

SENATE BILL NO. 102—SENATOR TOWNSEND

FEBRUARY 19, 2007

Referred to Committee on Taxation

SUMMARY—Makes various changes regarding state business licenses. (BDR 32-238)

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

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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 state business licenses; revising the period for which a fee must be paid for such a license; requiring a person who has been issued such a license to report to the Department of Taxation quarterly the number of employees of the business; requiring the Department to post such information with respect to each business on an Internet website maintained by the Department; providing that such information is not confidential and privileged; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law requires a fee of \$100 to be paid to the Department of Taxation
- 2 each year for a state business license. (NRS 360.784) **Section 3** of this bill reduces
- 3 the fee to \$100 every 5 years.
- 4 **Section 1** of this bill requires a person who has been issued a state business
- 5 license to report every 3 months to the Department the number of employees of the
- 6 business, and requires the Department to post that information with respect to each
- 7 business on an Internet website maintained by the Department. **Section 4** of this bill
- 8 provides an exception for such information from the provisions of NRS 360.795
- 9 which make the records and files of the Department concerning state business
- 10 licenses confidential and privileged.



* S B 1 0 2 *

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:

1. A person who has been issued a state business license shall, within 15 days after the end of each calendar quarter, report to the Department in writing the number of employees of the business as of the last day of that calendar quarter.

2. The Department shall post the information it receives pursuant to subsection 1 with respect to each business on an Internet website maintained by the Department.

Sec. 2. NRS 360.760 is hereby amended to read as follows:

360.760 As used in NRS 360.760 to 360.798, inclusive, *and section 1 of this act*, unless the context otherwise requires, the words and terms defined in NRS 360.765 to 360.775, inclusive, have the meanings ascribed to them in those sections.

Sec. 3. NRS 360.784 is hereby amended to read as follows:

360.784 1. Except as otherwise provided in subsection 2, a person who has been issued a state business license shall , *every 5 years*, submit a fee of \$100 to the Department on or before:

(a) The last day of the month in which the anniversary date of issuance of the state business license occurs in ~~each~~ *that* year; or

(b) Such other ~~annual~~ date as the Department and person may mutually agree,

↪ unless the person submits a written statement to the Department, at least 10 days before that date, indicating that the person will not be conducting business in this State after that date.

2. The Department may reduce the amount of any initial fee required pursuant to paragraph (b) of subsection 1 to allow credit for the remaining portion of ~~a year~~ *the period* for which the fee has been paid for the state business license pursuant to paragraph (a) of subsection 1 or NRS 360.780.

3. A person who fails to submit the ~~annual~~ fee required pursuant to this section in a timely manner shall pay a penalty in the amount of \$100 in addition to the ~~annual~~ *required* fee.

Sec. 4. NRS 360.795 is hereby amended to read as follows:

360.795 1. Except as otherwise provided in this section and NRS 360.250, *and section 1 of this act*, the records and files of the Department concerning the administration of NRS 360.760 to 360.798, inclusive, *and section 1 of this act* are confidential and privileged. The Department, and any employee of the Department engaged in the administration of NRS 360.760 to 360.798, inclusive, *and section 1 of this act*, or charged with the custody of any such records or files, shall not disclose any information obtained



1 from those records or files. Neither the Department nor any
2 employee of the Department may be required to produce any of the
3 records, files and information for the inspection of any person or for
4 use in any action or proceeding.

5 2. The records and files of the Department concerning the
6 administration of NRS 360.760 to 360.798, inclusive, **and section 1**
7 **of this act** are not confidential and privileged in the following cases:

8 (a) Testimony by a member or employee of the Department and
9 production of records, files and information on behalf of the
10 Department or a person in any action or proceeding pursuant to the
11 provisions of this chapter if that testimony or the records, files or
12 information, or the facts shown thereby, are directly involved in the
13 action or proceeding.

14 (b) Delivery to a person or his authorized representative of a
15 copy of any document filed by the person pursuant to NRS 360.760
16 to 360.798, inclusive **H**, **and section 1 of this act**.

17 (c) Publication of statistics so classified as to prevent the
18 identification of a particular business or document.

19 (d) Exchanges of information with the Internal Revenue Service
20 in accordance with compacts made and provided for in such cases.

21 (e) Disclosure in confidence to the Governor or his agent in the
22 exercise of the Governor's general supervisory powers, or to any
23 person authorized to audit the accounts of the Department in
24 pursuance of an audit, or to the Attorney General or other legal
25 representative of the State in connection with an action or
26 proceeding pursuant to this chapter, or to any agency of this or any
27 other state charged with the administration or enforcement of laws
28 relating to workers' compensation, unemployment compensation,
29 public assistance, taxation, labor or gaming.

30 (f) Exchanges of information pursuant to subsection 3.

31 (g) Disclosure of information concerning whether or not a
32 person conducting a business in this State has a state business
33 license.

34 **(h) Disclosure of information pursuant to section 1 of this act.**

35 3. The Nevada Tax Commission may agree with any county
36 fair and recreation board or the governing body of any county, city
37 or town for the continuing exchange of information concerning
38 taxpayers.

39 4. The Executive Director shall periodically, as he deems
40 appropriate, but not less often than annually, transmit to the
41 Administrator of the Division of Industrial Relations of the
42 Department of Business and Industry a list of the businesses of
43 which he has a record. The list must include the mailing address of
44 the business as reported to the Department.



Sec. 5. NRS 360.798 is hereby amended to read as follows:

360.798 1. If a person who holds a state business license fails to comply with a provision of NRS 360.760 to 360.798, inclusive, *and section 1 of this act* or a regulation of the Department adopted pursuant thereto, the Department may revoke or suspend the state business license of the person. Before so doing, the Department must hold a hearing after 10 days' written notice to the licensee. The notice must specify the time and place of the hearing and require the licensee to show cause why his license should not be revoked.

2. If the license is suspended or revoked, the Department shall give written notice of the action to the person who holds the state business license.

3. The notices required by this section may be served personally or by mail in the manner provided in NRS 360.350 for the service of a notice of the determination of a deficiency.

4. The Department shall not issue a new license to the former holder of a revoked state business license unless the Department is satisfied that the person will comply with the provisions of this chapter and the regulations of the Department adopted pursuant thereto.

Sec. 6. This act becomes effective on July 1, 2007.

