

Amendment No. 171

Assembly Amendment to Assembly Bill No. 138

(BDR 32-113)

Proposed by: Assembly Committee on Taxation

Amends: Summary: No Title: No 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 underlining* is newly added transitory language.

MSM/WLK



Date: 4/8/2013

A.B. No. 138—Revises provisions governing the partial abatement of certain taxes.
(BDR 32-113)



ASSEMBLY BILL NO. 138—ASSEMBLYMEN SPRINKLE, BUSTAMANTE ADAMS,
KIRKPATRICK, BOBZIEN; AND NEAL

FEBRUARY 18, 2013

JOINT SPONSORS: SENATORS SMITH AND KIHUEN

Referred to Committee on Taxation

SUMMARY—Revises provisions governing the partial abatement of certain taxes.
(BDR 32-113)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

~

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

AN ACT relating to taxation; revising provisions governing the partial abatement
of certain taxes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a person who intends to locate or expand a business in Nevada may apply to the Office of Economic Development for a partial abatement of one or more of the taxes imposed on the new or expanded business pursuant to chapter 361 (property tax), 363B (business tax) or 374 (local school support tax) of NRS. (NRS 274.310, 274.320, 360.750, 361.0687, 363B.120, 374.357) This bill provides that a business which makes a capital investment of at least \$1,000,000 in a program at the University of Nevada, Reno, the University of Nevada, Las Vegas, or the Desert Research Institute for the support of research, development or training related to the field of endeavor of the business and which meets certain other requirements is eligible to apply for a partial abatement of personal property taxes. In addition, this bill provides that a business which makes a capital investment of at least \$500,000 in the Nevada State College or ~~in a community college~~ *another smaller institution* within the Nevada System of Higher Education in support of college certification or research or training related to the field of endeavor of the business and which meets certain other requirements is also eligible to apply for a partial abatement of personal property taxes. The abatements afforded by this bill expire by limitation on June 30, 2023.

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

Section 1. The Legislature hereby finds that each exemption provided by this act from any ad valorem tax on property or excise tax on the sale, storage, use or consumption of tangible personal property sold at retail:

1. Will achieve a bona fide social or economic purpose and that the benefits of the exemption are expected to exceed any adverse effect of the exemption on the

1 provision of services to the public by the State or a local government that would
2 otherwise receive revenue from the tax from which the exemption would be
3 granted; and

4 2. Will not impair adversely the ability of the State or a local government to
5 pay, when due, all interest and principal on any outstanding bonds or any other
6 obligations for which revenue from the tax from which the exemption would be
7 granted was pledged.

8 **Sec. 2.** Chapter 360 of NRS is hereby amended by adding thereto a new
9 section to read as follows:

10 *1. A person who intends to locate or expand a business in this State may*
11 *apply to the Office of Economic Development pursuant to this section for a*
12 *partial abatement of the tax imposed on the new or expanded business pursuant*
13 *to chapter 361 of NRS.*

14 *2. The Office of Economic Development shall approve an application for a*
15 *partial abatement pursuant to this section if the Office makes the following*
16 *determinations:*

17 *(a) The business is in one or more of the industry sectors for economic*
18 *development promoted, identified or otherwise approved by the Governor's*
19 *Workforce Investment Board described in NRS 232.935.*

20 *(b) The business is consistent with:*

21 *(1) The State Plan for Economic Development developed by the*
22 *Executive Director of the Office of Economic Development pursuant to*
23 *subsection 2 of NRS 231.053; and*

24 *(2) Any guidelines adopted by the Executive Director of the Office to*
25 *implement the State Plan for Economic Development.*

26 *(c) The applicant has executed an agreement with the Office which must:*

27 *(1) Comply with the requirements of NRS 360.755;*

28 *(2) Require the business to submit to the Department the reports required*
29 *by paragraph (c) of subsection 1 of NRS 218D.355;*

30 *(3) State the agreed terms of the partial abatement, which must comply*
31 *with the requirements of subsection 4;*

32 *(4) State that the business will, after the date on which a certificate of*
33 *eligibility for the abatement is issued pursuant to subsection 5, continue in*
34 *operation in this State for a period specified by the Office, which must be at least*
35 *5 years, and will continue to meet the eligibility requirements set forth in this*
36 *subsection; and*

37 *(5) Bind the successors in interest of the business for the specified*
38 *period.*

39 *(d) The business is registered pursuant to the laws of this State or the*
40 *applicant commits to obtain a valid business license and all other permits*
41 *required by the county, city or town in which the business operates.*

