

Senate Bill No. 362—Senator O’Connell

CHAPTER.....

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; requiring the commission to adopt certain regulations; 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 various counties; 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. Chapter 360 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 3.5 of this act.

Sec. 2. 1. *If an audit is conducted by the department pursuant to the provisions of this Title, the date on which the audit will be completed must be included in the notice to the taxpayer that the audit will be conducted.*

2. The date on which the audit will be completed may be extended by the department if the department gives prior written notice of the extension to the taxpayer. The notice must include an explanation of the reason or reasons that the extension is required.

3. If, after the audit, the department determines that delinquent taxes are due, interest and penalties may not be imposed for the period of the extension if the taxpayer did not request the extension or was not otherwise the cause of the extension.

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

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

2. If appropriate, include:

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

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

Sec. 3.5. *The Nevada tax commission shall adopt regulations to carry out the provisions of NRS 360.294 and 360.417.*

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

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

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

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

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

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

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

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

4. *The Nevada tax commission* may reverse, affirm or modify ~~them.~~ ~~—4.] any decision of the department that is:~~

(a) *Appealed to the commission by a taxpayer pursuant to this section;*
or

(b) *Reviewed by the commission pursuant to this section.*

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

~~5.]~~ 6. The Nevada tax commission shall provide by regulation for:

(a) Notice to *be given to* each county of any decision upon an appeal to the commission that the commission determines is likely to affect the revenue of the county or other local government. The regulations must specify the form and contents of the notice and requirements for the number of days before a meeting of the commission that the notice must be transmitted. ~~[to the county or counties.]~~ *If the parties to the appeal enter into a stipulation as to the issues that will be heard on appeal, the commission shall transmit a copy of the notice to the district attorney of each county which the commission determines is likely to be affected by the decision.* Upon receipt of such a notice, the ~~county~~ *district attorney* shall transmit a copy of the notice to each local government within the county which ~~it~~ *the commission* determines is likely to be affected by the decision. *If there is no such stipulation, the commission shall transmit a copy of the notice, accompanied by the names of the parties and the amount on appeal, if any, to the governing bodies of the counties and*

other local governments which the commission determines are likely to be affected by the decision.

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

~~16.1~~ 7. A county or other local government which is a party and is aggrieved by the decision of the Nevada tax commission is entitled to seek judicial review of the decision.

~~17.1~~ 8. Upon application by a taxpayer, the Nevada tax commission shall review the denial of relief pursuant to NRS 361.4835 and may grant, deny or modify the relief sought.

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

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

~~11.1~~ (a) To be treated by officers and employees of the department with courtesy, fairness, uniformity, consistency and common sense.

~~12.1~~ (b) To a prompt response from the department to each communication from the taxpayer.

~~13.1~~ (c) To provide the minimum documentation and other information as may reasonably be required by the department to carry out its duties.

~~14.1~~ (d) To written explanations of common errors, oversights and violations that taxpayers experience and instructions on how to avoid such problems.

~~15.1~~ (e) To be ~~informed~~ *notified, in writing*, by the department whenever its officer, employee or agent determines that the taxpayer is entitled to an exemption or has been taxed or assessed more than is required by law.

~~16.1~~ (f) To written instructions indicating how the taxpayer may petition for:

~~1(a)~~ (1) An adjustment of an assessment; ~~for~~

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

~~17.1~~ ; or

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

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

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

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

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

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

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

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

~~[(10)]~~ (j) To a full explanation of the department's authority to assess a tax or to collect delinquent taxes, including the procedures and notices for review and appeal that are required for the protection of the taxpayer. An explanation which meets the requirements of this section must also be included with each notice to a taxpayer that an audit will be conducted by the department.

~~[(11)]~~ (k) To the immediate release of any lien which the department has placed on real or personal property for the nonpayment of any tax when:

~~[(a)]~~ (1) The tax is paid;

~~[(b)]~~ (2) The period of limitation for collecting the tax expires;

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

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

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

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

~~[(g)]~~ (7) The department determines that the lien is creating an 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 ~~[(1)]~~ *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 or any applicable regulations.

