SENATE BILL NO. 380-SENATOR SCHNEIDER

MARCH 19, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to contractors. (BDR 32-944)

FISCAL NOTE: Effect on Local Government: No.

1 2

3

4

5

6

8

10

11 12 13 Effect on the State: No.

~

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

AN ACT relating to contractors; eliminating the duty of a contractor to require proof of payment of the business tax from a subcontractor with whom he has a contract; and providing other matters properly relating thereto.

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

Section 1. NRS 364A.340 is hereby amended to read as follows: 364A.340 A person who:

1. Is required to be licensed pursuant to chapter 624 of NRS; and

2. Contracts with a subcontractor who is required to be licensed pursuant to that chapter and to have a business license and pay the tax imposed by this chapter, shall require proof that the subcontractor has a business license [and has]

shall require proof that the subcontractor has a business license [and has paid the tax imposed by this chapter] before commencing payments to the subcontractor. For the purposes of this section, a subcontractor proves that he has a business license [and has paid the tax imposed by this chapter by presenting a receipt for or other evidence that he made the last quarterly payment required pursuant to this chapter.] by submitting a copy of the business license to the contractor.

Sec. 2. Section 2 of Assembly Bill No. 656 of this session is hereby repealed.

16 **Sec. 3.** This act becomes effective on July 1, 2001.



TEXT OF REPEALED SECTION

NRS 364A.340 is hereby amended to read as follows: 364A.340 A person who:

 Is required to be licensed pursuant to chapter 624 of NRS; and
Contracts with a subcontractor who is required to be licensed pursuant to that chapter and to have a business license and pay the tax

imposed by this chapter, shall require proof that the subcontractor has a business license and has paid the tax imposed by this chapter before commencing payments to the subcontractor. For the purposes of this section, a subcontractor proves that he has a business license and has paid the tax imposed by this chapter by presenting a receipt for or other evidence that he made the last [quarterly] payment required pursuant to this chapter.



