ASSEMBLY BILL NO. 428–ASSEMBLYMEN LEE, GIBBONS, PARNELL, VON TOBEL, HUMKE, FREEMAN, TIFFANY, WILLIAMS, SEGERBLOM, GUSTAVSON, BEERS, CLABORN, GOLDWATER, COLLINS, MANENDO, PERKINS, HETTRICK, CEGAVSKE, CHOWNING, DE BRAGA, MORTENSON, MCCLAIN, KOIVISTO AND PARKS

MARCH 10, 1999

Referred to Committee on Taxation

SUMMARY—Excludes first five employees from computation of tax on business. (BDR 32-1593)

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

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

AN ACT relating to taxation; excluding the first five employees from the computation of the tax on conducting a business; and providing other matters properly relating thereto.

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

Section 1. NRS 364A.140 is hereby amended to read as follows:

364A.140 1. A tax is hereby imposed upon the privilege of conducting business in this state. The tax for each calendar quarter is due on the last day of the quarter and must be paid on or before the last day of the month immediately following the quarter on the basis of the ~~[total]~~ ***taxable*** number of equivalent full-time employees employed by the business in the quarter.

2. The ~~[total]~~ ***taxable*** number of equivalent full-time employees ***is five fewer than the total number*** employed by the business in the quarter ~~[must be]~~ calculated pursuant to NRS 364A.150.

3. Except as otherwise provided in NRS 364A.152 and 364A.170, the amount of tax due per quarter for a business is $25 for each ***taxable*** equivalent full-time employee employed by the business in the quarter.

4. Each business shall file a return on a form prescribed by the department with each remittance of the tax. If the payment due is greater than $1,000, the payment must be made by direct deposit at a bank in which the state has an account, unless the department waives this requirement pursuant to regulations adopted by the commission. The return must include a statement of the number of equivalent full-time employees employed by the business in the preceding quarter and any other information the department determines is necessary.

5. The commission shall adopt regulations concerning the payment of the tax imposed pursuant to this section by direct deposit.

Sec. 2. NRS 364A.160 is hereby amended to read as follows:

364A.160 A ~~[natural person who]~~ ***business that*** does not employ ~~[any]~~ ***more than five equivalent full-time*** employees ***, determined as provided in NRS 364A.150,*** during a calendar quarter is exempt from the provisions of this chapter for that calendar quarter.

Sec. 3. This act becomes effective on July 1, 1999.

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