

SENATE BILL NO. 362—SENATOR O’CONNELL

MARCH 10, 1999

Referred to Committee on Taxation

SUMMARY—Makes various changes to provisions governing collection and payment of taxes.
(BDR 32-219)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: 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 taxation; prohibiting, under certain circumstances, the imposition of penalties and interest on delinquent taxes for the period during which an audit of a taxpayer is extended; revising the manner in which penalties and interest are calculated if a taxpayer has made overpayments and underpayments; providing for the appeal of any decision of the executive director or other officer of the department of taxation to the Nevada tax commission; expanding the Taxpayers’ Bill of Rights; increasing the amount of taxes, penalties and interest that may be waived if a taxpayer has relied to his detriment on the advice of the department; authorizing certain actions relating to the payment of taxes to be brought in Clark County; 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.** Chapter 360 of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 2 and 3 of this act.
- 3 **Sec. 2. 1.** *If an audit is conducted pursuant to the provisions of*
4 *this Title, the date on which the audit will be completed must be included*
5 *in the notice to the taxpayer that the audit will be conducted.*
- 6 **2.** *The date on which the audit will be completed may be extended by*
7 *the department if the department gives prior written notice of the*
8 *extension to the taxpayer. The notice must include an explanation of the*
9 *reason or reasons that the extension is required.*
- 10 **3.** *If, after the audit, the department determines that delinquent taxes*
11 *are due, interest and penalties may not be imposed for the period of the*
12 *extension if the taxpayer did not request the extension or was not*
13 *otherwise the cause of the extension.*

1 **Sec. 3. If an officer, employee or agent of the department**
2 **determines that a taxpayer is entitled to an exemption or has been taxed**
3 **or assessed more than is required by law, he shall give written notice of**
4 **that determination to the taxpayer. The notice must:**

5 1. **Be given within 30 days after the officer, employee or agent makes**
6 **his determination or, if the determination is made as a result of an audit,**
7 **within 30 days after the completion of the audit; and**

8 2. **If appropriate, include:**

9 (a) **An explanation that an overpayment may be credited against any**
10 **amount due from the taxpayer; or**

11 (b) **Instructions indicating the manner in which the taxpayer may**
12 **petition for a refund of any overpayment.**

13 **Sec. 4. NRS 360.245 is hereby amended to read as follows:**

14 360.245 1. **Except as otherwise provided in this Title:**

15 (a) All decisions of the executive director or other officer of the
16 department made pursuant to ~~{subsection 2 of NRS 360.130}~~ **this Title** are
17 final unless appealed to the Nevada tax commission . ~~{as provided by law.}~~

18 (b) Any natural person, partnership, corporation, association or other
19 business or legal entity **who is aggrieved by such a decision** may ~~{so}~~
20 appeal **the decision** by filing a notice of appeal with the department within
21 30 days after service of the decision upon that person or business or legal
22 entity.

23 2. Service of the decision must be made personally or by certified mail.
24 If service is made by certified mail:

25 (a) The decision must be enclosed in an envelope which is addressed to
26 the taxpayer at his address as it appears in the records of the department.

27 (b) It is deemed to be complete at the time the appropriately addressed
28 envelope containing the decision is deposited with the United States Postal
29 Service.

30 3. The Nevada tax commission, as head of the department, may review
31 all ~~{other}~~ decisions made by the executive director ~~{and}~~ **that are not**
32 **otherwise appealed to the commission pursuant to this section.**

33 4. **The Nevada tax commission** may reverse, affirm or modify ~~{them.}~~
34 ~~—4.}~~ **any decision appealed to or reviewed by the commission pursuant**
35 **to this section.**

36 5. A decision of the Nevada tax commission is a final decision for the
37 purposes of judicial review. The executive director or any other employee
38 or representative of the department shall not seek judicial review of such a
39 decision.

40 ~~{5.}~~ 6. The Nevada tax commission shall provide by regulation for:

41 (a) Notice to **be given to** each county **and other local government**
42 **within the county** of any decision upon an appeal to the commission that
43 the commission determines is likely to affect the revenue of the county or

1 other local government. The regulations must specify the form and contents
2 of the notice and requirements for the number of days before a meeting of
3 the commission that the notice must be transmitted . ~~{to the county or~~
4 ~~counties.}~~ *If the parties to the appeal enter into a stipulation as to the*
5 *issues that will be heard on appeal, the commission shall transmit a copy*
6 *of the notice to the district attorney of each county which the commission*
7 *determines is likely to be affected by the decision.* Upon receipt of such a
8 notice , the ~~{county}~~ *district attorney* shall transmit a copy of the notice to
9 each local government within the county which ~~{it}~~ *the commission*
10 *determines is likely to be affected by the decision. If there is no such*
11 *stipulation, the commission shall transmit a copy of the notice,*
12 *accompanied by a summary of the issues that will be heard on appeal, to*
13 *the governing bodies of the counties and other local governments which*
14 *the commission determines are likely to be affected by the decision.*

15 (b) The manner in which a county or other local government which is
16 not a party to such an appeal may become a party, and the procedure for its
17 participation in the appeal.

18 ~~{6.}~~ 7. A county or other local government which is a party and is
19 aggrieved by the decision of the Nevada tax commission is entitled to seek
20 judicial review of the decision.

21 ~~{7.}~~ 8. Upon application by a taxpayer, the Nevada tax commission
22 shall review the denial of relief pursuant to NRS 361.4835 and may grant,
23 deny or modify the relief sought.

24 **Sec. 5.** NRS 360.291 is hereby amended to read as follows:

25 360.291 1. The legislature hereby declares that each taxpayer has the
26 right:

27 ~~{1.}~~ (a) To be treated by officers and employees of the department with
28 courtesy, fairness, uniformity, consistency and common sense.

29 ~~{2.}~~ (b) To a prompt response from the department to each
30 communication from the taxpayer.

31 ~~{3.}~~ (c) To provide the minimum documentation and other information
32 as may reasonably be required by the department to carry out its duties.

33 ~~{4.}~~ (d) To written explanations of common errors, oversights and
34 violations that taxpayers experience and instructions on how to avoid such
35 problems.

36 ~~{5.}~~ (e) To be ~~{informed}~~ *notified, in writing*, by the department
37 whenever its officer, employee or agent determines that the taxpayer is
38 entitled to an exemption or has been taxed or assessed more than is
39 required by law.

40 ~~{6.}~~ (f) To written instructions indicating how the taxpayer may petition
41 for:

42 ~~{a)}~~ (1) An adjustment of an assessment; ~~{or}~~

1 ~~—(b)—~~ (2) A refund or credit for overpayment of taxes, interest or
2 penalties ~~—~~

3 ~~—7.1—~~; or

4 (3) *A reduction in or the release of a bond or other form of security*
5 *required to be furnished pursuant to the provisions of this Title that are*
6 *administered by the department.*

7 (g) To recover an overpayment of taxes promptly upon the final
8 determination of such an overpayment.

9 ~~18.1~~ (h) To obtain specific advice from the department concerning taxes
10 imposed by the state.

11 ~~19.1~~ (i) In any meeting with the department, including an audit,
12 conference, interview or hearing;

13 ~~1(a)~~ (1) To an explanation by an officer, *agent* or employee of the
14 department that describes the procedures to be followed and the taxpayer's
15 rights thereunder;

16 ~~1(b)~~ (2) To be represented by himself or anyone who is otherwise
17 authorized by law to represent him before the department;

18 ~~1(c)~~ (3) To make an audio recording using the taxpayer's own
19 equipment and at the taxpayer's own expense; and

20 ~~1(d)~~ (4) To receive a copy of any document or audio recording made
21 by or in the possession of the department relating to the determination or
22 collection of any tax for which the taxpayer is assessed, upon payment of
23 the actual cost to the department of making the copy.

24 ~~10.1~~ (j) To a full explanation of the department's authority to assess a
25 tax or to collect delinquent taxes, including the procedures and notices for
26 review and appeal that are required for the protection of the taxpayer. An
27 explanation which meets the requirements of this section must also be
28 included with each notice to a taxpayer that an audit will be conducted by
29 the department.

