

Amendment No. 983

Senate Amendment to Senate Bill No. 208

(BDR 32-1142)

Proposed by: Senate Committee on Finance**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	☐	Lost	☐	_____	Adopted	☐	Lost	☐	_____
Concurred In	☐	Not	☐	_____	Concurred In	☐	Not	☐	_____
Receded	☐	Not	☐	_____	Receded	☐	Not	☐	_____

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) ***green bold italic underlining*** is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) ~~orange double underlining~~ is deleted language in the original bill that is proposed to be retained in this amendment; and (6) ***green bold dashed underlining*** is newly added transitory language.

SJC/BJE



Date: 5/30/2009

S.B. No. 208—Excludes certain occupations from the payroll tax imposed upon financial institutions. (BDR 32-1142)



SENATE BILL NO. 208—COMMITTEE ON COMMERCE AND LABOR

MARCH 11, 2009

Referred to Committee on Taxation

SUMMARY—~~[Excludes certain occupations from]~~ **Authorizes public utilities and local government franchisees to increase their rates to account for a legislative change in the rate of the payroll tax imposed upon ~~[financial institutions], certain businesses,~~** (BDR ~~[22]~~ S-1142)

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 taxation; ~~[revising the definition of “financial institution” for the purposes of an excise tax based upon the wages paid by financial institutions to exclude certain occupations;]~~ **authorizing public utilities and local government franchisees to increase their rates to account for a legislative change in the rate of the payroll tax imposed on certain businesses;** and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

~~[Chapters 363A and 363B of NRS impose excise taxes upon employers based upon the wages paid by the employer. The tax imposed pursuant to chapter 363A is imposed upon financial institutions and is imposed at a higher rate than the tax imposed pursuant to chapter 363B, which applies to all other employers. This bill amends the definition of “financial institution” for the purposes of chapter 363A of NRS to exclude certain occupations from the definition. As a result, persons who work in the occupations excluded from the definition would pay the excise tax pursuant to chapter 363B of NRS rather than 363A of NRS. The occupations excluded by paragraph (b) of subsection 1 of section 1 of this bill are: (1) securities broker-dealers, sales representatives and transfer agents (NRS 90.310); and (2) investment advisers and representatives of investment advisers (NRS 90.330). The occupations excluded by paragraph (d) of subsection 1 of section 1 include the occupations required to be designated or registered under the following federal acts: (1) The Commodity Exchange Act (7 U.S.C. §§ 1 et seq.), which provides for the registration or designation of contract markets, derivatives transaction execution facilities, futures commission merchants, introducing brokers, floor brokers and floor traders, commodity trading advisors and commodity pool operators, certain associates of futures commission merchants, introducing brokers, commodity trading advisors and commodity pool operators, derivatives clearing organizations and futures associations; (2) The Securities Exchange Act of 1934 (15 U.S.C. §§ 78a et seq.), which provides for the registration of national securities exchanges, securities information processors, brokers and dealers, securities associations, municipal securities dealers, government securities brokers and dealers and clearing agencies and transfer agents; (3) The Public Utility Holding Company Act of 1935 (15 U.S.C. §§ 79 et~~

seq.), which provided for the registration of holding companies for electric utility companies and gas utility companies and which was repealed effective February 8, 2006, no longer requiring the registration of these companies for the purpose of engaging in unregulated business; (4) The Investment Company Act of 1940 (15 U.S.C. §§ 90a-1 et seq.), which provides for the registration of investment companies, including face amount certificate companies, unit investment trusts and management companies; and (5) The Investment Advisers Act of 1940 (15 U.S.C. §§ 90b-1 et seq.), which provides for the registration of investment advisers. Section 3 of Senate Bill No. 429 of this session revises the rate of the payroll tax imposed on certain businesses other than financial institutions. This bill authorizes public utilities and local government franchisees to increase their rates in an amount estimated to pay for any additional tax liability they incur before July 1, 2011, as a result of that section.

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

Delete existing sections 1 through 2 of this bill and replace with the following new sections 1 and 2:

Section 1. 1. Notwithstanding any other provision of law to the contrary, a public utility or local government franchisee may increase its previously approved rates by an amount which is reasonably estimated to produce an amount of revenue equal to the amount of any additional tax liability incurred by the public utility or local government franchisee before July 1, 2011, as a result of the provisions of section 3 of Senate Bill No. 429 of this session.

2. A public utility or local government franchisee that increases any previously approved rate pursuant to subsection 1 shall, not later than 60 days after that increase becomes effective, report to each governmental entity whose approval, if not for the provisions of that subsection, would otherwise be required for that increase:

(a) The amount of that increase; and

(b) The formula and information used to determine the amount of that increase.

3. For the purposes of this section:

(a) "Local government franchisee" means a person to whom a local government has granted a franchise for the provision of services and who is required to obtain the approval of a governmental entity to increase any of the rates it charges for those services.

(b) "Public utility" means a public utility that is required to obtain the approval of a governmental entity to increase any of the rates it charges for a utility service.

Sec. 2. This act becomes effective upon passage and approval and expires by limitation on June 30, 2011.