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SENATE BILL NO. 444—COMMITTEE ON  
REVENUE AND ECONOMIC DEVELOPMENT

MARCH 27, 2023

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Referred to Committee on Revenue and  
Economic Development

SUMMARY—Revises provisions relating to the excise tax on live entertainment. (BDR 32-602)

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

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to taxation; imposing an excise tax on certain resales of admission to live entertainment events; repealing the exemption for certain athletic events involving a professional team based in this State from the excise tax on live entertainment; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law provides for the imposition of an excise tax at a rate of 9 percent  
2 of the admission charge on admission to certain facilities where live entertainment  
3 is provided. (NRS 368A.200) Existing law additionally provides that such a tax  
4 must be collected from the purchaser at the time of purchase, whether or not the  
5 admission is purchased for resale. Existing law exempts from this tax an athletic  
6 contest, event or exhibition conducted by a professional team based in this State if  
7 such a team is a participant in the contest, event or exhibition. (NRS 368A.200)  
8 **Section 6** of this bill eliminates the exemption from the tax of such an athletic  
9 event. **Section 6** requires the excise tax imposed on admission to live entertainment  
10 events to also be imposed on each resale of admission by a reseller, other than an  
11 occasional sale. **Section 6** requires a reseller to retain certain records and to provide  
12 a credit to a purchaser on the amount of tax owed on the resale of an admission  
13 based on the amount of tax paid by the reseller at the time of the initial purchase of  
14 the admission. **Sections 2, 3 and 5** of this bill define certain terms relevant to  
15 resellers. **Section 4** of this bill makes a conforming change to indicate the proper  
16 placement of **sections 2 and 3** in the Nevada Revised Statutes.

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

1     **Section 1.** Chapter 368A of NRS is hereby amended by  
2 adding thereto the provisions set forth as sections 2 and 3 of this act.

3     **Sec. 2.** *“Resale” or “resell” means a transaction for the sale*  
4 *of the admission to a facility in this State where live entertainment*  
5 *is provided which occurs after the initial purchase of the*  
6 *admission. The term includes, without limitation, a sale made in*  
7 *person or by telephone, Internet website or any other means of*  
8 *communication or exchange.*

9     **Sec. 3.** *“Reseller” means any person who resells the*  
10 *admission to a facility in this State where live entertainment is*  
11 *provided.*

12     **Sec. 4.** NRS 368A.010 is hereby amended to read as follows:  
13 368A.010 As used in this chapter, unless the context otherwise  
14 requires, the words and terms defined in NRS 368A.020 to  
15 368A.115, inclusive, *and sections 2 and 3 of this act* have the  
16 meanings ascribed to them in those sections.

17     **Sec. 5.** NRS 368A.110 is hereby amended to read as follows:  
18 368A.110 “Taxpayer” means:

19     1. Except as otherwise provided in ~~[subsection]~~ *subsections* 4  
20 ~~[ ]~~ *and 5*, if live entertainment that is taxable under this chapter is  
21 provided at a licensed gaming establishment, the person licensed to  
22 conduct gaming at that establishment.

23     2. Except as otherwise provided in subsections 3 , ~~[and]~~ 4 ~~[ ]~~  
24 *and 5*, if live entertainment that is taxable under this chapter is not  
25 provided at a licensed gaming establishment, the owner or operator  
26 of the facility where the live entertainment is provided.

27     3. Except as otherwise provided in ~~[subsection]~~ *subsections* 4  
28 ~~[ ]~~ *and 5*, if live entertainment that is taxable under this chapter is  
29 provided at a publicly owned facility or on public land, the person  
30 who collects the taxable receipts.

31     4. If live entertainment that is taxable under this chapter is  
32 provided by an escort, the escort or, if the escort works as an  
33 employee, agent or independent contractor for an escort service, the  
34 owner or operator of the escort service.