30 ~~11.1~~ (k) To the immediate release of any lien which the department has
31 placed on real or personal property for the nonpayment of any tax when:

32 ~~1(a)~~ (1) The tax is paid;

33 ~~1(b)~~ (2) The period of limitation for collecting the tax expires;

34 ~~1(c)~~ (3) The lien is the result of an error by the department;

35 ~~1(d)~~ (4) The department determines that the taxes, interest and
36 penalties are secured sufficiently by a lien on other property;

37 ~~1(e)~~ (5) The release or subordination of the lien will not jeopardize the
38 collection of the taxes, interest and penalties;

39 ~~1(f)~~ (6) The release of the lien will facilitate the collection of the taxes,
40 interest and penalties; or

41 ~~1(g)~~ (7) The department determines that the lien is creating an
42 economic

hardship.

~~12.~~ (l) To the release or reduction of a bond *or other form of security* required *to be furnished pursuant to the provisions of this Title* by the department in accordance with applicable statutes and regulations.

~~13.~~ (m) To be free from investigation and surveillance by an officer, agent or employee of the department for any purpose that is not directly related to the administration of the provisions of this Title ~~that are~~ *administered by the department.*

~~14.~~ (n) To be free from harassment and intimidation by an officer, agent or employee of the department for any reason.

(o) *To have statutes imposing taxes and any regulations adopted pursuant thereto construed in favor of the taxpayer if those statutes or regulations are of doubtful validity or effect, unless there is a specific statutory provision that is applicable.*

2. *The provisions of this Title governing the administration and collection of taxes by the department must not be construed in such a manner as to interfere or conflict with the provisions of this section.*

3. *The provisions of this section apply to any tax administered and collected pursuant to the provisions of this Title by the department.*

Sec. 6. NRS 360.2935 is hereby amended to read as follows:

360.2935 A taxpayer is entitled to receive on any overpayment of taxes *, after the offset required by NRS 360.320 has been made,* a refund together with interest at a rate determined pursuant to NRS 17.130. No interest is allowed on a refund of any penalties or interest paid by a taxpayer.

Sec. 7. NRS 360.294 is hereby amended to read as follows:

360.294 ~~Upon~~

1. *Except as otherwise provided in subsection 2, upon* proof that a taxpayer has relied to his detriment on written advice provided to him by an *officer, agent or* employee of the department ~~or~~

~~1.~~ *or on an opinion of the attorney general:*

(a) The executive director or his designee may waive taxes, penalties and interest owed by the taxpayer in an amount not to exceed ~~[\$5,000; and~~ ~~2.] \$10,000; and~~

(b) The Nevada tax commission may waive any such taxes, penalties and interest in an amount greater than ~~[\$5,000.] \$10,000.~~

2. *Upon proof that a taxpayer has in good faith collected or remitted taxes imposed pursuant to the provisions of this Title that are administered by the department, in reliance upon written advice provided by an officer, agent or employee of the department, an opinion of the attorney general or the Nevada tax commission, or the written results of an audit of his records conducted by the department, the taxpayer may not be required to pay delinquent taxes, penalties or interest if the*

1 *department determines after the completion of a subsequent audit that*
2 *the taxes he collected or remitted were deficient.*

3 **Sec. 8.** NRS 360.320 is hereby amended to read as follows:

4 360.320 ~~{H}~~

5 *1. Except as otherwise provided in this Title, in making a*
6 *determination of the amount required to be paid, the department {may}*
7 *shall offset overpayments for {a period or periods, together with interest on*
8 *the overpayments,} a reporting period of an audit period against*
9 *underpayments for {another period or periods, against penalties, and against*
10 *the interest on underpayments.} the same reporting period. An*
11 *overpayment of a tax may not be offset against an underpayment for any*
12 *other tax required to be paid by the taxpayer.*

13 *2. If it is determined that there is a net deficiency:*

14 *(a) Any penalty imposed must be calculated based on the amount of*
15 *the net deficiency.*

16 *(b) Any interest imposed on the net deficiency must be calculated from*
17 *the date of the last overpayment or underpayment, whichever is later.*

18 *3. If it is determined that the taxpayer is entitled to a refund, any*
19 *interest to which the taxpayer is entitled must be calculated from the date*
20 *of the last overpayment or underpayment, whichever is later.*

21 **Sec. 9.** NRS 360.395 is hereby amended to read as follows:

22 360.395 1. Before a person may seek judicial review pursuant to
23 NRS 233B.130 from a final order of the ~~{department}~~ *Nevada tax*
24 *commission* upon a petition for redetermination, he must:

25 (a) Pay the amount of the determination; or

26 (b) Enter into a written agreement with the department establishing a
27 later date by which he must pay the amount of the determination.

28 2. If a court determines that the amount of the final order should be
29 reduced or that the person does not owe any taxes, the department shall
30 credit or refund any amount paid by the person that exceeds the amount
31 owed ~~{}~~ *, with interest determined in accordance with NRS 360.2935.*

32 **Sec. 10.** NRS 360.417 is hereby amended to read as follows:

33 360.417 ~~{Unless}~~ *Except as otherwise provided in NRS 360.320 and*
34 *section 2 of this act and unless* a different penalty or rate of interest is

35 specifically provided by statute, any person who fails to pay any tax
36 provided for in chapter 362, 364A, 365, 369, 370, 372, 373, 374, 377,
37 377A, 444A or 585 of NRS, or fee provided for in NRS 482.313 or
38 590.700 to 590.920, inclusive, to the state or a county within the time
39 required, shall pay a penalty of not more than 10 percent of the amount of
40 the tax or fee which is owed, as determined by the department, in addition
41 to the tax or fee, plus interest at the rate of 1 percent per month, or fraction
42 of a month, from the last day of the month following the period for which
43 the amount or any portion of the amount should have been reported until

1 the date of payment. *The amount of any penalty imposed must be based*
2 *on a graduated schedule adopted by the department which takes into*
3 *consideration the length of time the tax or fee remained unpaid.*

4 **Sec. 11.** NRS 360.4193 is hereby amended to read as follows:

5 360.4193 1. If a person is delinquent in the payment of any tax or fee
6 administered by the department or has not paid the amount of a deficiency
7 determination, the department may bring an action in a court of this state, a
8 court of any other state or a court of the United States to collect the
9 delinquent or deficient amount, penalties and interest. The action ~~must~~ :

10 (a) *May not be brought if the decision that the payment is delinquent*
11 *or that there is a deficiency determination is on appeal to the Nevada tax*
12 *commission pursuant to NRS 360.245.*

13 (b) *Must* be brought not later than 3 years after the payment became
14 delinquent or the determination became final or within 5 years after the last
15 recording of an abstract of judgment or of a certificate constituting a lien
16 for tax owed.

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

23 3. In the action, a certificate by the department showing the
24 delinquency is prima facie evidence of:

25 (a) The determination of the tax or fee or the amount of the tax or fee;

26 (b) The delinquency of the amounts; and

27 (c) The compliance by the department with all of the procedures
28 required by law related to the computation and determination of the
29 amounts.

30 **Sec. 12.** NRS 361.0687 is hereby amended to read as follows:

31 361.0687 1. A person who intends to locate or expand a business in
32 this state may apply to the commission on economic development for a
33 partial abatement from the taxes imposed by this chapter on the personal
34 property of the new or expanded business.

35 2. The commission on economic development may approve an
36 application for a partial abatement if the commission makes the following
37 determinations:

38 (a) The goals of the business are consistent with the goals of the
39 commission and the community concerning industrial development and
40 diversification.

41 (b) The abatement is a significant factor in the decision of the applicant
42 to locate or expand a business in this state or the appropriate affected local

1 government determines that the abatement will be beneficial to the
2 economic development of the community.

3 (c) The average hourly wage which will be paid by the new or expanded
4 business to its employees in this state is at least 125 percent of the average
5 statewide industrial hourly wage as established by the employment security
6 division of the department of employment, training and rehabilitation on
7 July 1 of each fiscal year.

