

S.B. 4

SENATE BILL NO. 4—COMMITTEE OF THE WHOLE

JUNE 7, 2003

Referred to Committee of the Whole

SUMMARY—Makes various changes concerning state financial administration. (BDR 32-13)

FISCAL NOTE: Effect on Local Government: Yes.
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 for the privilege of doing business in this state; replacing the casino entertainment tax with a tax on all live entertainment; revising the taxes on liquor and cigarettes; imposing a state tax on the transfer of real property and revising the provisions governing the existing tax; revising the fees charged for certain gaming licenses; establishing the Legislative Committee on Taxation, Public Revenue and Tax Policy; making various other changes relating to state financial administration; making an appropriation; and providing other matters properly relating thereto.

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

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 34, 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 9, inclusive,*
6 *of this act have the meanings ascribed to them in those sections.*



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

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

5 (a) *A corporation, partnership, proprietorship, limited-liability*
6 *company, business association, joint venture, limited-liability*
7 *partnership, business trust and their equivalents organized under*
8 *the laws of another jurisdiction and any other person engaging in*
9 *a business; and*

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

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

13 3. *The term does not include:*

14 (a) *A nonprofit religious, charitable, fraternal or other*
15 *organization that qualifies as a tax-exempt organization pursuant*
16 *to 26 U.S.C. § 501(c)(3); or*

17 (b) *A governmental entity.*

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

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

25 **Sec. 7.** *“Federal taxable income” means the taxable income*
26 *of a business entity for a taxable year, as set forth in the federal*
27 *income tax return filed by the business entity for that year with the*
28 *Internal Revenue Service, and any other taxable income of a*
29 *business entity for a taxable year which is required to be reported*
30 *pursuant to federal law, regardless of whether it is actually*
31 *reported.*

32 **Sec. 8.** *“Nevada taxable income” means the federal taxable*
33 *income of a business entity, as adjusted pursuant to section 19 of*
34 *this act and allocated or apportioned to this state pursuant to*
35 *section 20 of this act.*

36 **Sec. 9.** *“Taxable year” means the taxable year used by a*
37 *business entity for the purposes of federal income taxation.*

38 **Sec. 10.** *The Department shall:*

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

42 2. *Deposit all taxes, interest and penalties it receives pursuant*
43 *to this chapter in the State Treasury for credit to the State General*
44 *Fund. The money deposited in the State General Fund pursuant to*
45 *this section must be accounted for separately.*



1 3. If the amount deposited pursuant to subsection 2 in any
2 fiscal year exceeds the estimate of the total revenue from the tax
3 prepared by the Economic Forum pursuant to NRS 353.278 for
4 that fiscal year, the excess money up to 15 percent of that estimate
5 must be deposited in the Net Property Tax Stabilization Account,
6 created pursuant to section 145 of this act. All additional money
7 deposited pursuant to subsection 2 must be split and deposited 15
8 percent to the Net Property Tax Stabilization Account and 85
9 percent to the State General Fund.

10 **Sec. 11.** 1. Each person responsible for maintaining the
11 records of a business entity shall:

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

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

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

20 2. Any person who violates the provisions of subsection 1 is
21 guilty of a misdemeanor.

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

28 2. Any person or business entity which may be liable for the
29 tax imposed by this chapter and which keeps outside of this state
30 its books, papers and records relating thereto shall pay to the
31 Department an amount equal to the allowance provided for state
32 officers and employees generally while traveling outside of the
33 State for each day or fraction thereof during which an employee
34 of the Department is engaged in examining those documents, plus
35 any other actual expenses incurred by the employee while he is
36 absent from his regular place of employment to examine those
37 documents.

38 **Sec. 13.** The Executive Director may request from any other
39 governmental agency or officer such information as he deems
40 necessary to carry out the provisions of this chapter. If the
41 Executive Director obtains any confidential information pursuant
42 to such a request, he shall maintain the confidentiality of that
43 information in the same manner and to the same extent as
44 provided by law for the agency or officer from whom the
45 information was obtained.



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

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

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

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

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

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

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

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

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

42 **Sec. 15.** *A natural person engaging in a business shall be*
43 *deemed to be a business entity that is subject to the provisions of*
44 *this chapter if the person is required to file with the Internal*
45 *Revenue Service a Schedule C (Form 1040), Profit or Loss From*



1 *Business Form, or its equivalent or successor form, or a Schedule*
2 *F (Form 1040), Profit or Loss From Farming Form, or its*
3 *equivalent or successor form, for the business.*

4 **Sec. 16.** 1. *An excise tax is hereby imposed upon each*
5 *business entity for the privilege of engaging in a business in this*
6 *state at the rate of 3 percent of the Nevada taxable income of the*
7 *business entity in excess of \$50,000 each taxable year. The tax for*
8 *each taxable year is due on the last day of that taxable year.*

9 2. *Except as otherwise provided in this chapter, each business*
10 *entity engaging in a business in this state during a taxable year*
11 *whose Nevada taxable income for that year exceeds \$50,000 shall*
12 *file with the Department a return on a form prescribed by the*
13 *Department, together with the remittance of any tax due pursuant*
14 *to this chapter for that taxable year, not later than 30 days after*
15 *the date the business entity is required to file its federal income tax*
16 *return for that taxable year with the Internal Revenue Service.*
17 *The return required by this subsection must include:*

18 (a) *A statement that the return is made under penalty of*
19 *perjury; and*

20 (b) *Such information as is required by the Department.*

21 **Sec. 17.** 1. *In addition to the returns required by section 16*
22 *of this act, a business entity that is a member of an affiliated group*
23 *and is engaged in a unitary business in this state with one or more*
24 *other members of the affiliated group shall file with the*
25 *Department such reports regarding the unitary business as the*
26 *Department determines appropriate for the administration and*
27 *enforcement of the provisions of this chapter.*

28 2. *The Department may allow two or more business entities*
29 *that are members of an affiliated group to file a consolidated*
30 *return for the purposes of this chapter if the business entities are*
31 *allowed to file a consolidated return for the purposes of federal*
32 *income taxation.*

33 3. *As used in this section:*

34 (a) *"Affiliated group" means a group of two or more business*
35 *entities, each of which is controlled by a common owner or by one*
36 *or more of the members of the group.*

37 (b) *"Controlled by" means the possession, directly or*
38 *indirectly, of the power to direct or cause the direction of the*
39 *management and policies of a business entity, whether through*
40 *the ownership of voting securities, by contract or otherwise.*

41 (c) *"Unitary business" means a business characterized by*
42 *unity of ownership, functional integration, centralization of*
43 *management and economy of scale.*

44 **Sec. 18.** 1. *If a business entity files an amended federal*
45 *income tax return that reflects a change in income required to be*



1 *reported pursuant to this chapter, the business entity shall file an*
2 *amended return with the Department within 30 days after the*
3 *filing of the federal return.*

4 2. *If a final determination of federal taxable income is made*
5 *under federal law and, pursuant to that determination, the federal*
6 *taxable income of a business entity is found to differ from that*
7 *initially reported to the Internal Revenue Service, the business*
8 *entity shall, within 30 days after the date of that determination,*
9 *report the determination to the Department in writing, together*
10 *with such information as the Department deems appropriate.*

11 3. *If, based upon an amended return or report filed pursuant*
12 *to this section, it appears that the tax imposed by this chapter has*
13 *not been fully assessed, the Department shall assess the deficiency,*
14 *with interest calculated at the rate and in the manner set forth in*
15 *NRS 360.417. Any assessment required by this subsection must be*
16 *made within 1 year after the Department receives the amended*
17 *return or report.*

18 **Sec. 19.** 1. *In computing the Nevada taxable income of a*
19 *business entity, its federal taxable income must be:*

20 (a) *Increased by:*

21 (1) *The amount of any deduction for the tax imposed by*
22 *section 16 of this act or the equivalent taxing statute of another*
23 *state.*

24 (2) *The amount of any net operating loss in the taxable*
25 *year that is carried back to previous taxable years pursuant to 26*
26 *U.S.C. § 172.*

27 (3) *The amount of any deduction claimed for the taxable*
28 *year pursuant to 26 U.S.C. § 172 which was previously used to*
29 *offset any increase required by this subsection.*

30 (4) *Any interest or dividends on the obligations or securities*
31 *of any state or political subdivision of a state, other than this state*
32 *or a political subdivision of this state.*

33 (b) *Decreased by:*

34 (1) *Any income that is exempt from taxation by this state*
35 *under the Constitution, laws or treaties of the United States or the*
36 *Nevada Constitution.*

37 (2) *Any interest income received on obligations of the*
38 *United States.*

39 (3) *The amount of any refund of income tax received from*
40 *another state which has been included as income in computing*
41 *federal taxable income.*

42 (4) *If the business entity is required to pay a license fee*
43 *pursuant to NRS 463.370, the exempt gaming revenue of the*
44 *business entity for the taxable year.*



1 (5) *If the business entity is required to pay a tax on the net*
2 *proceeds of minerals extracted pursuant to chapter 362 of NRS,*
3 *the exempt mining revenue of the business entity for the taxable*
4 *year.*

5 (6) *If the business entity is required to pay a tax on*
6 *premiums pursuant to title 57 of NRS, the exempt insurance*
7 *revenue of the business entity for the taxable year.*

8 (7) *If the business entity is required to pay a license fee*
9 *pursuant to NRS 463.373, the amount of that license fee for the*
10 *taxable year.*

11 2. *The Department shall adopt regulations for the*
12 *administration of this section. The regulations must specify in*
13 *detail the adjustments to the federal taxable income of a business*
14 *entity required by subparagraphs (4), (5) and (6) of paragraph (b)*
15 *of subsection 1.*

16 3. *For the purposes of this section:*

17 (a) *"Exempt gaming revenue" means a percentage of the*
18 *federal taxable income of the business entity equal to the*
19 *percentage obtained by dividing the total sum of all amounts*
20 *specifically included by statute in and all amounts specifically*
21 *excluded by statute from the calculation of the license fee required*
22 *by NRS 463.370 for the taxable year, by the amount of the total*
23 *revenue of the business entity for the taxable year.*

24 (b) *"Exempt mining revenue" means a percentage of the*
25 *federal taxable income of the business entity equal to the*
26 *percentage obtained by dividing the amount of the gross proceeds*
27 *used to determine the amount of the tax due pursuant to chapter*
28 *362 of NRS from the business entity for the taxable year, by the*
29 *amount of the total revenue of the business entity for the taxable*
30 *year.*

31 (c) *"Exempt insurance revenue" means a percentage of the*
32 *federal taxable income of the business entity equal to the*
33 *percentage obtained by dividing the amount of the total revenue of*
34 *the business entity for the taxable year derived from direct*
35 *premiums written, by the amount of the total revenue of the*
36 *business entity for the taxable year.*

37 **Sec. 20.** *1. The Department shall adopt regulations*
38 *providing for the allocation or apportionment of the tax liability*
39 *pursuant to this chapter of business entities engaging in a*
40 *business both within and outside of this state. The regulations*
41 *must:*

42 (a) *Except as otherwise provided paragraph (b), be consistent*
43 *with the methods of dividing income contained in the Uniform*
44 *Division of Income for Tax Purposes Act.*



1 (b) *If the business consists of a financial activity, as defined in*
2 *the Uniform Division of Income for Tax Purposes Act, be*
3 *consistent with the Recommended Formula for the Apportionment*
4 *and Allocation of Net Income of Financial Institutions.*

5 2. *As used in this section:*

6 (a) *“Recommended Formula for the Apportionment and*
7 *Allocation of Net Income of Financial Institutions” means the*
8 *provisions of the Recommended Formula for the Apportionment*
9 *and Allocation of Net Income of Financial Institutions adopted by*
10 *the Multistate Tax Commission, as those provisions existed on*
11 *July 1, 2003.*

12 (b) *“Uniform Division of Income for Tax Purposes Act”*
13 *means the provisions of the Uniform Division of Income for Tax*
14 *Purposes Act approved by the National Conference of*
15 *Commissioners on Uniform State Laws, as those provisions*
16 *existed on July 1, 2003.*

17 **Sec. 21.** 1. *For the purposes of this chapter, the method of*
18 *accounting and the taxable year used by a business entity must be*
19 *the same as those used by the business entity for the purposes of*
20 *federal income taxation. If the business entity does not regularly*
21 *use a single method of accounting, the taxable income of the*
22 *business entity must be computed under such a method as the*
23 *Department determines will fairly reflect that income.*

24 2. *If there is any change in the method of accounting or the*
25 *taxable year used by a business entity for the purposes of federal*
26 *income taxation, the same change must be implemented for the*
27 *purposes of this chapter.*

28 **Sec. 22.** *Upon written application made before the date on*
29 *which a business entity is otherwise required to file a return and*
30 *pay the tax imposed by this chapter, the Department may:*

31 1. *If the business entity is granted an extension of time by the*
32 *Federal Government for the filing of its federal income tax return,*
33 *extend the time for filing the return required by this chapter until*
34 *not later than 30 days after the date the business entity is required*
35 *to file its federal income tax return pursuant to the extension of*
36 *time granted by the Federal Government. The Department may*
37 *require, as a condition to the granting of any extension pursuant*
38 *to this subsection, the payment of the tax estimated to be due*
39 *pursuant to this chapter.*

40 2. *For good cause extend by 30 days the time within which*
41 *the business entity is required to pay the tax. If the tax is paid*
42 *during a period of extension granted pursuant to this subsection,*
43 *no penalty or late charge may be imposed for failure to pay at the*
44 *time required, but the business entity shall pay interest at the rate*
45 *of 1 percent per month from the date on which the amount would*



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

3 **Sec. 23.** *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. 24.** *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. 25. 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 taxable 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. 26. 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 taxable 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 the*
6 *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. 27.** 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. 28.** 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. 29.** 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. 30.** 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. 31.** 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. 32. 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. 33. 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. 34. 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. 35.** Title 32 of NRS is hereby amended by adding thereto
14 a new chapter to consist of the provisions set forth as sections 36 to
15 68, inclusive, of this act.

16 **Sec. 36.** *As used in this chapter, unless the context otherwise*
17 *requires, the words and terms defined in sections 37 to 43,*
18 *inclusive, of this act have the meanings ascribed to them in those*
19 *sections.*

20 **Sec. 37.** *“Amount paid for live entertainment” means:*

21 1. *If the live entertainment is provided at the location of a*
22 *taxable business entity, the consideration paid for the right or*
23 *privilege to have access to the premises of the business entity*
24 *where the live entertainment is provided. For the purposes of this*
25 *subsection, the term includes all amounts paid for food,*
26 *refreshments and merchandise purchased at the premises where*
27 *the live entertainment is provided.*

28 2. *If the live entertainment is provided at a location other*
29 *than the location of a taxable business entity, the total amount,*
30 *expressed in terms of money, of consideration paid to the business*
31 *entity for providing the live entertainment.*

32 **Sec. 38.** *“Board” means the State Gaming Control Board.*

33 **Sec. 39.** *“Business” means any activity engaged in or*
34 *caused to be engaged in by a business entity with the object of*
35 *gain, benefit or advantage, either direct or indirect, to any person*
36 *or governmental entity.*

37 **Sec. 40.** 1. *“Business entity” includes:*

38 (a) *A corporation, partnership, proprietorship, business*
39 *association and any other person engaging in business.*

40 (b) *A natural person engaging in a business if he is deemed to*
41 *be a business entity pursuant to section 44 of this act.*

42 (c) *A brothel authorized to conduct business in this state.*

43 2. *The term does not include a governmental entity.*

44 **Sec. 41.** *“Licensed gaming establishment” has the meaning*
45 *ascribed to it in NRS 463.0169.*



1 **Sec. 42.** *“Live entertainment” means any activity provided*
2 *for pleasure, enjoyment, recreation, relaxation, diversion or other*
3 *similar purpose by a person or persons who are physically present*
4 *when providing that activity to a patron or group of patrons who*
5 *are physically present.*

6 **Sec. 43.** *“Taxpayer” means any person liable for the tax*
7 *imposed pursuant to this chapter.*

8 **Sec. 44.** *A natural person engaging in a business shall be*
9 *deemed to be a business entity that is subject to the provisions of*
10 *this chapter if the person is required to file with the Internal*
11 *Revenue Service a Schedule C (Form 1040), Profit or Loss From*
12 *Business Form, or its equivalent or successor form, or a Schedule*
13 *F (Form 1040), Profit or Loss From Farming form, or its*
14 *equivalent or successor form, for the business.*

15 **Sec. 45.** *The Department shall provide by regulation for a*
16 *more detailed definition of live entertainment consistent with the*
17 *general definition set forth in section 42 of this act for use by the*
18 *Board and the Department in determining whether an activity is a*
19 *taxable activity under the provisions of this chapter.*

20 **Sec. 46.** 1. *There is hereby imposed an excise tax of 10*
21 *percent of all amounts paid for live entertainment. Amounts paid*
22 *for gratuities directly or indirectly remitted to employees of a*
23 *business entity providing live entertainment or for service charges,*
24 *including those imposed in connection with the use of credit cards*
25 *or debit cards, which are collected and retained by persons other*
26 *than the taxpayer, are not taxable pursuant to this section.*

27 2. *A business entity that collects any amount paid for live*
28 *entertainment is liable for the tax imposed by this section, but is*
29 *entitled to collect reimbursement from any person paying that*
30 *amount.*

31 3. *Any ticket for live entertainment must state whether the tax*
32 *imposed by this section is included in the price of the ticket. If the*
33 *ticket does not include such a statement, the taxpayer shall pay the*
34 *tax based on the face amount of the ticket.*

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

36 (a) *Any amount paid for live entertainment that this state is*
37 *prohibited from taxing under the Constitution or laws of the*
38 *United States or the Nevada Constitution.*

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

42 (c) *Any amount paid for live entertainment that is provided by*
43 *a nonprofit organization that is recognized as exempt from*
44 *taxation pursuant to 26 U.S.C. § 501(c).*

45 (d) *Live entertainment that is provided at a trade show.*



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

4 **Sec. 47.** A taxpayer shall hold the amount of all taxes for
5 which he is liable pursuant to this chapter in a separate account in
6 trust for the State.

7 **Sec. 48. 1.** The Board shall:

8 (a) Collect the tax imposed by this chapter from taxpayers who
9 are licensed gaming establishments; and

10 (b) Adopt such regulations as are necessary to carry out the
11 provisions of paragraph (a). The regulations must be adopted in
12 accordance with the provisions of chapter 233B of NRS and
13 codified in the Nevada Administrative Code.

14 **2.** The Department shall:

15 (a) Collect the tax imposed by this chapter from all other
16 taxpayers; and

17 (b) Adopt such regulations as are necessary to carry out the
18 provisions of paragraph (a).

19 **3.** For the purposes of:

20 (a) Subsection 1, the provisions of chapter 463 of NRS relating
21 to the payment, collection, administration and enforcement of
22 gaming license fees and taxes, including, without limitation, any
23 provisions relating to the imposition of penalties and interest, shall
24 be deemed to apply to the payment, collection, administration and
25 enforcement of the taxes imposed by this chapter to the extent that
26 those provisions do not conflict with the provisions of this chapter.

27 (b) Subsection 2, the provisions of chapter 360 of NRS relating
28 to the payment, collection, administration and enforcement of
29 taxes, including, without limitation, any provisions relating to the
30 imposition of penalties and interest, shall be deemed to apply to
31 the payment, collection, administration and enforcement of the
32 taxes imposed by this chapter to the extent that those provisions do
33 not conflict with the provisions of this chapter.

34 **4.** To ensure that the tax imposed by section 46 of this act is
35 collected fairly and equitably, the Board and the Department shall,
36 jointly, coordinate the administration and regulation of the
37 provisions of this chapter.

38 **Sec. 49. 1.** Each taxpayer who is a licensed gaming
39 establishment shall file with the Board, on or before the 24th day
40 of each month, a report showing the amount of all taxable receipts
41 for the preceding month. The report must be in a form prescribed
42 by the Board.

43 **2.** All other taxpayers shall file with the Department, on or
44 before the 24th day of each month, a report showing the amount



1 of all taxable receipts for the preceding month. The report must be
2 in a form prescribed by the Department.

3 3. Each report required to be filed by this section must be
4 accompanied by the amount of the tax that is due for the month
5 covered by the report.

6 4. The Board and the Department shall deposit all taxes,
7 interest and penalties it receives pursuant to this chapter in the
8 State Treasury for credit to the State General Fund.

9 **Sec. 50.** Upon written application made before the date on
10 which payment must be made, the Board or the Department may
11 for good cause extend by 30 days the time within which a taxpayer
12 is required to pay the tax imposed by this chapter. If the tax is paid
13 during the period of extension, no penalty or late charge may be
14 imposed for failure to pay at the time required, but the taxpayer
15 shall pay interest at the rate of 1 percent per month from the date
16 on which the amount would have been due without the extension
17 until the date of payment, unless otherwise provided in NRS
18 360.232 or 360.320.

19 **Sec. 51. 1.** Each person responsible for maintaining the
20 records of a taxpayer shall:

21 (a) Keep such records as may be necessary to determine the
22 amount of the liability of the taxpayer pursuant to the provisions
23 of this chapter;

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

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

30 2. The Board and the Department may by regulation specify
31 the types of records which must be kept to determine the amount
32 of the liability of a taxpayer from whom they are required to
33 collect the tax imposed by this chapter.

