upon which any activity subject to the tax imposed by this*
26 *chapter is, or thereafter may be, conducted shall be deemed to*
27 *include a provision that the taxpayer required to pay the tax must*
28 *be allowed access to, upon demand, all books, records and*
29 *financial papers held by the lessee, assignee or transferee which*
30 *must be kept pursuant to this section. Any person conducting*
31 *activities subject to the tax imposed by section 76 of this act who*
32 *fails to maintain or disclose his records pursuant to this subsection*
33 *is liable to the taxpayer for any penalty paid by the taxpayer for*
34 *the late payment or nonpayment of the tax caused by the failure to*
35 *maintain or disclose records.*

36 4. *A person who violates any provision of this section is guilty*
37 *of a misdemeanor.*

38 **Sec. 82. 1.** *To verify the accuracy of any report filed or, if*
39 *no report is filed by a taxpayer, to determine the amount of tax*
40 *required to be paid:*

41 (a) *The Board, or any person authorized in writing by the*
42 *Board, may examine the books, papers and records of any licensed*
43 *gaming establishment that may be liable for the tax imposed by*
44 *this chapter.*



1 ***(b) The Department, or any person authorized in writing by***
2 ***the Department, may examine the books, papers and records of***
3 ***any other person who may be liable for the tax imposed by this***
4 ***chapter.***

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

15 ***Sec. 83. 1. Except as otherwise provided in this section and***
16 ***NRS 360.250, the records and files of the Board and the***
17 ***Department concerning the administration of this chapter are***
18 ***confidential and privileged. The Board, the Department and any***
19 ***employee of the Board or the Department engaged in the***
20 ***administration of this chapter or charged with the custody of any***
21 ***such records or files shall not disclose any information obtained***
22 ***from the records or files of the Board or the Department or from***
23 ***any examination, investigation or hearing authorized by the***
24 ***provisions of this chapter. The Board, the Department and any***
25 ***employee of the Board or the Department may not be required to***
26 ***produce any of the records, files and information for the***
27 ***inspection of any person or for use in any action or proceeding.***

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

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

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

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

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



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

9 **Sec. 84. 1. If:**

10 (a) *The Board determines that a licensed gaming*
11 *establishment is collecting an admission charge with the intent to*
12 *defraud the State or to evade the payment of the tax or any part of*
13 *the tax imposed by this chapter, the Board shall establish an*
14 *admission charge upon which the tax imposed by this chapter*
15 *must be based.*

16 (b) *The Department determines that a taxpayer who is not a*
17 *licensed gaming establishment*
18 *is collecting an admission charge with the intent to defraud the*
19 *State or to evade the payment of the tax or any part of the tax*
20 *imposed by this chapter, the Department shall establish an*
21 *admission charge upon which the tax imposed by this chapter*
22 *must be based.*

23 2. *The admission charge established by the Board or the*
24 *Department pursuant to subsection 1 must be based upon the*
25 *admission charges of business entities that are deemed*
26 *comparable by the Board or the Department to that of the*
27 *taxpayer.*

28 **Sec. 85.** *The remedies of the State provided for in this*
29 *chapter are cumulative, and no action taken by the Board, the*
30 *Department or the Attorney General constitutes an election by the*
31 *State to pursue any remedy to the exclusion of any other remedy*
32 *for which provision is made in this chapter.*

33 **Sec. 86.** *If the Board or the Department determines that any*
34 *tax, penalty or interest has been paid more than once or has been*
35 *erroneously or illegally collected or computed, the Board or the*
36 *Department shall set forth that fact in its records and certify to the*
37 *State Board of Examiners the amount collected in excess of the*
38 *amount legally due and the person from which it was collected or*
39 *by whom paid. If approved by the State Board of Examiners, the*
40 *excess amount collected or paid must be credited on any amounts*
41 *then due from the person under this chapter, and the balance*
42 *refunded to the person or his successors in interest.*

43 **Sec. 87. 1.** *Except as otherwise provided in NRS 360.235*
44 *and 360.395:*



1 (a) No refund may be allowed unless a claim for it is filed
2 with:

3 (1) The Board, if the taxpayer is a licensed gaming
4 establishment; or

5 (2) The Department, if the taxpayer is not a licensed
6 gaming establishment.

7 A claim must be filed within 3 years after the last day of the month
8 following the month for which the overpayment was made.

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

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

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

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

21 **Sec. 88. 1.** Except as otherwise provided in this section and
22 NRS 360.320, interest must be paid upon any overpayment of any
23 amount of the tax imposed by this chapter at the rate of 0.5
24 percent per month, or fraction thereof, from the last day of the
25 calendar month following the month for which the overpayment
26 was made. No refund or credit may be made of any interest
27 imposed upon the person making the overpayment with respect to
28 the amount being refunded or credited.

29 2. The interest must be paid:

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

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

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

43 **Sec. 89. 1.** No injunction, writ of mandate or other legal or
44 equitable process may issue in any suit, action or proceeding in
45 any court against this state or against any officer of the State to



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

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

8 **Sec. 90.** *1. Within 90 days after a final decision upon a*
9 *claim filed pursuant to this chapter is rendered by:*

10 *(a) The Nevada Gaming Commission, the claimant may bring*
11 *an action against the Board on the grounds set forth in the claim.*

12 *(b) The Nevada Tax Commission, the claimant may bring an*
13 *action against the Department on the grounds set forth in the*
14 *claim.*

15 *2. An action brought pursuant to subsection 1 must be*
16 *brought in a court of competent jurisdiction in Carson City, the*
17 *county of this state where the claimant resides or maintains his*
18 *principal place of business or a county in which any relevant*
19 *proceedings were conducted by the Board or the Department, for*
20 *the recovery of the whole or any part of the amount with respect to*
21 *which the claim has been disallowed.*

22 *3. Failure to bring an action within the time specified*
23 *constitutes a waiver of any demand against the State on account of*
24 *alleged overpayments.*

25 **Sec. 91.** *1. If the Board fails to mail notice of action on a*
26 *claim within 6 months after the claim is filed, the claimant may*
27 *consider the claim disallowed and file an appeal with the Nevada*
28 *Gaming Commission within 30 days after the last day of the 6-*
29 *month period.*

30 *2. If the Department fails to mail notice of action on a claim*
31 *within 6 months after the claim is filed, the claimant may consider*
32 *the claim disallowed and file an appeal with the Nevada Tax*
33 *Commission within 30 days after the last day of the 6-month*
34 *period.*

35 *3. If the claimant is aggrieved by the decision of:*

36 *(a) The Nevada Gaming Commission rendered on appeal, the*
37 *claimant may, within 90 days after the decision is rendered, bring*
38 *an action against the Board on the grounds set forth in the claim*
39 *for the recovery of the whole or any part of the amount claimed as*
40 *an overpayment.*

41 *(b) The Nevada Tax Commission rendered on appeal, the*
42 *claimant may, within 90 days after the decision is rendered, bring*
43 *an action against the Department on the grounds set forth in the*
44 *claim for the recovery of the whole or any part of the amount*
45 *claimed as an overpayment.*



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

4 5. *The balance of the judgment must be refunded to the*
5 *plaintiff.*

6 **Sec. 92.** *In any judgment, interest must be allowed at the rate*
7 *of 6 percent per annum upon the amount found to have been*
8 *illegally collected from the date of payment of the amount to the*
9 *date of allowance of credit on account of the judgment, or to a*
10 *date preceding the date of the refund warrant by not more than 30*
11 *days. The date must be determined by the Board or the*
12 *Department.*

13 **Sec. 93.** *A judgment may not be rendered in favor of the*
14 *plaintiff in any action brought against the Board or the*
15 *Department to recover any amount paid when the action is*
16 *brought by or in the name of an assignee of the person paying the*
17 *amount or by any person other than the person who paid the*
18 *amount.*

19 **Sec. 94. 1.** *The Board or the Department may recover a*
20 *refund or any part thereof which is erroneously made and any*
21 *credit or part thereof which is erroneously allowed in an action*
22 *brought in a court of competent jurisdiction in Carson City or*
23 *Clark County in the name of the State of Nevada.*

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

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

32 **Sec. 95. 1.** *If any amount in excess of \$25 has been*
33 *illegally determined, either by the person filing the return or by the*
34 *Board or the Department, the Board or the Department shall*
35 *certify this fact to the State Board of Examiners, and the latter*
36 *shall authorize the cancellation of the amount upon the records of*
37 *the Board or the Department.*

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

44 **Sec. 96.** *Any licensed gaming establishment liable for the*
45 *payment of the tax imposed by section 76 of this act who willfully*



1 *fails to report, pay or truthfully account for the tax is subject to the*
2 *revocation of his gaming license by the Nevada Gaming*
3 *Commission.*

4 **Sec. 97. 1. A person shall not:**

5 (a) *Make, cause to be made or permit to be made any false or*
6 *fraudulent return or declaration or false statement in any report*
7 *or declaration, with intent to defraud the State or to evade*
8 *payment of the tax or any part of the tax imposed by this chapter.*

9 (b) *Make, cause to be made or permit to be made any false*
10 *entry in 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 (c) *Keep, cause to be kept or permit to be kept more than one*
14 *set of books, records or accounts with intent to defraud the State*
15 *or to evade the payment of the tax or any part of the tax imposed*
16 *by this chapter.*

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

19 **Sec. 98.** NRS 360.095 is hereby amended to read as follows:

20 360.095 In the adoption of regulations, policies of
21 enforcement, and policies for auditing of taxpayers, with respect to
22 all taxes and fees for whose administration the Department is
23 responsible, the Nevada Tax Commission shall apply the following
24 principles:

25 1. Forms, instructions and regulations governing the
26 computation of the amount of tax due must be brief and easily
27 understood.

28 2. In cases where another authority, such as the United States
29 or a local government, also imposes a tax upon the same property or
30 revenue, the mechanism for collecting the tax imposed by the State
31 must be as nearly compatible with the collection of the other taxes
32 as is feasible.

33 3. Unless a change is made necessary by statute or to preserve
34 compatibility with a tax imposed by another authority, the forms,
35 instructions and regulations must remain the same from year to year,
36 to make the taxpayer's liability as predictable as is feasible.

37 4. Exemptions or waivers, where permitted by statute, must be
38 granted:

39 (a) Equitably among eligible taxpayers; and

40 (b) As sparingly as is consistent with the legislative intent, to
41 retain the broadest feasible base for the tax affected.

42 5. Audits and other procedures for enforcement must be
43 applied as uniformly as is feasible, not only as among persons
44 subject to a particular tax but also as among different taxes ~~§~~, *but*
45 *must consider a weighting of indicators of noncompliance.*



1 6. Collection of taxes due must be pursued in an equitable
2 manner, so that every taxpayer pays the full amount imposed by
3 law.

4 **Sec. 99.** NRS 360.2935 is hereby amended to read as follows:
5 360.2935 Except as otherwise provided in ~~NRS 361.485~~ *this*
6 *title*, a taxpayer is entitled to receive on any overpayment of taxes,
7 after the offset required by NRS 360.320 has been made, a refund
8 together with interest at a rate determined pursuant to NRS 17.130.
9 No interest is allowed on a refund of any penalties or interest paid
10 by a taxpayer.

11 **Sec. 100.** NRS 360.300 is hereby amended to read as follows:
12 360.300 1. If a person fails to file a return or the Department
13 is not satisfied with the return or returns of any tax, contribution or
14 premium or amount of tax, contribution or premium required to be
15 paid to the State by any person, in accordance with the applicable
16 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,
17 374, 377, 377A or 444A of NRS, NRS 482.313, ~~or~~ chapter 585 or
18 680B of NRS , *or sections 40 to 64, inclusive, of this act*, as
19 administered or audited by the Department, it may compute and
20 determine the amount required to be paid upon the basis of:

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

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

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

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

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

40 **Sec. 100.5.** NRS 360.300 is hereby amended to read as
41 follows:

42 360.300 1. If a person fails to file a return or the Department
43 is not satisfied with the return or returns of any tax, contribution or
44 premium or amount of tax, contribution or premium required to be
45 paid to the State by any person, in accordance with the applicable



1 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,
2 374, 377, 377A or 444A of NRS, NRS 482.313, chapter 585 or
3 680B of NRS, or *sections 2 to 38, inclusive, or* sections 40 to 64,
4 inclusive, of this act, as administered or audited by the Department,
5 it may compute and determine the amount required to be paid upon
6 the basis of:

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

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

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

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

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

26 **Sec. 101.** NRS 360.417 is hereby amended to read as follows:
27 360.417 Except as otherwise provided in NRS 360.232 and
28 360.320, and unless a different penalty or rate of interest is
29 specifically provided by statute, any person who fails to pay any tax
30 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
31 444A or 585 of NRS, *or sections 40 to 64, inclusive, of this act,* or
32 the fee provided for in NRS 482.313, to the State or a county within
33 the time required, shall pay a penalty of not more than 10 percent of
34 the amount of the tax or fee which is owed, as determined by the
35 Department, in addition to the tax or fee, plus interest at the rate of 1
36 percent per month, or fraction of a month, from the last day of the
37 month following the period for which the amount or any portion of
38 the amount should have been reported until the date of payment.
39 The amount of any penalty imposed must be based on a graduated
40 schedule adopted by the Nevada Tax Commission which takes into
41 consideration the length of time the tax or fee remained unpaid.

42 **Sec. 101.5.** NRS 360.417 is hereby amended to read as
43 follows:

44 360.417 Except as otherwise provided in NRS 360.232 and
45 360.320, and unless a different penalty or rate of interest is



1 specifically provided by statute, any person who fails to pay any tax
2 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
3 444A or 585 of NRS, or *sections 2 to 38, inclusive, or* sections 40
4 to 64, inclusive, of this act, or the fee provided for in NRS 482.313,
5 to the State or a county within the time required, shall pay a penalty
6 of not more than 10 percent of the amount of the tax or fee which is
7 owed, as determined by the Department, in addition to the tax or fee,
8 plus interest at the rate of 1 percent per month, or fraction of a
9 month, from the last day of the month following the period for
10 which the amount or any portion of the amount should have been
11 reported until the date of payment. The amount of any penalty
12 imposed must be based on a graduated schedule adopted by the
13 Nevada Tax Commission which takes into consideration the length
14 of time the tax or fee remained unpaid.

15 **Sec. 102.** NRS 360.419 is hereby amended to read as follows:
16 360.419 1. If the Executive Director or a designated hearing
17 officer finds that the failure of a person to make a timely return or
18 payment of a tax imposed pursuant to NRS 361.320 or chapter
19 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
20 370, 372, 372A, 374, 375A or 375B of NRS, *or sections 40 to 64,*
21 *inclusive, of this act* is the result of circumstances beyond his
22 control and occurred despite the exercise of ordinary care and
23 without intent, the Department may relieve him of all or part of any
24 interest or penalty , or both.

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

28 3. The Department shall disclose, upon the request of any
29 person:

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

32 4. The Executive Director or a designated hearing officer shall
33 act upon the request of a taxpayer seeking relief pursuant to NRS
34 361.4835 which is deferred by a county treasurer or county assessor.

35 **Sec. 102.5.** NRS 360.419 is hereby amended to read as
36 follows:

37 360.419 1. If the Executive Director or a designated hearing
38 officer finds that the failure of a person to make a timely return or
39 payment of a tax imposed pursuant to NRS 361.320 or chapter
40 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,
41 370, 372, 372A, 374, 375A or 375B of NRS, or *sections 2 to 38,*
42 *inclusive, or* sections 40 to 64, inclusive, of this act is the result of
43 circumstances beyond his control and occurred despite the exercise
44 of ordinary care and without intent, the Department may relieve him
45 of all or part of any interest or penalty , or both.



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

4 3. The Department shall disclose, upon the request of any
5 person:

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

8 4. The Executive Director or a designated hearing officer shall
9 act upon the request of a taxpayer seeking relief pursuant to NRS
10 361.4835 which is deferred by a county treasurer or county assessor.

11 **Sec. 103.** NRS 360.510 is hereby amended to read as follows:

12 360.510 1. If any person is delinquent in the payment of any
13 tax or fee administered by the Department or if a determination has
14 been made against him which remains unpaid, the Department may:

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

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

19 give a notice of the delinquency and a demand to transmit
20 personally or by registered or certified mail to any person,

21 including, without limitation, any officer or department of this state
22 or any political subdivision or agency of this state, who has in his

23 possession or under his control any credits or other personal
24 property belonging to the delinquent, or owing any debts to the

25 delinquent or person against whom a determination has been made
26 which remains unpaid, or owing any debts to the delinquent or that

27 person. In the case of any state officer, department or agency, the
28 notice must be given to the officer, department or agency before

29 the Department presents the claim of the delinquent taxpayer to the
30 State Controller.

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

34 3. After receiving the demand to transmit, the person notified
35 by the demand may not transfer or otherwise dispose of the credits,

36 other personal property, or debts in his possession or under his
37 control at the time he received the notice until the Department

38 consents to a transfer or other disposition.

39 4. Every person notified by a demand to transmit shall, within
40 10 days after receipt of the demand to transmit, inform the

41 Department of ~~§~~ and transmit to the Department all such credits,
42 other personal property ~~§~~ or debts in his possession, under his

43 control or owing by him within the time and in the manner
44 requested by the Department. Except as otherwise provided in



1 subsection 5, no further notice is required to be served to that
2 person.

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

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

20 7. If any person notified by the notice of the delinquency
21 makes any transfer or other disposition of the property or debts
22 required to be withheld or transmitted, to the extent of the value of
23 the property or the amount of the debts thus transferred or paid, he is
24 liable to the State for any indebtedness due pursuant to this chapter,
25 ~~for~~ chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or
26 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS , *or*
27 *sections 40 to 64, inclusive, of this act* from the person with respect
28 to whose obligation the notice was given if solely by reason of the
29 transfer or other disposition the State is unable to recover the
30 indebtedness of the person with respect to whose obligation the
31 notice was given.

32 **Sec. 103.5.** NRS 360.510 is hereby amended to read as
33 follows:

34 360.510 1. If any person is delinquent in the payment of any
35 tax or fee administered by the Department or if a determination has
36 been made against him which remains unpaid, the Department may:

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

39 (b) Not later than 6 years after the last recording of an abstract
40 of judgment or of a certificate constituting a lien for tax owed,
41 give a notice of the delinquency and a demand to transmit
42 personally or by registered or certified mail to any person,
43 including, without limitation, any officer or department of this state
44 or any political subdivision or agency of this state, who has in his
45 possession or under his control any credits or other personal



1 property belonging to the delinquent, or owing any debts to the
2 delinquent or person against whom a determination has been made
3 which remains unpaid, or owing any debts to the delinquent or that
4 person. In the case of any state officer, department or agency, the
5 notice must be given to the officer, department or agency before
6 the Department presents the claim of the delinquent taxpayer to the
7 State Controller.

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

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

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

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

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

40 7. If any person notified by the notice of the delinquency
41 makes any transfer or other disposition of the property or debts
42 required to be withheld or transmitted, to the extent of the value of
43 the property or the amount of the debts thus transferred or paid, he is
44 liable to the State for any indebtedness due pursuant to this chapter,
45 chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or 444A of



1 NRS, NRS 482.313, or chapter 585 or 680B of NRS, or *sections 2*
2 *to 38, inclusive, or* sections 40 to 64, inclusive, of this act from the
3 person with respect to whose obligation the notice was given if
4 solely by reason of the transfer or other disposition the State is
5 unable to recover the indebtedness of the person with respect to
6 whose obligation the notice was given.

7 **Sec. 103.7.** Chapter 364A of NRS is hereby amended to read
8 as follows:

9 *A person described in NRS 612.144 is exempt from the*
10 *provisions of this chapter.*

11 **Sec. 104.** NRS 364A.130 is hereby amended to read as
12 follows:

13 364A.130 1. Except as otherwise provided in subsection ~~[6.]~~
14 ~~8~~, a person shall not conduct a business in this state unless he has a
15 business license issued by the Department.

16 2. The application for a business license must:

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

18 (b) Set forth the name under which the applicant transacts or
19 intends to transact business and the location of his place or places of
20 business;

21 (c) Declare the estimated number of employees for the previous
22 calendar quarter;

23 (d) Be accompanied by a fee of ~~[\$25.]~~ **\$100**; and

24 (e) Include any other information that the Department deems
25 necessary.

26 3. The application must be signed by:

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

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

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

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

35 5. *A person who has been issued a business license by the*
36 *Department shall submit a fee of \$100 to the Department on or*
37 *before the last day of the month in which the anniversary date of*
38 *issuance of the business license occurs in each year, unless the*
39 *person submits a written statement to the Department, at least 10*
40 *days before the anniversary date, indicating that the person will*
41 *not be conducting business in this state after the anniversary date.*

42 6. *The business license required to be obtained pursuant to*
43 *this section is in addition to any license to conduct business that*
44 *must be obtained from the local jurisdiction in which the business*
45 *is being conducted.*



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

- 4 (a) Is incorporated pursuant to chapter 78 or 78A of NRS;
- 5 (b) Has an office or other base of operations in this state; or
- 6 (c) Pays wages or other remuneration to a natural person who
7 performs in this state any of the duties for which he is paid.

8 ~~6.1~~ **8.** A person who takes part in a trade show or convention
9 held in this state for a purpose related to the conduct of a business is
10 not required to obtain a business license specifically for that event.

11 **Sec. 105.** NRS 364A.130 is hereby amended to read as
12 follows:

13 364A.130 1. Except as otherwise provided in subsection 8, a
14 person shall not conduct a business in this state unless he has a
15 business license issued by the Department.

16 2. The application for a business license must:

- 17 (a) Be made upon a form prescribed by the Department;
- 18 (b) Set forth the name under which the applicant transacts or
19 intends to transact business and the location of his place or places of
20 business;
- 21 (c) Declare the estimated number of employees for the previous
22 calendar quarter;
- 23 (d) Be accompanied by a fee of \$100; and
- 24 (e) Include any other information that the Department deems
25 necessary.

26 3. The application must be signed by:

- 27 (a) The owner, if the business is owned by a natural person;
- 28 (b) A member or partner, if the business is owned by an
29 association or partnership; or
- 30 (c) An officer or some other person specifically authorized to
31 sign the application, if the business is owned by a corporation.

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

35 5. A person who has been issued a business license by the
36 Department shall submit a fee of \$100 to the Department on or
37 before the last day of the month in which the anniversary date of
38 issuance of the business license occurs in each year, unless the
39 person submits a written statement to the Department, at least 10
40 days before the anniversary date, indicating that the person will not
41 be conducting business in this state after the anniversary date. *A
42 person who fails to submit the annual fee required pursuant to
43 this subsection in a timely manner shall pay a penalty in the
44 amount of \$75 in addition to the annual fee.*



1 6. The business license required to be obtained pursuant to this
2 section is in addition to any license to conduct business that must be
3 obtained from the local jurisdiction in which the business is being
4 conducted.

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

- 8 (a) Is incorporated pursuant to chapter 78 or 78A of NRS;
- 9 (b) Has an office or other base of operations in this state; or
- 10 (c) Pays wages or other remuneration to a natural person who
11 performs in this state any of the duties for which he is paid.

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

15 **Sec. 106.** NRS 364A.140 is hereby amended to read as
16 follows:

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

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

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

42 4. Except as otherwise provided in NRS 364A.152 and
43 364A.170, the amount of tax due for a business for each calendar
44 quarter is ~~[\$25]~~ **\$31.25** for each equivalent full-time employee
45 employed by the business in the quarter.



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

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

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

15 6. The Commission shall adopt regulations concerning the
16 payment of the tax imposed pursuant to this section by direct
17 deposit.

18 **Sec. 107.** NRS 364A.140 is hereby amended to read as
19 follows:

20 364A.140 1. A tax is hereby imposed upon the privilege of
21 conducting business in this state. Except as otherwise provided in
22 this section, the tax for each calendar quarter is due on the last day
23 of the quarter and must be paid on or before the last day of the
24 month immediately following the quarter on the basis of the total
25 number of equivalent full-time employees employed by the business
26 in the quarter.

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

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



1 4. Except as otherwise provided in NRS 364A.152 and
2 364A.170, the amount of tax due for a business for each calendar
3 quarter is ~~[\$31.25]~~ \$21.25 for each equivalent full-time employee
4 employed by the business in the quarter.

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

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

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

19 6. The Commission shall adopt regulations concerning the
20 payment of the tax imposed pursuant to this section by direct
21 deposit.

22 **Sec. 108.** NRS 364A.140 is hereby amended to read as
23 follows:

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

31 2. If the tax required to be paid by a business for a calendar
32 quarter pursuant to subsection 1 is less than \$25, the business may
33 submit a written request to the Department to pay the tax annually
34 for each calendar quarter of a fiscal year ending June 30. Upon
35 approval of the request, the tax becomes due on the last day of the
36 fiscal year and must be paid on or before the last day of July
37 immediately following the fiscal year. If a business ceases operation
38 before the end of the fiscal year, the tax becomes due on the date on
39 which the business ceases its operation and must be paid on or
40 before the last day of the month immediately following the calendar
41 quarter in which the business ceases its operation. A business may
42 continue to pay the tax annually until the Department withdraws its
43 approval for the annual payment. The Department may withdraw its
44 approval at any time if it determines that the tax due for any
45 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 ~~[\$21.25]~~ **\$12.50** 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. 109.** NRS 369.174 is hereby amended to read as follows:

26 369.174 Each month, the State Controller shall transfer to the
27 Tax on Liquor Program Account in the State General Fund, from the
28 tax on liquor containing more than 22 percent of alcohol by volume,
29 the portion of the tax which exceeds ~~[\$1.90]~~ **\$2.93** per wine gallon.