8 (d) The business will provide a health insurance plan for all employees
9 that includes an option for health insurance coverage for dependents of the
10 employees.

11 (e) The cost to the business for the benefits the business provides to its
12 employees in this state will meet the minimum requirements for benefits
13 established by the commission pursuant to subsection ~~8.1~~ 9.

14 (f) A capital investment for personal property will be made to locate or
15 expand the business in Nevada which is at least:

16 (1) If the personal property directly related to the establishment of the
17 business in this state is primarily located in a county whose population:

18 (I) Is 100,000 or more, \$50,000,000.

19 (II) Is less than 100,000, \$20,000,000.

20 (2) If the personal property directly related to the expansion of the
21 business is primarily located in a county whose population:

22 (I) Is 100,000 or more, \$10,000,000.

23 (II) Is less than 100,000, \$4,000,000.

24 (g) The business will create at least the following number of new, full-
25 time and permanent jobs in the State of Nevada by the fourth quarter that it
26 is in operation:

27 (1) If a new business will be primarily located in a county whose
28 population:

29 (I) Is 100,000 or more, 100 jobs.

30 (II) Is less than 100,000, 35 jobs.

31 (2) If an expanded business will be primarily located in a county
32 whose population:

33 (I) Is 100,000 or more, and the business has at least 100 employees
34 in this state, 20 jobs. An expanded business primarily located in such a
35 county that has less than 100 employees is not eligible for a partial
36 abatement pursuant to this section.

37 (II) Is less than 100,000, and the business has at least 35 employees
38 in this state, 10 jobs. An expanded business primarily located in such a
39 county that has less than 35 employees is not eligible for a partial
40 abatement pursuant to this section.

41 (h) For the expansion of a business primarily located in a county whose
42 population:

1 (1) Is 100,000 or more, the book value of the assets of the business in
2 this state is at least \$20,000,000.

3 (2) Is less than 100,000, the book value of the assets of the business
4 in this state is at least \$5,000,000.

5 (i) The business is registered pursuant to the laws of this state or the
6 applicant commits to obtain a valid business license and all other permits
7 required by the county, city or town in which the business operates.

8 (j) The proposed abatement has been approved by the governing body of
9 the appropriate affected local government as determined pursuant to the
10 regulations adopted pursuant to subsection ~~8.1~~ 9. In determining whether to
11 approve a proposed abatement, the governing body shall consider whether
12 the taxes to be paid by the business are sufficient to pay for any investment
13 required to be made by the local government for services associated with
14 the relocation or expansion of the business, including, without limitation,
15 costs related to the construction and maintenance of roads, sewer and water
16 services, fire and police protection , and the construction and maintenance
17 of schools.

18 (k) The applicant has executed an agreement with the commission which
19 states that the business will continue in operation in Nevada for 10 or more
20 years after the date on which a certificate of eligibility for the abatement is
21 issued pursuant to subsection 5 and will continue to meet the eligibility
22 requirements contained in this subsection. The agreement must bind the
23 successors in interest of the business for the required period.

24 3. An applicant shall, upon the request of the executive director of the
25 commission on economic development, furnish him with copies of all
26 records necessary to verify that the applicant meets the requirements of
27 subsection 2.

28 4. The percentage of the abatement must be 50 percent of the taxes
29 payable each year.

30 5. If an application for a partial abatement is approved, the commission
31 on economic development shall immediately forward a certificate of
32 eligibility for the abatement to:

33 (a) The department; and

34 (b) The county assessor of each county in which personal property
35 directly related to the establishment or expansion of the business will be
36 located.

37 6. Upon receipt by the department of the certificate of eligibility, the
38 taxpayer is eligible for an abatement from the tax imposed by this chapter
39 for 10 years:

40 (a) For the expansion of a business, on all personal property of the
41 business that is located in Nevada and directly related to the expansion of
42 the business in this state.

1 (b) For a new business, on all personal property of the business that is
2 located in Nevada and directly related to the establishment of the business
3 in this state.

4 7. If a business for which an abatement has been approved is not
5 maintained in this state in accordance with the agreement required in
6 subsection 2, for at least 10 years after the commission on economic
7 development approved the abatement, the person who applied for the
8 abatement shall repay to the county treasurer or treasurers who would have
9 received the taxes but for the abatement the total amount of all taxes that
10 were abated pursuant to this section. ~~{The}~~ *Except as otherwise provided in*
11 *NRS 360.320 and section 2 of this act, the* person who applied for the
12 abatement shall pay interest on the amount due at the rate of 10 percent per
13 annum for each month, or portion thereof, from the last day of the month
14 following the period for which the payment would have been made if the
15 abatement had not been granted until the date of the actual payment of the
16 tax.

17 8. A county treasurer:

18 (a) Shall deposit any money that he receives pursuant to subsection 7 in
19 one or more of the funds established by a local government of the county
20 pursuant to NRS 354.611, 354.6113 or 354.6115; and

21 (b) May use the money deposited pursuant to paragraph (a) only for the
22 purposes authorized by NRS 354.611, 354.6113 and 354.6115.

23 9. The commission on economic development shall adopt regulations
24 necessary to carry out the provisions of this section. The regulations must
25 include, but not be limited to:

26 (a) A method for determining the appropriate affected local government
27 to approve a proposed abatement and the procedure for obtaining such
28 approval; and

29 (b) Minimum requirements for benefits that a business applying for a
30 partial abatement must offer to its employees to be approved for the partial
31 abatement.

32 10. The department shall adopt regulations concerning how county
33 assessors shall administer partial abatements approved pursuant to this
34 section.

35 11. An applicant for an abatement who is aggrieved by a final decision
36 of the commission on economic development may petition for judicial
37 review in the manner provided in chapter 233B of NRS.

38 **Sec. 13.** NRS 361.435 is hereby amended to read as follows:

39 361.435 Any property owner owning property of like kind in more than
40 one county in the state and desiring to proceed with a suit under the
41 provisions of NRS 361.420 may, where the issues in the cases are
42 substantially the same in all or in some of the counties concerning the
43 assessment of taxes on such property, consolidate any of the suits in one

1 action and bring the action in any court of competent jurisdiction in Carson
2 City ~~[, Nevada.]~~ *or Clark County.*

3 **Sec. 14.** NRS 361.5648 is hereby amended to read as follows:

4 361.5648 1. Within 30 days after the first Monday in March of each
5 year, with respect to each property on which the tax is delinquent, the tax
6 receiver of the county shall mail notice of the delinquency by first-class
7 mail to:

8 (a) The owner or owners of the property;

9 (b) The person or persons listed as the taxpayer or taxpayers on the tax
10 rolls, at their last known addresses, if the names and addresses are known;
11 and

12 (c) Each holder of a recorded security interest if the holder has made a
13 request in writing to the tax receiver for the notice, which identifies the
14 secured property by the parcel number assigned to it in accordance with the
15 provisions of NRS 361.189.

16 2. The notice of delinquency must state:

17 (a) The name of the owner of the property, if known.

18 (b) The description of the property on which the taxes are a lien.

19 (c) The amount of the taxes due on the property and the penalties and
20 costs as provided by law.

21 (d) That if the amount is not paid by the taxpayer or his successor in
22 interest, the tax receiver will, at 5 p.m. on the first Monday in June of the
23 current year, issue to the county treasurer, as trustee for the state and
24 county, a certificate authorizing him to hold the property, subject to
25 redemption within 2 years after the date of the issuance of the certificate, by
26 payment of the taxes and accruing taxes, penalties and costs, together with
27 interest on the taxes at the rate of 10 percent per annum from *the* date due
28 until paid as provided by law, *except as otherwise provided in NRS*
29 *360.320 and section 2 of this act*, and that redemption may be made in
30 accordance with the provisions of chapter 21 of NRS in regard to real
31 property sold under execution.