34 3. Any agreement that is entered into, modified or extended
35 after January 1, 2004, for the lease, assignment or transfer of any
36 premises upon which any activity subject to the tax imposed by this
37 chapter is, or thereafter may be, conducted shall be deemed to
38 include a provision that the taxpayer required to pay the tax must
39 be allowed access to, upon demand, all books, records and
40 financial papers held by the lessee, assignee or transferee which
41 must be kept pursuant to this section. Any person conducting
42 activities subject to the tax imposed by section 46 of this act who
43 fails to maintain or disclose his records pursuant to this subsection
44 is liable to the taxpayer for any penalty paid by the taxpayer for



1 *the late payment or nonpayment of the tax caused by the failure to*
2 *maintain or disclose records.*

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

5 **Sec. 52. 1.** *To verify the accuracy of any report filed, or, if*
6 *no report is filed by a taxpayer, to determine the amount of tax*
7 *required to be paid:*

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

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

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

26 **Sec. 53. 1.** *Except as otherwise provided in this section and*
27 *NRS 360.250, the records and files of the Board and the*
28 *Department concerning the administration of this chapter are*
29 *confidential and privileged. The Board, the Department and any*
30 *employee of the Board or the Department engaged in the*
31 *administration of this chapter or charged with the custody of any*
32 *such records or files shall not disclose any information obtained*
33 *from the records or files of the Board or the Department or from*
34 *any examination, investigation or hearing authorized by the*
35 *provisions of this chapter. The Board, the Department and any*
36 *employee of the Board or the Department may not be required to*
37 *produce any of the records, files and information for the*
38 *inspection of any person or for use in any action or proceeding.*

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

42 *(a) Testimony by a member or employee of the Board or the*
43 *Department and production of records, files and information on*
44 *behalf of the Board or the Department or a taxpayer in any action*
45 *or proceeding pursuant to the provisions of this chapter, if that*



1 *testimony or the records, files or information, or the facts shown*
2 *thereby are directly involved in the action or proceeding.*

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

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

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

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

19 **Sec. 54. 1. If:**

20 *(a) The Board determines that a licensed gaming*
21 *establishment is collecting an amount paid for live entertainment*
22 *with the intent to defraud the State or to evade the payment of the*
23 *tax or any part of the tax imposed by this chapter, the Board shall*
24 *establish an amount upon which the tax imposed by this chapter*
25 *must be based.*

26 *(b) The Department determines that a taxpayer who is not a*
27 *licensed gaming establishment*
28 *is collecting an amount paid for live entertainment with the intent*
29 *to defraud the State or to evade the payment of the tax or any part*
30 *of the tax imposed by this chapter, the Department shall establish*
31 *an amount upon which the tax imposed by this chapter must be*
32 *based.*

33 **2. The amount paid for live entertainment established by the**
34 **Board or the Department pursuant to subsection 1 must be based**
35 **upon amounts paid for live entertainment to business entities that**
36 **are deemed comparable by the Board or the Department to that of**
37 **the taxpayer.**

38 **Sec. 55. 1. If a taxpayer:**

39 *(a) Is unable to collect all or part of the amount paid for live*
40 *entertainment which was included in the taxable receipts reported*
41 *for a previous reporting period; and*

42 *(b) Has taken a deduction on his federal income tax return*
43 *pursuant to 26 U.S.C. § 166(a) for the amount which he is unable*
44 *to collect,*



1 *he is entitled to receive a credit for the amount of tax paid on*
2 *account of that uncollected amount. The credit may be used*
3 *against the amount of tax that the taxpayer is subsequently*
4 *required to pay pursuant to this chapter.*

5 *2. If the Internal Revenue Service of the Department of the*
6 *Treasury disallows a deduction described in paragraph (b) of*
7 *subsection 1 and the taxpayer claimed a credit on a return for a*
8 *previous reporting period pursuant to subsection 1, the taxpayer*
9 *shall include the amount of that credit in the amount of taxes*
10 *reported pursuant to this chapter in the first return filed with the*
11 *Board or the Department after the deduction is disallowed.*

12 *3. If a taxpayer collects all or part of the amount paid for live*
13 *entertainment for which he claimed a credit on a return for a*
14 *previous reporting period pursuant to subsection 2, he shall*
15 *include:*

16 *(a) The amount collected in the amount paid for live*
17 *entertainment reported pursuant to paragraph (a) of subsection 1;*
18 *and*

19 *(b) The tax payable on the amount collected in the amount of*
20 *taxes reported,*
21 *in the first return filed with the Board or the Department after that*
22 *collection.*

23 *4. Except as otherwise provided in subsection 5, upon*
24 *determining that a taxpayer has filed a return which contains one*
25 *or more violations of the provisions of this section, the Board or*
26 *the Department shall:*

27 *(a) For the first return of any taxpayer that contains one or*
28 *more violations, issue a letter of warning to the taxpayer which*
29 *provides an explanation of the violation or violations contained in*
30 *the return.*

31 *(b) For the first or second return, other than a return*
32 *described in paragraph (a), in any calendar year which contains*
33 *one or more violations, assess a penalty equal to the amount of the*
34 *tax which was not reported.*

35 *(c) For the third and each subsequent return in any calendar*
36 *year which contains one or more violations, assess a penalty of*
37 *three times the amount of the tax which was not reported.*

38 *5. For the purposes of subsection 4, if the first violation of*
39 *this section by any taxpayer was determined by the Board or the*
40 *Department through an audit which covered more than one return*
41 *of the taxpayer, the Board or the Department shall treat all returns*
42 *which were determined through the same audit to contain a*
43 *violation or violations in the manner provided in paragraph (a) of*
44 *subsection 4.*



1 **Sec. 56.** *The remedies of the State provided for in this*
2 *chapter are cumulative, and no action taken by the Board, the*
3 *Department or the Attorney General constitutes an election by the*
4 *State to pursue any remedy to the exclusion of any other remedy*
5 *for which provision is made in this chapter.*

6 **Sec. 57.** *If the Board or the Department determines that any*
7 *tax, penalty or interest has been paid more than once or has been*
8 *erroneously or illegally collected or computed, the Board or the*
9 *Department shall set forth that fact in its records and certify to the*
10 *State Board of Examiners the amount collected in excess of the*
11 *amount legally due and the person from which it was collected or*
12 *by whom paid. If approved by the State Board of Examiners, the*
13 *excess amount collected or paid must be credited on any amounts*
14 *then due from the person under this chapter, and the balance*
15 *refunded to the person or his successors in interest.*

16 **Sec. 58.** *1. Except as otherwise provided in NRS 360.235*
17 *and 360.395:*

18 *(a) No refund may be allowed unless a claim for it is filed*
19 *with:*

20 *(1) The Board, if the taxpayer is a licensed gaming*
21 *establishment; or*

22 *(2) The Department, if the taxpayer is not a licensed*
23 *gaming establishment.*

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

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

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

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

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

38 **Sec. 59.** *1. Except as otherwise provided in this section and*
39 *NRS 360.320, interest must be paid upon any overpayment of any*
40 *amount of the tax imposed by this chapter at the rate of 0.5*
41 *percent per month, or fraction thereof, from the last day of the*
42 *calendar month following the month for which the overpayment*
43 *was made. No refund or credit may be made of any interest*
44 *imposed upon the person making the overpayment with respect to*
45 *the amount being refunded or 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*
5 *the Board or the Department that a claim may be filed or the date*
6 *upon which the claim is certified to the State Board of Examiners,*
7 *whichever is 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 amount against which the credit*
10 *is applied.*

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

15 **Sec. 60.** 1. *No injunction, writ of mandate or other legal or*
16 *equitable process may issue in any suit, action or proceeding in*
17 *any court against this state or against any officer of the State to*
18 *prevent or enjoin the collection under this chapter of the tax*
19 *imposed by this chapter or any amount of tax, penalty or interest*
20 *required to be collected.*

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

25 **Sec. 61.** 1. *Within 90 days after a final decision upon a*
26 *claim filed pursuant to this chapter is rendered by:*

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

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

32 2. *An action brought pursuant to subsection 1 must be*
33 *brought in a court of competent jurisdiction in Carson City, the*
34 *county of this state where the claimant resides or maintains his*
35 *principal place of business or a county in which any relevant*
36 *proceedings were conducted by the Board or the Department, for*
37 *the recovery of the whole or any part of the amount with respect to*
38 *which the claim has been disallowed.*

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

42 **Sec. 62.** 1. *If the Board fails to mail notice of action on a*
43 *claim within 6 months after the claim is filed, the claimant may*
44 *consider the claim disallowed and file an appeal with the Nevada*



1 *Gaming Commission within 30 days after the last day of the 6-*
2 *month period.*

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

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

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

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

19 4. *If judgment is rendered for the plaintiff, the amount of the*
20 *judgment must first be credited towards any tax due from the*
21 *plaintiff.*

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

24 **Sec. 63.** *In any judgment, interest must be allowed at the rate*
25 *of 6 percent per annum upon the amount found to have been*
26 *illegally collected from the date of payment of the amount to the*
27 *date of allowance of credit on account of the judgment, or to a*
28 *date preceding the date of the refund warrant by not more than 30*
29 *days. The date must be determined by the Board or the*
30 *Department.*

31 **Sec. 64.** *A judgment may not be rendered in favor of the*
32 *plaintiff in any action brought against the Board or the*
33 *Department to recover any amount paid when the action is*
34 *brought by or in the name of an assignee of the person paying the*
35 *amount or by any person other than the person who paid the*
36 *amount.*

37 **Sec. 65. 1.** *The Board or the Department may recover a*
38 *refund or any part thereof which is erroneously made and any*
39 *credit or part thereof which is erroneously allowed in an action*
40 *brought in a court of competent jurisdiction in Carson City or*
41 *Clark County in the name of the State of Nevada.*

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



1 3. *The Attorney General shall prosecute the action, and the*
2 *provisions of NRS, the Nevada Rules of Civil Procedure and the*
3 *Nevada Rules of Appellate Procedure relating to service of*
4 *summons, pleadings, proofs, trials and appeals are applicable to*
5 *the proceedings.*

6 **Sec. 66.** *1. If any amount in excess of \$25 has been*
7 *illegally determined, either by the person filing the return or by the*
8 *Board or the Department, the Board or the Department shall*
9 *certify this fact to the State Board of Examiners, and the latter*
10 *shall authorize the cancellation of the amount upon the records of*
11 *the Board or the Department.*

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

18 **Sec. 67.** *Any licensed gaming establishment liable for the*
19 *payment of the tax imposed by section 46 of this act who willfully*
20 *fails to report, pay or truthfully account for the tax is subject to the*
21 *revocation of his gaming license by the Nevada Gaming*
22 *Commission.*

23 **Sec. 68.** *1. A person shall not:*

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

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

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

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

38 **Sec. 69.** Chapter 360 of NRS is hereby amended by adding
39 thereto a new section to read as follows:

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

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



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

4 **Sec. 70.** NRS 360.095 is hereby amended to read as follows:

5 360.095 In the adoption of regulations, policies of
6 enforcement, and policies for auditing of taxpayers, with respect to
7 all taxes and fees for whose administration the Department is
8 responsible, the Nevada Tax Commission shall apply the following
9 principles:

10 1. Forms, instructions and regulations governing the
11 computation of the amount of tax due must be brief and easily
12 understood.

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

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

22 4. Exemptions or waivers, where permitted by statute, must be
23 granted:

24 (a) Equitably among eligible taxpayers; and

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

27 5. Audits and other procedures for enforcement must be
28 applied as uniformly as is feasible, not only as among persons
29 subject to a particular tax but also as among different taxes ~~H~~, ***but***
30 ***must consider a weighting of indicators of noncompliance.***

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

34 **Sec. 71.** NRS 360.2935 is hereby amended to read as follows:

35 360.2935 Except as otherwise provided in ~~NRS 361.485,~~ ***this***
36 ***title,*** a taxpayer is entitled to receive on any overpayment of taxes,
37 after the offset required by NRS 360.320 has been made, a refund
38 together with interest at a rate determined pursuant to NRS 17.130.
39 No interest is allowed on a refund of any penalties or interest paid
40 by a taxpayer.

41 **Sec. 72.** NRS 360.300 is hereby amended to read as 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, or chapter 585 or
3 680B of NRS , *or sections 2 to 34, inclusive, of this act*, as
4 administered or audited by the Department, it may compute and
5 determine the amount required to be paid upon the basis of:

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

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

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

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

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

25 **Sec. 73.** NRS 360.417 is hereby amended to read as follows:

26 360.417 Except as otherwise provided in NRS 360.232 and
27 360.320, and unless a different penalty or rate of interest is
28 specifically provided by statute, any person who fails to pay any tax
29 provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,
30 444A or 585 of NRS, *or sections 2 to 34, inclusive, of this act*, or
31 the fee provided for in NRS 482.313, to the State or a county within
32 the time required, shall pay a penalty of not more than 10 percent of
33 the amount of the tax or fee which is owed, as determined by the
34 Department, in addition to the tax or fee, plus interest at the rate of 1
35 percent per month, or fraction of a month, from the last day of the
36 month following the period for which the amount or any portion of
37 the amount should have been reported until the date of payment.
38 The amount of any penalty imposed must be based on a graduated
39 schedule adopted by the Nevada Tax Commission which takes into
40 consideration the length of time the tax or fee remained unpaid.

41 **Sec. 74.** NRS 360.419 is hereby amended to read as follows:

42 360.419 1. If the Executive Director or a designated hearing
43 officer finds that the failure of a person to make a timely return or
44 payment of a tax imposed pursuant to NRS 361.320 or chapter
45 361A, 376A, 377 or 377A of NRS, or by chapter 362, 364A, 369,



1 370, 372, 372A, 374, 375A or 375B of NRS, *or sections 2 to 34,*
2 *inclusive, of this act* is the result of circumstances beyond his
3 control and occurred despite the exercise of ordinary care and
4 without intent, the Department may relieve him of all or part of any
5 interest or penalty, or both.

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

9 3. The Department shall disclose, upon the request of any
10 person:

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

13 4. The Executive Director or a designated hearing officer shall
14 act upon the request of a taxpayer seeking relief pursuant to NRS
15 361.4835 which is deferred by a county treasurer or county assessor.

16 **Sec. 75.** NRS 360.510 is hereby amended to read as follows:

17 360.510 1. If any person is delinquent in the payment of any
18 tax or fee administered by the Department or if a determination has
19 been made against him which remains unpaid, the Department may:

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

22 (b) Not later than 6 years after the last recording of an abstract
23 of judgment or of a certificate constituting a lien for tax owed,
24 give a notice of the delinquency and a demand to transmit
25 personally or by registered or certified mail to any person,
26 including, without limitation, any officer or department of this state
27 or any political subdivision or agency of this state, who has in his
28 possession or under his control any credits or other personal
29 property belonging to the delinquent, or owing any debts to the
30 delinquent or person against whom a determination has been made
31 which remains unpaid, or owing any debts to the delinquent or that
32 person. In the case of any state officer, department or agency, the
33 notice must be given to the officer, department or agency before the
34 Department presents the claim of the delinquent taxpayer to the
35 State Controller.

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

39 3. After receiving the demand to transmit, the person notified
40 by the demand may not transfer or otherwise dispose of the credits,
41 other personal property, or debts in his possession or under his
42 control at the time he received the notice until the Department
43 consents to a transfer or other disposition.

44 4. Every person notified by a demand to transmit shall, within
45 10 days after receipt of the demand to transmit, inform the



1 Department of ~~§~~ and transmit to the Department all such credits,
2 other personal property ~~§~~ or debts in his possession, under his
3 control or owing by him within the time and in the manner
4 requested by the Department. Except as otherwise provided in
5 subsection 5, no further notice is required to be served to that
6 person.

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

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

24 7. If any person notified by the notice of the delinquency
25 makes any transfer or other disposition of the property or debts
26 required to be withheld or transmitted, to the extent of the value of
27 the property or the amount of the debts thus transferred or paid, he is
28 liable to the State for any indebtedness due pursuant to this chapter,
29 or chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or 444A
30 of NRS, NRS 482.313, or chapter 585 or 680B of NRS, *or sections*
31 *2 to 34, inclusive, of this act* from the person with respect to whose
32 obligation the notice was given if solely by reason of the transfer or
33 other disposition the State is unable to recover the indebtedness of
34 the person with respect to whose obligation the notice was given.

35 **Sec. 76.** NRS 360A.020 is hereby amended to read as follows:

36 360A.020 The Department shall adopt ~~such~~ :

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

39 2. *Regulations providing for:*

40 (a) *The electronic submission of returns to the Department;*
41 *and*

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



1 **Sec. 77.** NRS 364A.130 is hereby amended to read as follows:
2 364A.130 1. Except as otherwise provided in subsection ~~[6.]~~
3 8, a person shall not conduct a business in this state unless he has a
4 business license issued by the Department.

5 2. The application for a business license must:

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

7 (b) Set forth the name under which the applicant transacts or
8 intends to transact business and the location of his place or places of
9 business;

10 (c) Declare the estimated number of employees for the previous
11 calendar quarter;

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

13 (e) Include any other information that the Department deems
14 necessary.

15 3. The application must be signed by:

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

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

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

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

24 5. *A person who has been issued a business license by the*
25 *Department shall submit a fee of \$100 to the Department on or*
26 *before the last day of the month in which the anniversary date of*
27 *issuance of the business license occurs in each year, unless the*
28 *person submits a written statement to the Department, at least 10*
29 *days before the anniversary date, indicating that the person will*
30 *not be conducting business in this state after the anniversary date.*

31 6. *The business license required to be obtained pursuant to*
32 *this section is in addition to any license to conduct business that*
33 *must be obtained from the local jurisdiction in which the business*
34 *is being conducted.*

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

38 (a) Is incorporated pursuant to chapter 78 or 78A of NRS;

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

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

42 ~~[6.]~~ 8. A person who takes part in a trade show or convention
43 held in this state for a purpose related to the conduct of a business is
44 not required to obtain a business license specifically for that event.



1 **Sec. 78.** NRS 364A.130 is hereby amended to read as follows:
2 364A.130 1. Except as otherwise provided in subsection 8, a
3 person shall not conduct a business in this state unless he has a
4 business license issued by the Department.

5 2. The application for a business license must:

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

7 (b) Set forth the name under which the applicant transacts or
8 intends to transact business and the location of his place or places of
9 business;

10 (c) Declare the estimated number of employees for the previous
11 calendar quarter;

12 (d) Be accompanied by a fee of \$100; and

13 (e) Include any other information that the Department deems
14 necessary.

15 3. The application must be signed by:

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

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

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

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

24 5. A person who has been issued a business license by the
25 Department shall submit a fee of \$100 to the Department on or
26 before the last day of the month in which the anniversary date of
27 issuance of the business license occurs in each year, unless the
28 person submits a written statement to the Department, at least 10
29 days before the anniversary date, indicating that the person will not
30 be conducting business in this state after the anniversary date. *A*
31 *person who fails to submit the annual fee required pursuant to*
32 *this subsection in a timely manner shall pay a penalty in the*
33 *amount of \$75 in addition to the annual fee.*

34 6. The business license required to be obtained pursuant to this
35 section is in addition to any license to conduct business that must be
36 obtained from the local jurisdiction in which the business is being
37 conducted.

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

41 (a) Is incorporated pursuant to chapter 78 or 78A of NRS;

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

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



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

4 **Sec. 79.** NRS 364A.140 is hereby amended to read as follows:

5 364A.140 1. A tax is hereby imposed upon the privilege of
6 conducting business in this state. Except as otherwise provided in
7 this section, the tax for each calendar quarter is due on the last day
8 of the quarter and must be paid on or before the last day of the
9 month immediately following the quarter on the basis of the total
10 number of equivalent full-time employees employed by the business
11 in the quarter.

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

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

30 4. Except as otherwise provided in NRS 364A.152 and
31 364A.170, the amount of tax due for a business for each calendar
32 quarter is ~~[\$25]~~ **\$42.50** for each equivalent full-time employee
33 employed by the business in the quarter.

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

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

44 (b) If the tax is paid annually, a statement of the number of
45 equivalent full-time employees employed by the business for each



1 calendar quarter of the preceding fiscal year and any other
2 information the Department determines is necessary.

3 6. The Commission shall adopt regulations concerning the
4 payment of the tax imposed pursuant to this section by direct
5 deposit.

6 **Sec. 80.** NRS 369.174 is hereby amended to read as follows:

7 369.174 Each month, the State Controller shall transfer to the
8 Tax on Liquor Program Account in the State General Fund, from the
9 tax on liquor containing more than 22 percent of alcohol by volume,
10 the portion of the tax which exceeds ~~[\$1.90]~~ \$3.72 per wine gallon.

11 **Sec. 81.** NRS 369.330 is hereby amended to read as follows:

12 369.330 Except as otherwise provided in this chapter, an excise
13 tax is hereby levied and must be collected respecting all liquor and
14 upon the privilege of importing, possessing, storing or selling liquor,
15 according to the following rates and classifications:

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

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

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

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

26 **Sec. 82.** NRS 369.370 is hereby amended to read as follows:

27 369.370 1. For the privilege of importing, possessing, storing
28 or selling liquors, all licensed importers and manufacturers of liquor
29 in this state shall pay the excise tax imposed and established by this
30 chapter.

31 2. If, after the tax is paid on any such liquor, satisfactory
32 evidence is presented to the Department that the imports have been
33 actually exported and sold outside this state in a manner not in
34 conflict with the law of the place of sale, the Department shall direct
35 that a refund or credit of the tax so paid be made to the taxpayer.
36 The taxpayer shall report all such exports and imports, and pay the
37 tax on the imports monthly, on forms and subject to regulations
38 prescribed by the Department.

39 3. The excise tax imposed by this chapter is due on or before
40 the 20th day of the following month. If all such taxes are paid on or
41 before the 15th day of the following month, a discount in the
42 amount of ~~[3]~~ 0.5 percent of the tax must be allowed to the taxpayer.
43 The Department may, for good cause, extend for not more than 15
44 days after the date the tax is due the time for paying the tax if a
45 request for such an extension of time is received by the Department



1 on or before the date the tax was due. If such an extension is
2 granted, interest accrues from the original date the tax was due.

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

8 **Sec. 83.** NRS 370.165 is hereby amended to read as follows:

9 370.165 There is hereby levied a tax upon the purchase or
10 possession of cigarettes by a consumer in the State of Nevada at the
11 rate of ~~17.5~~ 36 mills per cigarette. The tax may be represented and
12 precollected by the affixing of a revenue stamp or other approved
13 evidence of payment to each package, packet or container in which
14 cigarettes are sold. The tax must be precollected by the wholesale or
15 retail dealer, and must be recovered from the consumer by adding
16 the amount of the tax to the selling price. Each person who sells
17 cigarettes at retail shall prominently display on his premises a notice
18 that the tax is included in the selling price and is payable under the
19 provisions of this chapter.

20 **Sec. 84.** NRS 370.165 is hereby amended to read as follows:

21 370.165 There is hereby levied a tax upon the purchase or
22 possession of cigarettes by a consumer in the State of Nevada at the
23 rate of ~~13.6~~ 50 mills per cigarette. The tax may be represented and
24 precollected by the affixing of a revenue stamp or other approved
25 evidence of payment to each package, packet or container in which
26 cigarettes are sold. The tax must be precollected by the wholesale or
27 retail dealer, and must be recovered from the consumer by adding
28 the amount of the tax to the selling price. Each person who sells
29 cigarettes at retail shall prominently display on his premises a notice
30 that the tax is included in the selling price and is payable under the
31 provisions of this chapter.

32 **Sec. 85.** NRS 370.220 is hereby amended to read as follows:

33 370.220 In the sale of any cigarette revenue stamps or any
34 metered machine settings to a licensed cigarette dealer, the
35 Department and its agents shall allow the purchaser a discount of ~~13~~
36 0.5 percent against the amount of excise tax otherwise due for the
37 services rendered in affixing cigarette revenue stamps or metered
38 machine impressions to the cigarette packages.

39 **Sec. 86.** NRS 370.260 is hereby amended to read as follows:

40 370.260 1. All taxes and license fees imposed by the
41 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
42 granted as provided by law, must be paid to the Department in the
43 form of remittances payable to the Department.

44 2. The Department shall:



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

7 (b) From the remittances made to it pursuant to subsection 1
8 during the preceding month, less the amount transmitted pursuant to
9 paragraph (a), transmit each month the portion of the tax which is
10 equivalent to ~~12.5~~ 31 mills per cigarette to the State Treasurer for
11 deposit to the credit of the Account for the Tax on Cigarettes in the
12 State General Fund.

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

16 (d) Report to the State Controller monthly the amount of
17 collections.

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

23 **Sec. 87.** NRS 370.260 is hereby amended to read as follows:

24 370.260 1. All taxes and license fees imposed by the
25 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
26 granted as provided by law, must be paid to the Department in the
27 form of remittances payable to the Department.

28 2. The Department shall:

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

35 (b) From the remittances made to it pursuant to subsection 1
36 during the preceding month, less the amount transmitted pursuant to
37 paragraph (a), transmit each month the portion of the tax which is
38 equivalent to ~~34~~ 45 mills per cigarette to the State Treasurer for
39 deposit to the credit of the Account for the Tax on Cigarettes in the
40 State General Fund.

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

44 (d) Report to the State Controller monthly the amount of
45 collections.



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

6 **Sec. 88.** NRS 370.350 is hereby amended to read as follows:

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

10 2. The amount of the use tax is ~~17.5~~ 36 mills per cigarette.

11 3. The use tax does not apply where:

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

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

15 **Sec. 89.** NRS 370.350 is hereby amended to read as follows:

16 370.350 1. Except as otherwise provided in subsection 3, a
17 tax is hereby levied and imposed upon the use of cigarettes in this
18 state.

19 2. The amount of the use tax is ~~36~~ 50 mills per cigarette.

20 3. The use tax does not apply where:

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

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

24 **Sec. 90.** NRS 370.450 is hereby amended to read as follows:

25 370.450 1. Except as otherwise provided in subsection 2,
26 there is hereby imposed upon the purchase or possession of products
27 made from tobacco, other than cigarettes, by a customer in this state
28 a tax of 30 percent of the wholesale price of those products.