35     5. *With respect to any tax which is due for the resale of the*  
36 *admission to a facility in this State where live entertainment is*  
37 *provided, the reseller.*

38     **Sec. 6.** NRS 368A.200 is hereby amended to read as follows:  
39 368A.200 1. Except as otherwise provided in this section,  
40 there is hereby imposed an excise tax on admission to any facility in  
41 this State where live entertainment is provided and on the charge for



1 live entertainment provided by an escort at one or more locations in  
2 this State. The rate of the tax is:

3 (a) Except as otherwise provided in paragraph (b), for admission  
4 to a facility in this State where live entertainment is provided, 9  
5 percent of the admission charge to the facility.

6 (b) For live entertainment provided by an escort who is  
7 escorting one or more persons at a location or locations in this State,  
8 9 percent of the total amount, expressed in terms of money, of  
9 consideration paid for the live entertainment provided by the escort.

10 2. Amounts paid for:

11 (a) Admission charges collected and retained by a nonprofit  
12 religious, charitable, fraternal or other organization that qualifies as  
13 a tax-exempt organization pursuant to 26 U.S.C. § 501(c), or by a  
14 nonprofit corporation organized or existing under the provisions of  
15 chapter 82 of NRS, are not taxable pursuant to this section, only if  
16 the number of tickets to the live entertainment which are offered for  
17 sale or other distribution to patrons, either directly or indirectly  
18 through a partner, subsidiary, client, affiliate or other collaborator, is  
19 less than 7,500.

20 (b) Gratuities directly or indirectly remitted to persons employed  
21 at a facility where live entertainment is provided are not taxable  
22 pursuant to this section.

23 (c) Fees imposed, collected and retained by an independent  
24 financial institution in connection with the use of credit cards or  
25 debit cards to pay the admission charge to a facility where live  
26 entertainment is provided are not taxable pursuant to this section. As  
27 used in this paragraph, "independent financial institution" means a  
28 financial institution that is not the taxpayer or an owner or operator  
29 of the facility where the live entertainment is provided or an affiliate  
30 of any of those persons.

31 3. The tax imposed by this section must be added to and  
32 collected from the purchaser at the time of purchase, whether or not  
33 the admission for live entertainment is purchased for resale.

34 4. *Except as otherwise provided in this subsection, in addition*  
35 *to the tax imposed pursuant to subsection 1 with respect to the*  
36 *initial sale of admission to any facility in this State where live*  
37 *entertainment is provided, the tax imposed pursuant to subsection*  
38 *1 shall also be collected by a reseller from the purchaser at the*  
39 *time of resale of the admission to a facility in this State where live*  
40 *entertainment is provided. A reseller must maintain records*  
41 *documenting the admission charge and tax paid by the reseller for*  
42 *the initial purchase of the admission and the admission charge*  
43 *and tax collected when the reseller resells the admission. The*  
44 *reseller shall pass through to the purchaser the amount of the tax*  
45 *imposed pursuant to this section which was paid by the reseller at*



1 *the time of the initial purchase by giving the purchaser a credit on*  
2 *the amount of tax owed pursuant to this section on the resale,*  
3 *except that the amount of the credit may not exceed:*

4 (a) *The amount of tax paid pursuant to this section on the*  
5 *initial purchase of the admission by the reseller; or*

6 (b) *The amount of tax owed pursuant to this section on the*  
7 *resale of the admission.*

8 *↳ If the resale or admission to any facility in this State where live*  
9 *entertainment is provided is an occasional sale, as defined in NRS*  
10 *372.035, such a resale is exempt from the payment of any*  
11 *additional amount of excise tax pursuant to this subsection.*

12 5. The tax imposed by subsection 1 does not apply to:

13 (a) Live entertainment that this State is prohibited from taxing  
14 under the Constitution, laws or treaties of the United States or the  
15 Nevada Constitution.

16 (b) Live entertainment that is governed by the Nevada  
17 Interscholastic Activities Association pursuant to chapter 385B of  
18 NRS or is provided or sponsored by an elementary school, junior  
19 high school, middle school or high school, if only pupils or faculty  
20 provide the live entertainment.

21 (c) An athletic contest, event, tournament or exhibition provided  
22 by an institution of the Nevada System of Higher Education, if  
23 students of such an institution are contestants in the contest, event,  
24 tournament or exhibition.