32 3. Within 30 days after mailing the original notice of delinquency, the
33 tax receiver shall issue his personal affidavit to the board of county
34 commissioners affirming that due notice has been mailed with respect to
35 each parcel. The affidavit must recite the number of letters mailed, the
36 number of letters returned, and the number of letters finally determined to
37 be undeliverable. Until the period of redemption has expired, the tax
38 receiver shall maintain detailed records which contain such information as
39 the department may prescribe in support of his affidavit.

40 4. A second copy of the notice of delinquency must be sent by certified
41 mail, not less than 60 days before the expiration of the period of
42 redemption as stated in the notice.

43 5. The cost of each mailing must be charged to the delinquent taxpayer.

1 **Sec. 15.** NRS 361.570 is hereby amended to read as follows:

2 361.570 1. Pursuant to the notice given as provided in NRS
3 361.5648 and 361.565 and at the time stated in the notice, the tax receiver
4 shall make out his certificate authorizing the county treasurer, as trustee for
5 the state and county, to hold the property described in the notice for the
6 period of 2 years after the first Monday in June of the year the certificate is
7 dated, unless sooner redeemed.

8 2. The certificate must specify:

9 (a) The amount of delinquency, including the amount and year of
10 assessment;

11 (b) The taxes and the penalties and costs added thereto, and that , *except*
12 *as otherwise provided in NRS 360.320 and section 2 of this act*, interest
13 on the taxes will be added at the rate of 10 percent per annum from the date
14 due until paid; and

15 (c) The name of the owner or taxpayer, if known.

16 3. The certificate must state, and it is hereby provided:

17 (a) That the property may be redeemed within 2 years ~~{from}~~ *after* its
18 date; and

19 (b) That , if not redeemed, the title to the property vests in the county for
20 the benefit of the state and county.

21 4. Until the expiration of the period of redemption, the property held
22 pursuant to the certificate must be assessed annually to the county treasurer
23 as trustee, and before the owner or his successor redeems the property , he
24 shall also pay the county treasurer holding the certificate any additional
25 taxes assessed and accrued against the property after the date of the
26 certificate, together with the interest on the taxes at the rate of 10 percent
27 per annum from the date due until paid ~~{,}~~ , *unless otherwise provided in*
28 *NRS 360.320 or section 2 of this act.*

29 5. The county treasurer shall take certificates issued to him under the
30 provisions of this section.

31 **Sec. 16.** NRS 361.870 is hereby amended to read as follows:

32 361.870 1. Any claimant aggrieved by a decision of the department
33 or a county assessor which denies the refund claimed under the Senior
34 Citizens' Property Tax Assistance Act may have a review of the denial
35 before the ~~{executive director}~~ *Nevada tax commission* if , within 30 days
36 after the claimant receives notice of the denial , he submits a written
37 petition for review to the ~~{department}~~ *commission.*

38 2. Any claimant aggrieved by the denial in whole or in part of relief
39 claimed under the Senior Citizens' Property Tax Assistance Act, or by any
40 other final action or review of the ~~{executive director}~~ *Nevada tax*
41 *commission*, is entitled to judicial review thereof.

1 **Sec. 17.** NRS 362.130 is hereby amended to read as follows:

2 362.130 1. When the department determines from the annual
3 statement filed pursuant to NRS 362.110 the net proceeds of any minerals
4 extracted, it shall prepare its certificate of the amount of the net proceeds
5 and the tax due and shall send a copy to the owner of the mine, operator of
6 the mine ~~H~~ or recipient of the royalty, as the case may be.

7 2. The certificate must be prepared and mailed not later than April 20
8 immediately following the month of February during which the statement
9 was filed.

10 3. The tax due , as indicated in the certificate prepared pursuant to this
11 section , must be paid on or before May 10 of the year in which the
12 certificate is received.

13 4. If the owner of the mine, operator of the mine ~~H~~ or recipient of the
14 royalty paid taxes pursuant to subsection 1 or 2 of NRS 362.145, the
15 certificate must indicate any deficiency remaining from the previous
16 calendar year or any overpayment of the taxes made for the previous
17 calendar year.

18 5. Any deficiency remaining from the previous calendar year, as
19 indicated on the certificate prepared pursuant to this section , must be paid
20 on or before May 10 of the year in which the certificate is received.

21 6. If an overpayment was made and subsection 1 or 2 of NRS 362.145
22 applies to the taxpayer for the current calendar year or the taxpayer chooses
23 to pay the tax pursuant to subsection 1 or 2 of NRS 362.145 for the current
24 calendar year, one-half of the overpayment may be credited towards the
25 payment due on August 1 of the current calendar year and one-quarter may
26 be credited towards each of the other two payments due for the current
27 calendar year. If neither subsection 1 nor subsection 2 of NRS 362.145 is
28 applicable to the taxpayer for the current calendar year and the tax is paid
29 on or before May 10 of the next calendar year, the overpayment may be
30 credited towards that payment. *The provisions of this subsection do not*
31 *prohibit the taxpayer from filing a claim for a refund of the overpayment*
32 *with the department.*

33 **Sec. 18.** NRS 362.160 is hereby amended to read as follows:

34 362.160 1. ~~HH~~ *Except as otherwise provided in NRS 360.320 and*
35 *section 2 of this act, if* the amount of any tax required by NRS 362.100 to
36 362.240, inclusive, is not paid within 10 days after it is due, it is delinquent
37 and must be collected as other delinquent taxes are collected by law,
38 together with a penalty of 10 percent of the amount of the tax which is
39 owed, as determined by the department, in addition to the tax, plus interest
40 at the rate of ~~1.5~~ *1* percent per month, or fraction of a month, from the
41 date the tax was due until the date of payment.

42 2. Any person extracting any mineral or receiving a royalty may appeal
43 from the imposition of the penalty and interest to the Nevada tax

1 commission by filing a notice of appeal ~~[within 30 days after the tax~~
2 ~~became due.] in accordance with the requirements set forth in NRS~~
3 ~~360.245.~~

4 **Sec. 19.** NRS 362.230 is hereby amended to read as follows:

5 362.230 1. Every person extracting any mineral in this state, or
6 receiving a royalty in connection therewith, who fails to file with the
7 department the statements provided for in NRS 362.100 to 362.240,
8 inclusive, during the time and in the manner provided for in NRS 362.100
9 to 362.240, inclusive, shall pay a penalty of not more than \$5,000. If any
10 such person fails to file the statement, the department may ascertain and
11 certify the net proceeds of the minerals extracted or the value of the royalty
12 from all data and information obtainable, and the amount of the tax due
13 must be computed on the basis of the amount due so ascertained and
14 certified.

15 2. The executive director shall determine the amount of the penalty.
16 This penalty becomes a debt due the State of Nevada and, upon collection,
17 must be deposited in the state treasury to the credit of the state general
18 fund.

19 3. Any person extracting any mineral or receiving a royalty may appeal
20 from the imposition of the penalty to the Nevada tax commission by filing a
21 notice of appeal ~~[within 30 days after the decision of the executive~~
22 ~~director.] in accordance with the requirements set forth in NRS 360.245.~~

23 **Sec. 20.** NRS 364A.170 is hereby amended to read as follows:

24 364A.170 1. A proposed business that qualifies pursuant to the
25 provisions of this section is entitled to an exemption of:

26 (a) Eighty percent of the amount of tax otherwise due pursuant to NRS
27 364A.140 during the first 4 quarters of its operation;

28 (b) Sixty percent of the amount of tax otherwise due pursuant to NRS
29 364A.140 during the second 4 quarters of its operation;

30 (c) Forty percent of the amount of tax otherwise due pursuant to NRS
31 364A.140 during the third 4 quarters of its operation; and

32 (d) Twenty percent of the amount of tax otherwise due pursuant to NRS
33 364A.140 during the fourth 4 quarters of its operation.

34 2. A proposed business is entitled to the exemption pursuant to
35 subsection 1 if:

36 (a) In a county whose population is 35,000 or more:

37 (1) The business will have 75 or more full-time employees on the
38 payroll of the business by the fourth quarter that it is in operation;

39 (2) Establishing the business will require the business to make a
40 capital investment of \$1,000,000 in Nevada; and

41 (3) The exemption is approved by the commission on economic
42 development pursuant to subsection 3.