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

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

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

35 3. This tax must be collected and paid by the wholesale dealer
36 to the Department, in accordance with the provisions of NRS
37 370.465, after the sale or distribution of those products by the
38 wholesale dealer. The wholesale dealer is entitled to retain ~~2~~ 0.5
39 percent of the taxes collected to cover the costs of collecting and
40 administering the taxes ~~if~~ *if the taxes are paid in accordance with*
41 *the provisions of NRS 370.465.*

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



1 **Sec. 91.** NRS 370.490 is hereby amended to read as follows:

2 370.490 1. The Department shall allow a credit of 30 percent
3 of the wholesale price, less a discount of ~~12~~ 0.5 percent for the
4 services rendered in collecting the tax, for products made from
5 tobacco, other than cigarettes, upon which the tax has been paid
6 pursuant to NRS 370.450 and that may no longer be sold. If the
7 products have been purchased and delivered, a credit memo of the
8 manufacturer is required for proof of returned merchandise.

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

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

17 **Sec. 92.** NRS 372.130 is hereby amended to read as follows:

18 372.130 At the time of making an application, the applicant
19 must pay to the Department a permit fee of ~~15~~ \$5 for each permit.

20 **Sec. 93.** NRS 372.140 is hereby amended to read as follows:

21 372.140 A seller whose permit has been previously suspended
22 or revoked must pay the Department a fee of ~~15~~ \$5 for the renewal
23 or issuance of a permit.

24 **Sec. 94.** NRS 372.220 is hereby amended to read as follows:

25 372.220 1. Every retailer who sells tangible personal
26 property for storage, use or other consumption in this state shall
27 register with the Department and give:

28 ~~1~~ (a) The name and address of all agents operating in this
29 state.

30 ~~2~~ (b) The location of all distribution or sales houses or offices
31 or other places of business in this state.

32 ~~3~~ (c) Such other information as the Department may require.

33 2. *Every business that purchases tangible personal property*
34 *for storage, use or other consumption in this state shall, at the*
35 *time he obtains a business license pursuant to NRS 364A.130,*
36 *register with the Department on a form prescribed by the*
37 *Department. As used in this section, "business" has the meaning*
38 *ascribed to it in NRS 364A.020.*

39 **Sec. 95.** NRS 372.370 is hereby amended to read as follows:

40 372.370 ~~The taxpayer shall~~ *If the taxes imposed by this*
41 *chapter are paid in accordance with NRS 372.355, the taxpayer*
42 *may* deduct and withhold from the taxes otherwise due from him
43 ~~1.25~~ 0.5 percent of ~~the~~ *those taxes* to reimburse himself for the
44 cost of collecting the tax.



1 **Sec. 96.** NRS 374.135 is hereby amended to read as follows:
2 374.135 At the time of making an application, the applicant
3 shall pay to the Department a permit fee of ~~[\$1]~~ \$5 for each permit.

4 **Sec. 97.** NRS 374.145 is hereby amended to read as follows:
5 374.145 A seller whose permit has been previously suspended
6 or revoked shall pay the Department a fee of ~~[\$1]~~ \$5 for the renewal
7 or issuance of a permit.

8 **Sec. 98.** NRS 374.375 is hereby amended to read as follows:
9 374.375 ~~[The taxpayer shall]~~ *If the taxes imposed by this*
10 *chapter are paid in accordance with NRS 374.360, the taxpayer*
11 *may deduct and withhold from the taxes otherwise due from him*
12 ~~[1.25]~~ *0.5* percent thereof to reimburse himself for the cost of
13 collecting the tax.

14 **Sec. 99.** Chapter 375 of NRS is hereby amended by adding
15 thereto the provisions set forth as sections 100 and 101 of this act.

16 **Sec. 100. 1.** *In addition to all other taxes imposed on*
17 *transfers of real property, a tax, at the rate of \$1.55 or each \$500*
18 *of value or fraction thereof, is hereby imposed on each deed by*
19 *which any lands, tenements or other realty is granted, assigned,*
20 *transferred or otherwise conveyed to, or vested in, another person,*
21 *if the consideration or value of the interest or property conveyed*
22 *exceeds \$100.*

23 **2.** *The amount of the tax must be computed on the basis of*
24 *the value of the transferred property as declared pursuant to NRS*
25 *375.060.*

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

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

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

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

37 **Sec. 101. 1.** *When requested, the Department shall render*
38 *assistance to the county recorder of a county whose population is*
39 *less than 30,000 relating to the imposition and collection of the tax*
40 *imposed by section 100 of this act.*

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



1 **Sec. 102.** NRS 375.018 is hereby amended to read as follows:
2 375.018 With regard to the administration of ~~{the real property~~
3 ~~transfer tax,}~~ *any tax imposed by this chapter*, the county recorder
4 shall apply the following principles:

5 1. Forms, instructions and regulations governing the
6 computation of the amount of tax due must be brief and easily
7 understood.

8 2. In cases where another authority, such as the United States
9 or this state, also imposes a tax upon the same property or revenue,
10 the mechanism for collecting the tax imposed by the county must be
11 as nearly compatible with the collection of the other taxes as is
12 feasible.

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

17 4. Exemptions or waivers, where permitted by statute, must be
18 granted:

19 (a) Equitably among eligible taxpayers; and

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

22 **Sec. 103.** NRS 375.030 is hereby amended to read as follows:

23 375.030 1. If any deed evidencing a transfer of title subject to
24 the tax imposed by NRS 375.020 ~~{and, if applicable, NRS 375.025,}~~
25 is offered for recordation, the county recorder shall compute the
26 amount of the tax due and shall collect that amount before
27 acceptance of the deed for recordation.

28 2. The buyer and seller are jointly and severally liable for the
29 payment of the taxes imposed by NRS 375.020 ~~{and 375.025}~~ and
30 any penalties and interest imposed pursuant to subsection 3. The
31 escrow holder is not liable for the payment of the taxes imposed by
32 NRS 375.020 ~~{and 375.025}~~ or any penalties or interest imposed
33 pursuant to subsection 3.

34 3. If after recordation of the deed, the county recorder
35 disallows an exemption that was claimed at the time the deed was
36 recorded or through audit or otherwise determines that an additional
37 amount of tax is due, the county recorder shall promptly notify the
38 person who requested the recording of the deed and the buyer and
39 seller of the additional amount of tax due. If the additional amount
40 of tax is not paid within 30 days after the date the buyer and seller
41 are notified, the county recorder shall impose a penalty of 10
42 percent of the additional amount due in addition to interest at the
43 rate of 1 percent per month, or portion thereof, of the additional
44 amount due calculated from the date of the original recordation of
45 the deed on which the additional amount is due through the date on



1 which the additional amount due, penalty and interest are paid to the
2 county recorder.

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

9 **Sec. 104.** NRS 375.030 is hereby amended to read as follows:

10 375.030 1. If any deed evidencing a transfer of title subject to
11 the tax imposed by NRS 375.020 *and section 100 of this act* is
12 offered for recordation, the county recorder shall compute the
13 amount of the tax due and shall collect that amount before
14 acceptance of the deed for recordation.

15 2. The buyer and seller are jointly and severally liable for the
16 payment of the taxes imposed by NRS 375.020 *and section 100 of*
17 *this act* and any penalties and interest imposed pursuant to
18 subsection 3. The escrow holder is not liable for the payment of the
19 taxes imposed by NRS 375.020 *and section 100 of this act* or any
20 penalties or interest imposed pursuant to subsection 3.

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

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

41 **Sec. 105.** NRS 375.070 is hereby amended to read as follows:

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



1 (a) An amount equal to that portion of the proceeds which is
2 equivalent to 10 cents for each \$500 of value or fraction thereof
3 must be transmitted to the State Controller who shall deposit that
4 amount in the Account for Low-Income Housing created pursuant to
5 NRS 319.500.

6 (b) In a county whose population is more than 400,000, an
7 amount equal to that portion of the proceeds which is equivalent to
8 60 cents for each \$500 of value or fraction thereof must be
9 transmitted to the county treasurer for deposit in the county school
10 district's fund for capital projects established pursuant to NRS
11 387.328, to be held and expended in the same manner as other
12 money deposited in that fund.

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

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

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

29 (a) The costs to acquire land and developmental rights;

30 (b) Related predevelopment expenses;

31 (c) The costs to develop the land, including the payment of
32 related rebates;

33 (d) Contributions toward down payments made for the purchase
34 of affordable housing; and

35 (e) The creation of related trust funds.

36 **Sec. 106.** NRS 375.090 is hereby amended to read as follows:

37 375.090 The tax imposed by NRS 375.020 ~~and 375.025~~ does
38 not apply to:

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

43 2. A transfer of title to the United States, any territory or state
44 or any agency, department, instrumentality or political subdivision
45 thereof.



1 3. A transfer of title recognizing the true status of ownership of
2 the real property.

3 4. A transfer of title without consideration from one joint
4 tenant or tenant in common to one or more remaining joint tenants
5 or tenants in common.

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

9 6. A transfer of title between spouses, including gifts.

10 7. A transfer of title between spouses to effect a property
11 settlement agreement or between former spouses in compliance with
12 a decree of divorce.

13 8. A transfer of title to or from a trust, if the transfer is made
14 without consideration, and is made to or from:

15 (a) The trustor of the trust;

16 (b) The trustor's legal representative; or

17 (c) A person related to the trustor in the first degree of
18 consanguinity.

19 As used in this subsection, "legal representative" has the meaning
20 ascribed to it in NRS 167.020.

21 9. Transfers, assignments or conveyances of unpatented mines
22 or mining claims.

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

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

30 12. The making, delivery or filing of conveyances of real
31 property to make effective any plan of reorganization or adjustment:

32 (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.
33 §§ 101 et seq.;

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

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

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

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



1 the transfer or conveyance is necessary or appropriate to effectuate
2 the provisions of section 11 of the Public Utility Holding Company
3 Act of 1935, 15 U.S.C. § 79k;

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

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

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

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

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

18 **Sec. 107.** NRS 375.090 is hereby amended to read as follows:

19 375.090 The ~~tax~~ *taxes* imposed by NRS 375.020 ~~does~~ *and*
20 *section 100 of this act do* not apply to:

21 1. A mere change in ~~identity, form or place of organization,~~
22 ~~such as a transfer between a corporation and its parent corporation, a~~
23 ~~subsidiary or an affiliated corporation if the affiliated corporation~~
24 ~~has identical common ownership.]~~ *the name of the owner of the*
25 *property without a change in the ownership interest of the*
26 *property.*

27 2. A transfer of title to the United States, any territory or state
28 or any agency, department, instrumentality or political subdivision
29 thereof.

30 3. A transfer of title recognizing the true status of ownership of
31 the real property.

32 4. A transfer of title without consideration from one joint
33 tenant or tenant in common to one or more remaining joint tenants
34 or tenants in common.

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

38 ~~—6.]~~ A transfer of title between spouses, including gifts ~~[~~
39 ~~—7. A transfer of title between spouses]~~ *, or* to effect a property
40 settlement agreement or between former spouses in compliance with
41 a decree of divorce.

42 ~~[8.]~~ 6. A transfer of title to or from a trust ~~[, if the transfer is~~
43 ~~made]~~ without consideration ~~[, and is made to or from:~~

44 ~~—(a) The trustor of the trust;~~

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



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

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

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

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

8 ~~{10. A transfer, assignment or other conveyance of real~~
9 ~~property to a corporation or other business organization if the person~~
10 ~~conveying the property owns 100 percent of the corporation or~~
11 ~~organization to which the conveyance is made.~~

12 ~~—11.] 8.~~ A transfer, assignment or other conveyance of real
13 property if the owner of the property is related to the person to
14 whom it is conveyed within the first degree of consanguinity.

15 ~~{12.] 9.~~ The making, delivery or filing of conveyances of real
16 property to make effective any plan of reorganization or adjustment:

17 (a) Confirmed under the Bankruptcy Act, as amended, 11 U.S.C.
18 §§ 101 et seq.;

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

21 (c) Approved in an equity receivership proceeding involving a
22 corporation, as defined in the Bankruptcy Act,
23 if the making, delivery or filing of instruments of transfer or
24 conveyance occurs within 5 years after the date of the confirmation,
25 approval or change.

26 ~~{13.] 10.~~ The making or delivery of conveyances of real
27 property to make effective any order of the Securities and Exchange
28 Commission if:

29 (a) The order of the Securities and Exchange Commission in
30 obedience to which the transfer or conveyance is made recites that
31 the transfer or conveyance is necessary or appropriate to effectuate
32 the provisions of section 11 of the Public Utility Holding Company
33 Act of 1935, 15 U.S.C. § 79k;

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

36 (c) The transfer or conveyance is made in obedience to the
37 order.

38 ~~{14. A transfer to an educational foundation. As used in this~~
39 ~~subsection, “educational foundation” has the meaning ascribed to it~~
40 ~~in subsection 3 of NRS 388.750.~~

41 ~~—15. A transfer to a university foundation. As used in this~~
42 ~~subsection, “university foundation” has the meaning ascribed to it in~~
43 ~~subsection 3 of NRS 396.405.~~

44 ~~—16. A transfer, assignment or other conveyance of real property~~
45 ~~to a corporation sole from another corporation sole. As used in this~~



1 ~~subsection, “corporation sole” means a corporation which is~~
2 ~~organized pursuant to the provisions of chapter 84 of NRS.]~~

3 **Sec. 108.** NRS 375.120 is hereby amended to read as follows:

4 375.120 The county recorder shall:

5 1. Conduct and apply audits and other procedures for
6 enforcement as uniformly as is feasible.

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

10 **Sec. 109.** NRS 375.130 is hereby amended to read as follows:

11 375.130 1. The county recorder may audit all records relating
12 to the collection and calculation of ~~[the real property transfer tax.]~~
13 *any tax imposed by this chapter*. If the county recorder deems it
14 necessary to conduct an audit, the audit must be completed within 3
15 years after the date of the original recording of the document that
16 evidences the transfer of property for which the tax was imposed.

17 2. The county recorder may issue subpoenas to require the
18 production of documents necessary for him to determine the amount
19 of ~~[real property transfer]~~ *the* tax due pursuant to this chapter or to
20 determine whether a person qualifies for an exemption from taxes
21 pursuant to this chapter. The county recorder may have the
22 subpoenas served, and upon application of the district attorney, to
23 any court of competent jurisdiction, enforced in the manner
24 provided by law for the service and enforcement of subpoenas in a
25 civil action.

26 **Sec. 110.** NRS 375.160 is hereby amended to read as follows:

27 375.160 1. If any ~~[real property transfer]~~ tax imposed
28 pursuant to this chapter is not paid when due, the county may,
29 within 3 years after the date that the tax was due, record a certificate
30 in the office of the county recorder which states:

31 (a) The amount of the ~~[real property transfer]~~ tax and any
32 interest or penalties due;

33 (b) The name and address of the person who is liable for the
34 amount due as they appear on the records of the county; and

35 (c) That the county recorder has complied with all procedures
36 required by law for determining the amount due.

37 2. From the time of the recording of the certificate, the amount
38 due, including interest and penalties, constitutes:

39 (a) A lien upon the real property for which the tax was due if the
40 person who owes the tax still owns the property; or

41 (b) A demand for payment if the property has been sold or
42 otherwise transferred to another person.

43 3. The lien has the effect and priority of a judgment lien and
44 continues for 5 years after the time of the recording of the certificate
45 unless sooner released or otherwise discharged.



1 4. Within 5 years after the date of recording the certificate or
2 within 5 years after the date of the last extension of the lien pursuant
3 to this subsection, the lien may be extended by recording a new
4 certificate in the office of the county recorder. From the time of
5 recording the new certificate, the lien is extended for 5 years, unless
6 sooner released or otherwise discharged.

7 **Sec. 111.** NRS 375.170 is hereby amended to read as follows:

8 375.170 1. If a person is delinquent in the payment of ~~the~~
9 ~~real property transfer~~ any tax *imposed by this chapter* or has not
10 paid the amount of a deficiency determination, the county may bring
11 an action in a court of this state, a court of any other state or a court
12 of the United States that has competent jurisdiction to collect the
13 delinquent or deficient amount, penalties and interest. The action:

14 (a) May not be brought if the decision that the payment is
15 delinquent or that there is a deficiency determination is on appeal to
16 a hearing officer pursuant to NRS 375.320.

17 (b) Must be brought not later than 3 years after the payment
18 became delinquent or the determination became final.

19 2. The district attorney shall prosecute the action. The
20 provisions of the Nevada Revised Statutes, Nevada Rules of Civil
21 Procedure and Nevada Rules of Appellate Procedure relating to
22 service of summons, pleadings, proofs, trials and appeals are
23 applicable to the proceedings. In the action, a writ of attachment
24 may issue. A bond or affidavit is not required before an attachment
25 may be issued.

26 3. In an action, a certificate by the county recorder showing the
27 delinquency is prima facie evidence of:

28 (a) The determination of the tax or the amount of the tax;

29 (b) The delinquency of the amounts; and

30 (c) The compliance by the county recorder with all the
31 procedures required by law relating to the computation and
32 determination of the amounts.

33 **Sec. 112.** NRS 375.250 is hereby amended to read as follows:

34 375.250 1. The Legislature hereby declares that each
35 taxpayer has the right:

36 (a) To be treated by officers and employees of the county
37 recorder with courtesy, fairness, uniformity, consistency and
38 common sense.

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

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

44 (d) To be notified, in writing, by the county recorder whenever
45 an officer or employee of the county recorder determines that the



1 taxpayer is entitled to an exemption or has been taxed more than is
2 required pursuant to this chapter.

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

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

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

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

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

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

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

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

24 (i) To a full explanation of the authority of the county recorder
25 to collect the ~~real property transfer~~ tax or to collect a delinquent
26 ~~real property transfer~~ tax, including, without limitation, the
27 procedures and notices for review and appeal that are required for
28 the protection of the taxpayer. An explanation which meets the
29 requirements of this section must also be included with each notice
30 to a taxpayer that an audit will be conducted by the county.

31 (j) To the immediate release of any lien which the county
32 recorder has placed on real property for the nonpayment of ~~the real~~
33 ~~property transfer~~ a tax when:

34 (1) The tax is paid;

35 (2) The period of limitation for collecting the tax expires;

36 (3) The lien is the result of an error by the county recorder;

37 (4) The county recorder determines that the taxes, interest
38 and penalties are secured sufficiently by a lien on other real
39 property;

40 (5) The release or subordination of the lien will not
41 jeopardize the collection of the taxes, interest and penalties; or

42 (6) The release of the lien will facilitate the collection of the
43 taxes, interest and penalties.

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



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

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

7 **Sec. 113.** NRS 375.270 is hereby amended to read as follows:

8 375.270 The county recorder shall provide each taxpayer who
9 it determines may be liable for taxes pursuant to this chapter with
10 simplified written instructions concerning the rights and
11 responsibilities of the taxpayer, including the:

12 1. Keeping of records sufficient for audit purposes;

13 2. Procedures for paying ~~{the real property transfer tax;}~~ *any*
14 *taxes that are due;* and

15 3. Procedures for challenging any liability for ~~{real property~~
16 ~~transfer}~~ *any* tax, penalties or interest and for requesting refunds of
17 *any* erroneously paid ~~{real property transfer}~~ tax, including the steps
18 for appealing a denial thereof.

19 **Sec. 114.** NRS 375.290 is hereby amended to read as follows:

20 375.290 A taxpayer is entitled to receive on any overpayment
21 of ~~{the real property transfer}~~ *any* tax *imposed by this chapter* a
22 refund together with interest at a rate determined pursuant to NRS
23 17.130. No interest is allowed on a refund of any penalties or
24 interest on the ~~{real property transfer}~~ tax that is paid by a taxpayer.

25 **Sec. 115.** NRS 375.300 is hereby amended to read as follows:

26 375.300 The county recorder shall provide a taxpayer with a
27 response to any written request submitted by the taxpayer that
28 relates to a ~~{real property transfer}~~ tax *imposed by this chapter*
29 within 30 days after the county treasurer receives the request.

30 **Sec. 116.** NRS 375.330 is hereby amended to read as follows:

31 375.330 1. The county recorder may waive any ~~{real property~~
32 ~~transfer}~~ tax, penalty and interest owed by the taxpayer *pursuant to*
33 *this chapter, other than the tax imposed by section 100 of this act,*
34 if the taxpayer meets the criteria adopted by regulation. If a waiver
35 is granted pursuant to this subsection, the county shall prepare and
36 maintain on file a statement that contains:

37 (a) The reason for the waiver;

38 (b) The amount of the tax, penalty and interest owed by the
39 taxpayer; and

40 (c) The amount of the tax, penalty and interest waived by the
41 county.

42 2. If the county recorder or a designated hearing officer finds
43 that the failure of a person to make a timely payment of ~~{the real~~
44 ~~property transfer}~~ *any* tax imposed is the result of circumstances
45 beyond his control and occurred despite the exercise of ordinary



1 care and without intent to avoid such payment, the county recorder
2 may relieve him of all or part of any interest or penalty, or both.

3 3. If a person proves to the satisfaction of the county recorder
4 that he has in good faith remitted the ~~real property transfer~~ tax in
5 reliance upon written advice provided by an officer or employee of
6 the county recorder, an opinion of the district attorney or Attorney
7 General, or the written results of an audit of his records conducted
8 by the county recorder, the county recorder may not require the
9 taxpayer to pay delinquent taxes, penalties or interest if the county
10 recorder determines after the completion of a subsequent audit that
11 the taxes the taxpayer remitted were deficient.

12 **Sec. 117.** NRS 376A.040 is hereby amended to read as
13 follows:

14 376A.040 1. In addition to all other taxes imposed on the
15 revenues from retail sales, a board of county commissioners of a
16 county whose population is less than 400,000 may by ordinance, but
17 not as in a case of emergency, impose a tax at the rate of up to 1/4 of
18 1 percent of the gross receipts of any retailer from the sale of all
19 tangible personal property sold at retail, or stored, used or otherwise
20 consumed in the county, after receiving the approval of a majority
21 of the registered voters of the county voting on the question at a
22 primary, general or special election. The question may be combined
23 with questions submitted pursuant to ~~NRS 375.025, 376A.050 and~~
24 ~~376A.070 or any combination thereof.~~ **376A.050 or 376A.070, or**
25 **both.**

26 2. If a county imposes a sales tax pursuant to this section and
27 NRS 376A.050, the combined additional sales tax must not exceed
28 1/4 of 1 percent. A tax imposed pursuant to this section applies
29 throughout the county, including incorporated cities in the county.

30 3. Before the election may occur, an open-space plan must be
31 adopted by the board of county commissioners pursuant to NRS
32 376A.020 and the adopted open-space plan must be endorsed by
33 resolution by the city council of each incorporated city within the
34 county.

35 4. All fees, taxes, interest and penalties imposed and all
36 amounts of tax required to be paid pursuant to this section must be
37 paid to the Department of Taxation in the form of remittances
38 payable to the Department of Taxation. The Department of Taxation
39 shall deposit the payments with the State Treasurer for credit to the
40 Sales and Use Tax Account in the State General Fund. The State
41 Controller, acting upon the collection data furnished by the
42 Department of Taxation, shall transfer monthly all fees, taxes,
43 interest and penalties collected during the preceding month to the
44 Intergovernmental Fund and remit the money to the county
45 treasurer.



1 5. The money received from the tax imposed pursuant to
2 subsection 4 must be retained by the county, or remitted to a city or
3 general improvement district in the county. The money received by
4 a county, city or general improvement district pursuant to this
5 section must only be used to pay the cost of:

6 (a) The acquisition of land in fee simple for development and
7 use as open-space land;

8 (b) The acquisition of the development rights of land identified
9 as open-space land;

10 (c) The creation of a trust fund for the acquisition of land or
11 development rights of land pursuant to paragraphs (a) and (b);

12 (d) The principal and interest on notes, bonds or other
13 obligations issued by the county, city or general improvement
14 district for the acquisition of land or development rights of land
15 pursuant to paragraphs (a) and (b); or

16 (e) Any combination of the uses set forth in paragraphs (a) to
17 (d), inclusive.

18 6. The money received from the tax imposed pursuant to this
19 section and any applicable penalty or interest must not be used for
20 any neighborhood or community park or facility.