30 **Sec. 110.** NRS 369.330 is hereby amended to read as follows:

31 369.330 Except as otherwise provided in this chapter, an excise
32 tax is hereby levied and must be collected respecting all liquor and
33 upon the privilege of importing, possessing, storing or selling liquor,
34 according to the following rates and classifications:

35 1. On liquor containing more than 22 percent of alcohol by
36 volume, ~~[\$2.05]~~ **\$3.08** per wine gallon or proportionate part thereof.

37 2. On liquor containing more than 14 percent up to and
38 including 22 percent of alcohol by volume, ~~[75-cents]~~ **\$1.12** per
39 wine gallon or proportionate part thereof.

40 3. On liquor containing from one-half of 1 percent up to and
41 including 14 percent of alcohol by volume, ~~[40]~~ **60** cents per wine
42 gallon or proportionate part thereof.

43 4. On all malt beverage liquor brewed or fermented and bottled
44 in or outside this state, ~~[9]~~ **14** cents per gallon.



1 **Sec. 111.** NRS 369.370 is hereby amended to read as follows:
2 369.370 1. For the privilege of importing, possessing, storing
3 or selling liquors, all licensed importers and manufacturers of liquor
4 in this state shall pay the excise tax imposed and established by this
5 chapter.

6 2. If, after the tax is paid on any such liquor, satisfactory
7 evidence is presented to the Department that the imports have been
8 actually exported and sold outside this state in a manner not in
9 conflict with the law of the place of sale, the Department shall direct
10 that a refund or credit of the tax so paid be made to the taxpayer.
11 The taxpayer shall report all such exports and imports, and pay the
12 tax on the imports monthly, on forms and subject to regulations
13 prescribed by the Department.

14 3. The excise tax imposed by this chapter is due on or before
15 the 20th day of the following month. ~~If all such taxes are paid on or~~
16 ~~before the 15th day of the following month, a discount in the~~
17 ~~amount of 3 percent of the tax must be allowed to the taxpayer.]~~ The
18 Department may, for good cause, extend for not more than 15 days
19 after the date the tax is due the time for paying the tax if a request
20 for such an extension of time is received by the Department on or
21 before the date the tax was due. If such an extension is granted,
22 interest accrues from the original date the tax was due.

23 4. The Department shall allow refunds or credits on any
24 shipments lost, stolen or damaged in transit, or damaged or spoiled
25 on the premises, may require all claims in connection therewith to
26 be sworn to and may make ratable tax adjustments, credits or
27 refunds to effectuate the purposes of this chapter.

28 **Sec. 112.** NRS 369.415 is hereby amended to read as follows:

29 369.415 1. Any person who imports liquor into the State for
30 the purpose of rectification is an importer and shall be licensed
31 pursuant to NRS 369.180.

32 2. A licensed importer of liquor shall import neutral or distilled
33 spirits in bulk only for the express purpose of rectification. Rectified
34 alcoholic beverages shall be sold in this state only after bottling in
35 original packages.

36 3. Bulk imports of neutral or distilled spirits shall be taxable
37 only when rectified and bottled in original packages for sale within
38 the State.

39 4. Refunds ~~[credits and discounts shall]~~ *and credits must* be
40 allowed pursuant to NRS 369.370.

41 **Sec. 113.** NRS 370.165 is hereby amended to read as follows:

42 370.165 There is hereby levied a tax upon the purchase or
43 possession of cigarettes by a consumer in the State of Nevada at the
44 rate of ~~[17.5]~~ *50* mills per cigarette. The tax may be represented and
45 precollected by the affixing of a revenue stamp or other approved



1 evidence of payment to each package, packet or container in which
2 cigarettes are sold. The tax must be precollected by the wholesale or
3 retail dealer, and must be recovered from the consumer by adding
4 the amount of the tax to the selling price. Each person who sells
5 cigarettes at retail shall prominently display on his premises a notice
6 that the tax is included in the selling price and is payable under the
7 provisions of this chapter.

8 **Sec. 114.** NRS 370.220 is hereby amended to read as follows:
9 370.220 In the sale of any cigarette revenue stamps or any
10 metered machine settings to a licensed cigarette dealer, the
11 Department and its agents shall allow the purchaser a discount of ~~3~~
12 **0.5** percent against the amount of excise tax otherwise due for the
13 services rendered in affixing cigarette revenue stamps or metered
14 machine impressions to the cigarette packages.

15 **Sec. 115.** NRS 370.260 is hereby amended to read as follows:
16 370.260 1. All taxes and license fees imposed by the
17 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
18 granted as provided by law, must be paid to the Department in the
19 form of remittances payable to the Department.

20 2. The Department shall:

21 (a) As compensation to the State for the costs of collecting the
22 taxes and license fees, transmit each month the sum the Legislature
23 specifies from the remittances made to it pursuant to subsection 1
24 during the preceding month to the State Treasurer for deposit to the
25 credit of the Department. The deposited money must be expended
26 by the Department in accordance with its work program.

27 (b) From the remittances made to it pursuant to subsection 1
28 during the preceding month, less the amount transmitted pursuant to
29 paragraph (a), transmit each month the portion of the tax which is
30 equivalent to ~~12.5~~ **45** mills per cigarette to the State Treasurer for
31 deposit to the credit of the Account for the Tax on Cigarettes in the
32 State General Fund.

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

36 (d) Report to the State Controller monthly the amount of
37 collections.

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



1 **Sec. 116.** NRS 370.350 is hereby amended to read as follows:
2 370.350 1. Except as otherwise provided in subsection 3, a
3 tax is hereby levied and imposed upon the use of cigarettes in this
4 state.

5 2. The amount of the use tax is ~~[17.5]~~ 50 mills per cigarette.

6 3. The use tax does not apply where:

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

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

10 **Sec. 117.** NRS 370.450 is hereby amended to read as follows:

11 370.450 1. Except as otherwise provided in subsection 2,
12 there is hereby imposed upon the purchase or possession of products
13 made from tobacco, other than cigarettes, by a customer in this state
14 a tax of 30 percent of the wholesale price of those products.

15 2. The provisions of subsection 1 do not apply to those
16 products which are:

17 (a) Shipped out of the State for sale and use outside the State; or

18 (b) Displayed or exhibited at a trade show, convention or other
19 exhibition in this state by a manufacturer or wholesale dealer who is
20 not licensed in this state.

21 3. This tax must be collected and paid by the wholesale dealer
22 to the Department, in accordance with the provisions of NRS
23 370.465, after the sale or distribution of those products by the
24 wholesale dealer. ~~[The wholesale dealer is entitled to retain 2
25 percent of the taxes collected to cover the costs of collecting and
26 administering the taxes.]~~

27 4. Any wholesale dealer who sells or distributes any of those
28 products without paying the tax provided for by this section is guilty
29 of a misdemeanor.

30 **Sec. 118.** NRS 370.490 is hereby amended to read as follows:

31 370.490 1. The Department shall allow a credit of 30 percent
32 of the wholesale price ~~[, less a discount of 2 percent for the services
33 rendered in collecting the tax,]~~ for products made from tobacco,
34 other than cigarettes, upon which the tax has been paid pursuant to
35 NRS 370.450 and that may no longer be sold. If the products have
36 been purchased and delivered, a credit memo of the manufacturer is
37 required for proof of returned merchandise.

38 2. A credit must also be granted for any products made from
39 tobacco, other than cigarettes, shipped from this state and destined
40 for retail sale and consumption outside the State on which the tax
41 has previously been paid. A duplicate or copy of the invoice is
42 required for proof of the sale outside the State.

43 3. A wholesale dealer may claim a credit by filing with the
44 Department the proof required by this section. The claim must be
45 made on a form prescribed by the Department.



1 **Sec. 119.** Chapter 375 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 120 and 121 of this act.

3 **Sec. 120. 1.** *In addition to all other taxes imposed on*
4 *transfers of real property, a tax, at the rate of \$1.88 for each \$500*
5 *of value or fraction thereof that exceeds \$100,000 is hereby*
6 *imposed on each deed by which any lands, tenements or other*
7 *realty is granted, assigned, transferred or otherwise conveyed to,*
8 *or vested in, another person.*

9 **2.** *The amount of the tax must be computed on the basis of*
10 *the value of the transferred property as declared pursuant to*
11 *NRS 375.060.*

12 **3.** *The county recorder of each county shall collect the tax in*
13 *the manner provided in NRS 375.030, except that the amount*
14 *collected must be transmitted to the State Controller for deposit in*
15 *the State General Fund.*

16 **4.** *The county recorder of a county:*

17 **(a)** *Whose population is 100,000 or more may deduct and*
18 *withhold from the taxes collected 0.2 percent of those taxes to*
19 *reimburse the county for the cost of collecting the tax.*

20 **(b)** *Whose population is less than 100,000 may deduct and*
21 *withhold from the taxes collected 1 percent of those taxes to*
22 *reimburse the county for the cost of collecting the tax.*

23 **Sec. 121. 1.** *When requested, the Department shall render*
24 *assistance to the county recorder of a county whose population is*
25 *less than 30,000 relating to the imposition and collection of the tax*
26 *imposed by section 120 of this act.*

27 **2.** *The Department is not entitled to receive any fee for*
28 *rendering any assistance pursuant to subsection 1.*

29 **Sec. 122.** NRS 375.018 is hereby amended to read as follows:

30 375.018 With regard to the administration of ~~the real property~~
31 ~~transfer tax,~~ *any tax imposed by this chapter,* the county recorder
32 shall apply the following principles:

33 **1.** Forms, instructions and regulations governing the
34 computation of the amount of tax due must be brief and easily
35 understood.

36 **2.** In cases where another authority, such as the United States
37 or this state, also imposes a tax upon the same property or revenue,
38 the mechanism for collecting the tax imposed by the county must be
39 as nearly compatible with the collection of the other taxes as is
40 feasible.

41 **3.** Unless a change is made necessary by statute or to preserve
42 compatibility with a tax imposed by another authority, the forms,
43 instructions and regulations must remain the same from year to year,
44 to make the taxpayer's liability as predictable as is feasible.



1 4. Exemptions or waivers, where permitted by statute, must be
2 granted:

- 3 (a) Equitably among eligible taxpayers; and
4 (b) As sparingly as is consistent with the legislative intent, to
5 retain the broadest feasible base for the tax.

6 **Sec. 123.** NRS 375.030 is hereby amended to read as follows:

7 375.030 1. If any deed evidencing a transfer of title subject to
8 the tax imposed by NRS 375.020 *and section 120 of this act* and, if
9 applicable, NRS 375.025, is offered for recordation, the county
10 recorder shall compute the amount of the tax due and shall collect
11 that amount before acceptance of the deed for recordation.

12 2. The buyer and seller are jointly and severally liable for the
13 payment of the taxes imposed by NRS 375.020 and 375.025 *and*
14 *section 120 of this act* and any penalties and interest imposed
15 pursuant to subsection 3. The escrow holder is not liable for the
16 payment of the taxes imposed by NRS 375.020 and 375.025 *and*
17 *section 120 of this act* or any penalties or interest imposed pursuant
18 to subsection 3.

19 3. If after recordation of the deed, the county recorder
20 disallows an exemption that was claimed at the time the deed was
21 recorded or through audit or otherwise determines that an additional
22 amount of tax is due, the county recorder shall promptly notify the
23 person who requested the recording of the deed and the buyer and
24 seller of the additional amount of tax due. If the additional amount
25 of tax is not paid within 30 days after the date the buyer and seller
26 are notified, the county recorder shall impose a penalty of 10
27 percent of the additional amount due in addition to interest at the
28 rate of 1 percent per month, or portion thereof, of the additional
29 amount due calculated from the date of the original recordation of
30 the deed on which the additional amount is due through the date on
31 which the additional amount due, penalty and interest are paid to the
32 county recorder.

33 4. This section does not prohibit a buyer and seller from
34 agreeing by contract or otherwise that one party or the other will be
35 responsible for the payment of the tax due pursuant to this chapter,
36 but such an agreement does not affect the ability of the county
37 recorder to collect the tax and any penalties and interest from either
38 the buyer or the seller.

39 **Sec. 124.** NRS 375.070 is hereby amended to read as follows:

40 375.070 1. The county recorder shall transmit the proceeds of
41 the ~~real property transfer~~ tax *imposed by NRS 375.020* at the end
42 of each quarter in the following manner:

43 (a) An amount equal to that portion of the proceeds which is
44 equivalent to 10 cents for each \$500 of value or fraction thereof
45 must be transmitted to the State Controller who shall deposit that



1 amount in the Account for Low-Income Housing created pursuant to
2 NRS 319.500.

3 (b) In a county whose population is more than 400,000, an
4 amount equal to that portion of the proceeds which is equivalent to
5 60 cents for each \$500 of value or fraction thereof must be
6 transmitted to the county treasurer for deposit in the county school
7 district's fund for capital projects established pursuant to NRS
8 387.328, to be held and expended in the same manner as other
9 money deposited in that fund.

10 (c) The remaining proceeds must be transmitted to the State
11 Controller for deposit in the Local Government Tax Distribution
12 Account created by NRS 360.660 for credit to the respective
13 accounts of Carson City and each county.

14 2. In addition to any other authorized use of the proceeds it
15 receives pursuant to subsection 1, a county or city may use the
16 proceeds to pay expenses related to or incurred for the development
17 of affordable housing for families whose income does not exceed 80
18 percent of the median income for families residing in the same
19 county, as that percentage is defined by the United States
20 Department of Housing and Urban Development. A county or city
21 that uses the proceeds in that manner must give priority to the
22 development of affordable housing for persons who are disabled or
23 elderly.

24 3. The expenses authorized by subsection 2 include, but are not
25 limited to:

- 26 (a) The costs to acquire land and developmental rights;
- 27 (b) Related predevelopment expenses;
- 28 (c) The costs to develop the land, including the payment of
29 related rebates;
- 30 (d) Contributions toward down payments made for the purchase
31 of affordable housing; and
- 32 (e) The creation of related trust funds.

33 **Sec. 125.** NRS 375.090 is hereby amended to read as follows:

34 375.090 The ~~tax~~ taxes imposed by NRS 375.020 and 375.025
35 ~~does~~ and section 120 of this act do not apply to:

36 1. ~~[A mere change in identity, form or place of organization,
37 such as a transfer between a corporation and its parent corporation, a
38 subsidiary or an affiliated corporation if the affiliated corporation
39 has identical common ownership.~~

40 ~~—2.]~~ A transfer of title to the United States, any territory or state
41 or any agency, department, instrumentality or political subdivision
42 thereof.

43 ~~[3.]~~ 2. A transfer of title recognizing the true status of
44 ownership of the real property.



1 ~~[4.]~~ 3. A transfer of title without consideration from one joint
2 tenant or tenant in common to one or more remaining joint tenants
3 or tenants in common.

4 ~~[5. — A transfer of title to community property without~~
5 ~~consideration when held in the name of one spouse to both spouses~~
6 ~~as joint tenants or tenants in common, or as community property.~~

7 ~~—6.]~~ 4. A transfer of title between spouses, including gifts ~~[~~
8 ~~—7. — A transfer of title between spouses]~~, *or* to effect a property
9 settlement agreement or between former spouses in compliance with
10 a decree of divorce.

11 ~~[8.]~~ 5. A transfer of title to or from a trust ~~[, if the transfer is~~
12 ~~made]~~ without consideration ~~[, and is made to or from:~~

13 ~~—(a) The trustor of the trust;~~

14 ~~—(b) The trustor’s legal representative; or~~

15 ~~—(c) A person related to the trustor in the first degree of~~
16 ~~consanguinity.~~

17 ~~As used in this subsection, “legal representative” has the meaning~~
18 ~~ascribed to it in NRS 167.020.~~

19 ~~—9.]~~ *if a certificate of trust is presented at the time of transfer.*

20 6. Transfers, assignments or conveyances of unpatented mines
21 or mining claims.

22 ~~[10. — A transfer, assignment or other conveyance of real~~
23 ~~property to a corporation or other business organization if the person~~
24 ~~conveying the property owns 100 percent of the corporation or~~
25 ~~organization to which the conveyance is made.~~

26 ~~—11.]~~ 7. A transfer, assignment or other conveyance of real
27 property if the owner of the property is related to the person to
28 whom it is conveyed within the first degree of consanguinity.

29 ~~[12.]~~ 8. The making, delivery or filing of conveyances of real
30 property to make effective any plan of reorganization or adjustment:

31 (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.
32 §§ 101 et seq.;

33 (b) Approved in an equity receivership proceeding involving a
34 railroad, as defined in the Bankruptcy Act; or

35 (c) Approved in an equity receivership proceeding involving a
36 corporation, as defined in the Bankruptcy Act,
37 if the making, delivery or filing of instruments of transfer or
38 conveyance occurs within 5 years after the date of the confirmation,
39 approval or change.

40 ~~[13.]~~ 9. The making or delivery of conveyances of real
41 property to make effective any order of the Securities and Exchange
42 Commission if:

43 (a) The order of the Securities and Exchange Commission in
44 obedience to which the transfer or conveyance is made recites that
45 the transfer or conveyance is necessary or appropriate to effectuate



1 the provisions of section 11 of the Public Utility Holding Company
2 Act of 1935, 15 U.S.C. § 79k;

3 (b) The order specifies and itemizes the property which is
4 ordered to be transferred or conveyed; and

5 (c) The transfer or conveyance is made in obedience to the
6 order.

7 ~~14. A transfer to an educational foundation. As used in this
8 subsection, "educational foundation" has the meaning ascribed to it
9 in subsection 3 of NRS 388.750.~~

10 ~~15. A transfer to a university foundation. As used in this
11 subsection, "university foundation" has the meaning ascribed to it in
12 subsection 3 of NRS 396.405.~~

13 ~~16. A transfer, assignment or other conveyance of real property
14 to a corporation sole from another corporation sole. As used in this
15 subsection, "corporation sole" means a corporation which is
16 organized pursuant to the provisions of chapter 84 of NRS.]~~

17 **Sec. 126.** NRS 375.120 is hereby amended to read as follows:

18 375.120 The county recorder shall:

19 1. Conduct and apply audits and other procedures for
20 enforcement as uniformly as is feasible.

21 2. Collect ~~real property transfer~~ *any* tax *that is* due *pursuant*
22 *to the provisions of this chapter* in an equitable manner, so that
23 every taxpayer pays the full amount imposed by law.

24 **Sec. 127.** NRS 375.130 is hereby amended to read as follows:

25 375.130 1. The county recorder may audit all records relating
26 to the collection and calculation of ~~the real property transfer tax.]~~
27 *any tax imposed by this chapter.* If the county recorder deems it
28 necessary to conduct an audit, the audit must be completed within 3
29 years after the date of the original recording of the document that
30 evidences the transfer of property for which the tax was imposed.

31 2. The county recorder may issue subpoenas to require the
32 production of documents necessary for him to determine the amount
33 of ~~real property transfer~~ *the* tax due pursuant to this chapter or to
34 determine whether a person qualifies for an exemption from taxes
35 pursuant to this chapter. The county recorder may have the
36 subpoenas served, and upon application of the district attorney, to
37 any court of competent jurisdiction, enforced in the manner
38 provided by law for the service and enforcement of subpoenas in a
39 civil action.

40 **Sec. 128.** NRS 375.160 is hereby amended to read as follows:

41 375.160 1. If any ~~real property transfer~~ tax imposed
42 pursuant to this chapter is not paid when due, the county may,
43 within 3 years after the date that the tax was due, record a certificate
44 in the office of the county recorder which states:



- 1 (a) The amount of the ~~real property transfer~~ tax and any
- 2 interest or penalties due;
- 3 (b) The name and address of the person who is liable for the
- 4 amount due as they appear on the records of the county; and
- 5 (c) That the county recorder has complied with all procedures
- 6 required by law for determining the amount due.
- 7 2. From the time of the recording of the certificate, the amount
- 8 due, including interest and penalties, constitutes:
- 9 (a) A lien upon the real property for which the tax was due if the
- 10 person who owes the tax still owns the property; or
- 11 (b) A demand for payment if the property has been sold or
- 12 otherwise transferred to another person.
- 13 3. The lien has the effect and priority of a judgment lien and
- 14 continues for 5 years after the time of the recording of the certificate
- 15 unless sooner released or otherwise discharged.
- 16 4. Within 5 years after the date of recording the certificate or
- 17 within 5 years after the date of the last extension of the lien pursuant
- 18 to this subsection, the lien may be extended by recording a new
- 19 certificate in the office of the county recorder. From the time of
- 20 recording the new certificate, the lien is extended for 5 years, unless
- 21 sooner released or otherwise discharged.
- 22 **Sec. 129.** NRS 375.170 is hereby amended to read as follows:
- 23 375.170 1. If a person is delinquent in the payment of ~~the~~
- 24 ~~real property transfer~~ any tax *imposed by this chapter* or has not
- 25 paid the amount of a deficiency determination, the county may bring
- 26 an action in a court of this state, a court of any other state or a court
- 27 of the United States that has competent jurisdiction to collect the
- 28 delinquent or deficient amount, penalties and interest. The action:
- 29 (a) May not be brought if the decision that the payment is
- 30 delinquent or that there is a deficiency determination is on appeal to
- 31 a hearing officer pursuant to NRS 375.320.
- 32 (b) Must be brought not later than 3 years after the payment
- 33 became delinquent or the determination became final.
- 34 2. The district attorney shall prosecute the action. The
- 35 provisions of the Nevada Revised Statutes, Nevada Rules of Civil
- 36 Procedure and Nevada Rules of Appellate Procedure relating to
- 37 service of summons, pleadings, proofs, trials and appeals are
- 38 applicable to the proceedings. In the action, a writ of attachment
- 39 may issue. A bond or affidavit is not required before an attachment
- 40 may be issued.
- 41 3. In an action, a certificate by the county recorder showing the
- 42 delinquency is prima facie evidence of:
- 43 (a) The determination of the tax or the amount of the tax;
- 44 (b) The delinquency of the amounts; and



1 (c) The compliance by the county recorder with all the
2 procedures required by law relating to the computation and
3 determination of the amounts.

4 **Sec. 130.** NRS 375.250 is hereby amended to read as follows:

5 375.250 1. The Legislature hereby declares that each
6 taxpayer has the right:

7 (a) To be treated by officers and employees of the county
8 recorder with courtesy, fairness, uniformity, consistency and
9 common sense.

10 (b) To a prompt response from the county recorder to each
11 communication from the taxpayer.

12 (c) To provide the minimum documentation and other
13 information as may reasonably be required by the county recorder to
14 carry out his duties.

15 (d) To be notified, in writing, by the county recorder whenever
16 an officer or employee of the county recorder determines that the
17 taxpayer is entitled to an exemption or has been taxed more than is
18 required pursuant to this chapter.

19 (e) To written instructions indicating how the taxpayer may
20 petition for a refund for overpayment of ~~real property transfer~~ any
21 tax, interest or penalties.

22 (f) To recover an overpayment of ~~real property transfer~~ any tax
23 promptly upon the final determination of such an overpayment.

24 (g) To obtain specific advice from the county recorder
25 concerning ~~real property transfer~~ any tax.

26 (h) In any meeting with the county recorder, including an audit,
27 conference, interview or hearing:

28 (1) To an explanation by an officer, agent or employee of the
29 county recorder that describes the procedures to be followed and the
30 rights of the taxpayer thereunder;

31 (2) To be represented by himself or anyone who is otherwise
32 authorized by law to represent him before the county recorder;

33 (3) To make an audio recording using the taxpayer's
34 equipment and at the taxpayer's expense; and

35 (4) To receive a copy of any document or audio recording
36 made by or in the possession of the county recorder relating to the
37 determination or collection of any tax for which the taxpayer is
38 assessed pursuant to this chapter, upon payment of the actual cost to
39 the county recorder of making the copy.

40 (i) To a full explanation of the authority of the county recorder
41 to collect the ~~real property transfer~~ tax or to collect a delinquent
42 ~~real property transfer~~ tax, including, without limitation, the
43 procedures and notices for review and appeal that are required for
44 the protection of the taxpayer. An explanation which meets the



1 requirements of this section must also be included with each notice
2 to a taxpayer that an audit will be conducted by the county.

3 (j) To the immediate release of any lien which the county
4 recorder has placed on real property for the nonpayment of ~~the real~~
5 ~~property transfer~~ *a* tax when:

- 6 (1) The tax is paid;
- 7 (2) The period of limitation for collecting the tax expires;
- 8 (3) The lien is the result of an error by the county recorder;
- 9 (4) The county recorder determines that the taxes, interest
- 10 and penalties are secured sufficiently by a lien on other real
- 11 property;
- 12 (5) The release or subordination of the lien will not
- 13 jeopardize the collection of the taxes, interest and penalties; or
- 14 (6) The release of the lien will facilitate the collection of the
- 15 taxes, interest and penalties.