43 (b) In a county whose population is less than 35,000:

1 (1) The business will have 25 or more full-time employees on the
2 payroll of the business by the fourth quarter that it is in operation;

3 (2) Establishing the business will require the business to make a
4 capital investment of \$250,000 in Nevada; and

5 (3) The exemption is approved by the commission on economic
6 development pursuant to subsection 3.

7 3. A proposed business must apply to the commission on economic
8 development to obtain the exemption authorized pursuant to this section.

9 The commission shall certify a business's eligibility for the exemption
10 pursuant to this section if:

11 (a) The proposed business commits to the requirements of
12 subparagraphs (1) and (2) of paragraph (a) or (b) of subsection 2,
13 whichever is applicable; and

14 (b) The proposed business is consistent with the commission's plan for
15 economic diversification and development.

16 Upon certification, the commission shall immediately forward the
17 certificate of eligibility for the exemption to the Nevada tax commission.

18 4. Upon receipt of such a certificate, the Nevada tax commission shall
19 include the exemption in the calculation of the tax paid by the business. A
20 business for which an exemption is approved that does not:

21 (a) Have the required number of full-time employees on the payroll of
22 the business by the fourth quarter that it is in operation; or

23 (b) Make the required capital investment in Nevada in the course of
24 establishing the business,
25 is required to repay to the department the amount of the exemption that was
26 allowed pursuant to this section before the business's failure to comply
27 unless the Nevada tax commission determines that the business has
28 substantially complied with the requirements of this section. ~~¶The~~ *Except*
29 *as otherwise provided in NRS 360.320 and section 2 of this act, the*
30 business is also required to pay interest on the amount due at the rate most
31 recently established pursuant to NRS 99.040 for each month, or portion
32 thereof, from the last day of the month following the period for which the
33 payment would have been made had the exemption not been granted until
34 the date of payment of the tax.

35 5. The commission on economic development shall adopt regulations
36 governing the determination made pursuant to subsection 3 of a proposed
37 business's eligibility for the exemption provided in this section.

38 6. The Nevada tax commission:

39 (a) Shall adopt regulations governing the investments that qualify for the
40 purposes of the required capital investment pursuant to subparagraph (2) of
41 paragraph (a) or (b) of subsection 2.

42 (b) May adopt such other regulations as are necessary to carry out the
43 provisions of this section.

1 **Sec. 21.** NRS 364A.180 is hereby amended to read as follows:
2 364A.180 Upon written application made before the date on which
3 payment must be made, for good cause the department may extend by 30
4 days the time within which a business is required to pay the tax imposed by
5 this chapter. If the tax is paid during the period of extension, no penalty or
6 late charge may be imposed for failure to pay at the time required, but the
7 business shall pay interest at the rate most recently established pursuant to
8 NRS 99.040 for each month, or fraction of a month, from the last day of the
9 month following the date on which the amount would have been due
10 without the extension until the date of payment ~~[-]~~, *unless otherwise*
11 *provided in NRS 360.320 or section 2 of this act.*

12 **Sec. 22.** NRS 364A.260 is hereby amended to read as follows:
13 364A.260 1. ~~[-Interest]~~ *Except as otherwise provided in NRS*
14 *360.320, interest* must be paid upon any overpayment of any amount of the
15 fee or tax imposed by this chapter at the rate of one-half of 1 percent per
16 month, or fraction thereof, from the last day of the calendar month
17 following the period for which the overpayment was made. No refund or
18 credit may be made of any interest imposed upon the person or business
19 making the overpayment with respect to the amount being refunded or
20 credited.

21 2. The interest must be paid:

22 (a) In the case of a refund, to the last day of the calendar month
23 following the date upon which the person making the overpayment, if he
24 has not already filed a claim, is notified by the department that a claim may
25 be filed or the date upon which the claim is certified to the state board of
26 examiners, whichever is earlier.

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

29 3. If the department determines that any overpayment has been
30 made intentionally or by reason of carelessness, it shall not allow any
31 interest on it.

32 **Sec. 23.** NRS 364A.280 is hereby amended to read as follows:

33 364A.280 1. Within 90 days after ~~[-the mailing of the notice of the~~
34 ~~department's action]~~ *a final decision* upon a claim filed pursuant to this
35 chapter ~~[-]~~ *is rendered by the Nevada tax commission*, the claimant may
36 bring an action against the department on the grounds set forth in the claim
37 in a court of competent jurisdiction in Carson City or Clark County for the
38 recovery of the whole or any part of the amount with respect to which the
39 claim has been disallowed.

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

1 **Sec. 24.** NRS 364A.290 is hereby amended to read as follows:

2 364A.290 1. If the department fails to mail notice of action on a
3 claim within 6 months after the claim is filed, the claimant may ~~[, before the~~
4 ~~mailing of notice by the department of its action on the claim,]~~ consider the
5 claim disallowed and *file an appeal with the Nevada tax commission*
6 *within the 30 days after the last day of the 6-month period. If the*
7 *claimant is aggrieved by the decision of the commission rendered on*
8 *appeal, he may, within 90 days after the decision is rendered,* bring an
9 action against the department on the grounds set forth in the claim for the
10 recovery of the whole or any part of the amount claimed as an
11 overpayment.

12 2. If judgment is rendered for the plaintiff, the amount of the judgment
13 must first be credited towards any fee or tax due from the plaintiff.

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

15 **Sec. 25.** NRS 365.310 is hereby amended to read as follows:

16 365.310 1. The department ~~[shall have power to]~~ *may* suspend,
17 cancel or revoke the license of any dealer refusing or neglecting to comply
18 with the provisions of this chapter.

19 2. If a dealer becomes delinquent in the payment of excise taxes as
20 prescribed by this chapter to the extent that his liability exceeds the total
21 amount of bond furnished by the dealer, the department shall suspend his
22 license immediately.

23 3. Before revoking or canceling any license issued under this chapter,
24 the department shall send a notice by registered or certified mail to the
25 dealer at his last known address. The notice ~~[shall]~~ *must* order the dealer to
26 show cause why his license should not be revoked by appearing before the
27 department at Carson City, Nevada, or such other place in this state as may
28 be designated by the department, at a time not less than 10 days after the
29 mailing of the notice. The department shall allow the dealer an opportunity
30 to be heard in pursuance of such notice, and thereafter the department ~~[shall~~
31 ~~have full power to]~~ *may* revoke or cancel his license.

32 **Sec. 26.** NRS 365.460 is hereby amended to read as follows:

33 365.460 After payment of any excise tax under protest duly verified,
34 served on the department, and setting forth the grounds of objection to the
35 legality of the excise tax, the dealer paying the excise tax may *file an*
36 *appeal with the Nevada tax commission pursuant to NRS 360.245. If the*
37 *dealer is aggrieved by the decision of the commission rendered on*
38 *appeal, he may* bring an action against the state treasurer in ~~[the district~~
39 ~~court in and for]~~ *a court of competent jurisdiction in* Carson City *or Clark*
40 *County* for the recovery of the excise tax so paid under protest.

41 **Sec. 27.** NRS 365.470 is hereby amended to read as follows:

42 365.470 1. No action authorized by NRS 365.460 may be instituted
43 more than 90 days after ~~[the last day prescribed for the payment of the~~

1 ~~excise tax without penalty.~~ *a final decision is rendered by the Nevada tax*
2 *commission on appeal.* Failure to bring suit within the 90 days ~~{shall~~
3 ~~constitute}~~ *constitutes* a waiver of any and all demands against the state on
4 account of alleged overpayment of excise taxes.

5 2. No grounds of illegality of the excise tax ~~{shall}~~ *may* be considered
6 by the court other than those set forth in the protest filed at the time of the
7 payment of the excise tax.