3. The provisions of this section apply to any tax administered and collected pursuant to the provisions of this Title or any applicable regulations 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 ~~;~~

~~—1. 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. The Nevada tax commission may waive any such taxes, penalties and interest in an amount greater than \$5,000.] or on an opinion of the attorney general:~~

(a) The department may waive any tax, penalty and interest owed by the taxpayer if the taxpayer meets the criteria adopted by regulation by the Nevada tax commission pursuant to section 3.5 of this act; and

(b) If a waiver is granted pursuant to paragraph (a), the department shall prepare and maintain on file a statement which contains:

(1) The reason for the waiver;

(2) The amount of the tax, penalty and interest owed by the taxpayer;

(3) The amount of the tax, penalty and interest waived by the department; and

(4) The facts and circumstances which led to the waiver.

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

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

360.320 ~~Has~~

1. Except as otherwise provided in this Title, in making a determination **of the amount required to be paid,** the department ~~may~~ **shall** offset overpayments for ~~[a period or periods, together with interest on the overpayments,]~~ **a reporting period of an audit period** against underpayments for ~~[another period or periods, against penalties, and against~~

~~the interest on underpayments.]~~ *any other reporting period within the audit period.*

2. *If it is determined that there is a net deficiency, any penalty imposed must be calculated based on the amount of the net deficiency.*

3. *If it is determined that:*

(a) *There is a net deficiency for a reporting period after offsetting any overpayment from any previous reporting period, any interest imposed on the net deficiency must be calculated before determining whether there is an overpayment or net deficiency for the next reporting period within the audit period.*

(b) *There is a net overpayment for a reporting period after offsetting any net deficiency from any previous reporting period, any interest to which the taxpayer is entitled must be calculated before determining whether there is an overpayment or net deficiency for the next reporting period within the audit period.*

4. *The provisions of this section do not apply if the taxpayer has submitted a report that shows taxes due and has not remitted the taxes due in a timely manner.*

5. *As used in this section, "reporting period" includes, without limitation, a calendar month, a calendar quarter, a calendar year and any other period for reporting.*

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

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

(a) Pay the amount of the determination; or

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

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

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

360.417 ~~[Unless]~~ *Except as otherwise provided in NRS 360.320 and section 2 of this act and unless* a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 364A, 365, 369, 370, 372, 373, 374, 377, 377A, 444A or 585 of NRS, or fee provided for in NRS 482.313 or 590.700 to 590.920, inclusive, to the state or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the department, in addition to the tax or fee, plus interest at the rate of 1 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. *The amount of any penalty imposed must be based*

on a graduated schedule adopted by the Nevada tax commission which takes into consideration the length of time the tax or fee remained unpaid.

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

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

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

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

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

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

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

(b) The delinquency of the amounts; and

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

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

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

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

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

(b) The abatement is a significant factor in the decision of the applicant to locate or expand a business in this state or the appropriate affected local government determines that the abatement will be beneficial to the economic development of the community.

(c) The average hourly wage which will be paid by the new or expanded business to its employees in this state is at least 125 percent of the average

statewide industrial hourly wage as established by the employment security division of the department of employment, training and rehabilitation on July 1 of each fiscal year.

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

(e) The cost to the business for the benefits the business provides to its employees in this state will meet the minimum requirements for benefits established by the commission pursuant to subsection ~~18.1~~ 9.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(j) The proposed abatement has been approved by the governing body of the appropriate affected local government as determined pursuant to the regulations adopted pursuant to subsection ~~18.1~~ 9. In determining whether to approve a proposed abatement, the governing body shall consider whether the taxes to be paid by the business are sufficient to pay for any investment required to be made by the local government for services associated with the relocation or expansion of the business, including, without limitation, costs related to the construction and maintenance of roads, sewer and water services, fire and police protection, and the construction and maintenance of schools.