42 *(e) The business does not receive:*

43 *(1) Any funding from a governmental entity, other than any private*
44 *activity bonds as defined in 26 U.S.C. § 141; or*

45 *(2) Any real or personal property from a governmental entity at no cost*
46 *or at a reduced cost.*

47 *(f) The business meets the following requirements:*

48 *(1) The business makes a capital investment of at least \$1,000,000 in a*
49 *program of the University of Nevada, Reno, the University of Nevada, Las Vegas,*
50 *or the Desert Research Institute to be used in support of research, development or*
51 *training related to the field of endeavor of the business.*

52 *(2) The business will employ 15 or more full-time employees for the*
53 *duration of the abatement.*

1 (3) *The business will employ two or more graduate students from the*
2 *program in which the capital investment is made on a part-time basis during*
3 *years 2 through 5, inclusive, of the abatement.*

4 (4) *The average hourly wage that will be paid by the business to its*
5 *employees in this State is at least 100 percent of the average statewide hourly*
6 *wage or the average countywide hourly wage, whichever is less, as established by*
7 *the Employment Security Division of the Department of Employment, Training*
8 *and Rehabilitation on July 1 of each fiscal year and:*

9 (I) *The business will provide a health insurance plan for all full-time*
10 *employees that includes an option for health insurance coverage for dependents*
11 *of those employees, or will abide by all applicable provisions of the Patient*
12 *Protection and Affordable Care Act, Public Law 111-148, or both; and*

13 (II) *The cost to the business for the benefits the business provides to*
14 *its employees in this State will meet the minimum requirements for benefits*
15 *established by the Office by regulation pursuant to subsection 9.*

16 (5) *The business submits with its application for a partial abatement:*

17 (I) *A letter of support from the institution in which the capital*
18 *investment is made, which is signed by the chief administrative officer of the*
19 *institution and the director or chair of the program or the appropriate*
20 *department, and which includes, without limitation, a summary of the financial*
21 *and other resources the business will provide to the program and an agreement*
22 *that the institution will provide to the Office periodic reports, at such times and*
23 *containing such information as the Office may require, regarding the use of*
24 *those resources; and*

25 (II) *A letter of support which is signed by the chair of the board of*
26 *directors of the regional economic development authority within whose*
27 *jurisdiction the institution is located and which includes, without limitation, a*
28 *summary of the role the business will play in diversifying the economy and, if*
29 *applicable, in achieving the broader goals of the regional economic development*
30 *authority for economic development and diversification.*

31 (g) *In lieu of meeting the requirements of paragraph (f), the business meets*
32 *the following requirements:*

33 (1) *The business makes a capital investment of at least \$500,000 in the*
34 *Nevada State College or ~~in a community college within~~ an institution of the*
35 *Nevada System of Higher Education other than those set forth in subparagraph*
36 *(1) of paragraph (f), to be used in support of college certification or in support of*
37 *research or training related to the field of endeavor of the business.*

38 (2) *The business will employ 15 or more full-time employees for the*
39 *duration of the abatement.*

40 (3) *The business will employ two or more students from the college or*
41 *institution in which the capital investment is made on a full-time basis during*
42 *years 2 through 5, inclusive, of the abatement.*

43 (4) *The average hourly wage that will be paid by the business to its*
44 *employees in this State is at least 100 percent of the average statewide hourly*
45 *wage or the average countywide hourly wage, whichever is less, as established by*
46 *the Employment Security Division of the Department of Employment, Training*
47 *and Rehabilitation on July 1 of each fiscal year and:*

48 (I) *The business will provide a health insurance plan for all full-time*
49 *employees that includes an option for health insurance coverage for dependents*
50 *of those employees, or will abide by all applicable provisions of the Patient*
51 *Protection and Affordable Care Act, Public Law 111-148, or both; and*

(II) The cost to the business for the benefits the business provides to its employees in this State will meet the minimum requirements for benefits established by the Office by regulation pursuant to subsection 9.

(5) The business submits with its application for a partial abatement:

(I) A letter of support from the college or institution in which the capital investment is made, which is signed by the chief administrative officer of the college or institution and which includes, without limitation, a summary of the financial and other resources the business will provide to the program and an agreement that the college or institution will provide to the Office periodic reports, at such times and containing such information as the Office may require, regarding the use of those resources; and

(II) A letter of support which is signed by the chair of the board of directors of the regional economic development authority within whose jurisdiction the college or institution is located and which includes, without limitation, a summary of the role the business will play in diversifying the economy and, if applicable, in achieving the broader goals of the regional economic development authority for economic development and diversification.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall furnish to the board of county commissioners of each affected county a copy of each application for a partial abatement pursuant to this section.