16 (k) To be free from harassment and intimidation by an officer or
17 employee of the county recorder for any reason.

18 2. The provisions of this chapter governing the administration
19 and collection of taxes by the county recorder must not be construed
20 in such a manner as to interfere or conflict with the provisions of
21 this section or any applicable regulations.

22 3. The provisions of this section apply to the administration
23 and collection of taxes pursuant to this chapter.

24 **Sec. 131.** NRS 375.270 is hereby amended to read as follows:
25 375.270 The county recorder shall provide each taxpayer who
26 it determines may be liable for taxes pursuant to this chapter with
27 simplified written instructions concerning the rights and
28 responsibilities of the taxpayer, including the:

- 29 1. Keeping of records sufficient for audit purposes;
- 30 2. Procedures for paying ~~the real property transfer tax;~~ *any*
31 *taxes that are due;* and
- 32 3. Procedures for challenging any liability for ~~real property~~
33 ~~transfer~~ *any* tax, penalties or interest and for requesting refunds of
34 *any* erroneously paid ~~real property transfer~~ tax, including the steps
35 for appealing a denial thereof.

36 **Sec. 132.** NRS 375.290 is hereby amended to read as follows:
37 375.290 A taxpayer is entitled to receive on any overpayment
38 of ~~the real property transfer~~ *any* tax *imposed by this chapter* a
39 refund together with interest at a rate determined pursuant to NRS
40 17.130. No interest is allowed on a refund of any penalties or
41 interest on the ~~real property transfer~~ tax that is paid by a taxpayer.

42 **Sec. 133.** NRS 375.300 is hereby amended to read as follows:
43 375.300 The county recorder shall provide a taxpayer with a
44 response to any written request submitted by the taxpayer that



1 relates to a ~~real property transfer~~ tax *imposed by this chapter*
2 within 30 days after the county treasurer receives the request.

3 **Sec. 134.** NRS 375.330 is hereby amended to read as follows:
4 375.330 1. The county recorder may waive any ~~real property~~
5 ~~transfer~~ tax, penalty and interest owed by the taxpayer *pursuant to*
6 *this chapter, other than the tax imposed by section 120 of this act,*
7 if the taxpayer meets the criteria adopted by regulation. If a waiver
8 is granted pursuant to this subsection, the county shall prepare and
9 maintain on file a statement that contains:

- 10 (a) The reason for the waiver;
- 11 (b) The amount of the tax, penalty and interest owed by the
12 taxpayer; and
- 13 (c) The amount of the tax, penalty and interest waived by the
14 county.

15 2. If the county recorder or a designated hearing officer finds
16 that the failure of a person to make a timely payment of ~~the real~~
17 ~~property transfer~~ *any* tax imposed is the result of circumstances
18 beyond his control and occurred despite the exercise of ordinary
19 care and without intent to avoid such payment, the county recorder
20 may relieve him of all or part of any interest or penalty or both.

21 3. If a person proves to the satisfaction of the county recorder
22 that he has in good faith remitted the ~~real property transfer~~ tax in
23 reliance upon written advice provided by an officer or employee of
24 the county recorder, an opinion of the district attorney or Attorney
25 General, or the written results of an audit of his records conducted
26 by the county recorder, the county recorder may not require the
27 taxpayer to pay delinquent taxes, penalties or interest if the county
28 recorder determines after the completion of a subsequent audit that
29 the taxes the taxpayer remitted were deficient.

30 **Sec. 134.1.** Chapter 218 of NRS is hereby amended by adding
31 thereto the provisions set forth as sections 2 to 7, inclusive, of this
32 act.

33 **Sec. 134.2.** *As used in sections 2 to 7, inclusive, of this act,*
34 *“Committee” means the Legislative Committee on Taxation,*
35 *Public Revenue and Tax Policy.*

36 **Sec. 134.3.** *1. There is hereby established a Legislative*
37 *Committee on Taxation, Public Revenue and Tax Policy*
38 *consisting of:*

- 39 (a) *The Speaker of the Assembly, or a member of the Assembly*
40 *designated by the Speaker of the Assembly;*
- 41 (b) *The Minority Leader of the Assembly, or a member of the*
42 *Assembly designated by the Minority Leader of the Assembly;*
- 43 (c) *The Majority Leader of the Senate, or a member of the*
44 *Senate designated by the Majority Leader of the Senate;*



- 1 (d) *The Minority Leader of the Senate, or a member of the*
2 *Senate designated by the Minority Leader of the Senate;*
3 (e) *Two members appointed by the Speaker of the Assembly*
4 *who were members of the Assembly Committee on Taxation*
5 *during the immediately preceding legislative session; and*
6 (f) *Two members appointed by the Majority Leader of the*
7 *Senate who were members of the Senate Committee on Taxation*
8 *during the immediately preceding legislative session.*
9 2. *The members of the Committee shall elect a Chairman and*
10 *Vice Chairman from among their members. The Chairman must*
11 *be elected from one house of the Legislature and the Vice*
12 *Chairman from the other house. After the initial election of a*
13 *Chairman and Vice Chairman, each of those officers holds office*
14 *for a term of 2 years commencing on July 1 of each odd-numbered*
15 *year. If a vacancy occurs in the Chairmanship or Vice*
16 *Chairmanship, the members of the Committee shall elect a*
17 *replacement for the remainder of the unexpired term.*
18 3. *Any member of the Committee who is not a candidate for*
19 *reelection or who is defeated for reelection continues to serve until*
20 *the convening of the next session of the Legislature.*
21 4. *Vacancies on the Committee must be filled in the same*
22 *manner as the original appointments.*
23 **Sec. 134.4.** 1. *The members of the Committee shall meet*
24 *throughout each year at the times and places specified by a call of*
25 *the Chairman or a majority of the Committee.*
26 2. *The Director of the Legislative Counsel Bureau or his*
27 *designee shall act as the nonvoting recording Secretary.*
28 3. *The Committee shall prescribe regulations for its own*
29 *management and government.*
30 4. *Except as otherwise provided in subsection 5, five voting*
31 *members of the Committee constitute a quorum.*
32 5. *Any recommended legislation proposed by the Committee*
33 *must be approved by a majority of the members of the Senate and*
34 *by a majority of the members of the Assembly serving on the*
35 *Committee.*
36 6. *Except during a regular or special session of the*
37 *Legislature, the members of the Committee are entitled to receive*
38 *the compensation provided for a majority of the members of the*
39 *Legislature during the first 60 days of the preceding regular*
40 *session, the per diem allowance provided for state officers and*
41 *employees generally and the travel expenses provided pursuant to*
42 *NRS 218.2207 for each day or portion of a day of attendance at a*
43 *meeting of the Committee and while engaged in the business of*
44 *the Committee. The salaries and expenses paid pursuant to this*



1 *subsection and the expenses of the Committee must be paid from*
2 *the Legislative Fund.*

3 **Sec. 134.5.** *The Committee may:*

4 **1.** *Review and study:*

5 *(a) The specific taxes collected in this state, including, without*
6 *limitation, taxes on gross receipts, mining, property, sales or*
7 *services, business profits, employees of business, slot route*
8 *operators and car rental companies;*

9 *(b) The implementation of any taxes, fees and other methods*
10 *for generating public revenue in this state;*

11 *(c) The impact of any changes to taxes, fees and other methods*
12 *for generating public revenue that result from legislation enacted*
13 *by the Legislature on the residents of this state and on the*
14 *businesses located in this state, doing business in this state or*
15 *considering locating in this state;*

16 *(d) The fiscal effects of any taxes, fees and other methods for*
17 *generating public revenue;*

18 *(e) Broad issues of tax policy and fiscal policy relevant to the*
19 *future of the State of Nevada; and*

20 *(f) Any other issues related to taxation, the generation of*
21 *public revenue, tax policy or fiscal policy which affect this state.*

22 **2.** *Conduct investigations and hold hearings in connection*
23 *with its powers pursuant to this section.*

24 **3.** *Contract with one or more consultants to obtain technical*
25 *advice concerning its review and study.*

26 **4.** *Apply for any available grants and accept any gifts, grants*
27 *or donations and use any such gifts, grants or donations to aid the*
28 *Committee in exercising its powers pursuant to this section.*

29 **5.** *Request that the Legislative Counsel Bureau assist in the*
30 *research, investigations, hearings, studies and reviews of the*
31 *Committee.*

32 **6.** *Recommend to the Legislature, as a result of its review and*
33 *study, any appropriate legislation.*

34 **Sec. 134.6. 1.** *If the Committee conducts investigations or*
35 *holds hearings pursuant to subsection 2 of section 5 of this act:*

36 *(a) The Secretary of the Committee or, in his absence, a*
37 *member designated by the Committee may administer oaths;*

38 *(b) The Secretary or Chairman of the Committee may cause*
39 *the deposition of witnesses, residing either within or outside of this*
40 *state, to be taken in the manner prescribed by rule of court for*
41 *taking depositions in civil actions in the district courts; and*

42 *(c) The Chairman of the Committee may issue subpoenas to*
43 *compel the attendance of witnesses and the production of books*
44 *and papers.*



1 2. *If a witness refuses to attend or testify or produce books or*
2 *papers as required by the subpoena, the Chairman of the*
3 *Committee may report to the district court by a petition which sets*
4 *forth that:*

5 (a) *Due notice has been given of the time and place of*
6 *attendance of the witness or the production of the books or papers;*

7 (b) *The witness has been subpoenaed by the Committee*
8 *pursuant to this section; and*

9 (c) *The witness has failed or refused to attend or produce the*
10 *books or papers required by the subpoena before the Committee*
11 *that is named in the subpoena, or has refused to answer questions*
12 *propounded to him.*

13 *The petition may request an order of the court compelling the*
14 *witness to attend and testify or produce the books and papers*
15 *before the Committee.*

16 3. *Upon such a petition, the court shall enter an order*
17 *directing the witness to appear before the court at a time and place*
18 *to be fixed by the court in its order, the time to be not more than*
19 *10 days after the date of the order, and to show cause why he has*
20 *not attended or testified or produced the books or papers before*
21 *the Committee. A certified copy of the order must be served upon*
22 *the witness.*

23 4. *If it appears to the court that the subpoena was regularly*
24 *issued by the Committee, the court shall enter an order that the*
25 *witness appear before the Committee at the time and place fixed in*
26 *the order and testify or produce the required books or papers.*
27 *Failure to obey the order constitutes contempt of court.*

28 **Sec. 134.7.** *Each witness who appears before the Committee*
29 *by its order, except a state officer or employee, is entitled to receive*
30 *for his attendance the fees and mileage provided for witnesses in*
31 *civil cases in the courts of record of this state. The fees and*
32 *mileage must be audited and paid upon the presentation of proper*
33 *claims sworn to by the witness and approved by the Secretary and*
34 *Chairman of the Committee.*

35 **Sec. 135.** NRS 233B.039 is hereby amended to read as
36 follows:

37 233B.039 1. The following agencies are entirely exempted
38 from the requirements of this chapter:

39 (a) The Governor.

40 (b) The Department of Corrections.

41 (c) The University and Community College System of Nevada.

42 (d) The Office of the Military.

43 (e) ~~The~~ *Except as otherwise provided in section 78 of this act,*
44 *the* State Gaming Control Board.

45 (f) The Nevada Gaming Commission.



1 (g) The Welfare Division of the Department of Human
2 Resources.

3 (h) The Division of Health Care Financing and Policy of the
4 Department of Human Resources.

5 (i) The State Board of Examiners acting pursuant to chapter 217
6 of NRS.

7 (j) Except as otherwise provided in NRS 533.365, the Office of
8 the State Engineer.

9 (k) The Division of Industrial Relations of the Department of
10 Business and Industry acting to enforce the provisions of
11 NRS 618.375.

12 (l) The Administrator of the Division of Industrial Relations of
13 the Department of Business and Industry in establishing and
14 adjusting the schedule of fees and charges for accident benefits
15 pursuant to subsection 2 of NRS 616C.260.

16 (m) The Board to Review Claims in adopting resolutions to
17 carry out its duties pursuant to NRS 590.830.

18 2. Except as otherwise provided in subsection 5 and NRS
19 391.323, the Department of Education, the Board of the Public
20 Employees' Benefits Program and the Commission on Professional
21 Standards in Education are subject to the provisions of this chapter
22 for the purpose of adopting regulations but not with respect to any
23 contested case.

24 3. The special provisions of:

25 (a) Chapter 612 of NRS for the distribution of regulations by
26 and the judicial review of decisions of the Employment Security
27 Division of the Department of Employment, Training and
28 Rehabilitation;

29 (b) Chapters 616A to 617, inclusive, of NRS for the
30 determination of contested claims;

31 (c) Chapter 703 of NRS for the judicial review of decisions of
32 the Public Utilities Commission of Nevada;

33 (d) Chapter 91 of NRS for the judicial review of decisions of the
34 Administrator of the Securities Division of the Office of the
35 Secretary of State; and

36 (e) NRS 90.800 for the use of summary orders in contested
37 cases,
38 prevail over the general provisions of this chapter.

39 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and
40 233B.126 do not apply to the Department of Human Resources in
41 the adjudication of contested cases involving the issuance of letters
42 of approval for health facilities and agencies.

43 5. The provisions of this chapter do not apply to:

44 (a) Any order for immediate action, including, but not limited
45 to, quarantine and the treatment or cleansing of infected or infested



1 animals, objects or premises, made under the authority of the State
2 Board of Agriculture, the State Board of Health or any other agency
3 of this state in the discharge of a responsibility for the preservation
4 of human or animal health or for insect or pest control;

5 (b) An extraordinary regulation of the State Board of Pharmacy
6 adopted pursuant to NRS 453.2184; or

7 (c) A regulation adopted by the State Board of Education
8 pursuant to NRS 392.644 or 394.1694.

9 6. The State Board of Parole Commissioners is subject to the
10 provisions of this chapter for the purpose of adopting regulations but
11 not with respect to any contested case.

12 **Sec. 136.** Chapter 387 of NRS is hereby amended by adding
13 thereto a new section to read as follows:

14 *1. On or before July 1 of each year, the Department, in*
15 *consultation with the Budget Division of the Department of*
16 *Administration and the Fiscal Analysis Division of the Legislative*
17 *Counsel Bureau, shall develop or revise, as applicable, a formula*
18 *for determining the minimum amount of money that each school*
19 *district is required to expend each fiscal year for textbooks,*
20 *instructional supplies and instructional hardware. The formula*
21 *must be used only to develop expenditure requirements and must*
22 *not be used to alter the distribution of money for basic support to*
23 *school districts.*

24 *2. Upon approval of the formula pursuant to subsection 1, the*
25 *Department shall provide written notice to each school district*
26 *within the first 30 days of each fiscal year that sets forth the*
27 *required minimum combined amount of money that the school*
28 *district must expend for textbooks, instructional supplies and*
29 *instructional hardware for that fiscal year.*

30 *3. On or before January 1 of each year, the Department shall*
31 *determine whether each school district has expended, during the*
32 *immediately preceding fiscal year, the required minimum amount*
33 *of money set forth in the notice provided pursuant to subsection 2.*
34 *In making this determination, the Department shall use the report*
35 *submitted by the school district pursuant to NRS 387.303.*

36 *4. Except as otherwise provided in subsection 5, if the*
37 *Department determines that a school district has not expended the*
38 *required minimum amount of money set forth in the notice*
39 *provided pursuant to subsection 2, a reduction must be made from*
40 *the basic support allocation otherwise payable to that school*
41 *district in an amount that is equal to the difference between the*
42 *actual combined expenditure for textbooks, instructional supplies*
43 *and instructional hardware and the minimum required combined*
44 *expenditure set forth in the notice provided pursuant to subsection*



1 *2. A reduction in the amount of the basic support allocation*
2 *pursuant to this subsection:*

3 *(a) Does not reduce the amount that the school district is*
4 *required to expend on textbooks, instructional supplies and*
5 *instructional hardware in the current fiscal year; and*

6 *(b) Must not exceed the amount of basic support that was*
7 *provided to the school district for the fiscal year in which the*
8 *minimum expenditure amount was not satisfied.*

9 *5. If the actual enrollment of pupils in a school district is less*
10 *than the enrollment included in the projections used in the school*
11 *district's biennial budget submitted pursuant to NRS 387.303, the*
12 *required expenditure for textbooks, instructional supplies and*
13 *instructional hardware pursuant to this section must be reduced*
14 *proportionately.*

15 **Sec. 137.** NRS 387.205 is hereby amended to read as follows:

16 387.205 1. Subject to the limitations set forth in NRS
17 387.207 ~~§~~ *and section 136 of this act*, money on deposit in the
18 county school district fund or in a separate account, if the board of
19 trustees of a school district has elected to establish such an account
20 pursuant to the provisions of NRS 354.603, must be used for:

21 (a) Maintenance and operation of the public schools controlled
22 by the county school district.

23 (b) Payment of premiums for Nevada industrial insurance.

24 (c) Rent of schoolhouses.

25 (d) Construction, furnishing or rental of teacherages, when
26 approved by the Superintendent of Public Instruction.

27 (e) Transportation of pupils, including the purchase of new
28 buses.

29 (f) Programs of nutrition, if such expenditures do not curtail the
30 established school program or make it necessary to shorten the
31 school term, and each pupil furnished lunch whose parent or
32 guardian is financially able so to do pays at least the actual cost of
33 the lunch.

34 (g) Membership fees, dues and contributions to an
35 interscholastic activities association.

36 (h) Repayment of a loan made from the State Permanent School
37 Fund pursuant to NRS 387.526.

38 2. Subject to the limitations set forth in NRS 387.207 ~~§~~ *and*
39 *section 136 of this act*, money on deposit in the county school
40 district fund, or in a separate account, if the board of trustees of a
41 school district has elected to establish such an account pursuant to
42 the provisions of NRS 354.603, when available, may be used for:

43 (a) Purchase of sites for school facilities.

44 (b) Purchase of buildings for school use.

45 (c) Repair and construction of buildings for school use.



1 **Sec. 138.** NRS 387.207 is hereby amended to read as follows:
2 387.207 1. Except as otherwise provided in this section, in
3 each school year a school district shall spend for ~~[textbooks,]~~ library
4 books and ~~[supplies and materials relating to instruction, including,~~
5 ~~without limitation,]~~ software for computers ~~[,]~~ an amount of money,
6 expressed as an amount per pupil, that is at least equal to the
7 average of the total amount of money that was expended per year by
8 the school district for those items in the immediately preceding 3
9 years.

10 2. Except as otherwise provided in this section, in each school
11 year a school district shall spend for the purchase of equipment
12 relating to instruction, including, without limitation, equipment for
13 telecommunications and for the purchase of equipment relating to
14 the transportation of pupils, an amount of money, expressed as an
15 amount per pupil, that is at least equal to the average of the total
16 amount of money that was expended per year by the school district
17 for those items in the immediately preceding 3 years.

18 3. Except as otherwise provided in this section, in each school
19 year a school district shall spend for the maintenance and repair of
20 equipment, vehicles, and buildings and facilities an amount of
21 money, expressed as an amount per pupil, that is at least equal to the
22 average of the total amount of money that was expended per year by
23 the school district for those items in the immediately preceding 3
24 years, excluding any amount of money derived from the proceeds of
25 bonds.

26 4. A school district may satisfy the expenditures required by
27 subsections 1, 2 and 3 if the school district spends an aggregate
28 amount of money for all the items identified in those subsections
29 that is at least equal to the average of the total amount of money
30 expended by the school district per year for all those items in the
31 immediately preceding 3 years.

32 5. A school district is not required to satisfy the expenditures
33 required by this section for a school year in which:

34 (a) The total number of pupils who are enrolled in public
35 schools within the school district has declined from the immediately
36 preceding school year; or

37 (b) The total revenue available in the general fund of the school
38 district has declined from the immediately preceding school year.

39 **Sec. 139.** NRS 388.750 is hereby amended to read as follows:
40 388.750 1. An educational foundation:

41 (a) Shall comply with the provisions of chapter 241 of NRS;
42 **and**

43 (b) Except as otherwise provided in subsection 2, shall make its
44 records public and open to inspection pursuant to NRS 239.010 . ~~;~~

45 **and**



1 ~~—(c) Is exempt from the tax on transfers of real property pursuant~~
2 ~~to subsection 14 of NRS 375.090.]~~

3 2. An educational foundation is not required to disclose the
4 names of the contributors to the foundation or the amount of their
5 contributions. The educational foundation shall, upon request, allow
6 a contributor to examine, during regular business hours, any record,
7 document or other information of the foundation relating to that
8 contributor.

9 3. As used in this section, “educational foundation” means a
10 nonprofit corporation, association or institution or a charitable
11 organization that is:

12 (a) Organized and operated exclusively for the purpose of
13 supporting one or more kindergartens, elementary schools, junior
14 high or middle schools or high schools, or any combination thereof;

15 (b) Formed pursuant to the laws of this state; and

16 (c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

17 **Sec. 140.** NRS 391.165 is hereby amended to read as follows:

18 391.165 1. Except as otherwise provided in subsection 3 ~~of~~
19 ~~this section]~~ and except as otherwise required as a result of NRS
20 286.537, the board of trustees of a school district shall pay the cost
21 for a licensed teacher to purchase one-fifth of a year of service
22 pursuant to subsection 2 of NRS 286.300 if:

23 (a) The teacher is a member of the Public Employees’
24 Retirement System and has at least 5 years of service;

25 (b) The teacher has been employed as a licensed teacher in this
26 state for at least 5 consecutive school years, regardless of whether
27 the employment was with one or more school districts in this state;

28 (c) Each evaluation of the teacher conducted pursuant to NRS
29 391.3125 is at least satisfactory for the years of employment
30 required by paragraph (b); and

31 (d) In addition to the years of employment required by
32 paragraph (b), the teacher has been employed as a licensed teacher
33 for ~~[1-school-year]~~ **2 school years** at a school within the school
34 district which, ~~[for that school year, carries]~~ **during his employment**
35 **at the school:**

36 (1) **Carried** the designation of demonstrating need for
37 improvement ~~[pursuant to NRS 385.367.]~~; or

38 (2) **At least 65 percent of the pupils who are enrolled in the**
39 **school are children who are at-risk.**

40 **The provisions of this paragraph do not require consecutive years**
41 **of employment or employment at the same school within the**
42 **school district.**

43 2. Except as otherwise provided in subsection 3, the board of
44 trustees of a school district shall pay the cost for a licensed teacher
45 to purchase one-fifth of a year of service for each year that a teacher



1 ~~is employed as a teacher at a school within the school district that is~~
2 ~~described in paragraph (d)]~~ *satisfies the requirements* of
3 subsection 1.

4 3. In no event may the years of service purchased by a licensed
5 teacher as a result of subsection 2 of NRS 286.300 exceed 5 years.

6 4. The board of trustees of a school district shall not:

7 (a) Assign or reassign a licensed teacher to circumvent the
8 requirements of this section.

9 (b) Include ~~it~~ as part of a teacher's salary ~~and~~ the costs of paying
10 the teacher to purchase service pursuant to this section.

11 5. As used in this section ~~the term "service" means~~:

12 (a) *A child is "at-risk" if he is eligible for free or reduced-price*
13 *lunches pursuant to 42 U.S.C. §§ 1751 et. seq.*

14 (b) *"Service"* has the meaning ascribed to it in NRS 286.078.

15 **Sec. 141.** NRS 391.165 is hereby amended to read as follows:

16 391.165 1. Except as otherwise provided in subsection 3 and
17 except as otherwise required as a result of NRS 286.537, the board
18 of trustees of a school district shall pay the cost for a licensed
19 teacher *or licensed school psychologist* to purchase one-fifth of a
20 year of service pursuant to subsection 2 of NRS 286.300 if:

21 (a) The teacher *or school psychologist* is a member of the Public
22 Employees' Retirement System and has at least 5 years of service;

23 (b) The teacher *or school psychologist* has been employed as a
24 licensed teacher *or licensed school psychologist* in this state for at
25 least 5 consecutive school years, regardless of whether the
26 employment was with one or more school districts in this state;

27 (c) Each evaluation of the teacher *or school psychologist*
28 conducted pursuant to NRS 391.3125 is at least satisfactory for the
29 years of employment required by paragraph (b); and

30 (d) In addition to the years of employment required by
31 paragraph (b) ~~the teacher~~:

32 (1) *The* teacher has been employed as a licensed teacher for
33 2 school years at a school within the school district which, during
34 his employment at the school:

35 ~~(I)~~ (I) Carried the designation of demonstrating need for
36 improvement; or

37 ~~(2)~~ (II) At least 65 percent of the pupils who are enrolled
38 in the school are children who are at-risk ~~and~~;

39 (2) *The teacher holds an endorsement in the field of*
40 *mathematics, science, special education or English as a second*
41 *language and has been employed for at least 1 school year to teach*
42 *in the subject area for which he holds an endorsement; or*

43 (3) *The school psychologist has been employed as a*
44 *licensed school psychologist for at least 1 school year.*



1 The provisions of this paragraph do not require consecutive years of
2 employment or employment at the same school within the school
3 district.