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

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

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

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

(a) The department; and

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

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

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

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

7. If a business for which an abatement has been approved is not maintained in this state in accordance with the agreement required in subsection 2, for at least 10 years after the commission on economic development approved the abatement, the person who applied for the abatement shall repay to the county treasurer or treasurers who would have received the taxes but for the abatement the total amount of all taxes that were abated pursuant to this section. ~~[The]~~ *Except as otherwise provided in NRS 360.320 and section 2 of this act, the* person who applied for the

abatement shall pay interest on the amount due at the rate of 10 percent per annum for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made if the abatement had not been granted until the date of the actual payment of the tax.

8. A county treasurer:

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

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

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

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

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

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

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

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

361.435 Any property owner owning property of like kind in more than one county in the state and desiring to proceed with a suit under the provisions of NRS 361.420 may, where the issues in the cases are substantially the same in all or in some of the counties concerning the assessment of taxes on such property, consolidate any of the suits in one action and bring the action in any court of competent jurisdiction in Carson City, ~~Nevada.~~ *the county of this state where the property owner resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the department.*

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

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

(a) The owner or owners of the property;

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

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

2. The notice of delinquency must state:

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

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

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

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

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

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

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

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

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

2. The certificate must specify:

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

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

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

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

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

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

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

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

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

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

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

Sec. 17. (Deleted by amendment.)

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

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

2. Any person extracting any mineral or receiving a royalty may appeal from the imposition of the penalty and interest to the Nevada tax commission by filing a notice of appeal ~~{within 30 days after the tax became due}~~ *in accordance with the requirements set forth in NRS 360.245.*

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

362.230 1. Every person extracting any mineral in this state, or receiving a royalty in connection therewith, who fails to file with the department the statements provided for in NRS 362.100 to 362.240,

inclusive, during the time and in the manner provided for in NRS 362.100 to 362.240, inclusive, shall pay a penalty of not more than \$5,000. If any such person fails to file the statement, the department may ascertain and certify the net proceeds of the minerals extracted or the value of the royalty from all data and information obtainable, and the amount of the tax due must be computed on the basis of the amount due so ascertained and certified.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. A proposed business must apply to the commission on economic development to obtain the exemption authorized pursuant to this section. The commission shall certify a business's eligibility for the exemption pursuant to this section if:

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

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

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

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

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

(b) Make the required capital investment in Nevada in the course of establishing the business,

is required to repay to the department the amount of the exemption that was allowed pursuant to this section before the business's failure to comply unless the Nevada tax commission determines that the business has substantially complied with the requirements of this section. ~~[The]~~ *Except as otherwise provided in NRS 360.320 and section 2 of this act, the* business is also required to pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the exemption not been granted until the date of payment of the tax.

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

6. The Nevada tax commission:

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

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

Sec. 21. NRS 364A.180 is hereby amended to read as follows:

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

Sec. 22. NRS 364A.260 is hereby amended to read as follows:

364A.260 1. ~~{Interest}~~ *Except as otherwise provided in NRS 360.320, interest* must be paid upon any overpayment of any amount of the fee or tax imposed by this chapter at the rate of one-half of 1 percent per month, or fraction thereof, 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 or business 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 fee or tax or amount against which the credit is applied.

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

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

364A.280 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 ~~{,}~~ *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}~~, *the county of this state where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the department*, 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. 24. NRS 364A.290 is hereby amended to read as follows:

364A.290 1. 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 rendered 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.

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

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

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

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

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

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

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

365.460 After payment of any excise tax under protest duly verified, served on the department, and setting forth the grounds of objection to the legality of the excise tax, the dealer paying the excise tax may **file an appeal with the Nevada tax commission pursuant to NRS 360.245. If the dealer is aggrieved by the decision of the commission rendered on appeal, he may** bring an action against the state treasurer in ~~{the district court in and for}~~ **a court of competent jurisdiction in** Carson City, **the county of this state where the dealer resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the department,** for the recovery of the excise tax so paid under protest.