8 **Sec. 28.** NRS 366.395 is hereby amended to read as follows:

9 366.395 1. ~~{Any}~~ *Except as otherwise provided in NRS 360.320 and*
10 *section 2 of this act, any* person who fails to pay any excise tax, except
11 taxes assessed pursuant to the provisions of NRS 366.405, within the time
12 prescribed by this chapter shall pay, in addition to the tax, a penalty of:

13 (a) If the amount of the tax owed is \$50 or more, 10 percent of the
14 amount owed or \$50, whichever is greater; or

15 (b) If the amount of the tax owed is less than \$50, 10 percent of the
16 amount owed,

17 plus interest on the amount of the tax at the rate of 1 percent per month or
18 fraction thereof, from the date the tax became finally due until the date of
19 payment.

20 2. A tax return or statement is considered delinquent when it has not
21 been received by the department by the date the tax return or statement is
22 due, as prescribed by the provisions of this chapter.

23 **Sec. 29.** NRS 366.405 is hereby amended to read as follows:

24 366.405 1. If the department is not satisfied with the records or
25 statements of, or with the amount of tax paid by, any person pursuant to the
26 provisions of this chapter, or the department does not receive a return from
27 a person who is required to file a return pursuant to this chapter, it may
28 make an additional or estimated assessment of tax due from that person
29 based upon any information available to it. ~~{Every}~~ *Except as otherwise*
30 *provided in NRS 360.320 and section 2 of this act, every* additional or
31 estimated assessment bears interest at the rate of 1 percent per month, or
32 fraction thereof, from the date the tax became due until it is paid.

33 2. If an additional assessment is imposed, a penalty of 10 percent of the
34 amount of the additional assessment must be added thereto. If any part of
35 the deficiency is found to be caused by fraud or an intent to evade the
36 provisions of this chapter or the regulations adopted pursuant to those
37 provisions, a penalty of 25 percent of the amount of the additional
38 assessment must be added thereto.

39 3. The department shall give the person written notice of the additional
40 assessment. The notice may be served personally or by mail in the manner
41 prescribed by Rule 5 of the Nevada Rules of Civil Procedure addressed to
42 the person at his address as it appears in the records of the department.

43 Every notice of additional assessment proposed to be assessed pursuant to

1 the provisions of this chapter must be served within 4 years after the
2 claimed erroneous report was filed.

3 4. If a special fuel user, special fuel dealer or special fuel supplier
4 refuses or fails to make available to the department, upon request, such
5 records, reports or other information as determined by the department to be
6 necessary to enable it to determine that the amount of tax paid by the user
7 or supplier is correct, the additional or estimated assessment made pursuant
8 to the provisions of this section is presumed to be correct and the burden is
9 upon the person challenging the assessment to establish that it is erroneous.

10 5. Any person against whom an assessment has been made pursuant to
11 the provisions of this section may petition the department in writing for a
12 redetermination within 30 days after service of the notice. If a petition is
13 not filed with the department within that period, the assessment becomes
14 final.

15 6. If a petition for redetermination is filed within 30 days, the
16 department shall reconsider the assessment and send the petitioner, by
17 certified mail, notice of its decision and the reasons therefor. A petitioner
18 aggrieved by the department's decision may appeal the decision by
19 submitting a written request to the department for a hearing not later than
20 30 days after notice of the decision was mailed by the department. The
21 department shall schedule an administrative hearing and provide to the
22 petitioner, not less than 10 days before the hearing, notice of the time and
23 place of the hearing. The department may continue the hearing as it deems
24 necessary.

25 7. The order of the department upon a petition becomes final 30 days
26 after service of notice thereof.

27 **Sec. 30.** NRS 366.660 is hereby amended to read as follows:

28 366.660 1. No injunction, writ of mandate or other legal or equitable
29 process may issue in any suit, action or proceeding in any court against this
30 state or any officer thereof to prevent or enjoin the collection pursuant to
31 this chapter of any excise tax or other amount required to be collected.

32 2. After payment of any such excise tax or other amount under protest,
33 verified and setting forth the grounds of objection to the legality thereof,
34 filed with the department at the time of payment of the tax or other amount
35 protested, the special fuel supplier, special fuel dealer or special fuel user
36 making the payment may bring an action against the state treasurer in ~~the~~
37 ~~district court in and for~~ **a court of competent jurisdiction in** Carson City
38 **or Clark County** for the recovery of the amount so paid under protest.

39 **Sec. 31.** NRS 372.135 is hereby amended to read as follows:

40 372.135 1. After compliance with NRS 372.125, 372.130 and

41 372.510 by the applicant, the department shall ~~grant~~ :

42 (a) **Grant** and issue to each applicant a separate permit for each place of
43 business within the state.

(b) *Provide the applicant with a full, written explanation of the liability of the applicant for the collection and payment of the taxes imposed by this chapter. The explanation required by this paragraph:*

(1) *Must include the procedures for the collection and payment of the taxes that are specifically applicable to the type of business conducted by the applicant, including, without limitation and when appropriate:*

(I) *An explanation of the circumstances under which a service provided by the applicant is taxable;*

(II) *The procedures for administering exemptions; and*

(III) *The circumstances under which charges for freight are taxable.*

(2) *Is in addition to, and not in lieu of, the instructions and information required to be provided by NRS 360.2925.*

2. A permit is not assignable ~~it~~ and is valid only for the person in whose name it is issued and for the transaction of business at the place designated on it. It must at all times be conspicuously displayed at the place for which *it is* issued.

Sec. 32. NRS 372.660 is hereby amended to read as follows:

372.660 1. ~~Interest~~ *Except as otherwise provided in NRS 360.320, interest* must be paid upon any overpayment of any amount of tax at the rate of one-half of 1 percent per month from the last day of the calendar month following the period for which the overpayment was made. No refund or credit may be made of any interest imposed upon the person making the overpayment with respect to the amount being refunded or credited.

2. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the department that a claim may be filed or the date upon which the claim is certified to the state board of examiners, whichever is earlier.

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

Sec. 33. NRS 372.680 is hereby amended to read as follows:

372.680 1. Within 90 days after ~~the mailing of the notice of the department's action~~ *a final decision* upon a claim filed pursuant to this chapter ~~it~~ *is rendered by the Nevada tax commission*, the claimant may bring an action against the department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City *or Clark County* for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

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

Sec. 34. NRS 372.685 is hereby amended to read as follows:

372.685 If the department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may ~~[, before the mailing of notice by the department of its action on the claim,]~~ consider the claim disallowed and ***file an appeal with the Nevada tax commission within the 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the commission on appeal, he may, within 90 days after the decision is rendered,*** bring an action against the department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

Sec. 35. NRS 372.705 is hereby amended to read as follows:

372.705 The department may recover any refund or part of it which is erroneously made and any credit or part of it which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City ***or Clark County*** in the name of the State of Nevada.

Sec. 36. NRS 372.710 is hereby amended to read as follows:

372.710 The action must be tried in Carson City ***or Clark County*** unless the court with the consent of the attorney general orders a change of place of trial.

Sec. 37. NRS 372.750 is hereby amended to read as follows:

372.750 1. Except as otherwise provided in this section, it is a misdemeanor for any member of the tax commission or officer, ***agent*** or employee of the department to make known in any manner whatever the business affairs, operations or information obtained by an investigation of records and equipment of any retailer or any other person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular of them, set forth or disclosed in any return, or to permit any return or copy of a return, or any book containing any abstract or particulars of it to be seen or examined by any person not connected with the department.

2. The tax commission may agree with any county fair and recreation board or the governing body of any county, city or town for the continuing exchange of information concerning taxpayers.

3. The governor may, by general or special order, authorize ***the*** examination of the records maintained by the department under this chapter by other state officers, by tax officers of another state, by the Federal Government, if a reciprocal arrangement exists, or by any other person. The information so obtained may not be made public except to the extent and in the manner that the order may authorize that it be made public.

4. Upon written request made by a public officer of a local government, the executive director shall furnish from the records of the department, the name and address of the owner of any seller or retailer who must file a return with the department. The request must set forth the social security number of the owner of the seller or retailer about which the request is made and contain a statement signed by the proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. The information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The executive director may charge a reasonable fee for the cost of providing the requested information.

5. Successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested, may be given information as to the items included in the measure and amounts of any unpaid tax or amounts of tax required to be collected, interest and penalties.

6. Relevant information may be disclosed as evidence in an appeal by the taxpayer from a determination of tax due.

7. At any time after a determination, decision or order of the executive director or other officer of the department imposing upon a person a penalty for fraud or intent to evade the tax imposed by this chapter on the sale, storage, use or other consumption of any vehicle, vessel or aircraft becomes final or is affirmed by the commission, any member of the commission or officer, *agent* or employee of the department may publicly disclose the identity of that person and the amount of tax assessed and penalties imposed against him.

Sec. 38. NRS 374.140 is hereby amended to read as follows:

374.140 **1.** After compliance with NRS 374.130, 374.135 and 374.515 by the applicant, the department shall ~~grant~~ :

(a) Grant and issue to each applicant a separate permit for each place of business within the county.

(b) Provide the applicant with a full, written explanation of the liability of the applicant for the collection and payment of the taxes imposed by this chapter. The explanation required by this paragraph:

(1) Must include the procedures for the collection and payment of the taxes that are specifically applicable to the type of business conducted by the applicant, including, without limitation and when appropriate:

(I) An explanation of the circumstances under which a service provided by the applicant is taxable;

(II) The procedures for administering exemptions; and

(III) The circumstances under which charges for freight are taxable.

1 *(2) Is in addition to, and not in lieu of, the instructions and*
2 *information required to be provided by NRS 360.2925.*

3 2. A permit ~~[shall not be assignable, and shall be]~~ *is not assignable*
4 *and is* valid only for the person in whose name it is issued and for the
5 transaction of business at the place designated therein. ~~[It shall]~~ *A permit*
6 *must* at all times be conspicuously displayed at the place for which *it is*
7 issued.

8 **Sec. 39.** NRS 374.357 is hereby amended to read as follows:

9 374.357 1. A person who maintains a business or intends to locate a
10 business in this state may apply to the commission on economic
11 development for an abatement from the taxes imposed by this chapter on
12 the gross receipts from the sale, and the storage, use or other consumption,
13 of eligible machinery or equipment for use by a business which has been
14 approved for an abatement pursuant to subsection 2.

15 2. The commission on economic development may approve an
16 application for an abatement if:

17 (a) The goals of the business are consistent with the goals of the
18 commission concerning industrial development and diversification;

19 (b) The commission determines that the abatement is a significant factor
20 in the decision of the applicant to locate or expand a business in this state;

21 (c) The average hourly wage paid by the business to its employees in
22 this state is at least equal to the average statewide industrial hourly wage as
23 established by the employment security division of the department of
24 employment, training and rehabilitation on July 1 of each fiscal year;

25 (d) The business provides a health insurance plan for its employees that
26 includes an option for health insurance coverage for dependents of
27 employees;

28 (e) The business is registered pursuant to the laws of this state or the
29 applicant commits to obtain a valid business license and all other permits
30 required by the county, city or town in which the business operates;

31 (f) The business will provide at least 10 full-time, permanent jobs in
32 Nevada by the fourth quarter that it is in operation; and

33 (g) The applicant commits to maintaining his business in this state for at
34 least 5 years.

35 3. An applicant shall, upon the request of the executive director of the
36 commission on economic development, furnish to the director copies of all
37 records necessary for the director to verify that the applicant meets the
38 requirement of paragraph (c) of subsection 2.

39 4. The commission on economic development may approve an
40 application for an abatement which does not meet the requirements of
41 subsection 2 if the commission determines that such an approval is
42 warranted.

6. If an application for an abatement is approved, the commission on economic development shall immediately forward a certificate of eligibility for the abatement to the Nevada tax commission.

7 7. If a business for which an abatement has been approved is not
8 maintained in this state for at least 5 years after the commission on
9 economic development approved the abatement, the person who applied for
10 the abatement shall repay to the department the amount of the abatement
11 that was allowed pursuant to this section before the failure of the business
12 to comply unless the Nevada tax commission determines that the business
13 has substantially complied with the requirements of this section. ~~[The]~~
14 *Except as otherwise provided in NRS 360.320 and section 2 of this act,*
15 *the* person who applied for the abatement shall pay interest on the amount
16 due at the rate most recently established pursuant to NRS 99.040 for each
17 month, or portion thereof, from the last day of the month following the
18 period for which the payment would have been made had the abatement not
been granted until the date of the actual payment of the tax.

19 8. The commission on economic development shall adopt regulations
20 which it considers necessary to carry out the provisions of this section.

21 9. As used in this section, unless the context otherwise requires,
22 “eligible machinery or equipment” means machinery or equipment for
23 which a deduction is authorized pursuant to 26 U.S.C. § 179. The term
24 does not include:

- 25 (a) Buildings or the structural components of buildings;
26 (b) Equipment used by a public utility;
27 (c) Equipment used for medical treatment;
28 (d) Machinery or equipment used in mining; or
29 (e) Machinery or equipment used in gaming.

30 **Sec. 40.** NRS 374.665 is hereby amended to read as follows:

31 374.665 1. ~~Interest~~ *Except as otherwise provided in NRS 360.320,*
32 *interest* must be paid upon any overpayment of any amount of tax at the
33 rate of one-half of 1 percent per month from the last day of the calendar
34 month following the period for which the overpayment was made . ~~;~~ ~~but~~
35 ~~no~~ **No** refund or credit may be made of any interest imposed upon the
36 person making the overpayment with respect to the amount being refunded
37 or credited.

38 2. The interest must be paid as follows:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if he has not already filed a claim, is notified by the department that a claim may be filed or the date upon which the claim is certified to the board of county commissioners, whichever date is earlier.

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

Sec. 41. NRS 374.685 is hereby amended to read as follows:

374.685 1. Within 90 days after ~~the mailing of the notice of the department's action~~ *a final decision* upon a claim filed pursuant to this chapter ~~it~~ *is rendered by the Nevada tax commission*, the claimant may bring an action against the department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City *or Clark County* for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

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

Sec. 42. NRS 374.690 is hereby amended to read as follows:

374.690 If the department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may ~~it, prior to the mailing of notice by the department of its action on the claim,~~ consider the claim disallowed and *file an appeal with the Nevada tax commission within the 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the commission on appeal, he may, within 90 days after the decision is rendered,* bring an action against the department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

Sec. 43. NRS 374.755 is hereby amended to read as follows:

374.755 1. Except as otherwise provided in this section, it is a misdemeanor for any member of the Nevada tax commission or ~~official~~ *officer, agent* or employee of the department to make known in any manner whatever the business affairs, operations or information obtained by an investigation of records and equipment of any retailer or any other person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof, or any book containing any abstract or particulars thereof to be seen or examined by any person not connected with the department.

2. The Nevada tax commission may agree with any county fair and recreation board or the governing body of any county, city or town for the continuing exchange of information concerning taxpayers.

3. The governor may, however, by general or special order, authorize *the* examination of the records maintained by the department under this chapter by other state officers, by tax officers of another state, by the Federal Government, if a reciprocal arrangement exists, or by any other person. The information so obtained pursuant to the order of the governor

1 may not be made public except to the extent and in the manner that the
2 order may authorize that it be made public.

3 4. Upon written request made by a public officer of a local
4 government, the executive director shall furnish from the records of the
5 department, the name and address of the owner of any seller or retailer who
6 must file a return with the department. The request must set forth the social
7 security number of the owner of the seller or retailer about which the
8 request is made and contain a statement signed by the proper authority of
9 the local government certifying that the request is made to allow the proper
10 authority to enforce a law to recover a debt or obligation owed to the local
11 government. The information obtained by the local government is
12 confidential and may not be used or disclosed for any purpose other than
13 the collection of a debt or obligation owed to that local government. The
14 executive director may charge a reasonable fee for the cost of providing the
15 requested information.

16 5. Successors, receivers, trustees, executors, administrators, assignees
17 and guarantors, if directly interested, may be given information as to the
18 items included in the measure and amounts of any unpaid tax or amounts of
19 tax required to be collected, interest and penalties.