21 7. Any money used for the purposes described in this section
22 must be used in a manner:

23 (a) That is consistent with the provisions of the open-space plan
24 adopted pursuant to NRS 376A.020; and

25 (b) That provides an equitable allocation of the money among
26 the county and the incorporated cities within the county.

27 **Sec. 118.** NRS 376A.040 is hereby amended to read as
28 follows:

29 376A.040 1. In addition to all other taxes imposed on the
30 revenues from retail sales, a board of county commissioners of a
31 county whose population is 100,000 or more but less than 400,000,
32 may by ordinance, but not as in a case of emergency, impose a tax at
33 the rate of up to 1/4 of 1 percent of the gross receipts of any retailer
34 from the sale of all tangible personal property sold at retail, or
35 stored, used or otherwise consumed in the county, after receiving
36 the approval of a majority of the registered voters of the county
37 voting on the question at a primary, general or special election. The
38 question may be combined with questions submitted pursuant to
39 NRS ~~{375.025, 376A.050 and 376A.070 or any combination~~
40 ~~thereof.}~~ **376A.050 or 376A.070, or both.**

41 2. If a county imposes a sales tax pursuant to this section and
42 NRS 376A.050, the combined additional sales tax must not exceed
43 1/4 of 1 percent. A tax imposed pursuant to this section applies
44 throughout the county, including incorporated cities in the county.



1 3. Before the election may occur, an open-space plan must be
2 adopted by the board of county commissioners pursuant to NRS
3 376A.020 and the adopted open-space plan must be endorsed by
4 resolution by the city council of each incorporated city within the
5 county.

6 4. All fees, taxes, interest and penalties imposed and all
7 amounts of tax required to be paid pursuant to this section must be
8 paid to the Department of Taxation in the form of remittances
9 payable to the Department of Taxation. The Department of Taxation
10 shall deposit the payments with the State Treasurer for credit to the
11 Sales and Use Tax Account in the State General Fund. The State
12 Controller, acting upon the collection data furnished by the
13 Department of Taxation, shall transfer monthly all fees, taxes,
14 interest and penalties collected during the preceding month to the
15 Intergovernmental Fund and remit the money to the county
16 treasurer.

17 5. The money received from the tax imposed pursuant to
18 subsection 4 must be retained by the county, or remitted to a city or
19 general improvement district in the county. The money received by
20 a county, city or general improvement district pursuant to this
21 section must only be used to pay the cost of:

22 (a) The acquisition of land in fee simple for development and
23 use as open-space land;

24 (b) The acquisition of the development rights of land identified
25 as open-space land;

26 (c) The creation of a trust fund for the acquisition of land or
27 development rights of land pursuant to paragraphs (a) and (b);

28 (d) The principal and interest on notes, bonds or other
29 obligations issued by the county, city or general improvement
30 district for the acquisition of land or development rights of land
31 pursuant to paragraphs (a) and (b); or

32 (e) Any combination of the uses set forth in paragraphs (a) to
33 (d), inclusive.

34 6. The money received from the tax imposed pursuant to this
35 section and any applicable penalty or interest must not be used for
36 any neighborhood or community park or facility.

37 7. Any money used for the purposes described in this section
38 must be used in a manner:

39 (a) That is consistent with the provisions of the open-space plan
40 adopted pursuant to NRS 376A.020; and

41 (b) That provides an equitable allocation of the money among
42 the county and the incorporated cities within the county.



1 **Sec. 119.** NRS 376A.050 is hereby amended to read as
2 follows:

3 376A.050 1. Except as otherwise provided in subsection 2, in
4 addition to all other taxes imposed on the revenues from retail sales,
5 a board of county commissioners in each county whose population
6 is less than 400,000 may by ordinance, but not as in a case of
7 emergency, impose a tax at the rate of up to 1/4 of 1 percent of the
8 gross receipts of any retailer from the sale of all tangible personal
9 property sold at retail, or stored, used or otherwise consumed in the
10 county, after receiving the approval of a majority of the registered
11 voters of the county voting on the question at a primary, general or
12 special election. The question may be combined with questions
13 submitted pursuant to NRS ~~[375.025, 376A.040 and 376A.070 or~~
14 ~~any combination thereof.] 376A.040 or 376A.070, or both.~~

15 2. If a county imposes a sales tax pursuant to this section and
16 NRS 376A.040, the combined additional sales tax must not exceed
17 1/4 of 1 percent. A tax imposed pursuant to this section applies
18 throughout the county, including incorporated cities in the county.

19 3. Before the election occurs, an open-space plan must be
20 adopted by the board of county commissioners pursuant to NRS
21 376A.020 and the adopted open-space plan must be endorsed by
22 resolution by the city council of each incorporated city in the
23 county.

24 4. All fees, taxes, interest and penalties imposed and all
25 amounts of tax required to be paid pursuant to this section must be
26 paid to the Department of Taxation in the form of remittances
27 payable to the Department of Taxation. The Department of Taxation
28 shall deposit the payments with the State Treasurer for credit to the
29 Sales and Use Tax Account in the State General Fund. The State
30 Controller, acting upon the collection data furnished by the
31 Department of Taxation, shall transfer monthly all fees, taxes,
32 interest and penalties collected during the preceding month to the
33 Intergovernmental Fund and remit the money to the county
34 treasurer.

35 **Sec. 120.** NRS 376A.050 is hereby amended to read as
36 follows:

37 376A.050 1. Except as otherwise provided in subsection 2, in
38 addition to all other taxes imposed on the revenues from retail sales,
39 a board of county commissioners in each county whose population
40 is 100,000 or more but less than 400,000, may by ordinance, but not
41 as in a case of emergency, impose a tax at the rate of up to 1/4 of 1
42 percent of the gross receipts of any retailer from the sale of all
43 tangible personal property sold at retail, or stored, used or otherwise
44 consumed in the county, after receiving the approval of a majority
45 of the registered voters of the county voting on the question at a



1 primary, general or special election. The question may be combined
2 with questions submitted pursuant to NRS ~~[375.025, 376A.040 and~~
3 ~~376A.070 or any combination thereof.] 376A.040 or 376A.070, or~~
4 ~~both.~~

5 2. If a county imposes a sales tax pursuant to this section and
6 NRS 376A.040, the combined additional sales tax must not exceed
7 1/4 of 1 percent. A tax imposed pursuant to this section applies
8 throughout the county, including incorporated cities in the county.

9 3. Before the election occurs, an open-space plan must be
10 adopted by the board of county commissioners pursuant to NRS
11 376A.020 and the adopted open-space plan must be endorsed by
12 resolution by the city council of each incorporated city in the
13 county.

14 4. All fees, taxes, interest and penalties imposed and all
15 amounts of tax required to be paid pursuant to this section must be
16 paid to the Department of Taxation in the form of remittances
17 payable to the Department of Taxation. The Department of Taxation
18 shall deposit the payments with the State Treasurer for credit to the
19 Sales and Use Tax Account in the State General Fund. The State
20 Controller, acting upon the collection data furnished by the
21 Department of Taxation, shall transfer monthly all fees, taxes,
22 interest and penalties collected during the preceding month to the
23 Intergovernmental Fund and remit the money to the county
24 treasurer.

25 **Sec. 121.** NRS 376A.070 is hereby amended to read as
26 follows:

27 376A.070 1. The board of county commissioners in a county
28 whose population is less than 400,000 may levy an ad valorem tax at
29 the rate of up to 1 cent on each \$100 of assessed valuation upon all
30 taxable property in the county after receiving the approval of a
31 majority of the registered voters of the county voting on the question
32 at a primary, general or special election. The question may be
33 combined with questions submitted pursuant to NRS ~~[375.025,~~
34 ~~376A.040 and 376A.050 or any combination thereof.] 376A.040 or~~
35 ~~376A.050, or both.~~ A tax imposed pursuant to this section applies
36 throughout the county, including incorporated cities in the county.

37 2. The Department of Taxation shall add an amount equal to
38 the rate of any tax imposed pursuant to this section multiplied by the
39 total assessed valuation of the county to the allowed revenue from
40 taxes ad valorem of the county.

41 3. Before the tax is imposed, an open-space plan must be
42 adopted by the board of county commissioners pursuant to NRS
43 376A.020 and the adopted open-space plan must be endorsed by
44 resolution by the city council of each incorporated city within the
45 county.



1 **Sec. 122.** NRS 376A.070 is hereby amended to read as
2 follows:

3 376A.070 1. The board of county commissioners in a county
4 whose population is 100,000 or more but less than 400,000, may
5 levy an ad valorem tax at the rate of up to 1 cent on each \$100 of
6 assessed valuation upon all taxable property in the county after
7 receiving the approval of a majority of the registered voters of the
8 county voting on the question at a primary, general or special
9 election. The question may be combined with questions submitted
10 pursuant to NRS ~~[375.025, 376A.040 and 376A.050 or any~~
11 ~~combination thereof.] 376A.040 or 376A.050, or both.~~ A tax
12 imposed pursuant to this section applies throughout the county,
13 including incorporated cities in the county.

14 2. The Department of Taxation shall add an amount equal to
15 the rate of any tax imposed pursuant to this section multiplied by the
16 total assessed valuation of the county to the allowed revenue from
17 taxes ad valorem of the county.

18 3. Before the tax is imposed, an open-space plan must be
19 adopted by the board of county commissioners pursuant to NRS
20 376A.020 and the adopted open-space plan must be endorsed by
21 resolution by the city council of each incorporated city within the
22 county.

23 **Sec. 123.** Chapter 218 of NRS is hereby amended by adding
24 thereto the provisions set forth as sections 148 to 153, inclusive, of
25 this act.

26 **Sec. 124.** *As used in sections 124 to 128, inclusive, of this*
27 *act, "Committee" means the Legislative Committee on Taxation,*
28 *Public Revenue and Tax Policy.*

29 **Sec. 125.** *1. There is hereby established a Legislative*
30 *Committee on Taxation, Public Revenue and Tax Policy*
31 *consisting of:*

32 *(a) The Speaker of the Assembly, or a member of the Assembly*
33 *designated by the Speaker of the Assembly;*

34 *(b) The Minority Leader of the Assembly, or a member of the*
35 *Assembly designated by the Minority Leader of the Assembly;*

36 *(c) The Majority Leader of the Senate, or a member of the*
37 *Senate designated by the Majority Leader of the Senate;*

38 *(d) The Minority Leader of the Senate, or a member of the*
39 *Senate designated by the Minority Leader of the Senate;*

40 *(e) Two members appointed by the Speaker of the Assembly*
41 *who were members of the Assembly Committee on Taxation*
42 *during the immediately preceding legislative session; and*

43 *(f) Two members appointed by the Majority Leader of the*
44 *Senate who were members of the Senate Committee on Taxation*
45 *during the immediately preceding legislative session.*



1 2. *The members of the Committee shall elect a Chairman and*
2 *Vice Chairman from among their members. The Chairman must*
3 *be elected from one house of the Legislature and the Vice*
4 *Chairman from the other house. After the initial election of a*
5 *Chairman and Vice Chairman, each of those officers holds office*
6 *for a term of 2 years commencing on July 1 of each odd-numbered*
7 *year. If a vacancy occurs in the Chairmanship or Vice*
8 *Chairmanship, the members of the Committee shall elect a*
9 *replacement for the remainder of the unexpired term.*

10 3. *Any member of the Committee who is not a candidate for*
11 *reelection or who is defeated for reelection continues to serve until*
12 *the convening of the next session of the Legislature.*

13 4. *Vacancies on the Committee must be filled in the same*
14 *manner as the original appointments.*

15 **Sec. 126.** 1. *The members of the Committee shall meet*
16 *throughout each year at the times and places specified by a call of*
17 *the Chairman or a majority of the Committee.*

18 2. *The Director of the Legislative Counsel Bureau or his*
19 *designee shall act as the nonvoting recording Secretary.*

20 3. *The Committee shall prescribe regulations for its own*
21 *management and government.*

22 4. *Except as otherwise provided in subsection 5, five voting*
23 *members of the Committee constitute a quorum.*

24 5. *Any recommended legislation proposed by the Committee*
25 *must be approved by a majority of the members of the Senate and*
26 *by a majority of the members of the Assembly serving on the*
27 *Committee.*

28 6. *Except during a regular or special session of the*
29 *Legislature, the members of the Committee are entitled to receive*
30 *the compensation provided for a majority of the members of the*
31 *Legislature during the first 60 days of the preceding regular*
32 *session, the per diem allowance provided for state officers and*
33 *employees generally and the travel expenses provided pursuant to*
34 *NRS 218.2207 for each day or portion of a day of attendance at a*
35 *meeting of the Committee and while engaged in the business of*
36 *the Committee. The salaries and expenses paid pursuant to this*
37 *subsection and the expenses of the Committee must be paid from*
38 *the Legislative Fund.*

39 **Sec. 127.** *The Committee may:*

40 1. *Review and study:*

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



- 1 **(b) The implementation of any taxes, fees and other methods**
2 **for generating public revenue in this state;**
- 3 **(c) The impact of any changes to taxes, fees and other methods**
4 **for generating public revenue that result from legislation enacted**
5 **by the Legislature on the residents of this state and on the**
6 **businesses located in this state, doing business in this state or**
7 **considering locating in this state;**
- 8 **(d) The fiscal effects of any taxes, fees and other methods for**
9 **generating public revenue;**
- 10 **(e) Broad issues of tax policy and fiscal policy relevant to the**
11 **future of the State of Nevada; and**
- 12 **(f) Any other issues related to taxation, the generation of**
13 **public revenue, tax policy or fiscal policy which affect this state.**
- 14 **2. Conduct investigations and hold hearings in connection**
15 **with its powers pursuant to this section.**
- 16 **3. Contract with one or more consultants to obtain technical**
17 **advice concerning its review and study.**
- 18 **4. Apply for any available grants and accept any gifts, grants**
19 **or donations and use any such gifts, grants or donations to aid the**
20 **Committee in exercising its powers pursuant to this section.**
- 21 **5. Request that the Legislative Counsel Bureau assist in the**
22 **research, investigations, hearings, studies and reviews of the**
23 **Committee.**
- 24 **6. Recommend to the Legislature, as a result of its review and**
25 **study, any appropriate legislation.**
- 26 **Sec. 128. 1. If the Committee conducts investigations or**
27 **holds hearings pursuant to subsection 2 of section 127 of this act:**
- 28 **(a) The Secretary of the Committee or, in his absence, a**
29 **member designated by the Committee may administer oaths;**
- 30 **(b) The Secretary or Chairman of the Committee may cause**
31 **the deposition of witnesses, residing either within or outside of this**
32 **state, to be taken in the manner prescribed by rule of court for**
33 **taking depositions in civil actions in the district courts; and**
- 34 **(c) The Chairman of the Committee may issue subpoenas to**
35 **compel the attendance of witnesses and the production of books**
36 **and papers.**
- 37 **2. If a witness refuses to attend or testify or produce books or**
38 **papers as required by the subpoena, the Chairman of the**
39 **Committee may report to the district court by a petition which sets**
40 **forth that:**
- 41 **(a) Due notice has been given of the time and place of**
42 **attendance of the witness or the production of the books or papers;**
- 43 **(b) The witness has been subpoenaed by the Committee**
44 **pursuant to this section; and**



1 (c) *The witness has failed or refused to attend or produce the*
2 *books or papers required by the subpoena before the Committee*
3 *that is named in the subpoena, or has refused to answer questions*
4 *propounded to him.*

5 *The petition may request an order of the court compelling the*
6 *witness to attend and testify or produce the books and papers*
7 *before the Committee.*

8 3. *Upon such a petition, the court shall enter an order*
9 *directing the witness to appear before the court at a time and place*
10 *to be fixed by the court in its order, the time to be not more than*
11 *10 days after the date of the order, and to show cause why he has*
12 *not attended or testified or produced the books or papers before*
13 *the Committee. A certified copy of the order must be served upon*
14 *the witness.*

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

20 **Sec. 129.** *Each witness who appears before the Committee by*
21 *its order, except a state officer or employee, is entitled to receive*
22 *for his attendance the fees and mileage provided for witnesses in*
23 *civil cases in the courts of record of this state. The fees and*
24 *mileage must be audited and paid upon the presentation of proper*
25 *claims sworn to by the witness and approved by the Secretary and*
26 *Chairman of the Committee.*

27 **Sec. 130.** NRS 218.53883 is hereby amended to read as
28 follows:

29 218.53883 1. The Committee shall:

30 (a) Review the laws relating to *the exemptions from and* the
31 distribution of revenue generated by state and local taxes. In
32 conducting the review, the Committee ~~may~~ :

33 (1) *May* consider the purposes for which the various state
34 and local taxes were imposed, the actual use of the revenue
35 collected from the various state and local taxes, and any relief to the
36 taxpayers from the burden of the various state and local taxes that
37 may result from any possible recommendations of the Committee.

38 (2) *Shall consider the purposes for which various*
39 *exemptions from those taxes were adopted, whether any of those*
40 *exemptions have become obsolete or no longer serve their*
41 *intended purpose, and whether any of those exemptions should be*
42 *repealed.*

43 (b) Study whether removing the authority of the Board of
44 County Commissioners of Washoe County to impose a certain



1 additional governmental services tax is a prudent act which is in the
2 best interests of this state.

3 2. In conducting its review of the laws relating to *the*
4 *exemptions from and* the distribution of revenue generated by state
5 and local taxes, the Committee may review:

6 (a) The *exemptions and* distribution of the revenue from:

7 (1) The local school support tax imposed by chapter 374 of
8 NRS;

9 (2) The tax on aviation fuel and motor vehicle fuel imposed
10 by or pursuant to chapter 365 of NRS;

11 (3) The tax on intoxicating liquor imposed by chapter 369 of
12 NRS;

13 (4) The tax on fuel imposed pursuant to chapter 373 of NRS;

14 (5) The tax on tobacco imposed by chapter 370 of NRS;

15 (6) The governmental services tax imposed by or pursuant to
16 chapter 371 of NRS;

17 (7) The tax imposed on gaming licensees by or pursuant to
18 chapter 463 of NRS;

19 (8) Property taxes imposed pursuant to chapter 361 of NRS;

20 (9) The tax on the transfer of real property imposed by or
21 pursuant to chapter 375 of NRS; and

22 (10) Any other state or local tax.

23 (b) The proper crediting of gasoline tax revenue if the collection
24 is moved to the terminal rack level.

25 3. The Committee may:

26 (a) Conduct investigations and hold hearings in connection with
27 its review and study;

28 (b) Contract with one or more consultants to obtain technical
29 advice concerning the study conducted pursuant to NRS 218.53884;

30 (c) Apply for any available grants and accept any gifts, grants or
31 donations and use any such gifts, grants or donations to aid the
32 committee in carrying out its duties pursuant to this chapter;

33 (d) Direct the Legislative Counsel Bureau to assist in its
34 research, investigations, review and study; and

35 (e) Recommend to the Legislature, as a result of its review and
36 study, any appropriate legislation.

37 **Sec. 131.** (Deleted.)

38 **Sec. 132.** (Deleted.)

39 **Sec. 133.** NRS 233B.039 is hereby amended to read as
40 follows:

41 233B.039 1. The following agencies are entirely exempted
42 from the requirements of this chapter:

43 (a) The Governor.

44 (b) The Department of Corrections.

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



- 1 (d) The Office of the Military.
2 (e) ~~[The]~~ *Except as otherwise provided in section 48 of this act,*
3 *the* State Gaming Control Board.
4 (f) The Nevada Gaming Commission.
5 (g) The Welfare Division of the Department of Human
6 Resources.
7 (h) The Division of Health Care Financing and Policy of the
8 Department of Human Resources.
9 (i) The State Board of Examiners acting pursuant to chapter 217
10 of NRS.
11 (j) Except as otherwise provided in NRS 533.365, the Office of
12 the State Engineer.
13 (k) The Division of Industrial Relations of the Department of
14 Business and Industry acting to enforce the provisions of NRS
15 618.375.
16 (l) The Administrator of the Division of Industrial Relations of
17 the Department of Business and Industry in establishing and
18 adjusting the schedule of fees and charges for accident benefits
19 pursuant to subsection 2 of NRS 616C.260.
20 (m) The Board to Review Claims in adopting resolutions to
21 carry out its duties pursuant to NRS 590.830.
22 2. Except as otherwise provided in subsection 5 and NRS
23 391.323, the Department of Education, the Board of the Public
24 Employees' Benefits Program and the Commission on Professional
25 Standards in Education are subject to the provisions of this chapter
26 for the purpose of adopting regulations but not with respect to any
27 contested case.
28 3. The special provisions of:
29 (a) Chapter 612 of NRS for the distribution of regulations by
30 and the judicial review of decisions of the Employment Security
31 Division of the Department of Employment, Training and
32 Rehabilitation;
33 (b) Chapters 616A to 617, inclusive, of NRS for the
34 determination of contested claims;
35 (c) Chapter 703 of NRS for the judicial review of decisions of
36 the Public Utilities Commission of Nevada;
37 (d) Chapter 91 of NRS for the judicial review of decisions of the
38 Administrator of the Securities Division of the Office of the
39 Secretary of State; and
40 (e) NRS 90.800 for the use of summary orders in contested
41 cases,
42 prevail over the general provisions of this chapter.
43 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and
44 233B.126 do not apply to the Department of Human Resources in



1 the adjudication of contested cases involving the issuance of letters
2 of approval for health facilities and agencies.

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

4 (a) Any order for immediate action, including, but not limited
5 to, quarantine and the treatment or cleansing of infected or infested
6 animals, objects or premises, made under the authority of the State
7 Board of Agriculture, the State Board of Health or any other agency
8 of this state in the discharge of a responsibility for the preservation
9 of human or animal health or for insect or pest control;

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

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

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

17 **Sec. 134.** Chapter 244 of NRS is hereby amended by adding
18 thereto a new section to read as follows:

19 *1. There is hereby imposed a tax at a rate of 1 percent of the*
20 *gross receipts from the rental of transient lodging in each county*
21 *upon those persons in the business of providing lodging who are*
22 *required to pay the tax imposed pursuant to NRS 244.3352. This*
23 *tax is in addition to any other taxes imposed on the revenue from*
24 *the rental of transient lodging.*

25 *2. The tax imposed pursuant to subsection 1 must be:*

26 *(a) Collected and administered by the county in which the*
27 *transient lodging is located in the same manner as provided for*
28 *the tax imposed pursuant to NRS 244.3352.*

29 *(b) Paid within the time set forth in the schedule of payment*
30 *adopted by that county for the tax imposed pursuant to NRS*
31 *244.3352.*

32 *3. The tax imposed pursuant to subsection 1 may be collected*
33 *from the paying guests and may be shown as an addition to the*
34 *charge for the rental of transient lodging. The person providing*
35 *the transient lodging is liable to the State for the payment of the*
36 *tax whether or not it is actually collected from the paying guest.*

37 *4. If the tax imposed pursuant to subsection 1 is not paid*
38 *within the time set forth in the schedule for payment, the*
39 *governmental entity collecting the tax shall charge and collect in*
40 *addition to the tax:*

41 *(a) A penalty of not more than 10 percent of the amount due,*
42 *exclusive of interest, or the administrative fee established by the*
43 *board of county commissioners pursuant to NRS 244.3352,*
44 *whichever is greater; and*



1 (b) *Interest on the amount due at the rate of not more than 1.5*
2 *percent per month or fraction thereof from the date on which the*
3 *tax became due until the date of payment.*

4 5. *The governmental entity collecting the tax imposed*
5 *pursuant to subsection 1 shall deposit all proceeds of the tax and*
6 *any applicable penalties and interest with the State Treasurer for*
7 *credit to the State General Fund.*

8 6. *As used in this section "gross receipts from the rental of*
9 *transient lodging" does not include the tax imposed and collected*
10 *from paying guests pursuant to this section or NRS 244.3352 or*
11 *268.096.*

12 **Sec. 135.** NRS 244.3357 is hereby amended to read as
13 follows:

14 244.3357 On or before August 15 of each year, the board of
15 county commissioners in each county shall submit a report to the
16 Department of Taxation which states:

17 1. The rate of all taxes imposed on the revenues from the rental
18 of transient lodging pursuant to NRS 244.335 and 244.3352 and any
19 special act in the preceding fiscal year;

20 2. The total amount of revenue collected from all taxes
21 imposed on the revenues from the rental of transient lodging
22 pursuant to NRS 244.335 and 244.3352 and any special act in the
23 preceding fiscal year; ~~and~~

24 3. *The total amount of revenue collected from the tax*
25 *imposed on the revenues from the rental of transient lodging*
26 *pursuant to section 134 of this act; and*

27 4. The manner in which the revenue *reported pursuant to*
28 *subsection 2* was used in the previous fiscal year.