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

365.470 1. No action authorized by NRS 365.460 may be instituted more than 90 days after ~~{the last day prescribed for the payment of the excise tax without penalty.}~~ **a final decision is rendered by the Nevada tax commission on appeal.** Failure to bring suit within the 90 days ~~{shall constitute}~~ **constitutes** a waiver of any and all demands against the state on account of alleged overpayment of excise taxes.

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

Secs. 28-30. (Deleted by amendment.)

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

372.135 **1.** After compliance with NRS 372.125, 372.130 and 372.510 by the applicant, the department shall ~~{grant}~~ **:**

(a) **Grant** and issue to each applicant a separate permit for each place of 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 , **the county of this state where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the department**, 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 a hearing officer within 45 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the hearing officer on appeal, he may, pursuant to the provisions of NRS 360.245, appeal the decision to the Nevada tax commission. If the claimant is aggrieved by the decision of the commission on appeal, he may, within 45 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

5. If an application for an abatement is approved, the taxpayer is eligible for an abatement from the tax imposed by this chapter for 2 years.

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. If a business for which an abatement has been approved is not maintained in this state for at least 5 years after the commission on economic development approved the abatement, the person who applied for the abatement shall repay to the department the amount of the abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada tax commission determines that the business has substantially complied with the requirements of this section. ~~{The}~~ *Except as otherwise provided in NRS 360.320 and section 2 of this act, the* person who applied for the abatement shall pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the 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.

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

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

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

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

374.665 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. ~~. {; but no}~~ *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 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 ~~{}~~ *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, *the county of this state*

where the claimant resides or maintains his principal place of business or a county in which any relevant proceedings were conducted by the department, 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 ~~[-prior to the mailing of notice by the department of its action on the claim,]~~ consider the claim disallowed and *file an appeal with a hearing officer within 45 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the hearing officer on appeal, he may, pursuant to the provisions of NRS 360.245, appeal the decision to the Nevada tax commission. If the claimant is aggrieved by the decision of the commission on appeal, he may, within 45 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 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. 44. NRS 375A.170 is hereby amended to read as follows:

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

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

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

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

375A.205 1. The tax imposed by NRS 375A.100 does not bear interest if it is paid before the date on which it otherwise becomes

delinquent. ~~That~~ *Except as otherwise provided in NRS 360.320 and section 2 of this act, if* the tax is paid after that date, the tax bears interest at the rate set by the executive director, from the date it became delinquent until it is paid.

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

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

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

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

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

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

375A.225 Interest must be paid upon any overpayment of the tax due under NRS 375A.100 at the rate of interest set by the executive director pursuant to NRS 375A.205. ~~That~~ *Except as otherwise provided in NRS 360.320, the* interest must be allowed from the date on which payment of the tax would have become delinquent, if not paid, or the date of actual payment, whichever is later, to a date preceding the date of the refund by not more than 30 days, as determined by the department.

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

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

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

375B.190 If the return required by NRS 375B.150 is not filed within the time specified in that section or the extension specified in NRS 375B.160, the person liable for the tax shall pay, *except as otherwise provided in NRS 360.320 and section 2 of this act, and* in addition to the interest provided in NRS 375B.250, a penalty equal to 5 percent of the tax

due, as finally determined, for each month or portion of a month during which that failure to file continues, not exceeding 25 percent in the aggregate, unless it is shown that there was reasonable cause for the failure to file. If a similar penalty for failure to file timely the federal estate tax return is waived, that waiver shall be deemed to constitute reasonable cause for purposes of this section.