4 2. Except as otherwise provided in subsection 3, the board of
5 trustees of a school district shall pay the cost for a licensed teacher
6 *or school psychologist* to purchase one-fifth of a year of service for
7 each year that a teacher *or school psychologist* satisfies the
8 requirements of subsection 1. *If, in 1 school year, a teacher*
9 *satisfies the criteria set forth in both subparagraphs (1) and (2) of*
10 *paragraph (d) of subsection 1, the school district in which the*
11 *teacher is employed is not required to pay for more than one-fifth*
12 *of a year of service pursuant to subsection 2 of NRS 286.300 for*
13 *that school year.*

14 3. In no event may the years of service purchased by a licensed
15 teacher *or school psychologist* as a result of subsection 2 of NRS
16 286.300 exceed 5 years.

17 4. The board of trustees of a school district shall not:

18 (a) Assign or reassign a licensed teacher *or school psychologist*
19 to circumvent the requirements of this section.

20 (b) Include ~~§~~ as part of a teacher's *or school psychologist's*
21 salary ~~§~~ the costs of paying the teacher *or school psychologist* to
22 purchase service pursuant to this section.

23 5. As used in this section:

24 (a) A child is "at-risk" if he is eligible for free or reduced-price
25 lunches pursuant to 42 U.S.C. §§ 1751 et. seq.

26 (b) "Service has the meaning ascribed to it in NRS 286.078.

27 **Sec. 142.** NRS 396.405 is hereby amended to read as follows:
28 396.405 1. A university foundation:

29 (a) Shall comply with the provisions of chapter 241 of NRS;

30 (b) Except as otherwise provided in subsection 2, shall make its
31 records public and open to inspection pursuant to NRS 239.010; *and*

32 ~~(c) Is exempt from the tax on transfers of real property~~
33 ~~pursuant to subsection 14 of NRS 375.090; and~~

34 ~~—(d)~~ May allow a president or an administrator of the university
35 or community college which it supports to serve as a member of its
36 governing body.

37 2. A university foundation is not required to disclose the name
38 of any contributor or potential contributor to the university
39 foundation, the amount of his contribution or any information which
40 may reveal or lead to the discovery of his identity. The university
41 foundation shall, upon request, allow a contributor to examine,
42 during regular business hours, any record, document or other
43 information of the foundation relating to that contributor.



1 3. As used in this section, "university foundation" means a
2 nonprofit corporation, association or institution or a charitable
3 organization that is:

4 (a) Organized and operated exclusively for the purpose of
5 supporting a university or a community college;

6 (b) Formed pursuant to the laws of this state; and

7 (c) Exempt from taxation pursuant to 26 U.S.C. § 501(c)(3).

8 **Sec. 143.** NRS 463.0136 is hereby amended to read as
9 follows:

10 463.0136 "Associated equipment" means:

11 1. Any equipment or mechanical, electromechanical or
12 electronic contrivance, component or machine used remotely or
13 directly in connection with gaming, any game, race book or sports
14 pool that would not otherwise be classified as a gaming device,
15 including dice, playing cards, links which connect to progressive
16 slot machines, equipment which affects the proper reporting of gross
17 revenue, computerized systems of betting at a race book or sports
18 pool, computerized systems for monitoring slot machines and
19 devices for weighing or counting money; or

20 2. A computerized system for recordation of sales for use in an
21 area subject to the ~~casino-entertainment~~ tax *imposed* pursuant to
22 ~~[NRS 463.401.]~~ *section 76 of this act.*

23 **Sec. 144.** NRS 463.270 is hereby amended to read as follows:

24 463.270 1. Subject to the power of the Board to deny, revoke,
25 suspend, condition or limit licenses, any state license in force may
26 be renewed by the Board for the next succeeding license period
27 upon proper application for renewal and payment of state license
28 fees and taxes as required by law and the regulations of the Board.

29 2. All state gaming licenses are subject to renewal on the 1st
30 day of each January and all quarterly state gaming licenses on the
31 1st day of each calendar quarter thereafter.

32 3. Application for renewal must be filed with the Board and all
33 state license fees and taxes required by law, including without
34 limitation NRS 463.370, 463.373 to 463.3855, inclusive, ~~[463.401,]~~
35 463.660, 464.015 and 464.040, *and section 76 of this act*, must be
36 paid to the Board on or before the dates respectively provided by
37 law for each fee or tax.

38 4. Application for renewal of licenses for slot machines only
39 must be made by the operators of the locations where such machines
40 are situated.

41 5. Any person failing to pay any state license fees or taxes due
42 at the times respectively provided shall pay in addition to such
43 license fees or taxes a penalty of not less than \$50 or 25 percent of
44 the amount due, whichever is the greater, but not more than \$1,000
45 if the fees or taxes are less than 10 days late and in no case in excess



1 of \$5,000. The penalty must be collected as are other charges,
2 license fees and penalties under this chapter.

3 6. Any person who operates, carries on or exposes for play any
4 gambling game, gaming device or slot machine or who
5 manufactures, sells or distributes any gaming device, equipment,
6 material or machine used in gaming, after his license becomes
7 subject to renewal, and thereafter fails to apply for renewal as
8 provided in this section, is guilty of a misdemeanor and, in addition
9 to the penalties provided by law, is liable to the State of Nevada for
10 all license fees, taxes and penalties which would have been due
11 upon application for renewal.

12 7. If any licensee or other person fails to renew his license as
13 provided in this section the Board may order the immediate closure
14 of all his gaming activity until the license is renewed by the
15 payment of the necessary fees, taxes, interest and any penalties.
16 Except for a license for which fees are based on the gross revenue of
17 the licensee, failure to renew a license within 30 days after the date
18 required by this chapter shall be deemed a surrender of the license.

19 8. The voluntary surrender of a license by a licensee does not
20 become effective until accepted in the manner provided in the
21 regulations of the Board. The surrender of a license does not relieve
22 the former licensee of any penalties, fines, fees, taxes or interest
23 due.

24 **Sec. 145.** NRS 463.370 is hereby amended to read as follows:

25 463.370 1. Except as otherwise provided in NRS 463.373,
26 the Commission shall charge and collect from each licensee a
27 license fee based upon all the gross revenue of the licensee as
28 follows:

29 (a) Three *and one-quarter* percent of all the gross revenue of
30 the licensee which does not exceed \$50,000 per calendar month;

31 (b) Four *and one-quarter* percent of all the gross revenue of the
32 licensee which exceeds \$50,000 per calendar month and does not
33 exceed \$134,000 per calendar month; and

34 (c) Six and ~~one-quarter~~ *one-half* percent of all the gross
35 revenue of the licensee which exceeds \$134,000 per calendar month.

36 2. Unless the licensee has been operating for less than a full
37 calendar month, the Commission shall charge and collect the fee
38 prescribed in subsection 1, based upon the gross revenue for the
39 preceding calendar month, on or before the 24th day of the
40 following month. Except for the fee based on the first full month of
41 operation, the fee is an estimated payment of the license fee for the
42 third month following the month whose gross revenue is used as its
43 basis.

44 3. When a licensee has been operating for less than a full
45 calendar month, the Commission shall charge and collect the fee



1 prescribed in subsection 1, based on the gross revenue received
2 during that month, on or before the 24th day of the following
3 calendar month of operation. After the first full calendar month of
4 operation, the Commission shall charge and collect the fee based on
5 the gross revenue received during that month, on or before the 24th
6 day of the following calendar month. The payment of the fee due for
7 the first full calendar month of operation must be accompanied by
8 the payment of a fee equal to three times the fee for the first full
9 calendar month. This additional amount is an estimated payment of
10 the license fees for the next 3 calendar months. Thereafter, each
11 license fee must be paid in the manner described in subsection 2.
12 Any deposit held by the Commission on July 1, 1969, must be
13 treated as an advance estimated payment.

14 4. All revenue received from any game or gaming device
15 which is operated on the premises of a licensee, regardless of
16 whether any portion of the revenue is shared with any other person,
17 must be attributed to the licensee for the purposes of this section and
18 counted as part of the gross revenue of the licensee. Any other
19 person, including, without limitation, an operator of an inter-casino
20 linked system, who is authorized to receive a share of the revenue
21 from any game, gaming device or inter-casino linked system that is
22 operated on the premises of a licensee is liable to the licensee for
23 that person's proportionate share of the license fees paid by the
24 licensee pursuant to this section and shall remit or credit the full
25 proportionate share to the licensee on or before the 24th day of each
26 calendar month. The proportionate share of an operator of an inter-
27 casino linked system must be based on all compensation and other
28 consideration received by the operator of the inter-casino linked
29 system, including, without limitation, amounts that accrue to the
30 meter of the primary progressive jackpot of the inter-casino linked
31 system and amounts that fund the reserves of such a jackpot, subject
32 to all appropriate adjustments for deductions, credits, offsets and
33 exclusions that the licensee is entitled to take or receive pursuant to
34 the provisions of this chapter. A licensee is not liable to any other
35 person authorized to receive a share of the licensee's revenue from
36 any game, gaming device or inter-casino linked system that is
37 operated on the premises of the licensee for that person's
38 proportionate share of the license fees to be remitted or credited to
39 the licensee by that person pursuant to this section.

40 5. An operator of an inter-casino linked system shall not enter
41 into any agreement or arrangement with a licensee that provides for
42 the operator of the inter-casino linked system to be liable to the
43 licensee for less than its full proportionate share of the license fees
44 paid by the licensee pursuant to this section, whether accomplished
45 through a rebate, refund, charge-back or otherwise.



1 6. Any person required to pay a fee pursuant to this section
2 shall file with the Commission, on or before the 24th day of each
3 calendar month, a report showing the amount of all gross revenue
4 received during the preceding calendar month. Each report must be
5 accompanied by:

6 (a) The fee due based on the revenue of the month covered by
7 the report; and

8 (b) An adjustment for the difference between the estimated fee
9 previously paid for the month covered by the report, if any, and
10 the fee due for the actual gross revenue earned in that month. If the
11 adjustment is less than zero, a credit must be applied to the
12 estimated fee due with that report.

13 7. If the amount of license fees required to be reported and paid
14 pursuant to this section is later determined to be greater or less than
15 the amount actually reported and paid, the Commission shall:

16 (a) Charge and collect the additional license fees determined to
17 be due, with interest thereon until paid; or

18 (b) Refund any overpayment to the person entitled thereto
19 pursuant to this chapter, with interest thereon.

20 Interest pursuant to paragraph (a) must be computed at the rate
21 prescribed in NRS 17.130 from the first day of the first month
22 following the due date of the additional license fees until paid.

23 Interest pursuant to paragraph (b) must be computed at one-half the
24 rate prescribed in NRS 17.130 from the first day of the first month
25 following the date of overpayment until paid.

26 8. Failure to pay the fees provided for in this section shall be
27 deemed a surrender of the license at the expiration of the period for
28 which the estimated payment of fees has been made, as established
29 in subsection 2.

30 9. Except as otherwise provided in NRS 463.386, the amount
31 of the fee prescribed in subsection 1 must not be prorated.

32 10. Except as otherwise provided in NRS 463.386, if a licensee
33 ceases operation, the Commission shall:

34 (a) Charge and collect the additional license fees determined to
35 be due with interest computed pursuant to paragraph (a) of
36 subsection 7; or

37 (b) Refund any overpayment to the licensee with interest
38 computed pursuant to paragraph (b) of subsection 7,

39 based upon the gross revenue of the licensee during the last 3
40 months immediately preceding the cessation of operation, or
41 portions of those last 3 months.

42 11. If in any month the amount of gross revenue is less than
43 zero, the licensee may offset the loss against gross revenue in
44 succeeding months until the loss has been fully offset.



1 12. If in any month ~~[-]~~ the amount of the license fee due is less
2 than zero, the licensee is entitled to receive a credit against any
3 license fees due in succeeding months until the credit has been fully
4 offset.

5 **Sec. 146.** NRS 463.370 is hereby amended to read as follows:

6 463.370 1. Except as otherwise provided in NRS 463.373,
7 the Commission shall charge and collect from each licensee a
8 license fee based upon all the gross revenue of the licensee as
9 follows:

10 (a) Three and ~~one-quarter~~ *one-half* percent of all the gross
11 revenue of the licensee which does not exceed \$50,000 per calendar
12 month;

13 (b) Four and ~~one-quarter~~ *one-half* percent of all the gross
14 revenue of the licensee which exceeds \$50,000 per calendar month
15 and does not exceed \$134,000 per calendar month; and

16 (c) Six and ~~one-half~~ *three-quarters* percent of all the gross
17 revenue of the licensee which exceeds \$134,000 per calendar month.

18 2. Unless the licensee has been operating for less than a full
19 calendar month, the Commission shall charge and collect the fee
20 prescribed in subsection 1, based upon the gross revenue for the
21 preceding calendar month, on or before the 24th day of the
22 following month. Except for the fee based on the first full month of
23 operation, the fee is an estimated payment of the license fee for the
24 third month following the month whose gross revenue is used as its
25 basis.

26 3. When a licensee has been operating for less than a full
27 calendar month, the Commission shall charge and collect the fee
28 prescribed in subsection 1, based on the gross revenue received
29 during that month, on or before the 24th day of the following
30 calendar month of operation. After the first full calendar month of
31 operation, the Commission shall charge and collect the fee based on
32 the gross revenue received during that month, on or before the 24th
33 day of the following calendar month. The payment of the fee due for
34 the first full calendar month of operation must be accompanied by
35 the payment of a fee equal to three times the fee for the first full
36 calendar month. This additional amount is an estimated payment of
37 the license fees for the next 3 calendar months. Thereafter, each
38 license fee must be paid in the manner described in subsection 2.
39 Any deposit held by the Commission on July 1, 1969, must be
40 treated as an advance estimated payment.

41 4. All revenue received from any game or gaming device
42 which is operated on the premises of a licensee, regardless of
43 whether any portion of the revenue is shared with any other person,
44 must be attributed to the licensee for the purposes of this section and
45 counted as part of the gross revenue of the licensee. Any other



1 person, including, without limitation, an operator of an inter-casino
2 linked system, who is authorized to receive a share of the revenue
3 from any game, gaming device or inter-casino linked system that is
4 operated on the premises of a licensee is liable to the licensee for
5 that person's proportionate share of the license fees paid by the
6 licensee pursuant to this section and shall remit or credit the full
7 proportionate share to the licensee on or before the 24th day of each
8 calendar month. The proportionate share of an operator of an inter-
9 casino linked system must be based on all compensation and other
10 consideration received by the operator of the inter-casino linked
11 system, including, without limitation, amounts that accrue to the
12 meter of the primary progressive jackpot of the inter-casino linked
13 system and amounts that fund the reserves of such a jackpot, subject
14 to all appropriate adjustments for deductions, credits, offsets and
15 exclusions that the licensee is entitled to take or receive pursuant to
16 the provisions of this chapter. A licensee is not liable to any other
17 person authorized to receive a share of the licensee's revenue from
18 any game, gaming device or inter-casino linked system that is
19 operated on the premises of the licensee for that person's
20 proportionate share of the license fees to be remitted or credited to
21 the licensee by that person pursuant to this section.

22 5. An operator of an inter-casino linked system shall not enter
23 into any agreement or arrangement with a licensee that provides for
24 the operator of the inter-casino linked system to be liable to the
25 licensee for less than its full proportionate share of the license fees
26 paid by the licensee pursuant to this section, whether accomplished
27 through a rebate, refund, charge-back or otherwise.

28 6. Any person required to pay a fee pursuant to this section
29 shall file with the Commission, on or before the 24th day of each
30 calendar month, a report showing the amount of all gross revenue
31 received during the preceding calendar month. Each report must be
32 accompanied by:

33 (a) The fee due based on the revenue of the month covered by
34 the report; and

35 (b) An adjustment for the difference between the estimated fee
36 previously paid for the month covered by the report, if any, and
37 the fee due for the actual gross revenue earned in that month. If the
38 adjustment is less than zero, a credit must be applied to the
39 estimated fee due with that report.

40 7. If the amount of license fees required to be reported and paid
41 pursuant to this section is later determined to be greater or less than
42 the amount actually reported and paid, the Commission shall:

43 (a) Charge and collect the additional license fees determined to
44 be due, with interest thereon until paid; or



1 (b) Refund any overpayment to the person entitled thereto
2 pursuant to this chapter, with interest thereon.

3 Interest pursuant to paragraph (a) must be computed at the rate
4 prescribed in NRS 17.130 from the first day of the first month
5 following the due date of the additional license fees until paid.

6 Interest pursuant to paragraph (b) must be computed at one-half the
7 rate prescribed in NRS 17.130 from the first day of the first month
8 following the date of overpayment until paid.

9 8. Failure to pay the fees provided for in this section shall be
10 deemed a surrender of the license at the expiration of the period for
11 which the estimated payment of fees has been made, as established
12 in subsection 2.

13 9. Except as otherwise provided in NRS 463.386, the amount
14 of the fee prescribed in subsection 1 must not be prorated.

15 10. Except as otherwise provided in NRS 463.386, if a licensee
16 ceases operation, the Commission shall:

17 (a) Charge and collect the additional license fees determined to
18 be due with interest computed pursuant to paragraph (a) of
19 subsection 7; or

20 (b) Refund any overpayment to the licensee with interest
21 computed pursuant to paragraph (b) of subsection 7,
22 based upon the gross revenue of the licensee during the last 3
23 months immediately preceding the cessation of operation, or
24 portions of those last 3 months.

25 11. If in any month the amount of gross revenue is less than
26 zero, the licensee may offset the loss against gross revenue in
27 succeeding months until the loss has been fully offset.

28 12. If in any month the amount of the license fee due is less
29 than zero, the licensee is entitled to receive a credit against any
30 license fees due in succeeding months until the credit has been fully
31 offset.

32 **Sec. 147.** NRS 463.373 is hereby amended to read as follows:

33 463.373 1. Before issuing a state gaming license to an
34 applicant for a restricted operation, the Commission shall charge
35 and collect from him for each slot machine for each quarter year:

36 (a) A license fee of ~~[\$64]~~ **\$81** for each slot machine if he will
37 have at least one but not more than five slot machines.

38 (b) A license fee of ~~[\$305 plus \$106]~~ **\$405 plus \$141** for each
39 slot machine in excess of five if he will have at least six but not
40 more than 15 slot machines.

41 2. The Commission shall charge and collect the fee prescribed
42 in subsection 1:

43 (a) On or before the last day of the last month in a calendar
44 quarter, for the ensuing calendar quarter, from a licensee whose
45 operation is continuing.



1 (b) In advance from a licensee who begins operation or puts
2 additional slot machines into play during a calendar quarter.

3 3. Except as otherwise provided in NRS 463.386, no proration
4 of the fee prescribed in subsection 1 may be allowed for any reason.

5 4. The operator of the location where slot machines are situated
6 shall pay the fee prescribed in subsection 1 upon the total number of
7 slot machines situated in that location, whether or not the machines
8 are owned by one or more licensee-owners.

9 **Sec. 148.** NRS 463.373 is hereby amended to read as follows:

10 463.373 1. Before issuing a state gaming license to an
11 applicant for a restricted operation, the Commission shall charge
12 and collect from him for each slot machine for each quarter year:

13 (a) A license fee of ~~[\$84]~~ \$92 for each slot machine if he will
14 have at least one but not more than five slot machines.

15 (b) A license fee of ~~[\$405 plus \$141]~~ \$460 plus \$159 for each
16 slot machine in excess of five if he will have at least six but not
17 more than 15 slot machines.

18 2. The Commission shall charge and collect the fee prescribed
19 in subsection 1:

20 (a) On or before the last day of the last month in a calendar
21 quarter, for the ensuing calendar quarter, from a licensee whose
22 operation is continuing.

23 (b) In advance from a licensee who begins operation or puts
24 additional slot machines into play during a calendar quarter.

25 3. Except as otherwise provided in NRS 463.386, no proration
26 of the fee prescribed in subsection 1 may be allowed for any reason.

27 4. The operator of the location where slot machines are situated
28 shall pay the fee prescribed in subsection 1 upon the total number of
29 slot machines situated in that location, whether or not the machines
30 are owned by one or more licensee-owners.

31 **Sec. 149.** NRS 463.401 is hereby amended to read as follows:

32 463.401 1. In addition to any other license fees and taxes
33 imposed by this chapter, a casino entertainment tax equivalent to 10
34 percent of all amounts paid for admission, food, refreshments and
35 merchandise is hereby levied ~~[, except as provided in subsection 2,]~~
36 upon each licensed gaming establishment in this state where music
37 and dancing privileges or any other entertainment is provided to the
38 patrons in a cabaret, nightclub, cocktail lounge or casino showroom
39 in connection with the serving or selling of food or refreshments or
40 the selling of any merchandise. Amounts paid for gratuities directly
41 or indirectly remitted to employees of the licensee or for service
42 charges, including those imposed in connection with use of credit
43 cards or debit cards, that are collected and retained by persons other
44 than the licensee are not taxable pursuant to this section.



1 2. ~~[A licensed gaming establishment is not subject to tax~~
2 ~~pursuant to this section if:~~
3 ~~—(a) The establishment is licensed for less than 51 slot machines,~~
4 ~~less than six games, or any combination of slot machines and games~~
5 ~~within those respective limits;~~
6 ~~—(b) The entertainment is presented in a facility that would not~~
7 ~~have been subject to taxation pursuant to 26 U.S.C. § 4231(6) as that~~
8 ~~provision existed in 1965;~~
9 ~~—(c) The entertainment is presented in a facility that would have~~
10 ~~been subject to taxation pursuant to 26 U.S.C. § 4231(1), (2), (3),~~
11 ~~(4) or (5) as those provisions existed in 1965; or~~
12 ~~—(d) In other cases, if:~~
13 ~~—(1) No distilled spirits, wine or beer is served or permitted to~~
14 ~~be consumed;~~
15 ~~—(2) Only light refreshments are served;~~
16 ~~—(3) Where space is provided for dancing, no charge is made~~
17 ~~for dancing; and~~
18 ~~—(4) Where music is provided or permitted, the music is~~
19 ~~provided without any charge to the owner, lessee or operator of the~~
20 ~~establishment or to any concessionaire.~~
21 ~~—3.]~~ The tax imposed by this section does not apply to
22 merchandise sold outside the facility in which the entertainment is
23 presented, unless the purchase of the merchandise entitles the
24 purchaser to admission to the entertainment.
25 ~~[4.]~~ 3. The tax imposed by this section must be paid by the
26 licensee of the establishment.
27 **Sec. 150.** NRS 463.408 is hereby amended to read as follows:
28 463.408 1. As used in this section, “holidays or special
29 events” refers to periods during which the influx of tourist activity
30 in this state or any area thereof may require additional or alternative
31 industry accommodation as determined by the Board.
32 2. Any licensee holding a valid license under this chapter may
33 apply to the Board, on application forms prescribed by the Board,
34 for a holiday or special event permit to:
35 (a) Increase the licensee’s game operations during holidays or
36 special events; or
37 (b) Provide persons who are attending a special event with
38 gaming in an area of the licensee’s establishment to which access by
39 the general public may be restricted.
40 3. The application must be filed with the Board at least 15 days
41 before the date of the holiday or special event.
42 4. If the Board approves the application, it shall issue to the
43 licensee a permit to operate presently existing games or any
44 additional games in designated areas of the licensee’s establishment.
45 The number of additional games must not exceed 50 percent of the



1 number of games operated by the licensee at the time the application
2 is filed. The permit must state the period for which it is issued and
3 the number, if any, of additional games allowed. For purposes of
4 computation, any fractional game must be counted as one full game.
5 The licensee shall present any such permit on the demand of any
6 inspecting agent of the Board or Board.

7 5. Before issuing any permit, the Board shall charge and collect
8 from the licensee a fee of \$14 per game per day for each day the
9 permit is effective. The fees are in lieu of the fees required under
10 NRS 463.380, 463.383 and 463.390.

11 6. The additional games allowed under a permit must not be
12 counted in computing the ~~casino entertainment tax under NRS~~
13 ~~463.401.] tax imposed by section 76 of this act.~~

14 7. If any such additional games are not removed at the time the
15 permit expires, the licensee is immediately subject to the fees
16 provided for in this chapter.

17 **Sec. 151.** NRS 463.770 is hereby amended to read as follows:

18 463.770 1. All gross revenue from operating interactive
19 gaming received by an establishment licensed to operate interactive
20 gaming, regardless of whether any portion of the revenue is shared
21 with another person, must be attributed to the licensee and counted
22 as part of the gross revenue of the licensee for the purpose of
23 computing the license fee required by NRS 463.370.

24 2. A manufacturer of interactive gaming systems who is
25 authorized by an agreement to receive a share of the revenue from
26 an interactive gaming system from an establishment licensed to
27 operate interactive gaming is liable to the establishment for a
28 portion of the license fee paid pursuant to subsection 1. The portion
29 for which the manufacturer of interactive gaming systems is liable is
30 ~~[6.25]~~ 6.5 percent of the amount of revenue to which the
31 manufacturer of interactive gaming systems is entitled pursuant to
32 the agreement.