29 **Sec. 136.** NRS 244.3358 is hereby amended to read as
30 follows:

31 244.3358 1. A county whose population is less than 100,000
32 may by ordinance assign to a district created pursuant to chapter 318
33 of NRS which has been granted the basic power of furnishing
34 recreational facilities all or any portion of the proceeds of any tax on
35 the revenues from the rental of transient lodging which is imposed
36 by the county and collected within the boundaries of the district,
37 except the tax imposed pursuant to NRS 244.3352 , ~~or~~ a tax
38 imposed pursuant to NRS 244.3351 ~~or~~ *or the tax imposed pursuant*
39 *to section 134 of this act.*

40 2. The district may use the proceeds assigned pursuant to
41 subsection 1 for any purpose authorized pursuant to NRS 318.143.

42 3. The district may, with the consent of the board of county
43 commissioners or as otherwise provided in NRS 268.460,
44 irrevocably pledge the proceeds assigned pursuant to subsection 1
45 for:



1 (a) The repayment of any bonds or short-term or medium-term
2 obligations issued pursuant to chapter 318 or 350 of NRS for any
3 lawful purpose pertaining to the furnishing of recreational facilities;
4 or

5 (b) The refinancing of any such bonds or obligations.
6 The consent of the board of county commissioners must be given by
7 resolution. If any proceeds are pledged pursuant to this subsection,
8 the assignment of the proceeds may not be revoked until the bonds
9 or short-term or medium-term obligations for which the proceeds
10 were pledged have been completely repaid.

11 4. No assignment may be made pursuant to this section which
12 is inconsistent with an assignment made or contract entered into for
13 the purposes of NRS 244A.597 to 244A.655, inclusive.

14 5. A county which makes an assignment pursuant to this
15 section may retain an amount equal to the reasonable cost of
16 collecting the tax, which must not exceed 2 percent of the proceeds
17 of the tax for any period of collection.

18 **Sec. 137.** NRS 244.3359 is hereby amended to read as
19 follows:

20 244.3359 1. A county whose population is 400,000 or more
21 shall not impose a new tax on the rental of transient lodging or
22 increase the rate of an existing tax on the rental of transient lodging
23 after March 25, 1991, except pursuant to NRS 244.3351 and
24 244.3352 ~~and~~ *and section 134 of this act.*

25 2. A county whose population is 100,000 or more but less than
26 400,000 shall not impose a new tax on the rental of transient lodging
27 or increase the rate of an existing tax on the rental of transient
28 lodging after March 25, 1991 ~~and~~ *, except pursuant to section 134 of*
29 *this act.*

30 3. The Legislature hereby declares that the limitation imposed
31 by subsection 2 will not be repealed or amended except *as otherwise*
32 *provided in section 134 of this act or* to allow the imposition of an
33 increase in such a tax for the promotion of tourism or for the
34 construction or operation of tourism facilities by a convention and
35 visitors authority.

36 **Sec. 138.** NRS 244A.637 is hereby amended to read as
37 follows:

38 244A.637 1. For the acquisition of any recreational facilities
39 authorized in NRS 244A.597 to 244A.655, inclusive, the county fair
40 and recreation board, at any time or from time to time may:

41 (a) In the name of and on behalf of the county, issue:

42 (1) General obligation bonds, payable from taxes; and

43 (2) General obligation bonds, payable from taxes, which
44 payment is additionally secured by a pledge of gross or net revenues
45 derived from the operation of such recreational facilities, and, if so



1 determined by the board, further secured by a pledge of such other
2 gross or net revenues as may be derived from any other income-
3 producing project of the county or from any license or other excise
4 taxes levied for revenue by the county, or otherwise, as may be
5 legally made available for their payment;

6 (b) In the name of and on behalf of the county fair and
7 recreation board, issue revenue bonds:

8 (1) Payable from the net revenues to be derived from the
9 operation of such recreational facilities;

10 (2) Secured by a pledge of revenues from any tax on the
11 rental of transient lodging levied for revenue by the county or a city
12 ~~or~~, *other than revenues from the tax on the rental of transient*
13 *lodging imposed pursuant to section 134 of this act;*

14 (3) Secured by any other revenue that may be legally made
15 available for their payment; or

16 (4) Payable or secured by any combination of subparagraph
17 (1), (2) or (3); and

18 (c) Make a contract with the United States of America, or any
19 agency or instrumentality thereof, or any other person or agency,
20 public or private, creating an indebtedness if a question authorizing
21 such contract is submitted to and approved by a majority of the
22 qualified electors of the county in the manner provided in NRS
23 350.020 to 350.070, inclusive. This paragraph does not apply to
24 contracts for the prepayment of rent or other similar obligations.

25 2. Revenue bonds issued pursuant to this section must be
26 authorized by resolution of the county fair and recreation board, and
27 no further approval by any person, board or commission is required.

28 **Sec. 139.** Chapter 268 of NRS is hereby amended by adding
29 thereto a new section to read as follows:

30 *1. There is hereby imposed a tax at a rate of 1 percent of the*
31 *gross receipts from the rental of transient lodging in each city*
32 *upon those persons in the business of providing lodging who are*
33 *required to pay the tax imposed pursuant to NRS 268.096. This tax*
34 *is in addition to any other taxes imposed on the revenue from the*
35 *rental of transient lodging.*

36 *2. The tax imposed pursuant to subsection 1 must be:*

37 *(a) Collected and administered by the city in which the*
38 *transient lodging is located in the same manner as provided for*
39 *the tax imposed pursuant to NRS 268.096.*

40 *(b) Paid within the time set forth in the schedule of payment*
41 *adopted by that city for the tax imposed pursuant to NRS 268.096.*

42 *3. The tax imposed pursuant to subsection 1 may be collected*
43 *from the paying guests and may be shown as an addition to the*
44 *charge for the rental of transient lodging. The person providing*



1 *the transient lodging is liable to the State for the payment of the*
2 *tax whether or not it is actually collected from the paying guest.*

3 *4. If the tax imposed pursuant to subsection 1 is not paid*
4 *within the time set forth in the schedule for payment, the city shall*
5 *charge and collect in addition to the tax:*

6 *(a) A penalty of not more than 10 percent of the amount due,*
7 *exclusive of interest, or the administrative fee established by the*
8 *governing body of the city pursuant to NRS 268.096, whichever is*
9 *greater; and*

10 *(b) Interest on the amount due at the rate of not more than 1.5*
11 *percent per month or fraction thereof from the date on which the*
12 *tax became due until the date of payment.*

13 *5. The governmental entity collecting the tax imposed*
14 *pursuant to subsection 1 shall deposit all proceeds of the tax and*
15 *any applicable penalties and interest with the State Treasurer for*
16 *credit to the State General Fund.*

17 *6. As used in this section "gross receipts from the rental of*
18 *transient lodging" does not include the tax imposed and collected*
19 *from paying guests pursuant to this section or NRS 244.3352 or*
20 *268.096.*

21 **Sec. 140.** NRS 268.0966 is hereby amended to read as
22 follows:

23 268.0966 On or before August 15 of each year, the governing
24 body of each city shall submit a report to the Department of
25 Taxation which states:

26 1. The rate of all taxes imposed on the revenues from the rental
27 of transient lodging pursuant to NRS 268.095 and 268.096 and any
28 special act in the preceding fiscal year;

29 2. The total amount of revenue collected from all taxes
30 imposed on the revenues from the rental of transient lodging
31 pursuant to NRS 268.095 and 268.096 and any special act in the
32 preceding fiscal year; ~~and~~

33 3. *The total amount of revenue collected from the tax*
34 *imposed on the revenues from the rental of transient lodging*
35 *pursuant to section 139 of this act; and*

36 4. The manner in which the revenue *reported pursuant to*
37 *subsection 2* was used in the previous fiscal year.

38 **Sec. 141.** NRS 268.0968 is hereby amended to read as
39 follows:

40 268.0968 1. Except as otherwise provided in NRS 268.096
41 and 268.801 to 268.808, inclusive, *and section 139 of this act*, a
42 city located in a county whose population is 400,000 or more shall
43 not impose a new tax on the rental of transient lodging or increase
44 the rate of an existing tax on the rental of transient lodging after
45 March 25, 1991.



1 2. Except as otherwise provided in NRS 268.7845 ~~§~~ *and*
2 *section 139 of this act*, a city located in a county whose population
3 is 100,000 or more but less than 400,000 shall not impose a new tax
4 on the rental of transient lodging or increase the rate of an existing
5 tax on the rental of transient lodging after March 25, 1991.

6 3. The Legislature hereby declares that the limitation imposed
7 by subsection 2 will not be repealed or amended except *as otherwise*
8 *provided in section 139 of this act or* to allow the imposition of an
9 increase in such a tax for:

- 10 (a) The promotion of tourism;
11 (b) The construction or operation of tourism facilities by a
12 convention and visitors authority; or
13 (c) The acquisition, establishment, construction or expansion of
14 one or more railroad grade separation projects.

15 **Sec. 142.** Chapter 338 of NRS is hereby amended by adding
16 thereto a new section to read as follows:

17 *A public body shall include in each contract for the*
18 *construction, alteration or repair of any public work, a clause*
19 *requiring each contractor, subcontractor and other person who*
20 *provides labor, equipment, materials, supplies or services for the*
21 *public work to comply with the requirements of all applicable state*
22 *and local laws, including, without limitation, any applicable*
23 *licensing requirements and requirements for the payment of sales*
24 *and use taxes on equipment, materials and supplies provided for*
25 *the public work.*

26 **Sec. 143.** Chapter 353 of NRS is hereby amended by adding
27 thereto the provisions set forth as sections 144 and 145 of this act.

28 **Sec. 144.** *“Account” means the Disaster Relief Account*
29 *created pursuant to NRS 353.2735.*

30 **Sec. 145. 1.** *There is hereby created the Net Profits Tax*
31 *Stabilization Account in the State General Fund. The Interim*
32 *Finance Committee shall administer the account.*

33 **2.** *The balance in the account at the end of each fiscal year*
34 *may not exceed 30 percent of the estimate of the total revenue*
35 *from the tax imposed by section 16 of this act prepared by the*
36 *Economic Forum pursuant to NRS 353.228 for that fiscal year.*
37 *Any revenue in excess of that amount must be deposited to the*
38 *credit of the Fund to Stabilize the Operation of the State*
39 *Government.*

40 **3.** *If, for any fiscal year, the revenue from the tax imposed*
41 *pursuant to section 16 of this act falls short by 5 percent or more*
42 *of the estimate of the total revenue from the tax prepared by the*
43 *Economic Forum pursuant to NRS 353.228 for that fiscal year,*
44 *the Interim Finance Committee may, at a time when the*
45 *Legislature is not in session, allocate money in the account to*



1 *supplement regular legislative appropriations and to pay claims*
2 *that are obligations of the state.*

3 *4. The Governor shall, biannually, determine the revenue*
4 *received from the tax imposed by section 16 of this act and submit*
5 *any recommendations to the Interim Finance Committee for*
6 *allocations to be made from the Account.*


7 **Sec. 146.** NRS 353.1465 is hereby amended to read as
8 follows:

9 353.1465 1. Upon approval of the State Board of Finance, a
10 state agency may enter into contracts with issuers of credit cards or
11 debit cards or operators of systems that provide for the electronic
12 transfer of money to provide for the acceptance of credit cards, debit
13 cards or electronic transfers of money by the agency:

14 (a) For the payment of money owed to the agency for taxes,
15 interest, penalties or any other obligation; or

16 (b) In payment for goods or services.

17 2. Before a state agency may enter into a contract pursuant to
18 subsection 1, the agency must submit the proposed contract to the
19 State Treasurer for his review and transmittal to the State Board of
20 Finance.


21 3. Except as otherwise provided in subsection 4, if the issuer or
22 operator charges the state agency a fee for each use of a credit card
23 or debit card or for each electronic transfer of money, the state
24 agency may require the cardholder or the person requesting the
25 electronic transfer of money to pay a fee  which must not exceed
26 the amount charged to the state agency by the issuer or operator.

27 4. A state agency that is required to pay a fee charged by the
28 issuer or operator for the use of a credit card or debit card or for an
29 electronic transfer of money may, pursuant to NRS 353.148, file a
30 claim with the Director of the Department of Administration for
31 reimbursement of the fees paid to the issuer or operator during the
32 immediately preceding quarter.

33 5. *The Director of the Department of Administration shall*
34 *adopt regulations providing for the submission of payments to*
35 *state agencies pursuant to contracts authorized by this section.*
36 *The regulations must not conflict with a regulation adopted*
37 *pursuant to NRS 360A.020 or section 69 of this act.*

38 6. As used in this section:

39 (a) “Cardholder” means the person or organization named on the
40 face of a credit card or debit card to whom or for whose benefit the
41 credit card or debit card is issued by an issuer.

42 (b) “Credit card” means any instrument or device, whether
43 known as a credit card or credit plate  or by any other name,
44 issued with or without a fee by an issuer for the use of the



1 cardholder in obtaining money, property, goods, services or
2 anything else of value on credit.

3 (c) “Debit card” means any instrument or device, whether
4 known as a debit card or by any other name, issued with or without
5 a fee by an issuer for the use of the cardholder in depositing,
6 obtaining or transferring funds.

7 (d) “Electronic transfer of money” has the meaning ascribed to it
8 in NRS 463.01473.

9 (e) “Issuer” means a business organization, financial institution
10 or authorized agent of a business organization or financial institution
11 that issues a credit card or debit card.

12 **Sec. 147.** NRS 353.210 is hereby amended to read as follows:

13 353.210 1. Except as otherwise provided in subsection 6, on
14 or before September 1 of each even-numbered year, all departments,
15 institutions and other agencies of the Executive Department of the
16 State Government, and all agencies of the Executive Department of
17 the State Government receiving state money, fees or other money
18 under the authority of the State, including those operating on money
19 designated for specific purposes by the *Nevada* Constitution or
20 otherwise, shall prepare, on blanks furnished them by the Chief, and
21 submit to the Chief ~~estimates~~ :

22 (a) *The number of positions within the department, institution*
23 *or agency that have been vacant for at least 12 months, the*
24 *number of months each such position has been vacant and the*
25 *reasons for each such vacancy; and*

26 (b) *Estimates* of their expenditure requirements, together with
27 all anticipated income from fees and all other sources, for the next 2
28 fiscal years compared with the corresponding figures of the last
29 completed fiscal year and the estimated figures for the current fiscal
30 year.

31 2. The Chief shall direct that one copy of the forms submitted
32 pursuant to subsection 1, accompanied by every supporting schedule
33 and any other related material, be delivered directly to the Fiscal
34 Analysis Division of the Legislative Counsel Bureau on or before
35 September 1 of each even-numbered year.

36 3. The Budget Division of the Department of Administration
37 shall give advance notice to the Fiscal Analysis Division of the
38 Legislative Counsel Bureau of any conference between the Budget
39 Division of the Department of Administration and personnel of
40 other state agencies regarding budget estimates. A fiscal analyst of
41 the Legislative Counsel Bureau or his designated representative may
42 attend any such conference.

43 4. The estimates of expenditure requirements submitted
44 pursuant to subsection 1 must be classified to set forth the data of
45 funds, organizational units, and the character and objects of



1 expenditures, and must include a mission statement and
2 measurement indicators for each program. The organizational units
3 may be subclassified by functions and activities, or in any other
4 manner at the discretion of the Chief.

5 5. If any department, institution or other agency of the
6 Executive Department of the State Government, whether its money
7 is derived from state money or from other money collected under
8 the authority of the State, fails or neglects to submit estimates of its
9 expenditure requirements as provided in this section, the Chief may,
10 from any data at hand in his office or which he may examine or
11 obtain elsewhere, make and enter a proposed budget for the
12 department, institution or agency in accordance with the data.

13 6. Agencies, bureaus, commissions and officers of the
14 Legislative Department, the Public Employees' Retirement System
15 and the Judicial Department of the State Government shall submit to
16 the Chief for his information in preparing the proposed executive
17 budget the budgets which they propose to submit to the Legislature.

18 **Sec. 148.** NRS 353.213 is hereby amended to read as follows:

19 353.213 1. In preparing the proposed budget for the
20 Executive Department of the State Government for each biennium,
21 the Chief shall not exceed the limit upon total proposed
22 expenditures for purposes other than construction from the State
23 General Fund calculated pursuant to this section. The base for each
24 biennium is the total expenditure, for the purposes limited, from the
25 State General Fund appropriated and authorized by the Legislature
26 for the ~~[biennium beginning on July 1, 1975.]~~ *immediately*
27 *preceding biennium, minus any amount transferred from the State*
28 *General Fund to any other fund during that biennium.*

29 2. The limit for each biennium is calculated as follows:

30 (a) The amount of expenditure constituting the base is
31 multiplied by the percentage of change in population ~~[for]~~ *on July 1*
32 *of the first fiscal year in* the current biennium from the population
33 on ~~[July 1, 1974.]~~ *July 1 of the first fiscal year in the immediately*
34 *preceding biennium,* and this product is added to or subtracted from
35 the amount of expenditure constituting the base.

36 (b) The amount calculated pursuant to paragraph (a) is
37 multiplied by the percentage of inflation or deflation, and this
38 product is added to or subtracted from the amount calculated
39 pursuant to paragraph (a).

40 (c) Subject to the limitations of this paragraph:

41 (1) If the amount resulting from the calculations pursuant to
42 paragraphs (a) and (b) represents a net increase over the base
43 biennium, the Chief may increase the proposed expenditure
44 accordingly.



1 (2) If the amount represents a net decrease, the Chief shall
2 decrease the proposed expenditure accordingly.

3 (3) If the amount is the same as in the base biennium, that
4 amount is the limit of permissible proposed expenditure.
5 The proposed budget for each fiscal year of the biennium must
6 provide for a reserve of not less than 5 percent nor more than ~~[10]~~
7 *15* percent of the total of all proposed appropriations from the State
8 General Fund for the operation of all departments, institutions and
9 agencies of the State Government and authorized expenditures from
10 the State General Fund for the regulation of gaming for that fiscal
11 year.

12 3. The ~~[revised estimate of]~~ population for the State ~~[issued by~~
13 ~~the United States Department of Commerce as of July 1, 1974, must~~
14 ~~be used, and]~~ *certified by* the Governor ~~[shall certify]~~ *pursuant to*
15 *NRS 360.285 must be used to calculate* the percentage of increase
16 or decrease in population for each ~~[succeeding biennium.]~~ *biennium*
17 *pursuant to paragraph (a) of subsection 2.* The Consumer Price
18 Index published by the United States Department of Labor for July
19 preceding each biennium must be used in determining the
20 percentage of inflation or deflation ~~[]~~ *pursuant to paragraph (b) of*
21 *subsection 2.*

22 4. The Chief may exceed the limit to the extent necessary to
23 meet situations in which there is a threat to life or property.

24 **Sec. 149.** NRS 353.228 is hereby amended to read as follows:

25 353.228 1. The Economic Forum impeaneled pursuant to NRS
26 353.226 shall:

27 (a) Make such projections for economic indicators as it deems
28 necessary to ensure that an accurate estimate is produced pursuant to
29 paragraph (b);

30 (b) Provide an accurate estimate of the revenue that will be
31 collected by the State for general, unrestricted uses, and not for
32 special purposes, during the biennium that begins on the second July
33 1 following the date on which the Economic Forum was empaneled;

34 (c) Request such technical assistance as the Economic Forum
35 deems necessary from the Technical Advisory Committee created
36 by NRS 353.229;

37 (d) On or before December 1 of the year in which the Economic
38 Forum was empaneled, prepare a written report of its projections of
39 economic indicators and estimate of future state revenue required by
40 paragraphs (a) and (b) and present the report to the Governor and
41 the Legislature; and

42 (e) On or before May 1 of the year following the year in which
43 the Economic Forum was empaneled, prepare a written report
44 confirming or revising the projections of economic indicators and
45 estimate of future state revenue contained in the report prepared



1 pursuant to paragraph (d) and present the report to the Governor and
2 the Legislature.

3 2. The Economic Forum may make preliminary projections of
4 economic indicators and estimates of future state revenue at any
5 time. Any such projections and estimates must be made available to
6 the various agencies of the State through the Chief.

7 3. *Any estimate of future state revenue provided pursuant to*
8 *this section must include only 85 percent of the total estimate of*
9 *future state revenue derived from the tax imposed by section 16 of*
10 *this act.*

11 4. The Economic Forum may request information directly from
12 any state agency. A state agency that receives a reasonable request
13 for information from the Economic Forum shall comply with the
14 request as soon as is reasonably practicable after receiving the
15 request.

16 ~~[4.]~~ 5. To carry out its duties pursuant to this section, the
17 Economic Forum may consider any information received from the
18 Technical Advisory Committee and any other information received
19 from independent sources.

20 ~~[5.]~~ 6. Copies of the projections and estimates made pursuant
21 to this section must be made available to the public by the Director
22 of the Legislative Counsel Bureau for the cost of reproducing the
23 material.

24 **Sec. 150.** NRS 353.2705 is hereby amended to read as
25 follows:

26 353.2705 As used in NRS 353.2705 to 353.2771, inclusive,
27 *and section 144 of this act*, unless the context otherwise requires,
28 the words and terms defined in NRS 353.271 to 353.2731, inclusive,
29 *and section 144 of this act* have the meanings ascribed to them in
30 those sections.

31 **Sec. 151.** NRS 353.2735 is hereby amended to read as
32 follows:

33 353.2735 1. The Disaster Relief ~~[Fund]~~ *Account* is hereby
34 created as a special ~~[revenue fund.]~~ *Account in the Fund to*
35 *Stabilize the Operation of the State Government*. The Interim
36 Finance Committee shall administer the ~~[Fund.]~~ *Account*.

37 2. The Division may accept grants, gifts or donations for
38 deposit in the ~~[Fund.]~~ *Account*. Except as otherwise provided in
39 subsection 3, money received from:

40 (a) A direct legislative appropriation to the ~~[Fund;]~~ *Account*;

41 (b) A transfer of ~~{one-half of the interest earned on money}~~ *not*
42 *more than 10 percent of the aggregate balance* in the Fund to
43 Stabilize the Operation of *the* State Government made pursuant to
44 NRS 353.288; and

45 (c) A grant, gift or donation to the ~~[Fund;]~~ *Account*,



1 must be deposited in the ~~Fund~~ *Account*. Except as otherwise
2 provided in NRS 414.135, the interest and income earned on the
3 money in the ~~Fund~~ *Account* must, after deducting any applicable
4 charges, be credited to the ~~Fund~~ *Account*.

5 3. If, at the end of each quarter of a fiscal year, the balance in
6 the ~~Fund~~ *Account* exceeds 0.75 percent of the total amount of all
7 appropriations from the State General Fund for the operation of all
8 departments, institutions and agencies of State Government and
9 authorized expenditures from the State General Fund for the
10 regulation of gaming for that fiscal year, the State Controller shall
11 not, until the balance in the ~~Fund~~ *Account* is 0.75 percent or less
12 of that amount, transfer any ~~interest earned on~~ money in the Fund
13 to Stabilize the Operation of *the* State Government from the State
14 General Fund to the ~~Fund~~ *Account* pursuant to the provisions of
15 NRS 353.288.