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

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

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

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

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

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

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

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

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

Sec. 53.2. Section 17 of Assembly Bill No. 375 of this session is hereby amended to read as follows:

Sec. 17. NRS 361.570 is hereby amended to read as follows:

361.570 1. Pursuant to the notice given as provided in NRS 361.5648 and 361.565 and at the time stated in the notice, the tax receiver shall make out ~~his certificate authorizing~~ *a certificate that describes each property on which delinquent taxes have not been paid. The certificate authorizes* the county treasurer, as trustee for the state and county, to hold ~~the~~ *each* property described in the ~~notice~~ *certificate* for the period of 2 years after the first Monday in June of the year the certificate is dated, unless sooner redeemed.

2. The certificate must specify:

(a) The amount of delinquency ~~it~~ *on each property*, including the amount and year of assessment;

(b) The taxes , and the penalties and costs added thereto, *on each property*, and that, except as otherwise provided in NRS 360.320 and section 2 of *Senate Bill No. 362 of this session*, interest on the taxes will be added at the rate of 10 percent per annum from the date due until paid; and

(c) The name of the owner or taxpayer ~~it~~ *of each property*, if known.

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

(a) That ~~the~~ *each* property *described in the certificate* may be redeemed within 2 years after ~~its date;~~ *the date of the certificate;* and

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

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

~~5.—The~~ *Senate Bill No. 362 of this session.*

5. A county treasurer shall take ~~certificates~~ *a certificate* issued to him ~~under the provisions of~~ *pursuant to* this section. *The county treasurer may cause the certificate to be recorded in the office of the county recorder against each property described in the certificate to provide constructive notice of the amount of delinquent taxes on each property respectively. The certificate reflects the amount of delinquent taxes due on the properties described in the certificate on the date on which the certificate*

was recorded, and the certificate need not be amended subsequently to indicate the repayment of any of those delinquent taxes. The recording of the certificate does not affect the statutory lien for taxes provided in NRS 361.450.

Sec. 53.4. Section 48 of Assembly Bill No. 584 of this session is hereby amended to read as follows:

Sec. 48. NRS 360.417 is hereby amended to read as follows:
360.417 Except as otherwise provided in NRS 360.320 and section 2 of *Senate Bill No. 362 of this ~~act,~~ session*, and unless a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 364A, ~~[365,]~~ 369, 370, 372, ~~[373,]~~ 374, 377, 377A, 444A or 585 of NRS, or *the* fee provided for in NRS 482.313 , ~~for 590.700 to 590.920, inclusive,~~ to the state or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the department, in addition to the tax or fee, plus interest at the rate of 1 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada tax commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 53.6. Section 87 of Assembly Bill No. 584 of this session is hereby amended to read as follows:

Sec. 87. NRS 365.310 is hereby amended to read as follows:
365.310 1. The department may suspend, cancel or revoke the license of any dealer *or supplier* refusing or neglecting to comply with the provisions of this chapter.

2. If a dealer *or supplier* becomes delinquent in the payment of excise taxes as prescribed by this chapter to the extent that his liability exceeds the total amount of *the* bond *or bonds* furnished by the dealer ~~[]~~ *or supplier*, the department shall suspend his license immediately.

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

Sec. 53.8. 1. Notwithstanding the provisions of NRS 365.470, if a person properly files an appeal with the Nevada tax commission pursuant to NRS 365.460 before January 1, 2002, and the commission fails to render a final decision on the appeal before that date, the person may commence an action against the state treasurer pursuant to NRS 365.460 not later than:

- (a) April 1, 2002; or
- (b) Ninety days after the last day prescribed for the payment of the excise tax without a penalty, whichever occurs last.

2. The provisions of subsection 4 of section 54 of this act do not affect any actions commenced before January 1, 2002, against the state treasurer pursuant to NRS 365.460.

Sec. 54. 1. This section and sections 1 to 9, inclusive, 11 to 30, inclusive, 32 to 37, inclusive, and 39 to 53.8, inclusive, of this act become effective on July 1, 1999.

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

3. Sections 31 and 38 of this act become effective on July 1, 2000.

4. Sections 26 and 27 of this act expire by limitation on December 31, 2001.

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