33 3. For the purposes of subsection 2, the amount of revenue to
34 which the manufacturer of interactive gaming systems is entitled
35 pursuant to an agreement to share the revenue from an interactive
36 gaming system:

37 (a) Includes all revenue of the manufacturer of interactive
38 gaming systems that is his share of the revenue from the interactive
39 gaming system pursuant to the agreement; and

40 (b) Does not include revenue that is the fixed purchase price for
41 the sale of a component of the interactive gaming system.

42 **Sec. 152.** NRS 463.770 is hereby amended to read as follows:

43 463.770 1. All gross revenue from operating interactive
44 gaming received by an establishment licensed to operate interactive
45 gaming, regardless of whether any portion of the revenue is shared



1 with another person, must be attributed to the licensee and counted
2 as part of the gross revenue of the licensee for the purpose of
3 computing the license fee required by NRS 463.370.

4 2. A manufacturer of interactive gaming systems who is
5 authorized by an agreement to receive a share of the revenue from
6 an interactive gaming system from an establishment licensed to
7 operate interactive gaming is liable to the establishment for a
8 portion of the license fee paid pursuant to subsection 1. The portion
9 for which the manufacturer of interactive gaming systems is liable is
10 ~~{6.5}~~ 6.75 percent of the amount of revenue to which the
11 manufacturer of interactive gaming systems is entitled pursuant to
12 the agreement.

13 3. For the purposes of subsection 2, the amount of revenue to
14 which the manufacturer of interactive gaming systems is entitled
15 pursuant to an agreement to share the revenue from an interactive
16 gaming system:

17 (a) Includes all revenue of the manufacturer of interactive
18 gaming systems that is his share of the revenue from the interactive
19 gaming system pursuant to the agreement; and

20 (b) Does not include revenue that is the fixed purchase price for
21 the sale of a component of the interactive gaming system.

22 **Sec. 153.** NRS 645B.060 is hereby amended to read as
23 follows:

24 645B.060 1. Subject to the administrative control of the
25 Director of the Department of Business and Industry, the
26 Commissioner shall exercise general supervision and control over
27 mortgage brokers doing business in this state.

28 2. In addition to the other duties imposed upon him by law, the
29 Commissioner shall:

30 (a) Adopt any regulations that are necessary to carry out the
31 provisions of this chapter, except as to loan brokerage fees.

32 (b) Conduct such investigations as may be necessary to
33 determine whether any person has violated any provision of this
34 chapter, a regulation adopted pursuant to this chapter or an order of
35 the Commissioner.

36 (c) Conduct an annual examination of each mortgage broker
37 doing business in this state. The annual examination must include,
38 without limitation, a formal exit review with the mortgage broker.
39 The Commissioner shall adopt regulations prescribing:

40 (1) Standards for determining the rating of each mortgage
41 broker based upon the results of the annual examination; and

42 (2) Procedures for resolving any objections made by the
43 mortgage broker to the results of the annual examination. The
44 results of the annual examination may not be opened to public



1 inspection pursuant to NRS 645B.090 until any objections made by
2 the mortgage broker have been decided by the Commissioner.

3 (d) Conduct such other examinations, periodic or special audits,
4 investigations and hearings as may be necessary and proper for the
5 efficient administration of the laws of this state regarding mortgage
6 brokers and mortgage agents. The Commissioner shall adopt
7 regulations specifying the general guidelines that will be followed
8 when a periodic or special audit of a mortgage broker is conducted
9 pursuant to this chapter.

10 (e) Classify as confidential certain records and information
11 obtained by the Division when those matters are obtained from a
12 governmental agency upon the express condition that they remain
13 confidential. This paragraph does not limit examination by ~~the~~:

14 (1) *The Legislative Auditor* ~~and~~; or

15 (2) *The Department of Taxation if necessary to carry out*
16 *the provisions of sections 40 to 64, inclusive, of this act.*

17 (f) Conduct such examinations and investigations as are
18 necessary to ensure that mortgage brokers meet the requirements of
19 this chapter for obtaining a license, both at the time of the
20 application for a license and thereafter on a continuing basis.

21 3. For each special audit, investigation or examination, a
22 mortgage broker shall pay a fee based on the rate established
23 pursuant to NRS 658.101.

24 **Sec. 154.** NRS 645B.670 is hereby amended to read as
25 follows:

26 645B.670 Except as otherwise provided in NRS 645B.690:

27 1. For each violation committed by an applicant, whether or
28 not he is issued a license, the Commissioner may impose upon the
29 applicant an administrative fine of not more than \$10,000, if the
30 applicant:

31 (a) Has knowingly made or caused to be made to the
32 Commissioner any false representation of material fact;

33 (b) Has suppressed or withheld from the Commissioner any
34 information which the applicant possesses and which, if submitted
35 by him, would have rendered the applicant ineligible to be licensed
36 pursuant to the provisions of this chapter; or

37 (c) Has violated any provision of this chapter, a regulation
38 adopted pursuant to this chapter or an order of the Commissioner in
39 completing and filing his application for a license or during the
40 course of the investigation of his application for a license.

41 2. For each violation committed by a licensee, the
42 Commissioner may impose upon the licensee an administrative fine
43 of not more than \$10,000, may suspend, revoke or place conditions
44 upon his license, or may do both, if the licensee, whether or not
45 acting as such:



- 1 (a) Is insolvent;
- 2 (b) Is grossly negligent or incompetent in performing any act for
- 3 which he is required to be licensed pursuant to the provisions of this
- 4 chapter;
- 5 (c) Does not conduct his business in accordance with law or has
- 6 violated any provision of this chapter, a regulation adopted pursuant
- 7 to this chapter or an order of the Commissioner;
- 8 (d) Is in such financial condition that he cannot continue in
- 9 business with safety to his customers;
- 10 (e) Has made a material misrepresentation in connection with
- 11 any transaction governed by this chapter;
- 12 (f) Has suppressed or withheld from a client any material facts,
- 13 data or other information relating to any transaction governed by the
- 14 provisions of this chapter which the licensee knew or, by the
- 15 exercise of reasonable diligence, should have known;
- 16 (g) Has knowingly made or caused to be made to the
- 17 Commissioner any false representation of material fact or has
- 18 suppressed or withheld from the Commissioner any information
- 19 which the licensee possesses and which, if submitted by him, would
- 20 have rendered the licensee ineligible to be licensed pursuant to the
- 21 provisions of this chapter;
- 22 (h) Has failed to account to persons interested for all money
- 23 received for a trust account;
- 24 (i) Has refused to permit an examination by the Commissioner
- 25 of his books and affairs or has refused or failed, within a reasonable
- 26 time, to furnish any information or make any report that may be
- 27 required by the Commissioner pursuant to the provisions of this
- 28 chapter or a regulation adopted pursuant to this chapter;
- 29 (j) Has been convicted of, or entered a plea of nolo contendere
- 30 to, a felony or any crime involving fraud, misrepresentation or
- 31 moral turpitude;
- 32 (k) Has refused or failed to pay, within a reasonable time, any
- 33 fees, assessments, costs or expenses that the licensee is required to
- 34 pay pursuant to this chapter or a regulation adopted pursuant to this
- 35 chapter;
- 36 (l) Has failed to satisfy a claim made by a client which has been
- 37 reduced to judgment;
- 38 (m) Has failed to account for or to remit any money of a client
- 39 within a reasonable time after a request for an accounting or
- 40 remittal;
- 41 (n) Has commingled the money or other property of a client
- 42 with his own or has converted the money or property of others to his
- 43 own use;
- 44 (o) Has engaged in any other conduct constituting a deceitful,
- 45 fraudulent or dishonest business practice;



- 1 (p) Has repeatedly violated the policies and procedures of the
2 mortgage broker;
- 3 (q) Has failed to exercise reasonable supervision over the
4 activities of a mortgage agent as required by NRS 645B.460;
- 5 (r) Has instructed a mortgage agent to commit an act that would
6 be cause for the revocation of the license of the mortgage broker,
7 whether or not the mortgage agent commits the act;
- 8 (s) Has employed a person as a mortgage agent or authorized a
9 person to be associated with the licensee as a mortgage agent at a
10 time when the licensee knew or, in light of all the surrounding facts
11 and circumstances, reasonably should have known that the person:
- 12 (1) Had been convicted of, or entered a plea of nolo
13 contendere to, a felony or any crime involving fraud,
14 misrepresentation or moral turpitude; or
- 15 (2) Had a financial services license or registration suspended
16 or revoked within the immediately preceding 10 years; ~~for~~
- 17 (t) *Has failed to pay the tax imposed pursuant to the provisions*
18 *of sections 40 to 64, inclusive, of this act; or*
- 19 (u) Has not conducted verifiable business as a mortgage broker
20 for 12 consecutive months, except in the case of a new applicant.
21 The Commissioner shall determine whether a mortgage broker is
22 conducting business by examining the monthly reports of activity
23 submitted by the licensee or by conducting an examination of the
24 licensee.
- 25 **Sec. 155.** NRS 645E.300 is hereby amended to read as
26 follows:
- 27 645E.300 1. Subject to the administrative control of the
28 Director of the Department of Business and Industry, the
29 Commissioner shall exercise general supervision and control over
30 mortgage companies doing business in this state.
- 31 2. In addition to the other duties imposed upon him by law, the
32 Commissioner shall:
- 33 (a) Adopt any regulations that are necessary to carry out the
34 provisions of this chapter, except as to loan fees.
- 35 (b) Conduct such investigations as may be necessary to
36 determine whether any person has violated any provision of this
37 chapter, a regulation adopted pursuant to this chapter or an order of
38 the Commissioner.
- 39 (c) Conduct an annual examination of each mortgage company
40 doing business in this state.
- 41 (d) Conduct such other examinations, periodic or special audits,
42 investigations and hearings as may be necessary and proper for the
43 efficient administration of the laws of this state regarding mortgage
44 companies.



1 (e) Classify as confidential certain records and information
2 obtained by the Division when those matters are obtained from a
3 governmental agency upon the express condition that they remain
4 confidential. This paragraph does not limit examination by ~~the~~ :

- 5 (1) *The Legislative Auditor* ~~[-]~~; *or*
6 (2) *The Department of Taxation if necessary to carry out*
7 *the provisions of sections 40 to 64, inclusive, of this act.*

8 (f) Conduct such examinations and investigations as are
9 necessary to ensure that mortgage companies meet the requirements
10 of this chapter for obtaining a license, both at the time of the
11 application for a license and thereafter on a continuing basis.

12 3. For each special audit, investigation or examination, a
13 mortgage company shall pay a fee based on the rate established
14 pursuant to NRS 658.101.

15 **Sec. 156.** NRS 645E.670 is hereby amended to read as
16 follows:

17 645E.670 1. For each violation committed by an applicant,
18 whether or not he is issued a license, the Commissioner may impose
19 upon the applicant an administrative fine of not more than \$10,000,
20 if the applicant:

21 (a) Has knowingly made or caused to be made to the
22 Commissioner any false representation of material fact;

23 (b) Has suppressed or withheld from the Commissioner any
24 information which the applicant possesses and which, if submitted
25 by him, would have rendered the applicant ineligible to be licensed
26 pursuant to the provisions of this chapter; or

27 (c) Has violated any provision of this chapter, a regulation
28 adopted pursuant to this chapter or an order of the Commissioner in
29 completing and filing his application for a license or during the
30 course of the investigation of his application for a license.

31 2. For each violation committed by a licensee, the
32 Commissioner may impose upon the licensee an administrative fine
33 of not more than \$10,000, may suspend, revoke or place conditions
34 upon his license, or may do both, if the licensee, whether or not
35 acting as such:

36 (a) Is insolvent;

37 (b) Is grossly negligent or incompetent in performing any act for
38 which he is required to be licensed pursuant to the provisions of this
39 chapter;

40 (c) Does not conduct his business in accordance with law or has
41 violated any provision of this chapter, a regulation adopted pursuant
42 to this chapter or an order of the Commissioner;

43 (d) Is in such financial condition that he cannot continue in
44 business with safety to his customers;



1 (e) Has made a material misrepresentation in connection with
2 any transaction governed by this chapter;

3 (f) Has suppressed or withheld from a client any material facts,
4 data or other information relating to any transaction governed by the
5 provisions of this chapter which the licensee knew or, by the
6 exercise of reasonable diligence, should have known;

7 (g) Has knowingly made or caused to be made to the
8 Commissioner any false representation of material fact or has
9 suppressed or withheld from the Commissioner any information
10 which the licensee possesses and which, if submitted by him, would
11 have rendered the licensee ineligible to be licensed pursuant to the
12 provisions of this chapter;

13 (h) Has failed to account to persons interested for all money
14 received for a trust account;

15 (i) Has refused to permit an examination by the Commissioner
16 of his books and affairs or has refused or failed, within a reasonable
17 time, to furnish any information or make any report that may be
18 required by the Commissioner pursuant to the provisions of this
19 chapter or a regulation adopted pursuant to this chapter;

20 (j) Has been convicted of, or entered a plea of nolo contendere
21 to, a felony or any crime involving fraud, misrepresentation or
22 moral turpitude;

23 (k) Has refused or failed to pay, within a reasonable time, any
24 fees, assessments, costs or expenses that the licensee is required to
25 pay pursuant to this chapter or a regulation adopted pursuant to this
26 chapter;

27 (l) *Has failed to pay the tax imposed pursuant to the provisions*
28 *of sections 40 to 64, inclusive, of this act;*

29 (m) Has failed to satisfy a claim made by a client which has
30 been reduced to judgment;

31 ~~(m)~~ (n) Has failed to account for or to remit any money of a
32 client within a reasonable time after a request for an accounting or
33 remittal;

34 ~~(n)~~ (o) Has commingled the money or other property of a
35 client with his own or has converted the money or property of others
36 to his own use; or

37 ~~(o)~~ (p) Has engaged in any other conduct constituting a
38 deceitful, fraudulent or dishonest business practice.

39 **Sec. 157.** NRS 649.395 is hereby amended to read as follows:

40 649.395 1. The Commissioner may impose an administrative
41 fine, not to exceed \$500 for each violation, or suspend or revoke the
42 license of a collection agency, or both impose a fine and suspend or
43 revoke the license, by an order made in writing and filed in his
44 office and served on the licensee by registered or certified mail at
45 the address shown in the records of the Commissioner, if:



- 1 (a) The licensee is adjudged liable in any court of law for breach
- 2 of any bond given under the provisions of this chapter; ~~for~~
- 3 (b) After notice and hearing, the licensee is found guilty of:
- 4 (1) Fraud or misrepresentation;
- 5 (2) An act or omission inconsistent with the faithful
- 6 discharge of his duties and obligations; or
- 7 (3) A violation of any provision of this chapter ~~for~~; or
- 8 *(c) The Commissioner determines that the licensee has failed*
- 9 *to pay the tax imposed pursuant to the provisions of sections 40 to*
- 10 *64, inclusive, of this act.*

11 2. The Commissioner may suspend or revoke the license of a

12 collection agency without notice and hearing if:

- 13 (a) The suspension or revocation is necessary for the immediate
- 14 protection of the public; and
- 15 (b) The licensee is afforded a hearing to contest the suspension
- 16 or revocation within 20 days after the written order of suspension or
- 17 revocation is served upon the licensee.

18 3. Upon revocation of his license, all rights of the licensee

19 under this chapter terminate, and no application may be received

20 from any person whose license has once been revoked.

21 **Sec. 158.** NRS 658.151 is hereby amended to read as follows:

22 658.151 1. The Commissioner may forthwith take possession

23 of the business and property of any depository institution to which

24 this title or title 56 of NRS applies when it appears that the

25 depository institution:

- 26 (a) Has violated its charter or any laws applicable thereto.
- 27 (b) Is conducting its business in an unauthorized or unsafe
- 28 manner.
- 29 (c) Is in an unsafe or unsound condition to transact its business.
- 30 (d) Has an impairment of its stockholders' or members' equity.
- 31 (e) Has refused to pay its depositors in accordance with the
- 32 terms on which such deposits were received, or has refused to pay
- 33 its holders of certificates of indebtedness or investment in
- 34 accordance with the terms upon which those certificates of
- 35 indebtedness or investment were sold.
- 36 (f) Has become otherwise insolvent.
- 37 (g) Has neglected or refused to comply with the terms of a
- 38 lawful order of the Commissioner.
- 39 (h) Has refused, upon proper demand, to submit its records,
- 40 affairs and concerns for inspection and examination of an appointed
- 41 or authorized examiner of the Commissioner.
- 42 (i) Has made a voluntary assignment of its assets to trustees.
- 43 *(j) Has failed to pay the tax imposed pursuant to the provisions*
- 44 *of sections 40 to 64, inclusive, of this act.*



1 2. The Commissioner also may forthwith take possession of the
2 business and property of any depository institution to which this title
3 or title 56 of NRS applies when it appears that the officers of the
4 depository institution have refused to be examined upon oath
5 regarding its affairs.

6 **Sec. 159.** NRS 665.133 is hereby amended to read as follows:

7 665.133 1. The records and information described in NRS
8 665.130 may be disclosed to:

9 (a) An agency of the Federal Government or of another state
10 which regulates the financial institution which is the subject of the
11 records or information;

12 (b) The Director of the Department of Business and Industry for
13 his confidential use;

14 (c) The State Board of Finance for its confidential use, if the
15 report or other information is necessary for the State Board of
16 Finance to perform its duties under this title;

17 (d) *The Department of Taxation for its use in carrying out the*
18 *provisions of sections 40 to 64, inclusive, of this act;*

19 (e) An entity which insures or guarantees deposits;

20 ~~(e)~~ (f) A public officer authorized to investigate criminal
21 charges in connection with the affairs of the depository institution;

22 ~~(f)~~ (g) A person preparing a proposal for merging with or
23 acquiring an institution or holding company, but only after notice of
24 the disclosure has been given to the institution or holding company;

25 ~~(g)~~ (h) Any person to whom the subject of the report has
26 authorized the disclosure;

27 ~~(h)~~ (i) Any other person if the Commissioner determines, after
28 notice and opportunity for hearing, that disclosure is in the public
29 interest and outweighs any potential harm to the depository
30 institution and its stockholders, members, depositors and creditors;
31 and

32 ~~(i)~~ (j) Any court in a proceeding initiated by the
33 Commissioner concerning the financial institution.

34 2. All the reports made available pursuant to this section
35 remain the property of the Division of Financial Institutions, and no
36 person, agency or authority to whom the reports are made available,
37 or any officer, director or employee thereof, may disclose any of the
38 reports or any information contained therein, except in published
39 statistical material that does not disclose the affairs of any natural
40 person or corporation.

41 **Sec. 160.** NRS 673.484 is hereby amended to read as follows:

42 673.484 The Commissioner may after notice and hearing
43 suspend or revoke the charter of any association for ~~repeated~~ :

44 1. *Repeated* failure to abide by the provisions of this chapter or
45 the regulations adopted thereunder.



1 **2. Failure to pay the tax imposed pursuant to the provisions**
2 **of sections 40 to 64, inclusive, of this act.**

3 **Sec. 161.** NRS 675.440 is hereby amended to read as follows:
4 675.440 1. If the Commissioner has reason to believe that
5 grounds for revocation or suspension of a license exist, he shall give
6 20 days' written notice to the licensee stating the contemplated
7 action and, in general, the grounds therefor and set a date for a
8 hearing.

9 2. At the conclusion of a hearing, the Commissioner shall:

10 (a) Enter a written order either dismissing the charges, revoking
11 the license, or suspending the license for a period of not more than
12 60 days, which period must include any prior temporary suspension.
13 A copy of the order must be sent by registered or certified mail to
14 the licensee.

15 (b) Impose upon the licensee a fine of \$500 for each violation by
16 the licensee of any provision of this chapter or any lawful regulation
17 adopted under it.

18 (c) If a fine is imposed pursuant to this section, enter such order
19 as is necessary to recover the costs of the proceeding, including his
20 investigative costs and attorney's fees.

21 3. The grounds for revocation or suspension of a license are
22 that:

23 (a) The licensee has failed to pay the annual license fee;

24 (b) The licensee, either knowingly or without any exercise of
25 due care to prevent it, has violated any provision of this chapter or
26 any lawful regulation adopted under it;

27 (c) ***The licensee has failed to pay the tax imposed pursuant to***
28 ***the provisions of sections 40 to 64, inclusive, of this act;***

29 (d) Any fact or condition exists which would have justified the
30 Commissioner in denying the licensee's original application for a
31 license hereunder; or

32 ~~(d)~~ (e) The applicant failed to open an office for the conduct
33 of the business authorized under this chapter within 120 days from
34 the date the license was issued, or has failed to remain open for the
35 conduct of the business for a period of 120 days without good cause
36 therefor.

37 4. Any revocation or suspension applies only to the license
38 granted to a person for the particular office for which grounds for
39 revocation or suspension exist.

40 5. An order suspending or revoking a license becomes effective
41 5 days after being entered unless the order specifies otherwise or a
42 stay is granted.

43 **Sec. 162.** NRS 676.290 is hereby amended to read as follows:

44 676.290 1. The Commissioner may, pursuant to the
45 procedure provided in this chapter, deny, suspend or revoke any



1 license for which application has been made or which has been
2 issued under the provisions of this chapter if he finds, as to the
3 licensee, its associates, directors or officers, grounds for action.

4 2. Any one of the following grounds may provide the requisite
5 grounds for denial, suspension or revocation:

6 (a) Conviction of a felony or of a misdemeanor involving moral
7 turpitude.

8 (b) Violation of any of the provisions of this chapter or
9 regulations of the Commissioner.

10 (c) Fraud or deceit in procuring the issuance of the license.

11 (d) Continuous course of unfair conduct.

12 (e) Insolvency, filing in bankruptcy, receivership or assigning
13 for the benefit of creditors by any licensee or applicant for a license
14 under this chapter.

15 (f) *Failure to pay the tax imposed pursuant to the provisions of*
16 *sections 40 to 64, inclusive, of this act.*

17 (g) Failure to pay the fee for renewal or reinstatement of a
18 license.

19 3. The Commissioner shall, after notice and hearing, impose
20 upon the licensee a fine of \$500 for each violation by the licensee of
21 any of the provisions of this chapter or regulations of the
22 Commissioner. If a fine is imposed pursuant to this section, the
23 costs of the proceeding, including investigative costs and attorney's
24 fees, may be recovered by the Commissioner.

25 **Sec. 163.** NRS 677.510 is hereby amended to read as follows:

26 677.510 1. If the Commissioner has reason to believe that
27 grounds for revocation or suspension of a license exist, he shall give
28 20 days' written notice to the licensee stating the contemplated
29 action and, in general, the grounds therefor and set a date for a
30 hearing.

31 2. At the conclusion of a hearing, the Commissioner shall:

32 (a) Enter a written order either dismissing the charges, or
33 revoking the license, or suspending the license for a period of not
34 more than 60 days, which period must include any prior temporary
35 suspension. A copy of the order must be sent by registered or
36 certified mail to the licensee.

37 (b) Impose upon the licensee a fine of \$500 for each violation by
38 the licensee of any provision of this chapter or any lawful regulation
39 adopted pursuant thereto.

40 (c) If a fine is imposed pursuant to this section, enter such order
41 as is necessary to recover the costs of the proceeding, including his
42 investigative costs and attorney's fees.

43 3. The grounds for revocation or suspension of a license are
44 that:

45 (a) The licensee has failed to pay the annual license fee;



1 (b) The licensee, either knowingly or without any exercise of
2 due care to prevent it, has violated any provision of this chapter, or
3 any lawful regulation adopted pursuant thereto;

4 (c) *The licensee has failed to pay the tax imposed pursuant to*
5 *the provisions of sections 40 to 64, inclusive, of this act;*

6 (d) Any fact or condition exists which would have justified the
7 Commissioner in denying the licensee’s original application for a
8 license hereunder; or

9 ~~(d)~~ (e) The applicant failed to open an office for the conduct
10 of the business authorized under this chapter within 120 days from
11 the date the license was issued, or has failed to remain open for the
12 conduct of the business for a period of 120 days without good cause
13 therefor.

14 4. Any revocation or suspension applies only to the license
15 granted to a person for the particular office for which grounds for
16 revocation or suspension exist.

17 5. An order suspending or revoking a license becomes effective
18 5 days after being entered unless the order specifies otherwise or a
19 stay is granted.

20 **Sec. 164.** NRS 680B.037 is hereby amended to read as
21 follows:

22 680B.037 ~~Payment~~

23 1. *Except as otherwise provided in subsection 2, payment* by
24 an insurer of the tax imposed by NRS 680B.027 is in lieu of all
25 taxes imposed by the State or any city, town or county upon
26 premiums or upon income of insurers and of franchise, privilege or
27 other taxes measured by income of the insurer.

28 2. *The provisions of subsection 1 do not apply to the tax*
29 *imposed pursuant to the provisions of sections 40 to 64, inclusive,*
30 *of this act.*

31 **Sec. 164.5.** NRS 680B.037 is hereby amended to read as
32 follows:

33 680B.037 1. Except as otherwise provided in subsection 2,
34 payment by an insurer of the tax imposed by NRS 680B.027 is in
35 lieu of all taxes imposed by the State or any city, town or county
36 upon premiums or upon income of insurers and of franchise,
37 privilege or other taxes measured by income of the insurer.