25 (d) Live entertainment that is provided by or entirely for the  
26 benefit of a nonprofit religious, charitable, fraternal or other  
27 organization that qualifies as a tax-exempt organization pursuant to  
28 26 U.S.C. § 501(c), or a nonprofit corporation organized or existing  
29 under the provisions of chapter 82 of NRS, only if the number of  
30 tickets to the live entertainment which are offered for sale or other  
31 distribution to patrons, either directly or indirectly through a partner,  
32 subsidiary, client, affiliate or other collaborator, is less than 7,500.

33 (e) Any boxing contest or exhibition governed by the provisions  
34 of chapter 467 of NRS.

35 (f) Live entertainment that is not provided at a licensed gaming  
36 establishment if the facility in which the live entertainment is  
37 provided has a maximum occupancy of less than 200 persons.

38 (g) Live entertainment that is provided at a licensed gaming  
39 establishment that is licensed for less than 51 slot machines, less  
40 than 6 games, or any combination of slot machines and games  
41 within those respective limits, if the facility in which the live  
42 entertainment is provided has a maximum occupancy of less than  
43 200 persons.

44 (h) Live entertainment that is provided at a trade show.



1 (i) Music performed by musicians who move constantly through  
2 the audience if no other form of live entertainment is afforded to the  
3 patrons.

4 (j) Live entertainment that is provided at a licensed gaming  
5 establishment at private meetings or dinners attended by members of  
6 a particular organization or by a casual assemblage if the purpose of  
7 the event is not primarily for entertainment.

8 (k) Live entertainment that is provided in the common area of a  
9 shopping mall, unless the entertainment is provided in a facility  
10 located within the mall.

11 (l) Food and product demonstrations provided at a shopping  
12 mall, a craft show or an establishment that sells grocery products,  
13 housewares, hardware or other supplies for the home.

14 (m) Live entertainment that is incidental to an amusement ride, a  
15 motion simulator or a similar digital, electronic, mechanical or  
16 electromechanical attraction. For the purposes of this paragraph, live  
17 entertainment shall be deemed to be incidental to an amusement  
18 ride, a motion simulator or a similar digital, electronic, mechanical  
19 or electromechanical attraction if the live entertainment is:

20 (1) Not the predominant element of the attraction; and

21 (2) Not the primary purpose for which the public rides,  
22 attends or otherwise participates in the attraction.

23 (n) A race scheduled at a race track in this State and sanctioned  
24 by the National Association for Stock Car Auto Racing, if two or  
25 more such races are held at that race track during the same calendar  
26 year.

27 (o) ~~An athletic contest, event or exhibition conducted by a~~  
28 ~~professional team based in this State if the professional team based~~  
29 ~~in this State is a participant in the contest, event or exhibition.~~

30 ~~(p)~~ Live entertainment that is provided by or entirely for the  
31 benefit of a governmental entity.

32 ~~5.~~ 6. As used in this section:

33 (a) "Affiliate" has the meaning ascribed to it in NRS 463.0133.

34 (b) "Maximum occupancy" means, in the following order of  
35 priority:

36 (1) The maximum occupancy of the facility in which live  
37 entertainment is provided, as determined by the State Fire Marshal  
38 or the local governmental agency that has the authority to determine  
39 the maximum occupancy of the facility;

40 (2) If such a maximum occupancy has not been determined,  
41 the maximum occupancy of the facility designated in any permit  
42 required to be obtained in order to provide the live entertainment; or

43 (3) If such a permit does not designate the maximum  
44 occupancy of the facility, the actual seating capacity of the facility  
45 in which the live entertainment is provided.



1 (c) "Operator" includes, without limitation, a person who  
2 operates a facility where live entertainment is provided or who  
3 presents, produces or otherwise provides live entertainment.

4 **Sec. 7.** 1. This section becomes effective upon passage and  
5 approval.

6 2. Sections 1 to 6, inclusive, of this act become effective:

7 (a) Upon passage and approval for the purpose of adopting any  
8 regulations and performing any other preparatory administrative  
9 tasks that are necessary to carry out the provisions of this act; and

10 (b) On January 1, 2024, for all other purposes.