20 6. Relevant information may be disclosed as evidence in an appeal by
21 the taxpayer from a determination of tax due.

22 7. At any time after a determination, decision or order of the executive
23 director or other officer of the department imposing upon a person a
24 penalty for fraud or intent to evade the tax imposed by this chapter on the
25 sale, storage, use or other consumption of any vehicle, vessel or aircraft
26 becomes final or is affirmed by the commission, any member of the
27 commission or officer, *agent* or employee of the department may publicly
28 disclose the identity of that person and the amount of tax assessed and
29 penalties imposed against him.

30 **Sec. 44.** NRS 375A.170 is hereby amended to read as follows:

31 375A.170 If the return provided for in NRS 375A.150 is not filed
32 within the time specified in that section or the extension specified in NRS
33 375A.155, then the personal representative shall pay, *except as otherwise*
34 *provided in NRS 360.320 and section 2 of this act, and* in addition to the
35 interest provided in NRS 375A.205, a penalty equal to 5 percent of the tax
36 due, as finally determined, for each month or portion of a month during
37 which that failure to file continues, not exceeding 25 percent in the
38 aggregate, unless it is shown that there was reasonable cause for the failure
39 to file. If a similar penalty for failure to file timely the federal estate tax
40 return is waived, that waiver shall be deemed to constitute reasonable cause
41 for purposes of this section.

1 **Sec. 45.** NRS 375A.195 is hereby amended to read as follows:

2 375A.195 If it is claimed that a deficiency has been determined in an
3 erroneous amount, any person who is liable for the tax may ~~It~~ **appeal the**
4 **determination to the Nevada tax commission pursuant to NRS 360.245.**
5 **If the person who is liable for the tax is aggrieved by the decision of the**
6 **commission on appeal, he may,** within 3 years after the determination was
7 made, bring an action against the State of Nevada in the district court
8 having jurisdiction over the estate to have the tax modified in whole or in
9 part.

10 **Sec. 46.** NRS 375A.205 is hereby amended to read as follows:

11 375A.205 1. The tax imposed by NRS 375A.100 does not bear
12 interest if it is paid before the date on which it otherwise becomes
13 delinquent. ~~It~~ **Except as otherwise provided in NRS 360.320 and section**
14 **2 of this act, if** the tax is paid after that date, the tax bears interest at the
15 rate set by the executive director, from the date it became delinquent until it
16 is paid.

17 2. The executive director shall set and maintain the rate of interest for
18 late payments at the highest rate permissible pursuant to section 4 of article
19 10 of the Nevada constitution.

20 **Sec. 47.** NRS 375A.215 is hereby amended to read as follows:

21 375A.215 1. If any personal representative fails to pay any tax
22 imposed by NRS 375A.100 for which he is liable before the date the tax
23 becomes delinquent, he must, on motion of the department, be required by
24 the district court having jurisdiction over the estate to execute a bond to the
25 State of Nevada in an amount equal to twice the amount of the tax, with
26 such sureties as the court may approve, conditioned for the payment of the
27 tax, plus interest on the tax at the rate of interest set by the executive
28 director pursuant to NRS 375A.205 commencing on the date the tax
29 became delinquent, **unless otherwise provided in NRS 360.320 or section**
30 **2 of this act. The bond must be executed** within a certain time to be fixed
31 by the court and specified in the bond.

32 2. The bond must be filed in the office of the clerk of the court, and a
33 certified copy must be immediately transmitted to the department.

34 3. If the bond is not filed within 20 days after the date of the filing of
35 the order requiring it, the letters of the personal representative affected
36 must be revoked upon motion of the department.

37 **Sec. 48.** NRS 375A.225 is hereby amended to read as follows:

38 375A.225 Interest must be paid upon any overpayment of the tax due
39 under NRS 375A.100 at the rate of interest set by the executive director
40 pursuant to NRS 375A.205. ~~That~~ **Except as otherwise provided in NRS**
41 **360.320, the** interest must be allowed from the date on which payment of
42 the tax would have become delinquent, if not paid, or the date of actual

1 payment, whichever is later, to a date preceding the date of the refund by
2 not more than 30 days, as determined by the department.

3 **Sec. 49.** NRS 375A.690 is hereby amended to read as follows:

4 375A.690 ~~HH~~ *Except as otherwise provided in NRS 360.320 and*
5 *section 2 of this act, if* the board determines that a decedent dies domiciled
6 in this state, the total amount of interest and penalties for nonpayment of
7 the tax, between the date of the election and the final determination of the
8 board, must not exceed an amount determined by applying the rate of
9 interest set by the executive director pursuant to NRS 375A.205 to the
10 amount of the taxes due.

11 **Sec. 50.** NRS 375B.190 is hereby amended to read as follows:

12 375B.190 If the return required by NRS 375B.150 is not filed within
13 the time specified in that section or the extension specified in NRS
14 375B.160, the person liable for the tax shall pay, *except as otherwise*
15 *provided in NRS 360.320 and section 2 of this act, and* in addition to the
16 interest provided in NRS 375B.250, a penalty equal to 5 percent of the tax
17 due, as finally determined, for each month or portion of a month during
18 which that failure to file continues, not exceeding 25 percent in the
19 aggregate, unless it is shown that there was reasonable cause for the failure
20 to file. If a similar penalty for failure to file timely the federal estate tax
21 return is waived, that waiver shall be deemed to constitute reasonable cause
22 for purposes of this section.

23 **Sec. 51.** NRS 375B.230 is hereby amended to read as follows:

24 375B.230 1. If it is claimed that a deficiency has been determined in
25 an erroneous amount, any person who is liable for the tax may ~~HH~~ *appeal*
26 *the determination to the Nevada tax commission pursuant to NRS*
27 *360.245. If the person who is liable for the tax is aggrieved by the*
28 *decision of the commission on appeal, he may,* within 3 years after the
29 determination was made, bring an action against the State of Nevada in the
30 district court having jurisdiction over the property which was transferred to
31 have the tax modified in whole or in part.

32 2. The department shall give notice of the deficiency determined,
33 together with any penalty for failure to file a return, by personal service or
34 by mail to the person filing the return at the address stated in the return, or,
35 if no return is filed, to the person liable for the tax. Copies of the notice of
36 deficiency may in the same manner be given to such other persons as the
37 department deems advisable.

38 **Sec. 52.** NRS 375B.250 is hereby amended to read as follows:

39 375B.250 1. ~~HH~~ *Except as otherwise provided in NRS 360.320 and*
40 *section 2 of this act, if* the tax is paid after the due date, the tax bears
41 interest at the rate set by the executive director, from the due date of the
42 return.

1 2. The executive director shall set and maintain the rate of interest for
2 late payments at the highest rate permissible pursuant to section 4 of article
3 10 of the Nevada constitution.

4 **Sec. 53.** NRS 375B.270 is hereby amended to read as follows:

5 375B.270 1. If any person who is liable for the tax fails to pay any
6 portion of the tax imposed by NRS 375B.100 on or before the date the tax
7 is due, he must, on motion of the department, be required by the district
8 court having jurisdiction over the generation-skipping transfer to execute a
9 bond to the State of Nevada in an amount equal to twice the amount of the
10 tax due, with such sureties as the court may approve, conditioned upon the
11 payment of the tax, plus interest on the tax at the rate of interest set by the
12 executive director pursuant to NRS 375B.250 commencing on the date the
13 tax became due, *unless otherwise provided in NRS 360.320 and section 2*
14 *of this act. The bond must be executed* within a time certain to be fixed by
15 the court and specified in the bond.

16 2. The bond must be filed in the office of the clerk of the court, and a
17 certified copy must be immediately transmitted to the department.

18 **Sec. 54.** 1. This section and sections 1 to 9, inclusive, and 11 to 53,
19 inclusive, of this act become effective on July 1, 1999.

20 2. Section 10 of this act becomes effective at 12:01 a.m. on July 1,
21 1999.