(b) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.

~~(((b)))~~ (c) Shall not approve an application for a partial abatement pursuant to this section unless the abatement is approved as described in this paragraph. The board of county commissioners of each affected county must approve or deny the application not later than 30 days after the board of county commissioners receives a copy of the application as described in paragraph (a). If the board of county commissioners does not approve or deny the application within 30 days after the board of county commissioners receives the application, the application shall be deemed denied.

(d) May, if the Office determines that such action is necessary add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.

4. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The total amount of the abatement must not exceed;

(1) Fifty percent of the amount of the taxes imposed on the personal property of the business pursuant to chapter 361 of NRS during the period of the abatement; or

(2) Fifty percent of the amount of the capital investment by the business,
↪ whichever amount is less;

(b) The duration of the abatement must be for 5 years; and

(c) The abatement applies only to the business for which the abatement was approved pursuant to this section and the property used in connection with that business.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

1 (c) If the partial abatement is from the property tax imposed pursuant to
2 chapter 361 of NRS, the county treasurer of the county in which the business will
3 be located.

4 6. An applicant for a partial abatement pursuant to this section or an
5 existing business whose partial abatement is in effect shall, upon the request of
6 the Executive Director of the Office of Economic Development, furnish the
7 Executive Director with copies of all records necessary to verify that the applicant
8 meets the requirements of subsection 2.

9 7. If a business whose partial abatement has been approved pursuant to this
10 section and is in effect ceases to meet the requirements set forth in subsection 2
11 or ceases operation before the time specified in the agreement described in
12 paragraph (c) of subsection 2:

13 (a) The business shall repay to the county treasurer the amount of the
14 exemption that was allowed pursuant to this section before the failure of the
15 business to comply unless the Nevada Tax Commission determines that the
16 business has substantially complied with the requirements of this section. Except
17 as otherwise provided in NRS 360.232 and 360.320, the business shall, in
18 addition to the amount of the exemption required to be paid pursuant to this
19 subsection, pay interest on the amount due at the rate most recently established
20 pursuant to NRS 99.040 for each month, or portion thereof, from the last day of
21 the month following the period for which the payment would have been made had
22 the partial abatement not been approved until the date of payment of the tax.

23 (b) The applicable institution of higher education is entitled to keep the
24 entire capital investment made by the business in that institution.

25 8. A county treasurer:

26 (a) Shall deposit any money that he or she receives pursuant to subsection 7
27 in one or more of the funds established by a local government of the county
28 pursuant to NRS 354.6113 or 354.6115; and

29 (b) May use the money deposited pursuant to paragraph (a) only for the
30 purposes authorized by NRS 354.6113 and 354.6115.

31 9. The Office of Economic Development:

32 (a) Shall adopt regulations relating to the minimum level of benefits that a
33 business must provide to its employees to qualify for a partial abatement pursuant
34 to this section; and

35 (b) May adopt such other regulations as the Office determines to be
36 necessary to carry out the provisions of this section.

37 10. The Nevada Tax Commission:

38 (a) Shall adopt regulations regarding any security that a business is required
39 to post to qualify for a partial abatement pursuant to this section; and

40 (b) May adopt such other regulations as the Nevada Tax Commission
41 determines to be necessary to carry out the provisions of this section.

42 11. An applicant for a partial abatement pursuant to this section who is
43 aggrieved by a final decision of the Office of Economic Development may petition
44 for judicial review in the manner provided in chapter 233B of NRS.

45 12. Except as otherwise provided in this subsection, as used in this section,
46 "capital investment" includes, without limitation, an investment of real or
47 personal property, money or other assets by a business in an institution of the
48 Nevada System of Higher Education. The Office of Economic Development may,
49 by regulation, specify the types of real or personal property or assets that are
50 included within the definition of "capital investment."

51 Sec. 3. NRS 360.225 is hereby amended to read as follows:

52 360.225 1. During the course of an investigation undertaken pursuant to
53 NRS 360.130 of a person claiming:

- 1 (a) A partial abatement of property taxes pursuant to NRS 361.0687;
2 (b) An exemption from taxes pursuant to NRS 363B.120;
3 (c) A deferral of the payment of taxes on the sale of capital goods pursuant to
4 NRS 372.397 or 374.402; ~~for~~
5 (d) An abatement of taxes on the gross receipts from the sale, storage, use or
6 other consumption of eligible machinery or equipment pursuant to NRS 374.357 ~~for~~
7 ; or

8 *(e) A partial abatement of taxes pursuant to section 2 of this act,*

9 the Department shall investigate whether the person meets the eligibility
10 requirements for the abatement, partial abatement, exemption or deferral that the
11 person is claiming.