38 2. The provisions of subsection 1 do not apply to the ~~tax~~
39 *taxes* imposed pursuant to the provisions of *sections 2 to 38,*
40 *inclusive, and* sections 40 to 64, inclusive, of this act.

41 **Sec. 165.** NRS 687A.130 is hereby amended to read as
42 follows:

43 687A.130 The Association is exempt from payment of all fees
44 and all taxes levied by this state or any of its subdivisions, except
45 ~~taxes~~ :



- 1 **1. Taxes** levied on real or personal property.
- 2 **2. The excise tax on the privilege of doing business in this**
- 3 **state imposed pursuant to sections 40 to 64, inclusive, of this act.**

4 **Sec. 166.** NRS 694C.450 is hereby amended to read as
5 follows:

6 694C.450 1. Except as otherwise provided in this section, a
7 captive insurer shall pay to the Division, not later than March 1 of
8 each year, a tax at the rate of:

9 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net
10 direct premiums;

11 (b) One-fifth of 1 percent on the next \$20,000,000 of its net
12 direct premiums; and

13 (c) Seventy-five thousandths of 1 percent on each additional
14 dollar of its net direct premiums.

15 2. Except as otherwise provided in this section, a captive
16 insurer shall pay to the Division, not later than March 1 of each
17 year, a tax at a rate of:

18 (a) Two hundred twenty-five thousandths of 1 percent on the
19 first \$20,000,000 of revenue from assumed reinsurance premiums;

20 (b) One hundred fifty thousandths of 1 percent on the next
21 \$20,000,000 of revenue from assumed reinsurance premiums; and

22 (c) Twenty-five thousandths of 1 percent on each additional
23 dollar of revenue from assumed reinsurance premiums.

24 The tax on reinsurance premiums pursuant to this subsection must
25 not be levied on premiums for risks or portions of risks which are
26 subject to taxation on a direct basis pursuant to subsection 1. A
27 captive insurer is not required to pay any reinsurance premium tax
28 pursuant to this subsection on revenue related to the receipt of assets
29 by the captive insurer in exchange for the assumption of loss
30 reserves and other liabilities of another insurer that is under
31 common ownership and control with the captive insurer, if the
32 transaction is part of a plan to discontinue the operation of the other
33 insurer and the intent of the parties to the transaction is to renew or
34 maintain such business with the captive insurer.

35 3. If the sum of the taxes to be paid by a captive insurer
36 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any
37 given year, the captive insurer shall pay a tax of \$5,000 for that
38 year.

39 4. Two or more captive insurers under common ownership and
40 control must be taxed as if they were a single captive insurer.

41 5. Notwithstanding any specific statute to the contrary, ~~and~~
42 except as otherwise provided in this subsection, the tax provided for
43 by this section constitutes all the taxes collectible pursuant to the
44 laws of this state from a captive insurer, and no occupation tax or
45 other taxes may be levied or collected from a captive insurer by this



1 state or by any county, city or municipality within this state, except
2 for *the tax imposed pursuant to the provisions of sections 40 to 64,*
3 *inclusive, of this act and* ad valorem taxes on real or personal
4 property located in this state used in the production of income by the
5 captive insurer.

6 6. Ten percent of the revenues collected from the tax imposed
7 pursuant to this section must be deposited with the State Treasurer
8 for credit to the Account for the Regulation and Supervision of
9 Captive Insurers created pursuant to NRS 694C.460. The remaining
10 90 percent of the revenues collected must be deposited with the
11 State Treasurer for credit to the State General Fund.

12 7. As used in this section, unless the context otherwise
13 requires:

14 (a) "Common ownership and control" means:

15 (1) In the case of a stock insurer, the direct or indirect
16 ownership of 80 percent or more of the outstanding voting stock of
17 two or more corporations by the same member or members.

18 (2) In the case of a mutual insurer, the direct or indirect
19 ownership of 80 percent or more of the surplus and the voting power
20 of two or more corporations by the same member or members.

21 (b) "Net direct premiums" means the direct premiums collected
22 or contracted for on policies or contracts of insurance written by a
23 captive insurer during the preceding calendar year, less the amounts
24 paid to policyholders as return premiums, including dividends on
25 unabsorbed premiums or premium deposits returned or credited to
26 policyholders.

27 **Sec. 166.5.** NRS 694C.450 is hereby amended to read as
28 follows:

29 694C.450 1. Except as otherwise provided in this section, a
30 captive insurer shall pay to the Division, not later than March 1 of
31 each year, a tax at the rate of:

32 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net
33 direct premiums;

34 (b) One-fifth of 1 percent on the next \$20,000,000 of its net
35 direct premiums; and

36 (c) Seventy-five thousandths of 1 percent on each additional
37 dollar of its net direct premiums.

38 2. Except as otherwise provided in this section, a captive
39 insurer shall pay to the Division, not later than March 1 of each
40 year, a tax at a rate of:

41 (a) Two hundred twenty-five thousandths of 1 percent on the
42 first \$20,000,000 of revenue from assumed reinsurance premiums;

43 (b) One hundred fifty thousandths of 1 percent on the next
44 \$20,000,000 of revenue from assumed reinsurance premiums; and



1 (c) Twenty-five thousandths of 1 percent on each additional
2 dollar of revenue from assumed reinsurance premiums.
3 The tax on reinsurance premiums pursuant to this subsection must
4 not be levied on premiums for risks or portions of risks which are
5 subject to taxation on a direct basis pursuant to subsection 1. A
6 captive insurer is not required to pay any reinsurance premium tax
7 pursuant to this subsection on revenue related to the receipt of assets
8 by the captive insurer in exchange for the assumption of loss
9 reserves and other liabilities of another insurer that is under
10 common ownership and control with the captive insurer, if the
11 transaction is part of a plan to discontinue the operation of the other
12 insurer and the intent of the parties to the transaction is to renew or
13 maintain such business with the captive insurer.

14 3. If the sum of the taxes to be paid by a captive insurer
15 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any
16 given year, the captive insurer shall pay a tax of \$5,000 for that
17 year.

18 4. Two or more captive insurers under common ownership and
19 control must be taxed as if they were a single captive insurer.

20 5. Notwithstanding any specific statute to the contrary, except
21 as otherwise provided in this subsection, the tax provided for by this
22 section constitutes all the taxes collectible pursuant to the laws of
23 this state from a captive insurer, and no occupation tax or other
24 taxes may be levied or collected from a captive insurer by this state
25 or by any county, city or municipality within this state, except for
26 the ~~tax~~ taxes imposed pursuant to the provisions of *sections 2 to*
27 *38, inclusive, and* sections 40 to 64, inclusive, of this act and ad
28 valorem taxes on real or personal property located in this state used
29 in the production of income by the captive insurer.

30 6. Ten percent of the revenues collected from the tax imposed
31 pursuant to this section must be deposited with the State Treasurer
32 for credit to the Account for the Regulation and Supervision of
33 Captive Insurers created pursuant to NRS 694C.460. The remaining
34 90 percent of the revenues collected must be deposited with the
35 State Treasurer for credit to the State General Fund.

36 7. As used in this section, unless the context otherwise
37 requires:

38 (a) "Common ownership and control" means:

39 (1) In the case of a stock insurer, the direct or indirect
40 ownership of 80 percent or more of the outstanding voting stock of
41 two or more corporations by the same member or members.

42 (2) In the case of a mutual insurer, the direct or indirect
43 ownership of 80 percent or more of the surplus and the voting power
44 of two or more corporations by the same member or members.



1 (b) "Net direct premiums" means the direct premiums collected
2 or contracted for on policies or contracts of insurance written by a
3 captive insurer during the preceding calendar year, less the amounts
4 paid to policyholders as return premiums, including dividends on
5 unabsorbed premiums or premium deposits returned or credited to
6 policyholders.

7 **Sec. 167.** The basic support guarantee for school districts for
8 operating purposes for the 2003-2004 Fiscal Year is an estimated
9 weighted average of \$4,295 per pupil. For each respective school
10 district, the basic support guarantee per pupil for the 2003-2004
11 Fiscal Year is:

12		
13	Carson City.....	\$4,923
14	Churchill County.....	\$5,418
15	Clark County.....	\$4,127
16	Douglas County.....	\$4,541
17	Elko County.....	\$5,307
18	Esmeralda County.....	\$9,169
19	Eureka County.....	\$3,495
20	Humboldt County.....	\$5,362
21	Lander County.....	\$4,836
22	Lincoln County.....	\$7,943
23	Lyon County.....	\$5,553
24	Mineral County.....	\$6,012
25	Nye County.....	\$5,561
26	Pershing County.....	\$6,385
27	Storey County.....	\$7,082
28	Washoe County.....	\$4,161
29	White Pine County.....	\$6,164
30		

31 **Sec. 168.** 1. The basic support guarantee for school districts
32 for operating purposes for the 2004-2005 Fiscal Year is an estimated
33 weighted average of \$4,424 per pupil.

34 2. On or before April 1, 2004, the Department of Taxation shall
35 provide a certified estimate of the assessed valuation for each school
36 district for the 2004-2005 Fiscal Year. The assessed valuation for
37 each school district must be that which is taxable for purposes of
38 providing revenue to school districts, including any assessed
39 valuation attributable to the net proceeds of minerals derived from
40 within the boundaries of the district.

41 3. Pursuant to NRS 362.115, on or before April 25 of each
42 year, the Department of Taxation shall provide an estimate of the
43 net proceeds of minerals based upon statements required of mine
44 operators.



1 4. For purposes of establishing the basic support guarantee, the
2 estimated basic support guarantees for each school district for the
3 2004-2005 Fiscal Year for operating purposes are:

	Basic Support Guarantee Before Adjustment	Estimated Ad Valorem Adjustment	Estimated Basic Support Guarantee as Adjusted
4			
5			
6			
7			
8			
9 School District			
10 Carson City	\$4,462	\$643	\$5,105
11 Churchill County	\$5,094	\$514	\$5,608
12 Clark County	\$3,328	\$921	\$4,249
13 Douglas County	\$3,196	\$1,451	\$4,647
14 Elko County	\$5,004	\$508	\$5,512
15 Esmeralda County	\$6,596	\$2,987	\$9,583
16 Eureka County	\$(5,236)	\$9,304	\$4,068
17 Humboldt County	\$5,006	\$642	\$5,648
18 Lander County	\$3,741	\$1,328	\$5,069
19 Lincoln County	\$7,519	\$664	\$8,183
20 Lyon County	\$5,149	\$593	\$5,742
21 Mineral County	\$5,792	\$473	\$6,265
22 Nye County	\$4,888	\$877	\$5,765
23 Pershing County	\$5,714	\$949	\$6,663
24 Storey County	\$5,559	\$1,848	\$7,407
25 Washoe County	\$3,393	\$908	\$4,301
26 White Pine County	\$5,915	\$482	\$6,397
27			

28 5. The ad valorem adjustment may be made only to take into
29 account the difference in the assessed valuation and the estimated
30 enrollment of the school district between the amount estimated as of
31 April 1, 2003, and the amount estimated as of April 1, 2004, for the
32 2004-2005 Fiscal Year. Estimates of net proceeds of minerals
33 received from the Department of Taxation on or before April 25
34 pursuant to subsection 3 must be taken into consideration in
35 determining the adjustment.

36 6. Upon receipt of the certified estimates of assessed valuations
37 as of April 1, 2004, from the Department of Taxation, the
38 Department of Education shall recalculate the amount of ad valorem
39 adjustment and the tentative basic support guarantee for operating
40 purposes for the 2004-2005 Fiscal Year by April 15, 2004. The final
41 basic support guarantee for each school district for the 2004-2005
42 Fiscal Year is the amount, which is recalculated for the 2004-2005
43 Fiscal Year pursuant to this section, taking into consideration
44 estimates of net proceeds of minerals received from the Department
45 of Taxation on or before April 25, 2004. The basic support



1 guarantee recalculated pursuant to this section must be calculated
2 before May 31, 2004.

3 **Sec. 169.** 1. The basic support guarantee for each special
4 education program unit that is maintained and operated for at least 9
5 months of a school year is \$31,811 in the 2003-2004 Fiscal Year
6 and \$32,447 in the 2004-2005 Fiscal Year, except as limited by
7 subsection 2.

8 2. The maximum number of units and amount of basic support
9 for special education program units within each of the school
10 districts, before any reallocation pursuant to NRS 387.1221, for the
11 Fiscal Years 2003-2004 and 2004-2005 are:

	<u>Allocation of Special Education Units</u>			
	2003-2004		2004-2005	
DISTRICT	Units	Amount	Units	Amount
Carson City	82	\$2,608,502	84	\$2,725,548
Churchill County	45	\$1,431,495	46	\$1,492,562
Clark County	1,594	\$50,706,734	1,661	\$53,894,467
Douglas County	64	\$2,035,904	65	\$2,109,055
Elko County	80	\$2,544,880	80	\$2,595,760
Esmeralda County	2	\$63,622	2	\$64,894
Eureka County	4	\$127,244	4	\$129,788
Humboldt County	30	\$954,330	30	\$973,410
Lander County	12	\$381,732	12	\$389,364
Lincoln County	17	\$540,787	17	\$551,599
Lyon County	56	\$1,781,416	57	\$1,849,479
Mineral County	12	\$381,732	12	\$389,364
Nye County	47	\$1,495,117	50	\$1,622,350
Pershing County	14	\$445,354	14	\$454,258
Storey County	8	\$254,488	8	\$259,576
Washoe County	491	\$15,619,201	510	\$16,547,970
White Pine County	17	\$540,787	16	\$519,152
Subtotal	<u>2,575</u>	<u>\$81,913,325</u>	<u>2,668</u>	<u>\$86,568,596</u>
Reserved by State				
Board of Education	<u>40</u>	<u>\$1,272,440</u>	<u>40</u>	<u>\$1,297,880</u>
TOTAL	2,615	\$83,185,765	2,708	\$87,866,476

37
38 3. The State Board of Education shall reserve 40 special
39 education program units in each fiscal year of the 2003-2005
40 biennium, to be allocated to school districts by the State Board of
41 Education to meet additional needs that cannot be met by the
42 allocations provided in subsection 2 to school districts for that fiscal
43 year. In addition, charter schools in this state are authorized to apply
44 directly to the Department of Education for the reserved special



1 education program units, which may be allocated upon approval of
2 the State Board of Education.

3 4. Notwithstanding the provisions of subsections 2 and 3, the
4 State Board of Education is authorized to spend from the State
5 Distributive School Account up to \$181,067 in the Fiscal Year
6 2003-2004 for 5.69 special education program units and \$190,877 in
7 the Fiscal Year 2004-2005 for 5.88 special education program units
8 for instructional programs incorporating educational technology for
9 gifted and talented pupils. Any school district may submit a written
10 application to the Department of Education requesting one or more
11 of the units for gifted and talented pupils. For each fiscal year of the
12 2003-2005 biennium, the Department will award the units for gifted
13 and talented pupils based on a review of applications received from
14 school districts.

15 **Sec. 170.** 1. There is hereby appropriated from the State
16 General Fund to the State Distributive School Account in the State
17 General Fund created pursuant to NRS 387.030:

18 For the 2003-2004 Fiscal Year..... \$643,770,672
19 For the 2004-2005 Fiscal Year..... \$773,402,683

20 2. The money appropriated by subsection 1 must be:
21 (a) Expended in accordance with NRS 353.150 to 353.245,
22 inclusive, concerning the allotment, transfer, work program and
23 budget; and

24 (b) Work-programmed for the 2 separate Fiscal Years 2003-
25 2004 and 2004-2005, as required by NRS 353.215. Work programs
26 may be revised with the approval of the Governor upon the
27 recommendation of the Chief of the Budget Division of the
28 Department of Administration.

29 3. Transfers to and from allotments must be allowed and made
30 in accordance with NRS 353.215 to 353.225, inclusive, after
31 separate considerations of the merits of each request.

32 4. The sums appropriated by subsection 1 are available for
33 either fiscal year or may be transferred to Fiscal Year 2002-2003.
34 Money may be transferred from one fiscal year to another with the
35 approval of the Governor upon the recommendation of the Chief of
36 the Budget Division of the Department of Administration. If funds
37 appropriated by subsection 1 are transferred to Fiscal Year 2002-
38 2003, any remaining funds in the State Distributive School Account
39 after all obligations have been met that are not subject to reversion
40 to the State General Fund must be transferred back to Fiscal Year
41 2003-2004. Any amount transferred back to Fiscal Year 2003-2004
42 must not exceed the amount originally transferred to Fiscal Year
43 2002-2003.

44 5. Any remaining balance of the appropriation made by
45 subsection 1 for the 2003-2004 Fiscal Year must be transferred and



1 added to the money appropriated for the 2004-2005 Fiscal Year and
2 may be expended as that money is expended.

3 6. Any remaining balance of the appropriation made by
4 subsection 1 for the 2004-2005 Fiscal Year, including any money
5 added thereto pursuant to the provisions of subsections 3 and 5,
6 must not be committed for expenditure after June 30, 2005, and
7 reverts to the State General Fund as soon as all payments of money
8 committed have been made.

9 **Sec. 171.** 1. Expenditure of \$202,909,432 by the Department
10 of Education from money in the State Distributive School Account
11 that was not appropriated from the State General Fund is hereby
12 authorized during the fiscal year beginning July 1, 2003.

13 2. Expenditure of \$141,455,099 by the Department of
14 Education from money in the State Distributive School Account that
15 was not appropriated from the State General Fund is hereby
16 authorized during the fiscal year beginning July 1, 2004.

17 3. For purposes of accounting and reporting, the sums
18 authorized for expenditure by subsections 1 and 2 are considered to
19 be expended before any appropriation is made to the State
20 Distributive School Account from the State General Fund.

21 4. The money authorized to be expended by subsections 1 and
22 2 must be expended in accordance with NRS 353.150 to 353.245,
23 inclusive, concerning the allotment, transfer, work program and
24 budget. Transfers to and from allotments must be allowed and made
25 in accordance with NRS 353.215 to 353.225, inclusive, after
26 separate consideration of the merits of each request.

27 5. The Chief of the Budget Division of the Department of
28 Administration may, with the approval of the Governor, authorize
29 the augmentation of the amounts authorized for expenditure by the
30 Department of Education, in subsections 1 and 2, for the purpose of
31 meeting obligations of the State incurred under chapter 387 of NRS
32 with amounts from any other state agency, from any agency of local
33 government, from any agency of the Federal Government or from
34 any other source that he determines is in excess of the amount taken
35 into consideration by this act. The Chief of the Budget Division of
36 the Department of Administration shall reduce any authorization
37 whenever he determines that money to be received will be less than
38 the amount authorized in subsections 1 and 2.

39 **Sec. 172.** During each of the Fiscal Years 2003-2004 and
40 2004-2005, whenever the State Controller finds that current claims
41 against the State Distributive School Account in the State General
42 Fund exceed the amount available in the Account to pay those
43 claims, he may advance temporarily from the State General Fund to
44 the State Distributive School Account the amount required to pay
45 the claims, but not more than the amount expected to be received in



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1 the current fiscal year from any source authorized for the State
2 Distributive School Account. No amount may be transferred unless
3 requested by the Chief of the Budget Division of the Department of
4 Administration.

5 **Sec. 173.** The Department of Education is hereby authorized
6 to spend from the State Distributive School Account the sums of
7 \$16,926,569 for the 2003-2004 Fiscal Year and \$17,843,596 for the
8 2004-2005 Fiscal Year for the support of courses which are
9 approved by the Department of Education as meeting the course of
10 study for an adult standard high school diploma as approved by the
11 State Board of Education. In each fiscal year of the 2003-2005
12 biennium, the sum authorized must be allocated among the various
13 school districts in accordance with a plan or formula developed by
14 the Department of Education to ensure the money is distributed
15 equitably and in a manner that permits accounting for the
16 expenditures of school districts.

17 **Sec. 174.** The Department of Education is hereby authorized
18 to provide from the State Distributive School Account the sum of
19 \$50,000 to each of the 17 school districts in each fiscal year of the
20 2003-2005 biennium to support special counseling services for
21 elementary school pupils at risk of failure.

22 **Sec. 175.** The amounts of the guarantees set forth in sections
23 167 and 168 of this act may be reduced to effectuate a reserve
24 required pursuant to NRS 353.225.

25 **Sec. 176.** 1. The Department of Education shall transfer
26 from the State Distributive School Account to the school districts
27 specified in this section the following sums for Fiscal Years 2003-
28 2004 and 2004-2005 :

<u>School District</u>	<u>2003-2004</u>	<u>2004-2005</u>
Clark County School District	\$4,532,532	\$4,552,361
Douglas County School District	\$1,146,374	\$1,175,848
Elko County School District	\$1,291,907	\$1,295,158
Washoe County School District	<u>\$1,847,128</u>	<u>\$1,913,468</u>
	\$8,817,941	\$8,936,835

36
37 2. A school district that receives an allocation pursuant to
38 subsection 1 shall:

39 (a) Use the money to maintain and continue the operation of a
40 regional training program for the professional development of
41 teachers and administrators established by the school district
42 pursuant to NRS 391.512; and

43 (b) Use the money to maintain and continue the operation of the
44 Nevada Early Literacy Intervention Program through the regional
45 training program established pursuant to paragraph (a).



1 3. Any remaining balance of the transfers made by subsection
2 1 for the 2003-2004 Fiscal Year must be added to the money
3 received by the school districts for the 2004-2005 Fiscal Year and
4 may be expended as that money is expended. Any remaining
5 balance of the transfers made by subsection 1 for the 2004-2005
6 Fiscal Year, including any money added from the transfer for the
7 previous fiscal year, must not be committed for expenditure after
8 June 30, 2005, and reverts to the State Distributive School Account
9 as soon as all payments of money committed have been made.

10 **Sec. 177.** 1. The Legislative Bureau of Educational
11 Accountability and Program Evaluation is hereby authorized to
12 receive from the State Distributive School Account to spend for an
13 evaluation of the regional training programs for the professional
14 development of teachers and administrators established pursuant to
15 NRS 391.512:

16	For the Fiscal Year 2003-2004	\$100,000
17	For the Fiscal Year 2004-2005	\$100,000

18 2. Any remaining balance of the sums authorized for
19 expenditure by subsection 1 for the 2003-2004 Fiscal Year must be
20 added to the money authorized for expenditure for the 2004-2005
21 Fiscal Year and may be expended as that money is expended. Any
22 remaining balance of the sums authorized for expenditure pursuant
23 to subsection 1 for the 2004-2005 Fiscal Year, including any money
24 added from the authorization for the previous fiscal year, must not
25 be committed for expenditure after June 30, 2005, and reverts to the
26 State Distributive School Account as soon as all payments of money
27 committed have been made.

28 **Sec. 178.** 1. The Department of Education shall transfer
29 from the State Distributive School Account to the Statewide Council
30 for the Coordination of the Regional Training Programs created by
31 NRS 391.516 the sum of \$80,000 in each Fiscal Year 2003-2004
32 and 2004-2005 for additional training opportunities for educational
33 administrators in Nevada.

34 2. The Statewide Council shall use the money:

35 (a) To support the goals of Nevada Project LEAD (Leadership
36 in Educational Administration Development), as established through
37 the Department of Educational Leadership in the College of
38 Education, located at the University of Nevada, Reno. In supporting
39 the goals of Nevada Project LEAD, the Statewide Council shall:

40 (1) Disseminate research-based knowledge related to
41 effective educational leadership behaviors and skills; and

42 (2) Develop, support and maintain on-going activities,
43 programs, training and networking opportunities.

44 (b) For purposes of providing additional training for educational
45 administrators, including, without limitation, paying:



1 (1) Travel expenses of administrators who attend the training
2 program;

3 (2) Travel and per-diem expenses for any consultants
4 contracted to provide additional training; and

5 (3) Any charges to obtain a conference room for the
6 provision of the additional training.

7 (c) To supplement and not replace the money that the school
8 district, Nevada Project LEAD or the regional training program
9 would otherwise expend for training for administrators as described
10 in this section.

11 3. Any remaining balance of the transfers made by subsection
12 1 for the 2003-2004 Fiscal Year must be added to the money
13 received by the Statewide Council for the 2004-2005 Fiscal Year
14 and may be expended as that money is expended. Any remaining
15 balance of the transfers made by subsection 1 for the 2004-2005
16 Fiscal Year, including any money added from the transfer for the
17 previous fiscal year, must not be committed for expenditure after
18 June 30, 2005, and reverts to the State Distributive School Account
19 as soon as all payments of money committed have been made.

20 **Sec. 179.** 1. The Department of Education shall transfer
21 from the State Distributive School Account the following sums for
22 remedial education programs for certain schools:

23	For the Fiscal Year 2003-2004.....	\$5,179,109
24	For the Fiscal Year 2004-2005	\$5,013,874

25 The money allocated must be used to provide remedial education
26 programs that have been approved by the Department as being
27 effective in improving pupil achievement.

28 2. A school may submit an application to the Department of
29 Education on or before November 1 of each fiscal year for
30 transmission to the State Board of Examiners for an allocation from
31 the amount authorized by subsection 1 if the school:

32 (a) Receives a designation as demonstrating need for
33 improvement.