16 4. Money in the ~~Fund~~ *Account* may be distributed through
17 grants and loans to state agencies and local governments as provided
18 in NRS 353.2705 to 353.2771, inclusive ~~}, and section 144 of this~~
19 *act*. Except as otherwise provided in NRS 353.276, such grants will
20 be disbursed on the basis of reimbursement of costs authorized
21 pursuant to NRS 353.274 and 353.2745.

22 5. If the Governor declares a disaster, the State Board of
23 Examiners shall estimate:

24 (a) The money in the ~~Fund~~ *Account* that is available for grants
25 and loans for the disaster pursuant to the provisions of NRS
26 353.2705 to 353.2771, inclusive ~~}, and section 144 of this act;~~
27 and

28 (b) The anticipated amount of those grants and loans for the
29 disaster.

30 Except as otherwise provided in this subsection, if the anticipated
31 amount determined pursuant to paragraph (b) exceeds the available
32 money in the ~~Fund~~ *Account* for such grants and loans, all grants
33 and loans from the ~~Fund~~ *Account* for the disaster must be reduced
34 in the same proportion that the anticipated amount of the grants and
35 loans exceeds the money in the ~~Fund~~ *Account* that is available for
36 grants and loans for the disaster. If the reduction of a grant or loan
37 from the ~~Fund~~ *Account* would result in a reduction in the amount
38 of money that may be received by a state agency or local
39 government from the Federal Government, the reduction in the grant
40 or loan must not be made.

41 **Sec. 152.** NRS 353.274 is hereby amended to read as follows:

42 353.274 Money in the ~~Fund~~ *Account* may be distributed as a
43 grant to a state agency because of a disaster for the payment of
44 expenses incurred by the state agency for:



1 1. The repair or replacement of public roads, public streets,
2 bridges, water control facilities, public buildings, public utilities,
3 recreational facilities and parks owned by the State and damaged by
4 the disaster;

5 2. Any emergency measures undertaken to save lives, protect
6 public health and safety or protect public property, including,
7 without limitation, an emergency measure undertaken in response to
8 a crisis involving violence on school property, at a school activity or
9 on a school bus, in the jurisdiction in which the disaster occurred;

10 3. The removal of debris from publicly or privately owned land
11 and waterways undertaken because of the disaster; and

12 4. The administration of a disaster assistance program.

13 **Sec. 153.** NRS 353.2745 is hereby amended to read as
14 follows:

15 353.2745 Money in the ~~Fund~~ Account may be distributed as
16 a grant to a local government because of a disaster for:

17 1. The payment of not more than 50 percent of the expenses
18 incurred by the local government for:

19 (a) The repair or replacement of public roads, public streets,
20 bridges, water control facilities, public buildings, public utilities,
21 recreational facilities and parks owned by the local government and
22 damaged by the disaster; and

23 (b) Any emergency measures undertaken to save lives, protect
24 public health and safety or protect public property, including,
25 without limitation, an emergency measure undertaken in response to
26 a crisis involving violence on school property, at a school activity or
27 on a school bus, in the jurisdiction in which the disaster occurred;
28 and

29 2. The payment of not more than 50 percent of any grant match
30 the local government must provide to obtain a grant from a federal
31 disaster assistance agency for an eligible project to repair damage
32 caused by the disaster within the jurisdiction of the local
33 government.

34 **Sec. 154.** NRS 353.2751 is hereby amended to read as
35 follows:

36 353.2751 Money in the ~~Fund~~ Account may be distributed as
37 a loan to a local government because of a disaster for:

38 1. The payment of expenses incurred by the local government
39 for:

40 (a) The repair or replacement of public roads, public streets,
41 bridges, water control facilities, public buildings, public utilities,
42 recreational facilities and parks owned by the local government and
43 damaged by the disaster;

44 (b) Any overtime worked by an employee of the local
45 government because of the disaster or any other extraordinary



1 expenses incurred by the local government because of the disaster;
2 and

3 (c) Any projects to reduce or prevent the possibility of damage
4 to persons or property from similar disasters in the future; and

5 2. The payment of not more than 50 percent of any grant match
6 the local government must provide to obtain a grant from a federal
7 disaster assistance agency for an eligible project to repair damage
8 caused by the disaster within the jurisdiction of the local
9 government. Before a loan may be distributed to a local government
10 pursuant to this subsection:

11 (a) The Interim Finance Committee must make a determination
12 that the local government is currently unable to meet its financial
13 obligations; and

14 (b) The local government must execute a loan agreement in
15 which the local government agrees to:

16 (1) Use the money only for the purpose of paying the grant
17 match; and

18 (2) Repay the entire amount of the loan, without any interest
19 or other charges, to the Disaster Relief ~~Fund~~ Account not later
20 than 10 years after the date on which the agreement is executed.

21 **Sec. 155.** NRS 353.2753 is hereby amended to read as
22 follows:

23 353.2753 1. A state agency or local government may request
24 the Division to conduct a preliminary assessment of the damages
25 related to an event for which the state agency or local government
26 seeks a grant or loan from the ~~Fund~~ Account.

27 2. Upon receipt of such a request, the Division shall investigate
28 the event or cause the event to be investigated to make a preliminary
29 assessment of the damages related to the event and shall make or
30 cause to be made a written report of the damages related to the
31 event.

32 3. As soon as practicable after completion of the investigation
33 and preparation of the report of damages, the Division shall:

34 (a) Determine whether the event constitutes a disaster for which
35 the state agency or local government may seek a grant or loan from
36 the ~~Fund~~ Account; and

37 (b) Submit the report prepared pursuant to this section and its
38 written determination regarding whether the event constitutes a
39 disaster to the state agency or local government.

40 4. The Division shall prescribe by regulation the information
41 that must be included in a report of damages, including, without
42 limitation, a description of the damage caused by the event, an
43 estimate of the costs to repair such damage and a specification of
44 whether the purpose of the project is for repair or replacement,
45 emergency response or mitigation.



1 **Sec. 156.** NRS 353.2754 is hereby amended to read as
2 follows:

3 353.2754 A local government may request a grant or loan from
4 the ~~{Fund}~~ *Account* if:

5 1. Pursuant to NRS 414.090, the governing body of the local
6 government determines that an event which has occurred constitutes
7 a disaster; and

8 2. After the Division conducts a preliminary assessment of the
9 damages pursuant to NRS 353.2753, the Division determines that an
10 event has occurred that constitutes a disaster.

11 **Sec. 157.** NRS 353.2755 is hereby amended to read as
12 follows:

13 353.2755 1. A state agency or local government may submit
14 a request to the State Board of Examiners for a grant or loan from
15 the ~~{Fund}~~ *Account* as provided in NRS 353.2705 to 353.2771,
16 inclusive, *and section 144 of this act*, if:

17 (a) The agency or local government finds that, because of a
18 disaster, it is unable to pay for an expense or grant match specified
19 in NRS 353.274, 353.2745 or 353.2751 from money appropriated or
20 otherwise available to the agency or local government;

21 (b) The request has been approved by the chief administrative
22 officer of the state agency or the governing body of the local
23 government; and

24 (c) If the requester is an incorporated city, the city has requested
25 financial assistance from the county and was denied all or a portion
26 of the requested assistance.

27 2. A request for a grant or loan submitted pursuant to
28 subsection 1 must be made within 60 days after the disaster and
29 must include:

30 (a) A statement setting forth the amount of money requested by
31 the state agency or local government;

32 (b) An assessment of the need of the state agency or local
33 government for the money requested;

34 (c) If the request is submitted by a local government that has
35 established a fund pursuant to NRS 354.6115 to mitigate the effects
36 of a natural disaster, a statement of the amount of money that is
37 available in that fund, if any, for the payment of expenses incurred
38 by the local government as a result of a disaster;

39 (d) A determination of the type, value and amount of resources
40 the state agency or local government may be required to provide as
41 a condition for the receipt of a grant or loan from the ~~{Fund;}~~
42 *Account*;

43 (e) A written report of damages prepared by the Division and the
44 written determination made by the Division that the event
45 constitutes a disaster pursuant to NRS 353.2753; and



1 (f) If the requester is an incorporated city, all documents which
2 relate to a request for assistance submitted to the board of county
3 commissioners of the county in which the city is located.

4 Any additional documentation relating to the request that is
5 requested by the State Board of Examiners must be submitted within
6 6 months after the disaster unless the State Board of Examiners and
7 the Interim Finance Committee ~~[grants]~~ *grant* an extension.

8 3. Upon the receipt of a complete request for a grant or loan
9 submitted pursuant to subsection 1, the State Board of Examiners:

10 (a) Shall consider the request; and

11 (b) May require any additional information that it determines is
12 necessary to make a recommendation.

13 4. If the State Board of Examiners finds that a grant or loan is
14 appropriate, it shall include in its recommendation to the Interim
15 Finance Committee the proposed amount of the grant or loan. If the
16 State Board of Examiners recommends a grant, it shall include a
17 recommendation regarding whether or not the state agency or local
18 government requires an advance to avoid severe financial hardship.
19 If the State Board of Examiners recommends a loan for a local
20 government, it shall include the information required pursuant to
21 subsection 1 of NRS 353.2765. If the State Board of Examiners
22 finds that a grant or loan is not appropriate, it shall include in its
23 recommendation the reason for its determination.

24 5. The provisions of this section do not prohibit a state agency
25 or local government from submitting more than one request for a
26 grant or loan from the ~~[Fund]~~ *Account*.

27 6. As used in this section, the term “natural disaster” has the
28 meaning ascribed to it in NRS 354.6115.

29 **Sec. 158.** NRS 353.276 is hereby amended to read as follows:

30 353.276 1. The State Board of Examiners shall submit a
31 recommendation for each request for a grant or loan made pursuant
32 to NRS 353.2755 to the Director of the Legislative Counsel Bureau.
33 Upon receipt of the recommendation, the Director shall notify the
34 Chairman of the Interim Finance Committee of that
35 recommendation. The Chairman shall call a meeting of the
36 Committee to consider the recommendation.

37 2. The Interim Finance Committee may reject any
38 recommendation of the State Board of Examiners and independently
39 evaluate and act upon any request submitted pursuant to NRS
40 353.2755.

41 3. If the Interim Finance Committee finds that a grant or loan
42 from the ~~[Fund]~~ *Account* is appropriate and may be made in
43 accordance with the provisions of NRS 353.2705 to 353.2771,
44 inclusive, *and section 144 of this act*, it shall, by resolution:

45 (a) Establish the amount and purpose of the grant or loan.



1 (b) Except as otherwise provided in this paragraph, provide for
2 the transfer of that amount from the ~~Fund~~ Account to the
3 appropriate state agency or local government. If the request is for a
4 grant, the Interim Finance Committee shall authorize disbursement
5 of the grant from the ~~Fund~~ Account on the basis of reimbursement
6 for costs unless it determines that disbursement in that manner
7 would cause severe financial hardship to the state agency or local
8 government. If the Interim Finance Committee determines that
9 disbursement on the basis of reimbursement of costs would cause
10 severe financial hardship, the Interim Finance Committee may
11 authorize an advance of money to the state agency or local
12 government in an amount not to exceed 25 percent of the total
13 estimated cost of the projects for which the grant is requested.

14 4. No grant or loan from the ~~Fund~~ Account may be made by
15 the Interim Finance Committee to increase the salaries of any
16 officers or employees of the State or a local government.

17 **Sec. 159.** NRS 353.2765 is hereby amended to read as
18 follows:

19 353.2765 1. In addition to any applicable requirements set
20 forth in NRS 353.2751, if the Interim Finance Committee approves
21 a loan to a local government pursuant to the provisions of NRS
22 353.2705 to 353.2771, inclusive, *and section 144 of this act*, the
23 approval must include a schedule for the repayment of the loan. The
24 schedule must specify:

25 (a) A period of not more than 10 years for the repayment of the
26 loan; and

27 (b) The rate of interest, if any, for the loan.

28 2. Except as otherwise provided in subsection 3, if a local
29 government receives a loan from the ~~Fund~~ Account and, before the
30 loan is repaid, the local government receives money from the
31 Federal Government for a grant match or any of the expenses set
32 forth in subsection 1 of NRS 353.2751 for which the local
33 government received the loan, the local government shall deposit
34 with the State Treasurer for credit to the ~~Fund~~ Account an amount
35 of money equal to the money it received from the Federal
36 Government for the grant match or the expenses.

37 3. Any money deposited with the State Treasurer for credit to
38 the ~~Fund~~ Account pursuant to subsection 2 must be used to pay the
39 unpaid balance of the loan specified in subsection 2. If any money
40 remains after that payment is made, the remaining money must be
41 paid to the local government to whom the loan was made.

42 **Sec. 160.** NRS 353.2771 is hereby amended to read as
43 follows:

44 353.2771 1. Except as otherwise provided in this section, no
45 grant or loan may be made from the ~~Fund~~ Account to a state



1 agency or local government unless, as a condition of making the
2 grant or loan, the state agency or local government agrees to provide
3 an amount of its resources equal to at least 25 percent of the grant or
4 loan. The State Board of Examiners shall determine the type, value
5 and amount of the resources, including money, labor, materials,
6 supplies and equipment, that is required to be provided by the state
7 agency or local government.

8 2. If a state agency or local government submits a request for a
9 grant or loan pursuant to NRS 353.2755 and:

10 (a) It maintains a policy of insurance providing coverage for
11 damages, injuries or other losses incurred because of a disaster; or

12 (b) If the request is submitted by a local government, it has
13 established a district for the control of floods pursuant to NRS
14 543.170 to 543.830, inclusive,

15 the State Board of Examiners may recommend that the state agency
16 or local government provide a portion of its resources in an amount
17 that is less than the amount required pursuant to subsection 1.

18 3. The State Board of Examiners may, if it determines that the
19 state agency or local government is unable to provide any portion of
20 its resources as its contribution for the receipt of a grant or loan,
21 recommend that the state agency or local government not be
22 required to provide any portion of its resources as a condition for the
23 receipt of the grant or loan.

24 **Sec. 161.** NRS 353.288 is hereby amended to read as follows:

25 353.288 1. The Fund to Stabilize the Operation of the State
26 Government is hereby created as a special revenue fund. Except as
27 otherwise provided in subsections 2 and 3, each year after the close
28 of the fiscal year and before the issuance of the *State* Controller's
29 annual report , the State Controller shall deposit to the credit of the
30 Fund 40 percent of the unrestricted balance of the State General
31 Fund, as of the close of the fiscal year, which remains after
32 subtracting an amount equal to ~~10~~ 5 percent of all appropriations
33 made from the State General Fund during that year for the operation
34 of all departments, institutions and agencies of State Government
35 and for the funding of schools.

36 2. The balance in the Fund must not exceed ~~10~~ 5 percent of
37 the total of all appropriations from the State General Fund for the
38 operation of all departments, institutions and agencies of the State
39 Government and for the funding of schools and authorized
40 expenditures from the State General Fund for the regulation of
41 gaming for the fiscal year in which that revenue will be deposited in
42 the Fund.

43 3. Except as otherwise provided in this subsection and NRS
44 353.2735, beginning with the fiscal year that begins on July 1,
45 ~~1999~~ 2003, the State Controller shall, at the end of each quarter of



1 a fiscal year, transfer from the State General Fund to the Disaster
2 Relief ~~[Fund]~~ *Account* created pursuant to NRS 353.2735 an
3 amount equal to ~~[one-half of the interest earned on money]~~ *not more*
4 *than 10 percent of the aggregate balance* in the Fund to Stabilize
5 the Operation of *the* State Government during the previous quarter.
6 The State Controller shall not transfer more than \$500,000 for any
7 quarter pursuant to this subsection.

8 4. Money from the Fund to Stabilize the Operation of the State
9 Government may be appropriated only:

10 (a) If the total actual revenue of the State falls short by 5 percent
11 or more of the total anticipated revenue for the biennium in which
12 the appropriation is made; or

13 (b) If the Legislature and the Governor declare that a fiscal
14 emergency exists.

15 **Sec. 162.** Chapter 353C of NRS is hereby amended by adding
16 thereto the provisions set forth as sections 163 to 166, inclusive, of
17 this act.

18 **Sec. 163. 1.** *The State Controller shall adopt regulations*
19 *establishing a fee of \$25 that an agency shall charge a person for*
20 *each check or draft returned to the agency because the person had*
21 *insufficient money or credit with the drawee to pay the check or*
22 *draft, or because the person stopped payment on the check or*
23 *draft.*

24 *2. Notwithstanding any specific statute or regulation to the*
25 *contrary, an agency may only charge and collect a fee for a check*
26 *or draft returned to the agency because the person has insufficient*
27 *money or credit, or because the person stopped payment on the*
28 *check or draft, in accordance with the regulations adopted by the*
29 *State Controller pursuant to this section.*

30 *3. For the purposes of this section, "agency" does not include*
31 *the Department of Taxation, Nevada Gaming Commission or State*
32 *Gaming Control Board.*

33 **Sec. 164.** *The State Controller, in cooperation with the*
34 *Department of Motor Vehicles and the Department of Wildlife,*
35 *may establish and maintain a program to improve the collection of*
36 *debts owed to an agency or the State of Nevada through the*
37 *suspension of, cancellation of or refusal to renew vehicle*
38 *registrations and certain licenses and permits issued by the State*
39 *and the refusal to provide related services.*

40 **Sec. 165. 1.** *If a program is established pursuant to section*
41 *164 of this act, the Department of Motor Vehicles, when it receives*
42 *a notice from the State Controller that a person to whom the*
43 *Department has issued a license or permit or for whom the*
44 *Department has registered a vehicle is in default on a debt owed to*
45 *an agency or the State of Nevada, shall send a written notice to*



1 *that person advising him that his license or permit and vehicle*
2 *registration are subject to suspension, cancellation or refusal to*
3 *renew.*

4 *2. The notice must include:*

5 *(a) The reason for the suspension of, cancellation of or refusal*
6 *to renew the license or permit and vehicle registration;*

7 *(b) The text of this section; and*

8 *(c) Any other information that the Department deems*
9 *necessary.*

10 *3. Upon receipt of notice from the State Controller pursuant*
11 *to subsection 1 that a person to whom the Department has issued a*
12 *license or permit or for whom the Department has registered a*
13 *vehicle is in default on a debt owed to an agency or the State of*
14 *Nevada, the Department may, after sending the written notice*
15 *required pursuant to that subsection, suspend, cancel or refuse to*
16 *renew the license or permit of the person and the registration of a*
17 *vehicle owned by the person.*

18 *4. The Department shall reinstate such a license or permit*
19 *and vehicle registration if it receives:*

20 *(a) A notice from the State Controller that the person has:*

21 *(1) Paid the debt, including all penalties, interest, costs and*
22 *fees, if any;*

23 *(2) Entered into an agreement for the payment of the debt*
24 *on an installment basis pursuant to NRS 353C.130; or*

25 *(3) Obtained a discharge in bankruptcy of the debt; and*

26 *(b) Payment of the fee prescribed in:*

27 *(1) NRS 483.410 for reinstatement of a suspended or*
28 *cancelled license; or*

29 *(2) NRS 482.480 for reinstatement of a suspended vehicle*
30 *registration.*

31 *5. The Department shall not require a person whose driver's*
32 *license or permit is suspended or cancelled pursuant to this section*
33 *to submit to the tests and other requirements which are adopted by*
34 *regulation pursuant to subsection 1 of NRS 483.495 as a condition*
35 *of the reinstatement of the license or permit.*

36 **Sec. 166. 1.** *If a program is established pursuant to section*
37 *164 of this act, the Department of Wildlife, when it receives a*
38 *notice from the State Controller that a person who holds a license*
39 *or permit to hunt, fish or trap, or any other license or permit*
40 *issued by the Department, is in default on a debt owed to an*
41 *agency or the State of Nevada, shall send a written notice to that*
42 *person advising him that his license or permit is subject to*
43 *suspension, cancellation or refusal to renew;*

44 *2. The notice must include:*



- 1 (a) *The reason for the suspension of, cancellation of or refusal*
- 2 *to renew the license or permit;*
- 3 (b) *The text of this section; and*
- 4 (c) *Any other information that the Department deems*
- 5 *necessary.*

6 3. *Upon receipt of notice from the State Controller pursuant*
7 *to subsection 1 that a person to whom the Department has issued a*
8 *license or permit is in default on a debt owed to an agency or the*
9 *State of Nevada, the Department may, after sending the written*
10 *notice required pursuant to that subsection, suspend, cancel or*
11 *refuse to renew the license or permit of the person.*

12 4. *The Department shall reinstate such a license or permit if:*
13 (a) *The license or permit is still valid and has not expired; and*
14 (b) *The Department receives a notice from the State Controller*
15 *that the person has:*

16 (1) *Paid the debt, including all penalties, interest, costs and*
17 *fees, if any;*

18 (2) *Entered into an agreement for the payment of the debt*
19 *on an installment basis pursuant to NRS 353C.130; or*

20 (3) *Obtained a discharge in bankruptcy of the debt.*

21 5. *The Department shall not issue a new license or permit to*
22 *hunt, fish or trap, or any other license or permit issued by the*
23 *Department, to a person whose license or permit is suspended,*
24 *cancelled or refused renewal pursuant to this section unless the*
25 *Department receives a notice from the State Controller that the*
26 *person has:*

27 (a) *Paid the debt, including all penalties, interest, costs and*
28 *fees, if any;*

29 (b) *Entered into an agreement for the payment of the debt on*
30 *an installment basis pursuant to NRS 353C.130; or*

31 (c) *Obtained a discharge in bankruptcy of the debt.*

32 **Sec. 167.** NRS 388.750 is hereby amended to read as follows:

33 388.750 1. An educational foundation:

34 (a) Shall comply with the provisions of chapter 241 of NRS;
35 *and*

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

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

41 2. An educational foundation is not required to disclose the
42 names of the contributors to the foundation or the amount of their
43 contributions. The educational foundation shall, upon request, allow
44 a contributor to examine, during regular business hours, any record,



1 document or other information of the foundation relating to that
2 contributor.

3 3. As used in this section, "educational foundation" means a
4 nonprofit corporation, association or institution or a charitable
5 organization that is:

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

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

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

11 **Sec. 168.** NRS 396.405 is hereby amended to read as follows:

12 396.405 1. A university foundation:

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

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

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

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

21 2. A university foundation is not required to disclose the name
22 of any contributor or potential contributor to the university
23 foundation, the amount of his contribution or any information which
24 may reveal or lead to the discovery of his identity. The university
25 foundation shall, upon request, allow a contributor to examine,
26 during regular business hours, any record, document or other
27 information of the foundation relating to that contributor.

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

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

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

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

35 **Sec. 169.** NRS 414.135 is hereby amended to read as follows:

36 414.135 1. There is hereby created the Emergency Assistance
37 ~~{Account}~~ *Subaccount* within the Disaster Relief ~~{Fund}~~ *Account*
38 created pursuant to NRS 353.2735. Beginning with the fiscal year
39 that begins on July 1, 1999, the State Controller shall, at the end of
40 each fiscal year, transfer the interest earned during the previous
41 fiscal year on the money in the Disaster Relief ~~{Fund}~~ *Account* to
42 the ~~{Account}~~ *Subaccount* in an amount not to exceed \$500,000.

43 2. The Division of Emergency Management of the Department
44 of Public Safety shall administer the ~~{Account.}~~ *Subaccount*. The



1 Division may adopt regulations authorized by this section before, on
2 or after July 1, 1999.

3 3. All expenditures from the ~~[Account]~~ *Subaccount* must be
4 approved in advance by the Division. Except as otherwise provided
5 in subsection 4, all money in the ~~[Account]~~ *Subaccount* must be
6 expended solely to:

7 (a) Provide supplemental emergency assistance to this state or to
8 local governments in this state that are severely and adversely
9 affected by a natural, technological or man-made emergency or
10 disaster for which available resources of this state or the local
11 government are inadequate to provide a satisfactory remedy; and

12 (b) Pay any actual expenses incurred by the Division for
13 administration during a natural, technological or man-made
14 emergency or disaster.