12 2. If the Department finds that the person does not meet the eligibility
13 requirements for the abatement, exemption or deferral which the person is claiming,
14 the Department shall report its findings to the Office of Economic Development
15 and take any other necessary actions.

16 **Sec. 4.** NRS 360.750 is hereby amended to read as follows:

17 360.750 1. A person who intends to locate or expand a business in this State
18 may apply to the Office of Economic Development *pursuant to this section* for a
19 partial abatement of one or more of the taxes imposed on the new or expanded
20 business pursuant to chapter 361, 363B or 374 of NRS.

21 2. The Office of Economic Development shall approve an application for a
22 partial abatement *pursuant to this section* if the Office makes the following
23 determinations:

24 (a) The business is consistent with:

25 (1) The State Plan for Economic Development developed by the Executive
26 Director of the Office of Economic Development pursuant to subsection 2 of NRS
27 231.053; and

28 (2) Any guidelines adopted by the Executive Director of the Office to
29 implement the State Plan for Economic Development.

30 (b) The applicant has executed an agreement with the Office which must:

31 (1) Comply with the requirements of NRS 360.755;

32 (2) State that the business will, after the date on which a certificate of
33 eligibility for the abatement is issued pursuant to subsection 4, continue in
34 operation in this State for a period specified by the Office, which must be at least 5
35 years, and will continue to meet the eligibility requirements set forth in this
36 subsection; and

37 (3) Bind the successors in interest of the business for the specified period.

38 (c) The business is registered pursuant to the laws of this State or the applicant
39 commits to obtain a valid business license and all other permits required by the
40 county, city or town in which the business operates.

41 (d) Except as otherwise provided in NRS 361.0687, if the business is a new
42 business in a county whose population is 100,000 or more or a city whose
43 population is 60,000 or more, the business meets at least two of the following
44 requirements:

45 (1) The business will have 75 or more full-time employees on the payroll
46 of the business by the fourth quarter that it is in operation.

47 (2) Establishing the business will require the business to make a capital
48 investment of at least \$1,000,000 in this State.

49 (3) The average hourly wage that will be paid by the new business to its
50 employees in this State is at least 100 percent of the average statewide hourly wage
51 as established by the Employment Security Division of the Department of
52 Employment, Training and Rehabilitation on July 1 of each fiscal year and:

1 (I) The business will provide a health insurance plan for all employees
2 that includes an option for health insurance coverage for dependents of the
3 employees; and

4 (II) The cost to the business for the benefits the business provides to its
5 employees in this State will meet the minimum requirements for benefits
6 established by the Office by regulation pursuant to subsection 8.

7 (e) Except as otherwise provided in NRS 361.0687, if the business is a new
8 business in a county whose population is less than 100,000 or a city whose
9 population is less than 60,000, the business meets at least two of the following
10 requirements:

11 (1) The business will have 15 or more full-time employees on the payroll
12 of the business by the fourth quarter that it is in operation.

13 (2) Establishing the business will require the business to make a capital
14 investment of at least \$250,000 in this State.

15 (3) The average hourly wage that will be paid by the new business to its
16 employees in this State is at least 100 percent of the average statewide hourly wage
17 or the average countywide hourly wage, whichever is less, as established by the
18 Employment Security Division of the Department of Employment, Training and
19 Rehabilitation on July 1 of each fiscal year and:

20 (I) The business will provide a health insurance plan for all employees
21 that includes an option for health insurance coverage for dependents of the
22 employees; and

23 (II) The cost to the business for the benefits the business provides to its
24 employees in this State will meet the minimum requirements for benefits
25 established by the Office by regulation pursuant to subsection 8.

26 (f) If the business is an existing business, the business meets at least two of the
27 following requirements:

28 (1) The business will increase the number of employees on its payroll by
29 10 percent more than it employed in the immediately preceding fiscal year or by six
30 employees, whichever is greater.

31 (2) The business will expand by making a capital investment in this State
32 in an amount equal to at least 20 percent of the value of the tangible property
33 possessed by the business in the immediately preceding fiscal year. The
34 determination of the value of the tangible property possessed by the business in the
35 immediately preceding fiscal year must be made by the:

36 (I) County assessor of the county in which the business will expand, if
37 the business is locally assessed; or

38 (II) Department, if the business is centrally assessed.

