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ASSEMBLY BILL NO. 656—COMMITTEE ON TAXATION

(ON BEHALF OF DEPARTMENT OF TAXATION)

MARCH 26, 2001

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Referred to Committee on Taxation

SUMMARY—Authorizes annual payment of business tax under certain circumstances.  
(BDR 32-394)

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

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

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AN ACT relating to the business tax; authorizing the annual payment of the tax under certain circumstances; 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.** NRS 364A.140 is hereby amended to read as follows:  
2     364A.140 1. A tax is hereby imposed upon the privilege of  
3     conducting business in this state. ~~The~~ *Except as otherwise provided in*  
4     *this section, the* tax for each calendar quarter is due on the last day of the  
5     quarter and must be paid on or before the last day of the month  
6     immediately following the quarter on the basis of the total number of  
7     equivalent full-time employees employed by the business in the quarter.  
8     2. *If the tax required to be paid by a business for a calendar quarter*  
9     *pursuant to subsection 1 is less than \$25, the business may submit a*  
10    *written request to the department to pay the tax annually for each*  
11    *calendar quarter of a fiscal year ending June 30. Upon approval of the*  
12    *request, the tax becomes due on the last day of the fiscal year and must*  
13    *be paid on or before the last day of July immediately following the fiscal*  
14    *year. If a business ceases operation before the end of the fiscal year, the*  
15    *tax becomes due on the date on which the business ceases its operation*  
16    *and must be paid on or before the last day of the month immediately*  
17    *following the calendar quarter in which the business ceases its operation.*  
18    *A business may continue to pay the tax annually until the department*  
19    *withdraws its approval for the annual payment. The department may*  
20    *withdraw its approval at any time if it determines that the tax due for any*  
21    *calendar quarter is at least \$25.*



1     3. The total number of equivalent full-time employees employed by  
2     ~~the~~ a business in ~~the~~ a quarter must be calculated pursuant to  
3     NRS 364A.150.  
4     ~~3.1~~ 4. Except as otherwise provided in NRS 364A.152 and 364A.170,  
5     the amount of tax due ~~per quarter~~ for a business *for each calendar*  
6     *quarter* is \$25 for each equivalent full-time employee employed by the  
7     business in the quarter.  
8     ~~4.1~~ 5. Each business shall file a return on a form prescribed by the  
9     department with each remittance of the tax. If the payment due is greater  
10    than \$1,000, the payment must be made by direct deposit at a bank or  
11    credit union in which the state has an account, unless the department  
12    waives this requirement pursuant to regulations adopted by the  
13    commission. The return must include ~~at~~ :  
14    (a) *If the tax is paid quarterly, a statement of the number of equivalent*  
15    *full-time employees employed by the business in the preceding quarter and*  
16    *any other information the department determines is necessary.*  
17    ~~5.1~~ (b) *If the tax is paid annually, a statement of the number of*  
18    *equivalent full-time employees employed by the business for each*  
19    *calendar quarter of the preceding fiscal year and any other information*  
20    *the department determines is necessary.*  
21    6. The commission shall adopt regulations concerning the payment of  
22    the tax imposed pursuant to this section by direct deposit.  
23    Sec. 2. NRS 364A.340 is hereby amended to read as follows:  
24    364A.340 A person who:  
25    1. Is required to be licensed pursuant to chapter 624 of NRS; and  
26    2. Contracts with a subcontractor who is required to be licensed  
27    pursuant to that chapter and to have a business license and pay the tax  
28    imposed by this chapter,  
29    shall require proof that the subcontractor has a business license and has  
30    paid the tax imposed by this chapter before commencing payments to the  
31    subcontractor. For the purposes of this section, a subcontractor proves that  
32    he has a business license and has paid the tax imposed by this chapter by  
33    presenting a receipt for or other evidence that he made the last ~~quarterly~~  
34    payment required pursuant to this chapter.  
35    Sec. 3. This act becomes effective on July 1, 2002.