15 4. Beginning with the fiscal year that begins on July 1, 1999, if
16 any balance remains in the ~~[Account]~~ *Subaccount* at the end of a
17 fiscal year and the balance has not otherwise been committed for
18 expenditure, the Division may, with the approval of the Interim
19 Finance Committee, allocate all or any portion of the remaining
20 balance, not to exceed \$250,000, to this state or to a local
21 government to:

22 (a) Purchase equipment or supplies required for emergency
23 management;

24 (b) Provide training to personnel related to emergency
25 management; and

26 (c) Carry out the provisions of NRS 392.600 to 392.656,
27 inclusive.

28 5. Beginning with the fiscal year that begins on July 1, 1999,
29 the Division shall, at the end of each quarter of a fiscal year, submit
30 to the Interim Finance Committee a report of the expenditures made
31 from the ~~[Account]~~ *Subaccount* for the previous quarter.

32 6. The Division shall adopt such regulations as are necessary to
33 administer the ~~[Account]~~ *Subaccount*.

34 7. The Division may adopt regulations to provide for
35 reimbursement of expenditures made from the ~~[Account]~~
36 *Subaccount*. If the Division requires such reimbursement, the
37 Attorney General shall take such action as is necessary to recover
38 the amount of any unpaid reimbursement plus interest at a rate
39 determined pursuant to NRS 17.130, computed from the date on
40 which the money was removed from the ~~[Fund]~~ *Account*, upon
41 request by the Division.



1 **Sec. 170.** NRS 463.0136 is hereby amended to read as
2 follows:

3 463.0136 "Associated equipment" means:

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

13 2. A computerized system for recordation of sales for use in an
14 area subject to the ~~casino-entertainment~~ tax *imposed* pursuant to
15 ~~[NRS 463.401.]~~ *section 46 of this act.*

16 **Sec. 171.** NRS 463.270 is hereby amended to read as follows:

17 463.270 1. Subject to the power of the Board to deny, revoke,
18 suspend, condition or limit licenses, any state license in force may
19 be renewed by the Board for the next succeeding license period
20 upon proper application for renewal and payment of state license
21 fees and taxes as required by law and the regulations of the Board.

22 2. All state gaming licenses are subject to renewal on the 1st
23 day of each January and all quarterly state gaming licenses on the
24 1st day of each calendar quarter thereafter.

25 3. Application for renewal must be filed with the Board and all
26 state license fees and taxes required by law, including without
27 limitation NRS 463.370, 463.373 to 463.3855, inclusive, ~~[463.401,]~~
28 463.660, 464.015 and 464.040, *and section 46 of this act*, must be
29 paid to the Board on or before the dates respectively provided by
30 law for each fee or tax.

31 4. Application for renewal of licenses for slot machines only
32 must be made by the operators of the locations where such machines
33 are situated.

34 5. Any person failing to pay any state license fees or taxes due
35 at the times respectively provided shall pay in addition to such
36 license fees or taxes a penalty of not less than \$50 or 25 percent of
37 the amount due, whichever is the greater, but not more than \$1,000
38 if the fees or taxes are less than 10 days late and in no case in excess
39 of \$5,000. The penalty must be collected as are other charges,
40 license fees and penalties under this chapter.

41 6. Any person who operates, carries on or exposes for play any
42 gambling game, gaming device or slot machine or who
43 manufactures, sells or distributes any gaming device, equipment,
44 material or machine used in gaming, after his license becomes
45 subject to renewal, and thereafter fails to apply for renewal as



1 provided in this section, is guilty of a misdemeanor and, in addition
2 to the penalties provided by law, is liable to the State of Nevada for
3 all license fees, taxes and penalties which would have been due
4 upon application for renewal.

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

12 8. The voluntary surrender of a license by a licensee does not
13 become effective until accepted in the manner provided in the
14 regulations of the Board. The surrender of a license does not relieve
15 the former licensee of any penalties, fines, fees, taxes or interest
16 due.

17 **Sec. 172.** NRS 463.370 is hereby amended to read as follows:

18 463.370 1. Except as otherwise provided in NRS 463.373,
19 the Commission shall charge and collect from each licensee a
20 license fee based upon all the gross revenue of the licensee as
21 follows:

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

24 (b) Four *and one-half* percent of all the gross revenue of the
25 licensee which exceeds \$50,000 per calendar month and does not
26 exceed \$134,000 per calendar month; and

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

29 2. Unless the licensee has been operating for less than a full
30 calendar month, the Commission shall charge and collect the fee
31 prescribed in subsection 1, based upon the gross revenue for the
32 preceding calendar month, on or before the 24th day of the
33 following month. Except for the fee based on the first full month of
34 operation, the fee is an estimated payment of the license fee for the
35 third month following the month whose gross revenue is used as its
36 basis.

37 3. When a licensee has been operating for less than a full
38 calendar month, the Commission shall charge and collect the fee
39 prescribed in subsection 1, based on the gross revenue received
40 during that month, on or before the 24th day of the following
41 calendar month of operation. After the first full calendar month of
42 operation, the Commission shall charge and collect the fee based on
43 the gross revenue received during that month, on or before the 24th
44 day of the following calendar month. The payment of the fee due for
45 the first full calendar month of operation must be accompanied by



1 the payment of a fee equal to three times the fee for the first full
2 calendar month. This additional amount is an estimated payment of
3 the license fees for the next 3 calendar months. Thereafter, each
4 license fee must be paid in the manner described in subsection 2.
5 Any deposit held by the Commission on July 1, 1969, must be
6 treated as an advance estimated payment.

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

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

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

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



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

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

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

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

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

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

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

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

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

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

30 (b) Refund any overpayment to the licensee with interest
31 computed pursuant to paragraph (b) of subsection 7,
32 based upon the gross revenue of the licensee during the last 3
33 months immediately preceding the cessation of operation, or
34 portions of those last 3 months.

35 11. If in any month ~~H~~ the amount of gross revenue is less than
36 zero, the licensee may offset the loss against gross revenue in
37 succeeding months until the loss has been fully offset.

38 12. If in any month ~~H~~ the amount of the license fee due is less
39 than zero, the licensee is entitled to receive a credit against any
40 license fees due in succeeding months until the credit has been fully
41 offset.

42 **Sec. 173.** NRS 463.373 is hereby amended to read as follows:

43 463.373 1. Before issuing a state gaming license to an
44 applicant for a restricted operation, the Commission shall charge
45 and collect from him for each slot machine for each quarter year:



1 (a) A license fee of ~~[\$61]~~ *\$81* for each slot machine if he will
2 have at least one but not more than five slot machines.

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

6 2. The Commission shall charge and collect the fee prescribed
7 in subsection 1:

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

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

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

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

19 **Sec. 174.** NRS 463.401 is hereby amended to read as follows:

20 463.401 1. In addition to any other license fees and taxes
21 imposed by this chapter, a casino entertainment tax equivalent to 10
22 percent of all amounts paid for admission, food, refreshments and
23 merchandise is hereby levied ~~[, except as provided in subsection 2,]~~
24 upon each licensed gaming establishment in this state where music
25 and dancing privileges or any other entertainment is provided to the
26 patrons in a cabaret, nightclub, cocktail lounge or casino showroom
27 in connection with the serving or selling of food or refreshments or
28 the selling of any merchandise. Amounts paid for gratuities directly
29 or indirectly remitted to employees of the licensee or for service
30 charges, including those imposed in connection with use of credit
31 cards or debit cards, that are collected and retained by persons other
32 than the licensee are not taxable pursuant to this section.

33 2. ~~[A licensed gaming establishment is not subject to tax
34 pursuant to this section if:~~

35 ~~—(a) The establishment is licensed for less than 51 slot machines,
36 less than six games, or any combination of slot machines and games
37 within those respective limits;~~

38 ~~—(b) The entertainment is presented in a facility that would not
39 have been subject to taxation pursuant to 26 U.S.C. § 4231(6) as that
40 provision existed in 1965;~~

41 ~~—(c) The entertainment is presented in a facility that would have
42 been subject to taxation pursuant to 26 U.S.C. § 4231(1), (2), (3),
43 (4) or (5) as those provisions existed in 1965; or~~

44 ~~—(d) In other cases, if:~~



1 ~~—(1) No distilled spirits, wine or beer is served or permitted to~~
2 ~~be consumed;~~

3 ~~—(2) Only light refreshments are served;~~

4 ~~—(3) Where space is provided for dancing, no charge is made~~
5 ~~for dancing; and~~

6 ~~—(4) Where music is provided or permitted, the music is~~
7 ~~provided without any charge to the owner, lessee or operator of the~~
8 ~~establishment or to any concessionaire.~~

9 ~~—3.]~~ The tax imposed by this section does not apply to
10 merchandise sold outside the facility in which the entertainment is
11 presented, unless the purchase of the merchandise entitles the
12 purchaser to admission to the entertainment.

13 ~~[4.]~~ 3. The tax imposed by this section must be paid by the
14 licensee of the establishment.

15 **Sec. 175.** NRS 463.4015 is hereby amended to read as
16 follows:

17 463.4015 ~~[1.]~~ The following kinds of entertainment are not
18 subject to the casino entertainment tax:

19 ~~[(a)]~~ 1. A charitable or nonprofit benefit;

20 ~~[(b)]~~ ~~An exhibition in a museum;~~

21 ~~—(c) A sporting event;~~

22 ~~—(d)]~~ 2. A trade show;

23 ~~[(e)]~~ ~~A motion picture film;~~

24 ~~—(f) An outdoor concert;~~

25 ~~—(g) A concert or other activity or entertainment presented in an~~
26 ~~amusement park, arcade, theme park, outdoor area, area with a man-~~
27 ~~made body of water, area customarily used for trade shows or~~
28 ~~conventions, or any similar area, unless the concert or other activity~~
29 ~~or entertainment is presented in a cabaret, nightclub, cocktail lounge~~
30 ~~or casino showroom which is located within such a facility or area;~~

31 ~~—(h) Interactive entertainment;~~

32 ~~—(i) Participation in physical or sporting activities other than~~
33 ~~dancing;~~

34 ~~—(j) Instrumental music alone;~~

35 ~~—(k)] ; and~~

36 3. Music by musicians who move constantly through the
37 audience, whether the music is vocal or instrumental, or both, if no
38 other form of entertainment such as dancing privileges is afforded
39 the patrons . ~~[-; and~~

40 ~~—(l) Mechanical music alone, mechanical speech alone or a~~
41 ~~combination of these.~~

42 ~~—2. Entertainment is also not subject to the casino entertainment~~
43 ~~tax if the entertainment is:~~



1 ~~—(a) Provided or occurs at private meetings or dinners attended by~~
2 ~~members of a particular organization or by a casual assemblage and~~
3 ~~the purpose of the event is not primarily for entertainment;~~

4 ~~—(b) Provided to the public without requirement for payment of~~
5 ~~an admission charge or the purchase of food, refreshment or~~
6 ~~merchandise or the expectation that the patron will not remain to~~
7 ~~view or participate in the entertainment without purchasing food,~~
8 ~~refreshment or merchandise;~~

9 ~~—(c) Presented in or about a swimming pool, water park or on a~~
10 ~~natural or artificial beach;~~

11 ~~—(d) Presented in an auditorium; or~~

12 ~~—(e) Presented in a common area of a shopping mall.]~~

13 **Sec. 176.** NRS 463.408 is hereby amended to read as follows:

14 463.408 1. As used in this section, “holidays or special
15 events” refers to periods during which the influx of tourist activity
16 in this state or any area thereof may require additional or alternative
17 industry accommodation as determined by the Board.

18 2. Any licensee holding a valid license under this chapter may
19 apply to the Board, on application forms prescribed by the Board,
20 for a holiday or special event permit to:

21 (a) Increase the licensee’s game operations during holidays or
22 special events; or

23 (b) Provide persons who are attending a special event with
24 gaming in an area of the licensee’s establishment to which access by
25 the general public may be restricted.

26 3. The application must be filed with the Board at least 15 days
27 before the date of the holiday or special event.

28 4. If the Board approves the application, it shall issue to the
29 licensee a permit to operate presently existing games or any
30 additional games in designated areas of the licensee’s establishment.
31 The number of additional games must not exceed 50 percent of the
32 number of games operated by the licensee at the time the application
33 is filed. The permit must state the period for which it is issued and
34 the number, if any, of additional games allowed. For purposes of
35 computation, any fractional game must be counted as one full game.
36 The licensee shall present any such permit on the demand of any
37 inspecting agent of the Board or Board.

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

42 6. The additional games allowed under a permit must not be
43 counted in computing the ~~casino entertainment tax under NRS~~
44 ~~463.401.] tax imposed by section 46 of this act.~~



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

4 **Sec. 177.** NRS 463.770 is hereby amended to read as follows:

5 463.770 1. All gross revenue from operating interactive
6 gaming received by an establishment licensed to operate interactive
7 gaming, regardless of whether any portion of the revenue is shared
8 with another person, must be attributed to the licensee and counted
9 as part of the gross revenue of the licensee for the purpose of
10 computing the license fee required by NRS 463.370.

11 2. A manufacturer of interactive gaming systems who is
12 authorized by an agreement to receive a share of the revenue from
13 an interactive gaming system from an establishment licensed to
14 operate interactive gaming is liable to the establishment for a
15 portion of the license fee paid pursuant to subsection 1. The portion
16 for which the manufacturer of interactive gaming systems is liable is
17 ~~[6.25]~~ 6.75 percent of the amount of revenue to which the
18 manufacturer of interactive gaming systems is entitled pursuant to
19 the agreement.

20 3. For the purposes of subsection 2, the amount of revenue to
21 which the manufacturer of interactive gaming systems is entitled
22 pursuant to an agreement to share the revenue from an interactive
23 gaming system:

24 (a) Includes all revenue of the manufacturer of interactive
25 gaming systems that is his share of the revenue from the interactive
26 gaming system pursuant to the agreement; and

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

29 **Sec. 178.** NRS 481.079 is hereby amended to read as follows:

30 481.079 1. Except as otherwise provided by specific statute,
31 all taxes, license fees and money collected ~~[pursuant to NRS~~
32 ~~481.0475]~~ *by the Department* must be deposited with the State
33 Treasurer to the credit of the Motor Vehicle Fund.

34 2. If a check or any other method of payment accepted by the
35 Department in payment of *such* fees ~~[pursuant to NRS 481.0475]~~ is
36 dishonored upon presentation for payment:

37 (a) The drawer or any other person responsible for payment of
38 the fee is subject to a ~~[service charge of \$25,]~~ *fee in the amount*
39 *established by the State Controller pursuant to section 163 of this*
40 *act* in addition to any other penalties provided by law; and

41 (b) The Department may require that future payments from the
42 person be made by cashier's check, money order, traveler's check or
43 cash.



5 612.618 1. If a check is tendered on or before the due date in
6 payment of contributions but is afterward dishonored by the
7 financial institution on which it is drawn, the check does not
8 constitute timely payment unless the Administrator determines that
9 dishonor occurred because of fault on the part of the financial
10 institution.

17 **Sec. 180.** NRS 623A.240 is hereby amended to read as
18 follows:

21		
22	Application fee	\$200.00
23	Examination fee	100.00,
24		plus the actual
25		cost of the
26		examination
27	Certificate of registration	25.00
28	Annual renewal fee	200.00
29	Reinstatement fee	300.00
30	Delinquency fee	50.00
31	Change of address fee	10.00
32	Copy of a document, per page.....	.25

2. In addition to the fees set forth in subsection 1, the Board
may charge and collect a fee for any other service it provides. The
fee must not exceed the cost incurred by the Board to provide the
service.

38 3. The Board may authorize a landscape architect intern to pay
39 the application fee or any portion of that fee during any period in
40 which he is the holder of a certificate to practice as a landscape
41 architect intern. If a landscape architect intern pays the fee or any
42 portion of the fee during that period, the Board shall credit the
43 amount paid by him towards the entire amount of the application fee
44 for the certificate of registration required pursuant to this section.



1 4. The fees prescribed by the Board pursuant to this section
2 must be paid in United States currency in the form of a check,
3 cashier's check or money order. If any check submitted to the Board
4 is dishonored upon presentation for payment, repayment of the fee,
5 including the fee for a returned check ~~is~~ *in the amount established*
6 *by the State Controller pursuant to section 163 of this act*, must be
7 made by money order or certified check.

8 5. The fees prescribed by the Board pursuant to this section are
9 nonrefundable.

10 **Sec. 181.** NRS 634.135 is hereby amended to read as follows:

11 634.135 1. The Board may charge and collect fees not to
12 exceed:

13	
14	For an application for a license to practice
15	chiropractic \$200.00
16	For an examination for a license to practice
17	chiropractic 200.00
18	For an application for, and the issuance
19	of, a certificate as a chiropractor's
20	assistant..... 100.00
21	For an examination for a certificate as a
22	chiropractor's assistant..... 100.00
23	For the issuance of a license to practice
24	chiropractic 300.00
25	For the annual renewal of a license to practice
26	chiropractic 300.00
27	For the annual renewal of an inactive license to
28	practice chiropractic..... 100.00
29	For the annual renewal of a certificate as a
30	chiropractor's assistant..... 50.00
31	For the restoration to active status of an inactive
32	license to practice chiropractic..... 300.00
33	For reinstating a license to practice
34	chiropractic which has been suspended or
35	revoked..... 500.00
36	For reinstating a certificate as a chiropractor's
37	assistant which has been suspended pursuant to
38	NRS 634.130..... 100.00
39	For a review of any subject on the examination 25.00
40	For the issuance of a duplicate license or for
41	changing the name on a license 35.00
42	For written certification of licensure..... 25.00
43	For providing a list of persons who are licensed
44	to practice chiropractic to a person who is not
45	licensed to practice chiropractic..... 25.00



1	For providing a list of persons who were	
2	licensed to practice chiropractic following the	
3	most recent examination of the Board to a	
4	person who is not licensed to practice	
5	chiropractic	\$10.00
6	For a set of mailing labels containing the names	
7	and addresses of the persons who are licensed to	
8	practice chiropractic in this state.....	35.00
9	For a check made payable to the Board that is	
10	dishonored upon presentation for payment.....	25.00
11	For providing a copy of the statutes, regulations	
12	and other rules governing the practice of	
13	chiropractic in this state to a person who is not	
14	licensed to practice chiropractic.....	25.00
15	For each page of a list of continuing education	
16	courses that have been approved by the Board.....	.50
17	For an application to a preceptor program	
18	offered by the Board to graduates of chiropractic	
19	schools or colleges	35.00
20	For a review by the Board of a course offered by	
21	a chiropractic school or college or a course of	
22	continuing education in chiropractic.....	10.00

23
24 2. In addition to the fees set forth in subsection 1, the Board
25 may charge and collect reasonable and necessary fees for any other
26 service it provides.

27 3. *For a check made payable to the Board that is dishonored*
28 *upon presentation for payment, the Board shall assess and collect*
29 *a fee in the amount established by the State Controller pursuant to*
30 *section 163 of this act.*

31 **Sec. 182.** NRS 645B.060 is hereby amended to read as
32 follows:

33 645B.060 1. Subject to the administrative control of the
34 Director of the Department of Business and Industry, the
35 Commissioner shall exercise general supervision and control over
36 mortgage brokers doing business in this state.

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

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

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



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

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

7 (2) Procedures for resolving any objections made by the
8 mortgage broker to the results of the annual examination. The
9 results of the annual examination may not be opened to public
10 inspection pursuant to NRS 645B.090 until any objections made by
11 the mortgage broker have been decided by the Commissioner.

12 (d) Conduct such other examinations, periodic or special audits,
13 investigations and hearings as may be necessary and proper for the
14 efficient administration of the laws of this state regarding mortgage
15 brokers and mortgage agents. The Commissioner shall adopt
16 regulations specifying the general guidelines that will be followed
17 when a periodic or special audit of a mortgage broker is conducted
18 pursuant to this chapter.

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

23 (1) *The Legislative Auditor ~~[-]~~; or*

24 (2) *The Department of Taxation if necessary to carry out*
25 *the provisions of sections 2 to 34, inclusive, of this act.*

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

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

33 **Sec. 183.** NRS 645B.670 is hereby amended to read as
34 follows:

35 645B.670 Except as otherwise provided in NRS 645B.690:

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

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

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



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

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

10 (a) Is insolvent;

11 (b) Is grossly negligent or incompetent in performing any act for
12 which he is required to be licensed pursuant to the provisions of this
13 chapter;

14 (c) Does not conduct his business in accordance with law or has
15 violated any provision of this chapter, a regulation adopted pursuant
16 to this chapter or an order of the Commissioner;

17 (d) Is in such financial condition that he cannot continue in
18 business with safety to his customers;

19 (e) Has made a material misrepresentation in connection with
20 any transaction governed by this chapter;

21 (f) Has suppressed or withheld from a client any material facts,
22 data or other information relating to any transaction governed by the
23 provisions of this chapter which the licensee knew or, by the
24 exercise of reasonable diligence, should have known;

25 (g) Has knowingly made or caused to be made to the
26 Commissioner any false representation of material fact or has
27 suppressed or withheld from the Commissioner any information
28 which the licensee possesses and which, if submitted by him, would
29 have rendered the licensee ineligible to be licensed pursuant to the
30 provisions of this chapter;

31 (h) Has failed to account to persons interested for all money
32 received for a trust account;

33 (i) Has refused to permit an examination by the Commissioner
34 of his books and affairs or has refused or failed, within a reasonable
35 time, to furnish any information or make any report that may be
36 required by the Commissioner pursuant to the provisions of this
37 chapter or a regulation adopted pursuant to this chapter;

38 (j) Has been convicted of, or entered a plea of nolo contendere
39 to, a felony or any crime involving fraud, misrepresentation or
40 moral turpitude;

41 (k) Has refused or failed to pay, within a reasonable time, any
42 fees, assessments, costs or expenses that the licensee is required to
43 pay pursuant to this chapter or a regulation adopted pursuant to this
44 chapter;



1 (l) Has failed to satisfy a claim made by a client which has been
2 reduced to judgment;

3 (m) Has failed to account for or to remit any money of a client
4 within a reasonable time after a request for an accounting or
5 remittal;

6 (n) Has commingled the money or other property of a client
7 with his own or has converted the money or property of others to his
8 own use;

9 (o) Has engaged in any other conduct constituting a deceitful,
10 fraudulent or dishonest business practice;

11 (p) Has repeatedly violated the policies and procedures of the
12 mortgage broker;

13 (q) Has failed to exercise reasonable supervision over the
14 activities of a mortgage agent as required by NRS 645B.460;

15 (r) Has instructed a mortgage agent to commit an act that would
16 be cause for the revocation of the license of the mortgage broker,
17 whether or not the mortgage agent commits the act;

18 (s) Has employed a person as a mortgage agent or authorized a
19 person to be associated with the licensee as a mortgage agent at a
20 time when the licensee knew or, in light of all the surrounding facts
21 and circumstances, reasonably should have known that the person:

22 (1) Had been convicted of, or entered a plea of nolo
23 contendere to, a felony or any crime involving fraud,
24 misrepresentation or moral turpitude; or

25 (2) Had a financial services license or registration suspended
26 or revoked within the immediately preceding 10 years; ~~for~~

27 (t) *Has failed to pay the tax imposed pursuant to the provisions*
28 *of sections 2 to 34, inclusive, of this act; or*

29 (u) Has not conducted verifiable business as a mortgage broker
30 for 12 consecutive months, except in the case of a new applicant.
31 The Commissioner shall determine whether a mortgage broker is
32 conducting business by examining the monthly reports of activity
33 submitted by the licensee or by conducting an examination of the
34 licensee.

35 **Sec. 184.** NRS 645E.300 is hereby amended to read as
36 follows:

37 645E.300 1. Subject to the administrative control of the
38 Director of the Department of Business and Industry, the
39 Commissioner shall exercise general supervision and control over
40 mortgage companies doing business in this state.

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

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



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

5 (c) Conduct an annual examination of each mortgage company
6 doing business in this state.

