

CHAPTER.....

AN ACT relating to taxation; authorizing the Department of Taxation to refuse to issue or renew certain licenses or permits if the applicant for the license or permit is liable to the Department for the payment of money; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Department of Taxation to issue various licenses and permits in its administration of the tax laws. (Title 32 of NRS)

This bill authorizes the Department to refuse to issue or renew any license or permit if the applicant is delinquent in paying certain taxes, fees, penalties and other obligations that are administered by or owed to the Department.

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 a new section to read as follows:

The Department may refuse to issue or renew any license or permit it is authorized to issue pursuant to the provisions of this title if the applicant for the license or permit:

- 1. Is delinquent in the payment of any tax or fee administered by the Department;*
- 2. Has not paid a deficiency determination;*
- 3. Is in default on a payment required pursuant to a written agreement with the Department; or*
- 4. Is otherwise liable to the Department for the payment of money, including, without limitation, any penalties or interest owed on any other obligation to the Department.*

Sec. 2. NRS 372.135 is hereby amended to read as follows:

372.135 1. ~~After~~ *Except as otherwise provided in NRS 372.145 and section 1 of this act, after* compliance with NRS 372.125, 372.130 and 372.510 by the applicant, the Department shall:

(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 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. 3. NRS 374.140 is hereby amended to read as follows:

374.140 1. ~~{After}~~ *Except as otherwise provided in NRS 374.150 and section 1 of this act, after* compliance with NRS 374.130, 374.135 and 374.515 by the applicant, the Department shall:

(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 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. A permit must at all times be conspicuously displayed at the place for which it is issued.