39 (3) The average hourly wage that will be paid by the existing business to
40 its new employees in this State is at least the amount of the average hourly wage
41 required to be paid by businesses pursuant to subparagraph (2) of either paragraph
42 (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:

43 (I) The business will provide a health insurance plan for all new
44 employees that includes an option for health insurance coverage for dependents of
45 the employees; and

46 (II) The cost to the business for the benefits the business provides to its
47 new employees in this State will meet the minimum requirements for benefits
48 established by the Office by regulation pursuant to subsection 8.

49 (g) In lieu of meeting the requirements of paragraph (d), (e) or (f), if the
50 business furthers the development and refinement of intellectual property, a patent
51 or a copyright into a commercial product, the business meets at least two of the
52 following requirements:

(1) The business will have 10 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$500,000 in this State.

(3) The average hourly wage that will be paid by the new business to its employees in this State is at least the amount of the average hourly wage required to be paid by businesses pursuant to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this State will meet with minimum requirements established by the Office by regulation pursuant to subsection 8.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall not consider an application for a partial abatement *pursuant to this section* unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.

(b) May, if the Office determines that such action is necessary:

(1) Approve an application for a partial abatement *pursuant to this section* by a business that does not meet the requirements set forth in paragraph (d), (e), (f) or (g) of subsection 2;

(2) Make the requirements set forth in paragraph (d), (e), (f) or (g) of subsection 2 more stringent; or

(3) Add additional requirements that a business must meet to qualify for a partial abatement *§ pursuant to this section*.

4. If the Office of Economic Development approves an application for a partial abatement *§ pursuant to this section*, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

5. An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

6. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the

month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

7. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 6 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

8. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees if the business is going to use benefits paid to employees as a basis to qualify for a partial abatement ~~that~~ pursuant to this section; and

(b) May adopt such other regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

9. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph (d), (e) or (g) of subsection 2; and

(2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section and NRS 360.755.

10. An applicant for ~~that~~ a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

Sec. 5. NRS 360.755 is hereby amended to read as follows:

360.755 1. If the Office of Economic Development approves an application by a business for a partial abatement pursuant to NRS 360.750 ~~that~~ or section 2 of this act, the agreement with the Office must provide that the business:

(a) Agrees to allow the Department to conduct audits of the business to determine whether the business is in compliance with the requirements for the partial abatement; and

(b) Consents to the disclosure of the audit reports in the manner set forth in this section.

2. If the Department conducts an audit of the business to determine whether the business is in compliance with the requirements for the partial abatement, the Department shall, upon request, provide the audit report to the Office of Economic Development.

3. Until the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit, the information contained in the audit report provided to the Office of Economic Development:

(a) Is confidential proprietary information of the business;

(b) Is not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

4. After the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit:

(a) The audit report provided to the Office of Economic Development is a public record; and

(b) Upon request by any person, the Executive Director of the Office of Economic Development shall disclose the audit report to the person who made the request, except for any information in the audit report that is protected from disclosure pursuant to subsection 5.

5. Before the Executive Director of the Office of Economic Development discloses the audit report to the public, the business may submit a request to the Executive Director to protect from disclosure any information in the audit report which, under generally accepted business practices, would be considered a trade secret or other confidential proprietary information of the business. After consulting with the business, the Executive Director shall determine whether to protect the information from disclosure. The decision of the Executive Director is final and is not subject to judicial review. If the Executive Director determines to protect the information from disclosure, the protected information:

(a) Is confidential proprietary information of the business;
(b) Is not a public record;
(c) Must be redacted by the Executive Director from any audit report that is disclosed to the public; and

(d) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

Sec. 6. NRS 231.0685 is hereby amended to read as follows:

231.0685 The Office shall, on or before January 15 of each odd-numbered year, prepare and submit to the Director of the Legislative Counsel Bureau for transmission to the Legislature a report concerning the abatements from taxation that the Office approved pursuant to NRS 274.310, 274.320, 274.330 or 360.750 ~~or~~ **or section 2 of this act**. The report must set forth, for each abatement from taxation that the Office approved in the 2-year period immediately preceding the submission of the report:

1. The dollar amount of the abatement;
2. The location of the business for which the abatement was approved;
3. If applicable, the number of employees that the business for which the abatement was approved employs or will employ;
4. Whether the business for which the abatement was approved is a new business or an existing business; and
5. Any other information that the Office determines to be useful.

Sec. 7. Notwithstanding the provisions of section 2 of this act, no person is entitled to any partial abatement of taxes pursuant to those provisions:

1. After June 30, 2023; or
2. For capital investments made in an institution of higher education in this State before July 1, 2013.

Sec. 8. 1. This act becomes effective on July 1, 2013.

2. Sections 2, 3, 5 and 6 of this act expire by limitation on June 30, 2023.