34 (b) Did not receive a designation as demonstrating need for
35 improvement, but the school failed to meet adequate yearly
36 progress; or

37 (c) Did not receive a designation as demonstrating need for
38 improvement, but more than 40 percent of the pupils enrolled in the
39 school received an average score below the 26th percentile on all
40 four subjects tested pursuant to NRS 389.015.

41 3. The Department of Education shall, in consultation with the
42 Budget Division of the Department of Administration and the
43 Legislative Bureau of Educational Accountability and Program
44 Evaluation, develop a form for such applications. The form must
45 include, without limitation, a notice that money received by a school



1 to implement or continue remedial education programs that have
2 been approved by the Department as being effective in improving
3 pupil achievement will be used to implement or continue the
4 programs in a manner that has been approved by the vendor of the
5 remedial program.

6 4. Upon receipt of an application submitted pursuant to
7 subsection 2, the Department of Education shall review the
8 application jointly with the Budget Division of the Department of
9 Administration and the Legislative Bureau of Educational
10 Accountability and Program Evaluation. The Department of
11 Education shall transmit the application to the State Board
12 of Examiners with the recommendation of the Department of
13 Education concerning the allocation of money based upon each
14 application so received. The State Board of Examiners, or the Clerk
15 of the Board if authorized by the Board to act on its behalf, shall
16 consider each such application and, if it finds that an allocation
17 should be made, recommend the amount of the allocation to the
18 Interim Finance Committee. The Interim Finance Committee shall
19 consider each such recommendation, but is not bound to follow the
20 recommendation of the State Board of Examiners when determining
21 the allocation to be received by a school. In determining the amount
22 of the allocation, the State Board of Examiners and the Interim
23 Finance Committee shall consider:

24 (a) The total number of pupils enrolled in the school who failed
25 to meet adequate yearly progress;

26 (b) The percentage of pupils enrolled in the school who failed to
27 meet adequate yearly progress;

28 (c) The total number of subgroups of pupils, as prescribed by the
29 No Child Left Behind Act of 2001, 20 U.S.C. §§ 6301 et seq.,
30 enrolled in the school who failed to meet adequate yearly progress;
31 and

32 (d) The financial need of the particular school.

33 5. In addition to the considerations set forth in subsection 4, in
34 determining whether to approve an application for a school that has
35 received an allocation in the immediately preceding year and in
36 determining the amount of the allocation for such a school, the State
37 Board of Examiners and the Interim Finance Committee shall
38 consider whether the school has carried out the program of remedial
39 study for which it received an allocation in a manner that has been
40 approved by the vendor of the remedial program and whether the
41 program has been successful, as measured by the academic
42 achievement of the pupils enrolled in the school on the examinations
43 administered pursuant to NRS 389.015 or 389.550 and any
44 assessments related to the program of remedial study.



1 6. A school that receives an allocation of money pursuant to
2 this section shall use the money to:

3 (a) Pay the costs incurred by the school in providing the
4 program of remedial study required by NRS 385.389. The money
5 must first be applied to those pupils who failed to meet adequate
6 yearly progress.

7 (b) Pay for the salaries, training or other compensation of
8 teachers and other educational personnel to provide the program
9 of remedial study, instructional materials required for the program
10 of remedial study, equipment necessary to offer the program of
11 remedial study and all other additional operating costs attributable to
12 the program of remedial study, to the extent that the training,
13 materials and equipment are those that are approved by the vendor
14 of the remedial program.

15 (c) Supplement and not replace the money the school would
16 otherwise expend for programs of remedial study.

17 7. Before a school amends a plan for expenditure of an
18 allocation of money received pursuant to this section, the school
19 district in which the school is located must submit the proposed
20 amendment to the Department of Education to receive approval
21 from the Department of Education, the Budget Division of the
22 Department of Administration and the Legislative Bureau of
23 Educational Accountability and Program Evaluation, or the Interim
24 Finance Committee.

25 8. The sums authorized for expenditure in subsection 1 are
26 available for either fiscal year. Any remaining balance of those sums
27 must not be committed for expenditure after June 30, 2005, and
28 reverts to the State Distributive School Account as soon as all
29 payments of money committed have been made.

30 **Sec. 180.** 1. The Department of Education shall transfer from
31 the State Distributive School Account the following sums for
32 supplemental services or tutoring for pupils in non-Title I schools
33 that failed to meet adequate yearly progress on the examinations
34 administered pursuant to NRS 389.550:

35	For the Fiscal Year 2003-2004.....	\$1,000,000
36	For the Fiscal Year 2004-2005	\$1,500,000

37 2. The supplemental services or tutoring for which money is
38 provided pursuant to this section must:

39 (a) Be conducted before or after school, on weekends, during the
40 summer or between sessions in schools with year-round school
41 calendars; and

42 (b) Be selected by the Department as an approved provider in
43 accordance with the No Child Left Behind Act of 2001, 20 U.S.C.
44 §§ 6301 et seq.



1 3. A school may submit an application to the Department of
2 Education on or before November 1 of each fiscal year for
3 transmission to the State Board of Examiners for an allocation from
4 the amount authorized by subsection 1 if the school:

5 (a) Receives a designation as demonstrating need for
6 improvement; and

7 (b) Is not receiving money from Title I, 20 U.S.C. §§ 6301 et
8 seq.

9 4. The Department of Education shall, in consultation with the
10 Budget Division of the Department of Administration and the
11 Legislative Bureau of Educational Accountability and Program
12 Evaluation, develop a form for such applications.

13 5. Upon receipt of an application submitted pursuant to
14 subsection 3, the Department of Education shall review the
15 application jointly with the Budget Division of the Department of
16 Administration and the Legislative Bureau of Educational
17 Accountability and Program Evaluation. The Department of
18 Education shall transmit the application to the State Board
19 of Examiners with the recommendation of the Department of
20 Education concerning the allocation of money based upon each
21 application so received. The State Board of Examiners, or the Clerk
22 of the Board if authorized by the Board to act on its behalf, shall
23 consider each such application and, if it finds that an allocation
24 should be made, recommend the amount of the allocation to the
25 Interim Finance Committee. The Interim Finance Committee shall
26 consider each such recommendation, but is not bound to follow the
27 recommendation of the State Board of Examiners when determining
28 the allocation to be received by a school district.

29 6. A school that receives an allocation of money pursuant to
30 this section shall use the money to:

31 (a) Provide supplemental services or tutoring that has been
32 selected and approved by the Department of Education.

33 (b) Pay the costs incurred by the school in providing the
34 supplemental services or tutoring. The money must be applied to
35 those pupils who failed to meet adequate yearly progress.

36 (c) Pay for the salaries, training or other compensation of
37 teachers and other educational personnel to provide the
38 supplemental services or tutoring, instructional materials required
39 for the program, equipment necessary to offer the program and all
40 other additional operating costs attributable to the program.

41 (d) Supplement and not replace the money the school district
42 would otherwise expend for supplemental services or tutoring.

43 7. Before a school amends a plan for expenditure of an
44 allocation of money received pursuant to this section, the school
45 district in which the school is located must submit the proposed



1 amendment to the Department of Education to receive approval
2 from the Department of Education, the Budget Division of the
3 Department of Administration and the Legislative Bureau of
4 Educational Accountability and Program Evaluation, or the Interim
5 Finance Committee.

6 8. The sums transferred pursuant to subsection 1 are available
7 for either fiscal year. Any remaining balance of those sums must not
8 be committed for expenditure after June 30, 2005, and reverts to the
9 State Distributive School Account as soon as all payments of money
10 committed have been made.

11 **Sec. 181.** 1. The Department of Education shall transfer
12 from the State Distributive School Account the following sums for
13 early childhood education:

14	For the Fiscal Year 2003-2004.....	\$2,896,583
15	For the Fiscal Year 2004-2005.....	\$2,896,583

16 2. Of the sums transferred pursuant to subsection 1, \$301,000
17 in each fiscal year of the 2003-2005 biennium must be used for the
18 Classroom on Wheels Program.

19 3. The remaining money transferred by subsection 1 must be
20 used by the Department of Education for competitive state grants to
21 school districts and community-based organizations for early
22 childhood education programs.

23 4. To receive a grant of money pursuant to subsections 2 and 3,
24 school districts, community-based organizations and the Classroom
25 on Wheels Program must submit a comprehensive plan to the
26 Department of Education that includes, without limitation:

27 (a) A detailed description of the proposed early childhood
28 education program;

29 (b) A description of the manner in which the money will be
30 used, which must supplement and not replace the money that would
31 otherwise be expended for early childhood education programs; and

32 (c) A plan for the longitudinal evaluation of the program to
33 determine the effectiveness of the program on the academic
34 achievement of children who participate in the program.

35 5. A school district, community-based organization or
36 Classroom on Wheels Program that receives a grant of money shall:

37 (a) Use the money to initiate or expand prekindergarten
38 education programs that meet the criteria set forth in the publication
39 of the Department of Education, entitled "August 2000 Public
40 Support for Prekindergarten Education For School Readiness in
41 Nevada."

42 (b) Use the money to supplement and not replace the money that
43 the school district, community-based organization or Classroom on
44 Wheels Program would otherwise expend for early childhood
45 education programs, as described in this section.



1 (c) Use the money to pay for the salaries and other items directly
2 related to the instruction of pupils in the classroom.

3 (d) Submit a longitudinal evaluation of the program in
4 accordance with the plan submitted pursuant to paragraph (c) of
5 subsection 4.

6 The money must not be used to remodel classrooms or facilities or
7 for playground equipment.

8 6. The Department of Education shall develop statewide
9 performance and outcome indicators to measure the effectiveness of
10 the early childhood education programs for which grants of money
11 were awarded pursuant to this section. The indicators must include,
12 without limitation:

13 (a) Longitudinal measures of the developmental progress of
14 children before and after their completion of the program;

15 (b) Longitudinal measures of parental involvement in the
16 program before and after completion of the program; and

17 (c) The percentage of participants who drop out of the program
18 before completion.

19 7. The Department of Education shall review the evaluations of
20 the early childhood education programs submitted by each school
21 district, community-based organization and the Classroom on
22 Wheels Program pursuant to paragraph (d) of subsection 5 and
23 prepare a compilation of the evaluations for inclusion in the report
24 submitted pursuant to subsection 8.

25 8. The Department of Education shall, on an annual basis,
26 provide a written report to the Governor, Legislative Committee on
27 Education and the Legislative Bureau of Educational Accountability
28 and Program Evaluation regarding the effectiveness of the early
29 childhood programs for which grants of money were received. The
30 report must include, without limitation:

31 (a) The number of grants awarded;

32 (b) An identification of each school district, community-based
33 organization and the Classroom on Wheels Program that received a
34 grant of money and the amount of each grant awarded;

35 (c) For each school district, community based-organization and
36 the Classroom on Wheels Program that received a grant of money:

37 (1) The number of children who received services through a
38 program funded by the grant for each year that the program received
39 funding from the State for early childhood programs; and

40 (2) The average per child expenditure for the program for
41 each year the program received funding from the State for early
42 childhood programs;

43 (d) A compilation of the evaluations reviewed pursuant to
44 subsection 7 that includes, without limitation:



1 (1) A longitudinal comparison of the data showing the
2 effectiveness of the different programs; and

3 (2) A description of the programs in this state that are the
4 most effective; and

5 (e) Any recommendations for legislation.

6 9. Any balance of the sums transferred pursuant to subsection 1
7 remaining at the end of the respective fiscal years must not be
8 committed for expenditure after June 30 of the respective fiscal
9 years and reverts to the State Distributive School Account as soon as
10 all payments of money committed have been made.

11 **Sec. 182.** 1. The Department of Education shall transfer
12 from the State Distributive School Account the following sums to
13 purchase one-fifth of a year of service for certain teachers in
14 accordance with NRS 391.165:

15 For the Fiscal Year 2003-2004..... \$2,689,206
16 For the Fiscal Year 2004-2005..... \$7,045,056

17 2. The Department of Education shall distribute the money
18 appropriated by subsection 1 to the school districts to assist the
19 school districts with paying for the retirement credit for certain
20 teachers in accordance with NRS 391.165. The amount of money
21 distributed to each school district must be proportionate to the total
22 costs of paying for the retirement credit pursuant to NRS 391.165
23 for each fiscal year. If insufficient money is available from the
24 appropriation to pay the total costs necessary to pay the retirement
25 credit for each fiscal year, the school district shall pay the difference
26 to comply with NRS 391.165.

27 3. Any balance of the sums appropriated by subsection 1
28 remaining at the end of the respective fiscal years must not be
29 committed for expenditure after June 30 of the respective fiscal
30 years and reverts to the State General Fund as soon as all payments
31 of money committed have been made.

32 **Sec. 183.** 1. The Department of Education shall transfer
33 from the State Distributive School Account the following sum to
34 purchase one-fifth of a year of service for certain licensed
35 educational personnel in accordance with NRS 391.165:

36 For the Fiscal Year 2004-2005..... \$5,732,643

37 2. The Department of Education shall distribute the money
38 appropriated by subsection 1 to the school districts to assist the
39 school districts with paying for the retirement credit for certain
40 licensed educational personnel in accordance with NRS 391.165.
41 The amount of money distributed to each school district must be
42 proportionate to the total costs of paying for the retirement credit
43 pursuant to NRS 391.165 for each fiscal year. If insufficient money
44 is available to pay the total costs necessary to pay the retirement



1 credit for each fiscal year, the school district shall pay the difference
2 to comply with NRS 391.165.

3 3. Any remaining balance of the appropriation made by
4 subsection 1 must not be committed for expenditure after June 30,
5 2005, and reverts to the State General Fund as soon as all payments
6 of money committed have been made.

7 **Sec. 184.** Of the amounts included in the basic support
8 guarantee amounts enumerated in sections 167 and 168 of this act,
9 \$64,425,447 for Fiscal Year 2003-2004 and \$66,721,434 for Fiscal
10 Year 2004-2005 must be expended for the purchase of textbooks,
11 instructional supplies and instructional hardware as prescribed in
12 section 136 of this act.

13 **Sec. 185.** All funding remaining in the Fund for School
14 Improvement at the close of Fiscal Year 2002-2003 shall be
15 transferred to the budget for the State Distributive School Account
16 and shall be authorized for expenditure in that account.

17 **Sec. 186.** The sums appropriated or authorized in sections 176
18 to 183, inclusive, of this act:

19 1. Must be accounted for separately from any other money
20 received by the school districts of this state and used only for the
21 purposes specified in the applicable section of this act.

22 2. May not be used to settle or arbitrate disputes between a
23 recognized organization representing employees of a school district
24 and the school district, or to settle any negotiations.

25 3. May not be used to adjust the district-wide schedules of
26 salaries and benefits of the employees of a school district.

27 **Sec. 187.** 1. The Department of Education shall transfer
28 from the State Distributive School Account the following sums for
29 special transportation costs to school districts:

30 For the 2003-2004 school year..... \$47,715
31 For the 2004-2005 school year..... \$47,715

32 2. Pursuant to NRS 392.015, the Department of Education shall
33 use the money transferred in subsection 1 to reimburse school
34 districts for the additional costs of transportation for any pupil to a
35 school outside the school district in which his residence is located.

36 **Sec. 188.** There is hereby appropriated from the State General
37 Fund to the State Distributive School Account created by NRS
38 387.030 in the State General Fund the sum of \$3,152,559 for an
39 unanticipated shortfall in money in Fiscal Year 2002-2003. This
40 appropriation is supplemental to that made by section 4 of chapter
41 565, Statutes of Nevada 2001, at page 2832, and to that made
42 pursuant to Assembly Bill 253 of this legislative session.

43 **Sec. 189.** Each school district shall expend the revenue made
44 available through this act, as well as other revenue from state, local
45 and federal sources, in a manner that is consistent with NRS



1 288.150 that is designed to attain the goals of the Legislature
2 regarding educational reform in this state, especially with regard to
3 assisting pupils in need of remediation and pupils who are not
4 proficient in the English language. Materials and supplies for
5 classrooms are subject to negotiation by employers with recognized
6 employee organizations.

7 **Sec. 190.** Section 18 of this act is hereby amended to read as
8 follows:

9 Sec. 18. 1. ~~Except as otherwise provided in~~
10 ~~subsection 2, an~~ An excise tax is hereby imposed upon each
11 business entity for the privilege of engaging in a business in
12 this state at the rate of:

13 (a) Except as otherwise provided in paragraph (b), 0.25
14 percent of the amount of the total revenue of the business
15 entity in this state per calendar quarter in excess of the
16 quarterly exclusion, or 1 percent of the gross profit of the
17 business entity in this state per calendar quarter, whichever is
18 less; or

19 (b) If the business consists of the production of tangible
20 personal property in this state, 0.25 percent of the value of the
21 products of the business entity per calendar quarter in excess
22 of the quarterly exclusion, or 1 percent of the gross profit of
23 the business entity in this state per calendar quarter,
24 whichever is less. For the purpose of this paragraph:

25 (1) Except as otherwise provided in subparagraph (2),
26 the value of the products shall be deemed equal to the total
27 revenue derived from the sale of the products, irrespective of
28 the location of the sale; or

29 (2) If the Department determines that the total revenue
30 derived from the sale of the products are not indicative of the
31 true value of the subject matter of the sale, the Department
32 may determine the value of the products based upon the total
33 revenue from sales within this state of similar products of like
34 character and quality, in similar quantities by other business
35 entities.

36 2. ~~[A business entity is exempt from the tax imposed by~~
37 ~~this section for a calendar quarter if:~~

38 ~~—(a) Except as otherwise provided in paragraph (b), the~~
39 ~~total revenue of the business entity in this state for the~~
40 ~~calendar quarter does not exceed \$750,000; or~~

41 ~~—(b) If the business consists of the production of tangible~~
42 ~~personal property in this state, the value of the products of the~~
43 ~~business entity for the calendar quarter, as determined~~
44 ~~pursuant to subsection 1, does not exceed \$750,000.~~



~~3.1~~ Each business entity engaging in a business in this state during a calendar quarter shall file with the Department a return on a form prescribed by the Department, together with the remittance of any tax due pursuant to this chapter for that calendar quarter, on or before the last day of the month immediately following that calendar quarter.

~~4.1~~ 3. If the amount of the total revenue of a business entity for a calendar quarter is less than \$112,500, including the value of the products of the business entity if the business consists of the production of tangible personal property in this state, the business entity may add the sum obtained by subtracting that amount from \$112,500, to the amount excluded pursuant to this section from the taxable amount of the total revenue of the business entity for any other calendar quarter of the same fiscal year.

~~5.1~~ 4. For the purposes of this section, "quarterly exclusion" means the sum of \$112,500 and any additional amount authorized for a calendar quarter pursuant to subsection ~~4.1~~ 3.

Sec. 191. Section 6 of Assembly Bill No. 536 of this session is hereby amended to read as follows:

Sec. 6. NRS 78.150 is hereby amended to read as follows:

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

- (a) The name of the corporation;
- (b) The file number of the corporation, if known;
- (c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
- (d) The address, either residence or business, of each officer and director listed, following the name of the officer or director;
- (e) The name and address of the lawfully designated resident agent of the corporation; and
- (f) The signature of an officer of the corporation certifying that the list is true, complete and accurate.

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



1 3. Each list required by subsection 1 or 2 must be
2 accompanied by a declaration under penalty of perjury that
3 the corporation :

4 (a) Has complied with the provisions of chapter 364A of
5 NRS ; and

6 (b) Acknowledges that pursuant to NRS 239.330 it is a
7 category C felony to knowingly offer any false or forged
8 instrument for filing with the Office of the Secretary of State.

9 4. Upon filing the list required by:

10 (a) Subsection 1, the corporation shall pay to the
11 Secretary of State a fee of \$125.

12 (b) Subsection 2, the corporation shall pay to the
13 Secretary of State , if the amount represented by the total
14 number of shares provided for in the articles is:

15	
16	\$75,000 or less [\$125] \$85
17	Over \$75,000 and not over \$200,000 175
18	Over \$200,000 and not over \$500,000 275
19	Over \$500,000 and not over \$1,000,000 375
20	Over \$1,000,000:
21	For the first \$1,000,000 375
22	For each additional \$500,000 or fraction
23	thereof 275

24 The maximum fee which may be charged pursuant to
25 paragraph (b) for filing the annual list is \$11,100.

26
27 5. If a director or officer of a corporation resigns and the
28 resignation is not made in conjunction with the filing of an
29 annual or amended list of directors and officers, the
30 corporation shall pay to the Secretary of State a fee of \$75 to
31 file the resignation of the director or officer.

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

41 7. If the list to be filed pursuant to the provisions of
42 subsection 1 or 2 is defective in any respect or the fee
43 required by subsection 4 is not paid, the Secretary of State
44 may return the list for correction or payment.



1 8. An annual list for a corporation not in default which is
2 received by the Secretary of State more than 90 days before
3 its due date shall be deemed an amended list for the previous
4 year and must be accompanied by the appropriate fee as
5 provided in subsection 4 for filing. A payment submitted
6 pursuant to this subsection does not satisfy the requirements
7 of subsection 2 for the year to which the due date is
8 applicable.

9 **Sec. 192.** Section 25 of Assembly Bill No. 536 of this session
10 is hereby amended to read as follows:

11 Sec. 25. NRS 80.110 is hereby amended to read as
12 follows:

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

21 (a) The names and addresses, either residence or business,
22 of its president, secretary and treasurer , or the equivalent
23 thereof, and all of its directors;

24 (b) The name and street address of the lawfully
25 designated resident agent of the corporation in this state; and

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

27 Each list filed pursuant to this subsection must be
28 accompanied by a declaration under penalty of perjury that
29 the foreign corporation has complied with the provisions of
30 chapter 364A of NRS and which acknowledges that pursuant
31 to NRS 239.330 it is a category C felony to knowingly offer
32 any false or forged instrument for filing with the Office of the
33 Secretary of State.

34 2. Upon filing:

35 (a) The initial list required by subsection 1, the
36 corporation shall pay to the Secretary of State a fee of \$125.

37 (b) Each annual list required by subsection 1, the
38 corporation shall pay to the Secretary of State , if the amount
39 represented by the total number of shares provided for in the
40 articles is:

41	
42	\$75,000 or less [\$125] \$85
43	Over \$75,000 and not over \$200,000 175
44	Over \$200,000 and not over \$500,000 275
45	Over \$500,000 and not over \$1,000,000 375



1	Over \$1,000,000:	
2	For the first \$1,000,000	\$375
3	For each additional \$500,000 or fraction	
4	thereof	275

5 The maximum fee which may be charged pursuant to
6 paragraph (b) for filing the annual list is \$11,100.
7

8 3. If a director or officer of a corporation resigns and the
9 resignation is not made in conjunction with the filing of an
10 annual or amended list of directors and officers, the
11 corporation shall pay to the Secretary of State a fee of \$75 to
12 file the resignation of the director or officer.

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

21 5. An annual list for a corporation not in default which is
22 received by the Secretary of State more than 90 days before
23 its due date shall be deemed an amended list for the previous
24 year and does not satisfy the requirements of subsection 1 for
25 the year to which the due date is applicable.

26 **Sec. 193.** Section 56 of Assembly Bill No. 536 of this session
27 is hereby amended to read as follows:

28 Sec. 56. 1. Each foreign limited-liability company
29 doing business in this state shall, on or before the last day of
30 the first month after the filing of its application for
31 registration as a foreign limited-liability company with the
32 Secretary of State, and annually thereafter on or before the
33 last day of the month in which the anniversary date of its
34 qualification to do business in this state occurs in each year,
35 file with the Secretary of State a list on a form furnished by
36 him that contains:

- 37 (a) The name of the foreign limited-liability company;
- 38 (b) The file number of the foreign limited-liability
39 company, if known;
- 40 (c) The names and titles of all its managers or, if there is
41 no manager, all of its managing members;
- 42 (d) The address, either residence or business, of each
43 manager or managing member listed pursuant to paragraph
44 (c);



1 (e) The name and address of its lawfully designated
2 resident agent in this state; and

3 (f) The signature of a manager or managing member of
4 the foreign limited-liability company certifying that the list is
5 true, complete and accurate.

6 2. Each list filed pursuant to this section must be
7 accompanied by a declaration under penalty of perjury that
8 the foreign limited-liability company:

9 (a) Has complied with the provisions of chapter 364A of
10 NRS; and

11 (b) Acknowledges that pursuant to NRS 239.330 it is a
12 category C felony to knowingly offer any false or forged
13 instrument for filing with the Office of the Secretary of State.

14 3. Upon filing:

15 (a) The initial list required by this section, the foreign
16 limited-liability company shall pay to the Secretary of State a
17 fee of \$125.

18 (b) Each annual list required by this section, the foreign
19 limited-liability company shall pay to the Secretary of State a
20 fee of ~~[\$125.]~~ \$85.

21 4. If a manager or managing member of a foreign
22 limited-liability company resigns and the resignation is not
23 made in conjunction with the filing of an annual or amended
24 list of managers and managing members, the foreign limited-
25 liability company shall pay to the Secretary of State a fee of
26 \$75 to file the resignation of the manager or managing
27 member.