7 (d) Conduct such other examinations, periodic or special audits,
8 investigations and hearings as may be necessary and proper for the
9 efficient administration of the laws of this state regarding mortgage
10 companies.

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

15 (1) *The Legislative Auditor* ~~[-]~~; or

16 (2) *The Department of Taxation if necessary to carry out*
17 *the provisions of sections 2 to 34, inclusive, of this act.*

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

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

25 **Sec. 185.** NRS 645E.670 is hereby amended to read as
26 follows:

27 645E.670 1. For each violation committed by an applicant,
28 whether or not he is issued a license, the Commissioner may impose
29 upon the applicant an administrative fine of not more than \$10,000,
30 if the 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 pay the tax imposed pursuant to the provisions*
- 37 *of sections 2 to 34, inclusive, of this act;*
- 38 (m) Has failed to satisfy a claim made by a client which has
- 39 been reduced to judgment;
- 40 ~~(m)~~ (n) Has failed to account for or to remit any money of a
- 41 client within a reasonable time after a request for an accounting or
- 42 remittal;
- 43 ~~(n)~~ (o) Has commingled the money or other property of a
- 44 client with his own or has converted the money or property of others
- 45 to his own use; or



1 ~~[(e)]~~ (p) Has engaged in any other conduct constituting a
2 deceitful, fraudulent or dishonest business practice.

3 **Sec. 186.** NRS 649.395 is hereby amended to read as follows:

4 649.395 1. The Commissioner may impose an administrative
5 fine, not to exceed \$500 for each violation, or suspend or revoke the
6 license of a collection agency, or both impose a fine and suspend or
7 revoke the license, by an order made in writing and filed in his
8 office and served on the licensee by registered or certified mail at
9 the address shown in the records of the Commissioner, if:

10 (a) The licensee is adjudged liable in any court of law for breach
11 of any bond given under the provisions of this chapter; ~~[(e)]~~

12 (b) After notice and hearing, the licensee is found guilty of:

13 (1) Fraud or misrepresentation;

14 (2) An act or omission inconsistent with the faithful
15 discharge of his duties and obligations; or

16 (3) A violation of any provision of this chapter ~~[(e)]~~; or

17 (c) *The Commissioner determines that the licensee has failed*
18 *to pay the tax imposed pursuant to the provisions of sections 2 to*
19 *34, inclusive, of this act.*

20 2. The Commissioner may suspend or revoke the license of a
21 collection agency without notice and hearing if:

22 (a) The suspension or revocation is necessary for the immediate
23 protection of the public; and

24 (b) The licensee is afforded a hearing to contest the suspension
25 or revocation within 20 days after the written order of suspension or
26 revocation is served upon the licensee.

27 3. Upon revocation of his license, all rights of the licensee
28 under this chapter terminate, and no application may be received
29 from any person whose license has once been revoked.

30 **Sec. 187.** NRS 658.151 is hereby amended to read as follows:

31 658.151 1. The Commissioner may forthwith take possession
32 of the business and property of any depository institution to which
33 this title or title 56 of NRS applies when it appears that the
34 depository institution:

35 (a) Has violated its charter or any laws applicable thereto.

36 (b) Is conducting its business in an unauthorized or unsafe
37 manner.

38 (c) Is in an unsafe or unsound condition to transact its business.

39 (d) Has an impairment of its stockholders' or members' equity.

40 (e) Has refused to pay its depositors in accordance with the
41 terms on which such deposits were received, or has refused to pay
42 its holders of certificates of indebtedness or investment in
43 accordance with the terms upon which those certificates of
44 indebtedness or investment were sold.

45 (f) Has become otherwise insolvent.



1 (g) Has neglected or refused to comply with the terms of a
2 lawful order of the Commissioner.

3 (h) Has refused, upon proper demand, to submit its records,
4 affairs and concerns for inspection and examination of an appointed
5 or authorized examiner of the Commissioner.

6 (i) Has made a voluntary assignment of its assets to trustees.

7 *(j) Has failed to pay the tax imposed pursuant to the provisions*
8 *of sections 2 to 34, inclusive, of this act.*

9 2. The Commissioner also may forthwith take possession of the
10 business and property of any depository institution to which this title
11 or title 56 of NRS applies when it appears that the officers of the
12 depository institution have refused to be examined upon oath
13 regarding its affairs.

14 **Sec. 188.** NRS 665.133 is hereby amended to read as follows:

15 665.133 1. The records and information described in NRS
16 665.130 may be disclosed to:

17 (a) An agency of the Federal Government or of another state
18 which regulates the financial institution which is the subject of the
19 records or information;

20 (b) The Director of the Department of Business and Industry for
21 his confidential use;

22 (c) The State Board of Finance for its confidential use, if the
23 report or other information is necessary for the State Board of
24 Finance to perform its duties under this title;

25 (d) *The Department of Taxation for its use in carrying out the*
26 *provisions of sections 2 to 34, inclusive, of this act;*

27 (e) An entity which insures or guarantees deposits;

28 ~~(e)~~ (f) A public officer authorized to investigate criminal
29 charges in connection with the affairs of the depository institution;

30 ~~(f)~~ (g) A person preparing a proposal for merging with or
31 acquiring an institution or holding company, but only after notice of
32 the disclosure has been given to the institution or holding company;

33 ~~(g)~~ (h) Any person to whom the subject of the report has
34 authorized the disclosure;

35 ~~(h)~~ (i) Any other person if the Commissioner determines, after
36 notice and opportunity for hearing, that disclosure is in the public
37 interest and outweighs any potential harm to the depository
38 institution and its stockholders, members, depositors and creditors;
39 and

40 ~~(i)~~ (j) Any court in a proceeding initiated by the
41 Commissioner concerning the financial institution.

42 2. All the reports made available pursuant to this section
43 remain the property of the Division of Financial Institutions, and no
44 person, agency or authority to whom the reports are made available,
45 or any officer, director or employee thereof, may disclose any of the



1 reports or any information contained therein, except in published
2 statistical material that does not disclose the affairs of any natural
3 person or corporation.

4 **Sec. 189.** NRS 673.484 is hereby amended to read as follows:

5 673.484 The Commissioner may after notice and hearing
6 suspend or revoke the charter of any association for ~~repeated~~ :

7 **1. Repeated** failure to abide by the provisions of this chapter or
8 the regulations adopted thereunder.

9 **2. Failure to pay the tax imposed pursuant to the provisions**
10 **of sections 2 to 34, inclusive, of this act.**

11 **Sec. 190.** NRS 675.440 is hereby amended to read as follows:

12 675.440 1. If the Commissioner has reason to believe that
13 grounds for revocation or suspension of a license exist, he shall give
14 20 days' written notice to the licensee stating the contemplated
15 action and, in general, the grounds therefor and set a date for a
16 hearing.

17 2. At the conclusion of a hearing, the Commissioner shall:

18 (a) Enter a written order either dismissing the charges, revoking
19 the license, or suspending the license for a period of not more than
20 60 days, which period must include any prior temporary suspension.
21 A copy of the order must be sent by registered or certified mail to
22 the licensee.

23 (b) Impose upon the licensee a fine of \$500 for each violation by
24 the licensee of any provision of this chapter or any lawful regulation
25 adopted under it.

26 (c) If a fine is imposed pursuant to this section, enter such order
27 as is necessary to recover the costs of the proceeding, including his
28 investigative costs and attorney's fees.

29 3. The grounds for revocation or suspension of a license are
30 that:

31 (a) The licensee has failed to pay the annual license fee;

32 (b) The licensee, either knowingly or without any exercise of
33 due care to prevent it, has violated any provision of this chapter or
34 any lawful regulation adopted under it;

35 (c) **The licensee has failed to pay the tax imposed pursuant to**
36 **the provisions of sections 2 to 34, inclusive, of this act;**

37 (d) Any fact or condition exists which would have justified the
38 Commissioner in denying the licensee's original application for a
39 license hereunder; or

40 ~~[(d)]~~ (e) The applicant failed to open an office for the conduct
41 of the business authorized under this chapter within 120 days from
42 the date the license was issued, or has failed to remain open for the
43 conduct of the business for a period of 120 days without good cause
44 therefor.



1 4. Any revocation or suspension applies only to the license
2 granted to a person for the particular office for which grounds for
3 revocation or suspension exist.

4 5. An order suspending or revoking a license becomes effective
5 5 days after being entered unless the order specifies otherwise or a
6 stay is granted.

7 **Sec. 191.** NRS 676.290 is hereby amended to read as follows:

8 676.290 1. The Commissioner may, pursuant to the
9 procedure provided in this chapter, deny, suspend or revoke any
10 license for which application has been made or which has been
11 issued under the provisions of this chapter if he finds, as to the
12 licensee, its associates, directors or officers, grounds for action.

13 2. Any one of the following grounds may provide the requisite
14 grounds for denial, suspension or revocation:

15 (a) Conviction of a felony or of a misdemeanor involving moral
16 turpitude.

17 (b) Violation of any of the provisions of this chapter or
18 regulations of the Commissioner.

19 (c) Fraud or deceit in procuring the issuance of the license.

20 (d) Continuous course of unfair conduct.

21 (e) Insolvency, filing in bankruptcy, receivership or assigning
22 for the benefit of creditors by any licensee or applicant for a license
23 under this chapter.

24 (f) *Failure to pay the tax imposed pursuant to the provisions of*
25 *sections 2 to 34, inclusive, of this act.*

26 (g) Failure to pay the fee for renewal or reinstatement of a
27 license.

28 3. The Commissioner shall, after notice and hearing, impose
29 upon the licensee a fine of \$500 for each violation by the licensee of
30 any of the provisions of this chapter or regulations of the
31 Commissioner. If a fine is imposed pursuant to this section, the
32 costs of the proceeding, including investigative costs and attorney's
33 fees, may be recovered by the Commissioner.

34 **Sec. 192.** NRS 677.510 is hereby amended to read as follows:

35 677.510 1. If the Commissioner has reason to believe that
36 grounds for revocation or suspension of a license exist, he shall give
37 20 days' written notice to the licensee stating the contemplated
38 action and, in general, the grounds therefor and set a date for a
39 hearing.

40 2. At the conclusion of a hearing, the Commissioner shall:

41 (a) Enter a written order either dismissing the charges, or
42 revoking the license, or suspending the license for a period of not
43 more than 60 days, which period must include any prior temporary
44 suspension. A copy of the order must be sent by registered or
45 certified mail to the licensee.



1 (b) Impose upon the licensee a fine of \$500 for each violation by
2 the licensee of any provision of this chapter or any lawful regulation
3 adopted pursuant thereto.

4 (c) If a fine is imposed pursuant to this section, enter such order
5 as is necessary to recover the costs of the proceeding, including his
6 investigative costs and attorney's fees.

7 3. The grounds for revocation or suspension of a license are
8 that:

9 (a) The licensee has failed to pay the annual license fee;

10 (b) The licensee, either knowingly or without any exercise of
11 due care to prevent it, has violated any provision of this chapter, or
12 any lawful regulation adopted pursuant thereto;

13 (c) *The licensee has failed to pay the tax imposed pursuant to*
14 *the provisions of sections 2 to 34, inclusive, of this act;*

15 (d) Any fact or condition exists which would have justified the
16 Commissioner in denying the licensee's original application for a
17 license hereunder; or

18 ~~[(d)]~~ (e) The applicant failed to open an office for the conduct
19 of the business authorized under this chapter within 120 days from
20 the date the license was issued, or has failed to remain open for the
21 conduct of the business for a period of 120 days without good cause
22 therefor.

23 4. Any revocation or suspension applies only to the license
24 granted to a person for the particular office for which grounds for
25 revocation or suspension exist.

26 5. An order suspending or revoking a license becomes effective
27 5 days after being entered unless the order specifies otherwise or a
28 stay is granted.

29 **Sec. 193.** NRS 679B.228 is hereby amended to read as
30 follows:

31 679B.228 The Division ~~may~~ *shall* charge a person a fee ~~of~~
32 ~~\$25~~ *in the amount established by the State Controller pursuant to*
33 *section 163 of this act* for each check returned to the Division
34 because the person had insufficient money or credit with the drawee
35 to pay the check or because the person stopped payment on the
36 check.

37 **Sec. 194.** NRS 680B.037 is hereby amended to read as
38 follows:

39 680B.037 ~~Payment~~

40 1. *Except as otherwise provided in subsection 2, payment* by
41 an insurer of the tax imposed by NRS 680B.027 is in lieu of all
42 taxes imposed by the State or any city, town or county upon
43 premiums or upon income of insurers and of franchise, privilege or
44 other taxes measured by income of the insurer.



1 ***2. The provisions of subsection 1 do not apply to the tax***
2 ***imposed pursuant to the provisions of sections 2 to 34, inclusive,***
3 ***of this act.***

4 **Sec. 195.** NRS 687A.130 is hereby amended to read as
5 follows:

6 687A.130 The Association is exempt from payment of all fees
7 and all taxes levied by this state or any of its subdivisions, except
8 ~~{taxes}~~ :

9 ***1. Taxes*** levied on real or personal property.

10 ***2. The excise tax on the privilege of doing business in this***
11 ***state imposed pursuant to sections 2 to 34, inclusive, of this act.***

12 **Sec. 196.** NRS 694C.450 is hereby amended to read as
13 follows:

14 694C.450 1. Except as otherwise provided in this section, a
15 captive insurer shall pay to the Division, not later than March 1 of
16 each year, a tax at the rate of:

17 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net
18 direct premiums;

19 (b) One-fifth of 1 percent on the next \$20,000,000 of its net
20 direct premiums; and

21 (c) Seventy-five thousandths of 1 percent on each additional
22 dollar of its net direct premiums.

23 2. Except as otherwise provided in this section, a captive
24 insurer shall pay to the Division, not later than March 1 of each
25 year, a tax at a rate of:

26 (a) Two hundred twenty-five thousandths of 1 percent on the
27 first \$20,000,000 of revenue from assumed reinsurance premiums;

28 (b) One hundred fifty thousandths of 1 percent on the next
29 \$20,000,000 of revenue from assumed reinsurance premiums; and

30 (c) Twenty-five thousandths of 1 percent on each additional
31 dollar of revenue from assumed reinsurance premiums.

32 The tax on reinsurance premiums pursuant to this subsection must
33 not be levied on premiums for risks or portions of risks which are
34 subject to taxation on a direct basis pursuant to subsection 1. A
35 captive insurer is not required to pay any reinsurance premium tax
36 pursuant to this subsection on revenue related to the receipt of assets
37 by the captive insurer in exchange for the assumption of loss
38 reserves and other liabilities of another insurer that is under
39 common ownership and control with the captive insurer, if the
40 transaction is part of a plan to discontinue the operation of the other
41 insurer and the intent of the parties to the transaction is to renew or
42 maintain such business with the captive insurer.

43 3. If the sum of the taxes to be paid by a captive insurer
44 calculated pursuant to subsections 1 and 2 is less than \$5,000 in any



1 given year, the captive insurer shall pay a tax of \$5,000 for that
2 year.

3 4. Two or more captive insurers under common ownership and
4 control must be taxed as if they were a single captive insurer.

5 5. Notwithstanding any specific statute to the contrary, ~~and~~
6 except as otherwise provided in this subsection, the tax provided for
7 by this section constitutes all the taxes collectible pursuant to the
8 laws of this state from a captive insurer, and no occupation tax or
9 other taxes may be levied or collected from a captive insurer by this
10 state or by any county, city or municipality within this state, except
11 for *the tax imposed pursuant to the provisions of sections 2 to 34,*
12 *inclusive, of this act and* ad valorem taxes on real or personal
13 property located in this state used in the production of income by the
14 captive insurer.

15 6. Ten percent of the revenues collected from the tax imposed
16 pursuant to this section must be deposited with the State Treasurer
17 for credit to the Account for the Regulation and Supervision of
18 Captive Insurers created pursuant to NRS 694C.460. The remaining
19 90 percent of the revenues collected must be deposited with the
20 State Treasurer for credit to the State General Fund.

21 7. As used in this section, unless the context otherwise
22 requires:

23 (a) "Common ownership and control" means:

24 (1) In the case of a stock insurer, the direct or indirect
25 ownership of 80 percent or more of the outstanding voting stock of
26 two or more corporations by the same member or members.

27 (2) In the case of a mutual insurer, the direct or indirect
28 ownership of 80 percent or more of the surplus and the voting power
29 of two or more corporations by the same member or members.

30 (b) "Net direct premiums" means the direct premiums collected
31 or contracted for on policies or contracts of insurance written by a
32 captive insurer during the preceding calendar year, less the amounts
33 paid to policyholders as return premiums, including dividends on
34 unabsorbed premiums or premium deposits returned or credited to
35 policyholders.

36 **Sec. 197.** 1. NRS 353.272, 463.4002, 463.4006, 463.4008,
37 and 463.4009 are hereby repealed.

38 2. NRS 463.4001, 463.4004, 463.401, 463.4015, 463.402,
39 463.403, 463.404, 463.4045, 463.405, 463.4055 and 463.406 are
40 hereby repealed.

41 3. NRS 375.025 and 375.075 are hereby repealed.

42 **Sec. 198.** Except as otherwise provided by specific statute:

43 1. After the close of the 2003-2004 Fiscal Year and after the
44 close of the 2004-2005 Fiscal Year, the Interim Finance Committee
45 shall determine the amount, if any, by which the total revenue from



1 all sources to the State General Fund, excluding reversions to the
2 State General Fund, exceeds:

3 (a) One hundred seven percent of the total revenue from all
4 sources to the State General Fund as projected by the 2003
5 Legislature for the applicable fiscal year; and

6 (b) The total amount of all applicable contingent appropriations
7 enacted by the 2003 Legislature for which the conditions for the
8 contingent appropriations were satisfied.

9 2. If the amount determined pursuant to subsection 1 is greater
10 than \$0, the Interim Finance Committee, upon making the
11 determination, shall cause to be transferred from the State General
12 Fund to the Fund to Stabilize the Operation of the State Government
13 created by NRS 353.288 the portion of the amount determined
14 pursuant to subsection 1 that may be transferred without exceeding
15 the permissible balance of the Fund to Stabilize the Operation of the
16 State Government as set forth in NRS 353.288.

17 3. If less than the full amount determined pursuant to
18 subsection 1 is transferred to the Fund to Stabilize the Operation of
19 the State Government pursuant to subsection 2, the Interim Finance
20 Committee shall cause to be transferred from the State General Fund
21 to the Fund for Tax Accountability created by section 199 of this act
22 the remainder of the amount determined pursuant to subsection 1.

23 **Sec. 199.** 1. The Fund for Tax Accountability is hereby
24 created as a special revenue fund.

25 2. Money from the Fund may be appropriated only for the
26 purpose of supplementing future revenue of this state to allow the
27 reduction of the rate or amount of a tax or fee.

28 3. This section does not authorize a refund or other return of
29 any tax or fee paid to this state pursuant to any statute or regulation
30 in effect at the time the tax or fee was paid.

31 **Sec. 200.** Notwithstanding the provisions of this act and any
32 other provision of law to the contrary, a public utility or local
33 government franchise may increase its previously approved rates by
34 an amount which is reasonably estimated to produce an amount of
35 revenue equal to the amount of any tax liability incurred by the
36 public utility or local government franchise before January 1, 2005,
37 as a result of the provisions of this act.

38 **Sec. 201.** Notwithstanding the provisions of section 61 of
39 Assembly Bill No. 553 of the 72nd Session of the Nevada
40 Legislature, the sums appropriated to the Interim Finance
41 Committee by subsection 1 of that section may be allocated and
42 used pursuant to that section for information technology and
43 additional operational costs that may be required by the Department
44 of Taxation or other state agency to implement or modify the



1 collections of State General Fund revenues approved by the 19th
2 Special Session of the Nevada Legislature.

3 **Sec. 202.** 1. There is hereby appropriated from the State
4 General Fund to the Legislative Fund for use by the Legislative
5 Committee on Taxation, Public Revenue and Tax Policy to exercise
6 its powers pursuant to section 127 of this act, including, without
7 limitation, to hire a consultant:

8 For Fiscal Year 2003-2004..... \$125,000
9 For Fiscal Year 2004-2005..... \$125,000

10 2. The sums appropriated by subsection 1 are available for
11 either fiscal year. Any balance of those sums must not be committed
12 for expenditure after June 30, 2005, and reverts to the State General
13 Fund as soon as all payments of money committed have been made.

14 **Sec. 203.** The provisions of:

15 1. Sections 79, 80, 81, 172 and 173 of this act do not affect the
16 amount of any license fees or taxes due for any period ending on or
17 before June 30, 2003.

18 2. Sections 83, 86 and 88 of this act do not apply to any taxes
19 precollected pursuant to chapter 370 of NRS on or before June 30,
20 2003.

21 3. Sections 36 to 68, inclusive, of this act apply to any taxable
22 amount paid for live entertainment that is collected on or after
23 January 1, 2004.

24 4. Sections 84, 87 and 89 of this act do not apply to any taxes
25 precollected pursuant to chapter 370 of NRS on or before June 30,
26 2004.

27 5. Sections 142 of this act does not apply to any contracts made
28 on or before June 30, 2003.

29 **Sec. 204.** The Budget Division of the Department of
30 Administration and the Fiscal Analysis Division of the Legislative
31 Counsel Bureau shall jointly:

32 1. Identify all departments, institutions and agencies of the
33 Executive Department of the State Government that administer
34 programs for the treatment of alcohol and drug abuse or provide
35 funding to local governments for such programs;

36 2. Develop a proposal for coordinating such programs,
37 reducing the administrative costs associated with such programs and
38 maximizing the use of state revenue being expended for such
39 programs; and

40 3. Report their recommendations to the Governor and the
41 Director of the Legislative Counsel Bureau not later than December
42 1, 2004.

43 **Sec. 205.** 1. This section and sections 198 and 199 of this act
44 become effective upon passage and approval.



- 1 2. Sections 69, 70, 71, 76, 77, 79, 80 to 83, inclusive, 85, 86,
2 88, 90, 91 to 98, inclusive, 103, 106, 117, 123 to 130, inclusive,
3 142, 143, 144, 146, 147, 148, 150 to 166, inclusive, 169, 172, 173,
4 174, 175, 177 to 181, inclusive, and 200 to 204, inclusive, and
5 subsection 1 of section 197 of this act become effective:
6 (a) Upon passage and approval for the purpose of adopting
7 regulations and performing any other preparatory administrative
8 tasks that are necessary to carry out the provisions of this act; and
9 (b) On July 1, 2003, for all other purposes.
- 10 3. Sections 35 to 68, inclusive, 78, 133, 167, 168, 170, 171,
11 176 and subsection 2 of section 197 of this act become effective:
12 (a) Upon passage and approval for the purpose of adopting
13 regulations and performing any other preparatory administrative
14 tasks that are necessary to carry out the provisions of this act; and
15 (b) On January 1, 2004, for all other purposes.
- 16 4. Sections 84, 87 and 89 of this act become effective:
17 (a) Upon passage and approval for the purpose of adopting
18 regulations and performing any other preparatory administrative
19 tasks that are necessary to carry out the provisions of this act; and
20 (b) On July 1, 2004, for all other purposes.
- 21 5. Sections 1 to 36, inclusive, 72 to 75, inclusive, 145, 149 and
22 182 to 196, inclusive, of this act become effective on January 1,
23 2005.
- 24 6. Sections 134 to 141, inclusive, of this act become effective on
25 August 1, 2003.
- 26 7. Sections 99 to 102, inclusive, 104, 105, 107 to 116, inclusive,
27 119, 121 and subsection 3 of section 197 of this act become
28 effective on September 1, 2003.
- 29 8. Sections 118, 120 and 122 of this act become effective at
30 12:01 a.m. on October 1, 2029.

LEADLINES OF REPEALED SECTIONS

- 353.272 "Fund" defined.
372.370 Reimbursement to taxpayer for collection of tax.
374.375 Reimbursement to taxpayer for collection of tax.
375.025 Additional tax in certain counties.
375.075 Additional tax in certain counties: Disposition and
use of proceeds.
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.