28 5. The Secretary of State shall, 60 days before the last
29 day for filing each annual list required by this section, cause
30 to be mailed to each foreign limited-liability company which
31 is required to comply with the provisions of sections 56 to 62,
32 inclusive, of this act, and which has not become delinquent,
33 the blank forms to be completed and filed with him. Failure
34 of any foreign limited-liability company to receive the forms
35 does not excuse it from the penalty imposed by the provisions
36 of sections 56 to 62, inclusive, of this act.

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

41 7. An annual list for a foreign limited-liability company
42 not in default which is received by the Secretary of State
43 more than 90 days before its due date must be deemed an
44 amended list for the previous year and does not satisfy the



1 requirements of this section for the year to which the due date
2 is applicable.

3 **Sec. 194.** Section 66 of Assembly Bill No. 536 of this session
4 is hereby amended to read as follows:

5 Sec. 66. NRS 86.263 is hereby amended to read as
6 follows:

7 86.263 1. A limited-liability company shall, on or
8 before the last day of the first month after the filing of its
9 articles of organization with the Secretary of State, file with
10 the Secretary of State, on a form furnished by him, a list that
11 contains:

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

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

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

17 (d) The address, either residence or business, of each
18 manager or managing member listed, following the name of
19 the manager or managing member;

20 (e) The name and address of the lawfully designated
21 resident agent of the limited-liability company; and

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

25 2. The limited-liability company shall annually
26 thereafter, on or before the last day of the month in which the
27 anniversary date of its organization occurs, file with the
28 Secretary of State, on a form furnished by him, an amended
29 list containing all of the information required in subsection 1.

30 3. Each list required by subsections 1 and 2 must be
31 accompanied by a declaration under penalty of perjury that
32 the limited-liability company :

33 (a) Has complied with the provisions of chapter 364A of
34 NRS ; and

35 (b) Acknowledges that pursuant to NRS 239.330 it is a
36 category C felony to knowingly offer any false or forged
37 instrument for filing in the Office of the Secretary of State.

38 4. Upon filing:

39 (a) The initial list required by subsection 1, the limited-
40 liability company shall pay to the Secretary of State a fee of
41 \$125.

42 (b) Each annual list required by subsection 2 , the limited-
43 liability company shall pay to the Secretary of State a fee of
44 ~~[\$125.]~~ \$85.



1 5. If a manager or managing member of a limited-
2 liability company resigns and the resignation is not made in
3 conjunction with the filing of an annual or amended list of
4 managers and managing members, the limited-liability
5 company shall pay to the Secretary of State a fee of \$75 to
6 file the resignation of the manager or managing member.

7 6. The Secretary of State shall, 60 days before the last
8 day for filing each list required by subsection 2, cause to be
9 mailed to each limited-liability company which is required to
10 comply with the provisions of this section, and which has not
11 become delinquent, a notice of the fee due under subsection 4
12 and a reminder to file a list required by subsection 2 . Failure
13 of any company to receive a notice or form does not excuse it
14 from the penalty imposed by law.

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

19 8. An annual list for a limited-liability company not in
20 default received by the Secretary of State more than 90 days
21 before its due date shall be deemed an amended list for the
22 previous year.

23 **Sec. 195.** Section 83 of Assembly Bill No. 536 of this session
24 is hereby amended to read as follows:

25 Sec. 83. NRS 87.510 is hereby amended to read as
26 follows:

27 87.510 1. A registered limited-liability partnership
28 shall, on or before the last day of the first month after the
29 filing of its certificate of registration with the Secretary of
30 State, and annually thereafter on or before the last day of the
31 month in which the anniversary date of the filing of its
32 certificate of registration with the Secretary of State occurs,
33 file with the Secretary of State, on a form furnished by him, a
34 list that contains:

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

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

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

40 (d) The address, either residence or business, of each
41 managing partner;

42 (e) The name and address of the lawfully designated
43 resident agent of the registered limited-liability partnership;
44 and



1 (f) The signature of a managing partner of the registered
 2 limited-liability partnership certifying that the list is true,
 3 complete and accurate.
 4 Each list filed pursuant to this subsection must be
 5 accompanied by a declaration under penalty of perjury that
 6 the registered limited-liability partnership has complied with
 7 the provisions of chapter 364A of NRS and which
 8 acknowledges that pursuant to NRS 239.330 it is a category C
 9 felony to knowingly offer any false or forged instrument for
 10 filing in the Office of the Secretary of State.

11 2. Upon filing:

12 (a) The initial list required by subsection 1, the registered
 13 limited-liability partnership shall pay to the Secretary of State
 14 a fee of \$125.

15 (b) Each annual list required by subsection 1, the
 16 registered limited-liability partnership shall pay to the
 17 Secretary of State a fee of ~~[\$125.]~~ \$85.

18 3. If a managing partner of a registered limited-liability
 19 partnership resigns and the resignation is not made in
 20 conjunction with the filing of an annual or amended list of
 21 managing partners, the registered limited-liability partnership
 22 shall pay to the Secretary of State a fee of \$75 to file the
 23 resignation of the managing partner.

24 4. The Secretary of State shall, at least 60 days before
 25 the last day for filing each annual list required by subsection
 26 1, cause to be mailed to the registered limited-liability
 27 partnership a notice of the fee due pursuant to subsection 2
 28 and a reminder to file the annual list required by subsection 1.
 29 The failure of any registered limited-liability partnership to
 30 receive a notice or form does not excuse it from complying
 31 with the provisions of this section.

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

36 6. An annual list that is filed by a registered limited-
 37 liability partnership which is not in default more than 90 days
 38 before it is due shall be deemed an amended list for the
 39 previous year and does not satisfy the requirements of
 40 subsection 1 for the year to which the due date is applicable.

41 **Sec. 196.** Section 89 of Assembly Bill No. 536 of this session
 42 is hereby amended to read as follows:

43 Sec. 89. 1. Each foreign limited partnership doing
 44 business in this state shall, on or before the last day of the
 45 first month after the filing of its application for registration as



1 a foreign limited partnership with the Secretary of State, and
2 annually thereafter on or before the last day of the month in
3 which the anniversary date of its qualification to do business
4 in this state occurs in each year, file with the Secretary of
5 State a list, on a form furnished by him, that contains:
6 (a) The name of the foreign limited partnership;
7 (b) The file number of the foreign limited partnership, if
8 known;
9 (c) The names of all its general partners;
10 (d) The address, either residence or business, of each
11 general partner;
12 (e) The name and address of its lawfully designated
13 resident agent in this state; and
14 (f) The signature of a general partner of the foreign
15 limited partnership certifying that the list is true, complete
16 and accurate.
17 2. Each list filed pursuant to this section must be
18 accompanied by a declaration under penalty of perjury that
19 the foreign limited partnership:
20 (a) Has complied with the provisions of chapter 364A of
21 NRS; and
22 (b) Acknowledges that pursuant to NRS 239.330 it is a
23 category C felony to knowingly offer any false or forged
24 instrument for filing in the Office of the Secretary of State.
25 3. Upon filing:
26 (a) The initial list required by this section, the foreign
27 limited partnership shall pay to the Secretary of State a fee of
28 \$125.
29 (b) Each annual list required by this section, the foreign
30 limited partnership shall pay to the Secretary of State a fee of
31 ~~[\$125.]~~ \$85.
32 4. If a general partner of a foreign limited partnership
33 resigns and the resignation is not made in conjunction with
34 the filing of an annual or amended list of general partners, the
35 foreign limited partnership shall pay to the Secretary of State
36 a fee of \$75 to file the resignation of the general partner.
37 5. The Secretary of State shall, 60 days before the last
38 day for filing each annual list required by subsection 1, cause
39 to be mailed to each foreign limited partnership which is
40 required to comply with the provisions of sections 89 to 95,
41 inclusive, of this act, and which has not become delinquent,
42 the blank forms to be completed and filed with him. Failure
43 of any foreign limited partnership to receive the forms does
44 not excuse it from the penalty imposed by the provisions of
45 sections 89 to 95, inclusive, of this act.



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

5 7. An annual list for a foreign limited partnership not in
6 default which is received by the Secretary of State more than
7 90 days before its due date must be deemed an amended list
8 for the previous year and does not satisfy the requirements of
9 subsection 1 for the year to which the due date is applicable.

10 **Sec. 197.** Section 100 of Assembly Bill No. 536 of this session
11 is hereby amended to read as follows:

12 Sec. 100. NRS 88.395 is hereby amended to read as
13 follows:

14 88.395 1. A limited partnership shall, on or before the
15 last day of the first month after the filing of its certificate of
16 limited partnership with the Secretary of State, and annually
17 thereafter on or before the last day of the month in which the
18 anniversary date of the filing of its certificate of limited
19 partnership occurs, file with the Secretary of State, on a form
20 furnished by him, a list that contains:

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

31 Each list filed pursuant to this subsection must be
32 accompanied by a declaration under penalty of perjury that
33 the limited partnership has complied with the provisions of
34 chapter 364A of NRS and which acknowledges that pursuant
35 to NRS 239.330 it is a category C felony to knowingly offer
36 any false or forged instrument for filing in the Office of the
37 Secretary of State.

38 2. Except as otherwise provided in subsection 3, a
39 limited partnership shall, upon filing:

- 40 (a) The initial list required by subsection 1, pay to the
41 Secretary of State a fee of \$125.
42 (b) Each annual list required by subsection 1, pay to the
43 Secretary of State a fee of ~~[\$125.]~~ \$85.

44 3. A registered limited-liability limited partnership shall,
45 upon filing:



1 (a) The initial list required by subsection 1, pay to the
2 Secretary of State a fee of \$125.

3 (b) Each annual list required by subsection 1, pay to the
4 Secretary of State a fee of ~~[\$175.]~~ \$135.

5 4. If a general partner of a limited partnership resigns
6 and the resignation is not made in conjunction with the filing
7 of an annual or amended list of general partners, the limited
8 partnership shall pay to the Secretary of State a fee of \$75 to
9 file the resignation of the general partner.

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

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

23 7. An annual list for a limited partnership not in default
24 that is received by the Secretary of State more than 90 days
25 before its due date shall be deemed an amended list for the
26 previous year and does not satisfy the requirements of
27 subsection 1 for the year to which the due date is applicable.

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

31 **Sec. 198.** Section 107 of Assembly Bill No. 536 of this session
32 is hereby amended to read as follows:

33 Sec. 107. 1. Each foreign business trust doing
34 business in this state shall, on or before the last day of the
35 first month after the filing of its application for registration as
36 a foreign business trust with the Secretary of State, and
37 annually thereafter on or before the last day of the month in
38 which the anniversary date of its qualification to do business
39 in this state occurs in each year, file with the Secretary of
40 State a list, on a form furnished by him, that contains:

- 41 (a) The name of the foreign business trust;
42 (b) The file number of the foreign business trust, if
43 known;
44 (c) The name of at least one of its trustees;



- 1 (d) The address, either residence or business, of the
2 trustee listed pursuant to paragraph (c);
3 (e) The name and address of its lawfully designated
4 resident agent in this state; and
5 (f) The signature of a trustee of the foreign business trust
6 certifying that the list is true, complete and accurate.
- 7 2. Each list required to be filed pursuant to this section
8 must be accompanied by a declaration under penalty of
9 perjury that the foreign business trust:
- 10 (a) Has complied with the provisions of chapter 364A of
11 NRS; and
12 (b) Acknowledges that pursuant to NRS 239.330 it is a
13 category C felony to knowingly offer any false or forged
14 instrument for filing in the Office of the Secretary of State.
- 15 3. Upon filing:
- 16 (a) The initial list required by this section, the foreign
17 business trust shall pay to the Secretary of State a fee of \$125.
18 (b) Each annual list required by this section, the foreign
19 business trust shall pay to the Secretary of State a fee of
20 ~~[\$125.]~~ \$85.
- 21 4. If a trustee of a foreign business trust resigns and the
22 resignation is not made in conjunction with the filing of an
23 annual or amended list of trustees, the foreign business trust
24 shall pay to the Secretary of State a fee of \$75 to file the
25 resignation of the trustee.
- 26 5. The Secretary of State shall, 60 days before the last
27 day for filing each annual list required by subsection 1, cause
28 to be mailed to each foreign business trust which is required
29 to comply with the provisions of sections 107 to 113,
30 inclusive, of this act, and which has not become delinquent,
31 the blank forms to be completed and filed with him. Failure
32 of any foreign business trust to receive the forms does not
33 excuse it from the penalty imposed by the provisions of
34 sections 107 to 113, inclusive, of this act.
- 35 6. If the list to be filed pursuant to the provisions of
36 subsection 1 is defective or the fee required by subsection 3 is
37 not paid, the Secretary of State may return the list for
38 correction or payment.
- 39 7. An annual list for a foreign business trust not in
40 default which is received by the Secretary of State more than
41 90 days before its due date must be deemed an amended list
42 for the previous year and does not satisfy the requirements of
43 subsection 1 for the year to which the due date is applicable.



1 **Sec. 199.** Section 118 of Assembly Bill No. 536 of this session
2 is hereby amended to read as follows:

3 Sec. 118. NRS 88A.600 is hereby amended to read as
4 follows:

5 88A.600 1. A business trust formed pursuant to this
6 chapter shall, on or before the last day of the first month after
7 the filing of its certificate of trust with the Secretary of State,
8 and annually thereafter on or before the last day of the month
9 in which the anniversary date of the filing of its certificate of
10 trust with the Secretary of State occurs, file with the Secretary
11 of State, on a form furnished by him, a list signed by at least
12 one trustee that contains the name and mailing address of its
13 lawfully designated resident agent and at least one trustee.
14 Each list filed pursuant to this subsection must be
15 accompanied by a declaration under penalty of perjury that
16 the business trust :

17 (a) Has complied with the provisions of chapter 364A of
18 NRS ; and

19 (b) Acknowledges that pursuant to NRS 239.330 it is a
20 category C felony to knowingly offer any false or forged
21 instrument for filing in the Office of the Secretary of State.

22 2. Upon filing:

23 (a) The initial list required by subsection 1, the business
24 trust shall pay to the Secretary of State a fee of \$125.

25 (b) Each annual list required by subsection 1, the business
26 trust shall pay to the Secretary of State a fee of ~~125~~ \$85.

27 3. If a trustee of a business trust resigns and the
28 resignation is not made in conjunction with the filing of an
29 annual or amended list of trustees, the business trust shall pay
30 to the Secretary of State a fee of \$75 to file the resignation of
31 the trustee.

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

40 5. An annual list for a business trust not in default which
41 is received by the Secretary of State more than 90 days before
42 its due date shall be deemed an amended list for the previous
43 year.



1 **Sec. 200.** Section 132 of Assembly Bill No. 536 of this session
2 is hereby amended to read as follows:

3 Sec. 132. NRS 89.250 is hereby amended to read as
4 follows:

5 89.250 1. Except as otherwise provided in subsection
6 2, a professional association shall, on or before the last day of
7 the first month after the filing of its articles of association
8 with the Secretary of State, and annually thereafter on or
9 before the last day of the month in which the anniversary date
10 of its organization occurs in each year, furnish a statement to
11 the Secretary of State showing the names and addresses ,
12 either residence or business, of all members and employees in
13 the professional association and certifying that all members
14 and employees are licensed to render professional service in
15 this state.

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

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

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

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

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

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

39 (b) Signed by the chief executive officer of the
40 professional association.

41 (c) Accompanied by a declaration under penalty of
42 perjury that the professional association :

43 (1) Has complied with the provisions of chapter 364A
44 of NRS ; and



1 (2) Acknowledges that pursuant to NRS 239.330 it is a
2 category C felony to knowingly offer any false or forged
3 instrument for filing in the Office of the Secretary of State.

4 4. Upon filing:

5 (a) The initial statement required by this section, the
6 professional association shall pay to the Secretary of State a
7 fee of \$125.

8 (b) Each annual statement required by this section, the
9 professional association shall pay to the Secretary of State a
10 fee of ~~[\$125.]~~ \$85.

11 5. As used in this section, "signed" means to have
12 executed or adopted a name, word or mark, including,
13 without limitation, an electronic signature as defined in NRS
14 719.100, with the present intention to authenticate a
15 document.

16 **Sec. 201.** 1. NRS 372.370, 374.375, 463.4002, 463.4006,
17 463.4008, 463.4009 and 463.4015 are hereby repealed.

18 2. NRS 463.4001, 463.4004, 463.401, 463.402, 463.403,
19 463.404, 463.4045, 463.405, 463.4055 and 463.406 are hereby
20 repealed.

21 3. Sections 148.7 and 149 of Assembly Bill No. 536 of this
22 session are hereby repealed.

23 **Sec. 202.** Except as otherwise provided by specific statute:

24 1. After the close of the 2003-2004 fiscal year and after the
25 close of the 2004-2005 fiscal year, the Interim Finance Committee
26 shall determine the amount, if any, by which the total revenue from
27 all sources to the State General Fund, excluding reversions to the
28 State General Fund, exceeds:

29 (a) One hundred seven percent of the total revenue from all
30 sources to the State General Fund as projected by the 2003
31 Legislature for the applicable fiscal year; and

32 (b) The total amount of all applicable contingent appropriations
33 enacted by the 2003 Legislature for which the conditions for the
34 contingent appropriations were satisfied.

35 2. If the amount determined pursuant to subsection 1 is greater
36 than \$0, the Interim Finance Committee, upon making the
37 determination, shall cause to be transferred from the State General
38 Fund to the Fund to Stabilize the Operation of the State Government
39 created pursuant to NRS 353.288 the portion of the amount
40 determined pursuant to subsection 1 that may be transferred without
41 exceeding the permissible balance of the Fund to Stabilize the
42 Operation of the State Government as set forth in NRS 353.288.

43 3. If less than the full amount determined pursuant to
44 subsection 1 is transferred to the Fund to Stabilize the Operation of
45 the State Government pursuant to subsection 2, the Interim Finance



1 Committee shall cause to be transferred from the State General Fund
2 to the Fund to Reduce Taxes created pursuant to section 2 of this act
3 the remainder of the amount determined pursuant to subsection 1.

4 **Sec. 203.** 1. The Fund to Reduce Taxes is hereby created as
5 a special revenue fund.

6 2. Money from the Fund may be appropriated only for the
7 purpose of supplementing future revenue of this state to allow the
8 reduction of the rate or amount of a tax or fee.

9 3. This section does not authorize a refund or other return of
10 any tax or fee paid to this state pursuant to any statute or regulation
11 in effect at the time the tax or fee was paid.

12 **Sec. 204.** Notwithstanding the provisions of sections 40 to 64,
13 inclusive, of this act and any other provision of law, the tax return
14 and remittance of:

15 1. The tax required pursuant to sections 40 to 64, inclusive, of
16 this act for the calendar quarters beginning on July 1, 2003 and
17 October 1, 2003, shall be deemed to be due on or after January 1,
18 2004, and on or before April 30, 2004.

19 2. The estimated tax required pursuant to sections 40 to 64,
20 inclusive, of this act for the calendar quarter beginning on April 1,
21 2004, shall be deemed to be due on or before June 30, 2004.

22 **Sec. 205.** 1. There is hereby appropriated from the State
23 General Fund to the Legislative Fund for use by the Legislative
24 Committee on Taxation, Public Revenue and Tax Policy to exercise
25 its powers pursuant to section 5 of this act, including, without
26 limitation, to hire a consultant:

27	For the Fiscal Year 2003-2004.....	\$125,000
28	For the Fiscal Year 2004-2005.....	\$125,000

29 2. The sums appropriated by subsection 1 are available for
30 either fiscal year. Any balance of those sums must not be committed
31 for expenditure after June 30, 2005, and reverts to the State General
32 Fund as soon as all payments of money committed have been made.

33 **Sec. 206.** The provisions of :

34 1. Sections 106, 109, 110, 140 and 142 of this act do not affect
35 the amount of any license fees or taxes due for any period ending on
36 or before June 30, 2003.

37 2. Sections 113, 115 and 116 of this act do not apply to any
38 taxes precollected pursuant to chapter 370 of NRS on or before
39 June 30, 2003.

40 3. Sections 66 to 97, inclusive, of this act apply to any taxable
41 admission charge to any business in this state where live
42 entertainment is provided that is collected on or after January 1,
43 2004.



- 1 4. Sections 107, 141 and 143 of this act do not affect the
2 amount of any license fees or taxes due for any period ending on or
3 before June 30, 2004.
- 4 5. Section 163 of this act does not affect the amount of any
5 taxes due for any period ending on or before December 31, 2004.
- 6 6. Section 108 of this act does not affect the amount of any
7 taxes due for any period ending on or before June 30, 2005.
- 8 **Sec. 207.** 1. This section and sections 99, 185, 188, 189, 204
9 and 206 of this act become effective upon passage and approval.
- 10 2. Sections 39 to 64, inclusive, 98, 100, 101, 102, 103, 104,
11 106, 109 to 118, inclusive, 145, 147, 149, 151, 153 to 159,
12 inclusive, 160, 161, 162, 163, 164, 165, 166 and subsection 1 of
13 section 201 of this act become effective:
 - 14 (a) Upon passage and approval for the purpose of adopting
15 regulations and performing any other preparatory administrative
16 tasks that are necessary to carry out the provisions of this act; and
 - 17 (b) On July 1, 2003, for all other purposes.
- 18 3. Sections 1 to 38, inclusive, 65 to 97, inclusive, 100.5, 101.5,
19 102.5, 103.5, 119 to 134, inclusive, 135, 139, 142, 143, 144, 150,
20 159.5, 161.5, 162.5, 164.5, 166.5, and subsection 2 of section 201 of
21 this act become effective:
 - 22 (a) Upon passage and approval for the purpose of adopting
23 regulations and performing any other preparatory administrative
24 tasks that are necessary to carry out the provisions of this act; and
 - 25 (b) On January 1, 2004, for all other purposes.
- 26 4. Sections 105, 107, 146, 148 and 152 of this act become
27 effective:
 - 28 (a) Upon passage and approval for the purpose of adopting
29 regulations and performing any other preparatory administrative
30 tasks that are necessary to carry out the provisions of this act; and
 - 31 (b) On July 1, 2004, for all other purposes.
- 32 5. Sections 103.7, 134.1 to 134.7, inclusive, 136, 137, 138,
33 140, 167 to 184, inclusive, 186, 187, 202, 203 and 205 of this act
34 become effective on July 1, 2003.
- 35 6. Sections 191 to 200, inclusive, and subsection 3 of section
36 201 of this act become effective at 12:01 a.m. on October 1, 2003.
- 37 7. Section 141 of this act becomes effective on July 1, 2004.
- 38 8. Section 190 of this act becomes effective on January 1,
39 2005.
- 40 9. Section 108 of this act becomes effective on July 1, 2005.



TEXT AND LEADLINES OF REPEALED SECTIONS

Section 148.7 of Assembly Bill No. 536 of this session:

Sec. 148.7. *A person described in NRS 612.144 is exempt from the provisions of this chapter.*

Section 149 of Assembly Bill No. 536 of this session:

Sec. 149. NRS 364A.130 is hereby amended to read as follows:

364A.130 1. Except as otherwise provided in subsection ~~6~~ 8, a person shall not conduct a business in this state unless he has a business license issued by the Department.

2. The application for a business license must:

- (a) Be made upon a form prescribed by the Department;
- (b) Set forth the name under which the applicant transacts or intends to transact business and the location of his place or places of business;
- (c) Declare the estimated number of employees for the previous calendar quarter;
- (d) Be accompanied by a fee of ~~25~~ \$50; and
- (e) Include any other information that the Department deems necessary.

3. The application must be signed by:

- (a) The owner, if the business is owned by a natural person;
- (b) A member or partner, if the business is owned by an association or partnership; or
- (c) An officer or some other person specifically authorized to sign the application, if the business is owned by a corporation.

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

5. *A person who has been issued a business license by the Department shall submit a fee of \$50 to the Department on or before the last day of the month in which the anniversary date of issuance of the business license occurs in each year, unless the person submits a written statement to the Department, at least 10 days before the anniversary date, indicating that the person will not be conducting business in this state after the anniversary date. A person*



* S B 5 0 9

who fails to submit the annual fee required pursuant to this subsection in a timely manner shall pay a penalty in the amount of \$75 in addition to the annual fee.

6. The business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

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

- (a) Is incorporated pursuant to chapter 78 or 78A of NRS;
- (b) Has an office or other base of operations in this state;

or

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

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

372.370 Reimbursement to taxpayer for collection of tax.

374.375 Reimbursement to taxpayer for collection of tax.

463.4001 Definitions.

463.4002 "Auditorium" defined.

463.4004 "Casino showroom" defined.

463.4006 "Instrumental music" defined.

463.4008 "Mechanical music" defined.

463.4009 "Mechanical speech" defined.

463.401 Levy; amount; exemptions.

463.4015 Types of entertainment which are not subject to casino entertainment tax.

463.402 Forms for reports; regulations and standards.

463.403 Monthly reports and payments; overpayments and underpayments; interest.

463.404 Remittances must be deposited in State General Fund; refunds of tax erroneously paid.

463.4045 Refund of overpayment.

463.405 Records of receipts: Maintenance; inspection.

463.4055 Ticket for admission to certain establishments must indicate whether tax is included in price of ticket.

463.406 Penalties.

