

CHAPTER.....

AN ACT relating to governmental financial administration; revising the provisions governing the rate and calculation of the payroll tax imposed on certain businesses other than financial institutions; extending the prospective expiration of certain requirements regarding the imposition and advance payment of certain taxes and fees; revising provisions relating to the computation of the net proceeds from certain mining operations conducted in this State; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes an excise tax on certain businesses other than financial institutions at the rate of 1.17 percent of the total wages paid by the business each calendar quarter that exceed \$62,500. (NRS 363B.110) On July 1, 2013, this rate is scheduled to change to 0.63 percent of the total wages paid by the business each calendar quarter. (Chapter 476, Statutes of Nevada 2011, pp. 2891-92, 2898) **Sections 1, 8 and 10** of this bill delay that rate change until June 30, 2015, and provide for the imposition of the tax at the rate of 1.17 percent of the total wages paid by the business each calendar quarter in excess of \$85,000 until June 30, 2015.

Existing law requires, until June 30, 2013, the advance payment of the tax on the net proceeds of minerals based upon the estimated net proceeds and royalties of a mining operation for the current calendar year. (Chapter 4, Statutes of Nevada 2008, 25th Special Session, as last amended by chapter 476, Statutes of Nevada 2011, at pp. 2896-97) **Section 3** of this bill delays the expiration of this requirement for advance payment until June 30, 2015, and **section 9** of this bill makes conforming changes to related transitory provisions governing the duties of the Department of Taxation in 2016 and the appropriation and apportionment of money to counties and other local governments during that year.

Section 7 of this bill extends to January 1, 2016, the prospective effective date of certain other provisions revising the computation of the net proceeds from certain mining operations conducted in this State. **Section 6** of this bill makes conforming changes to transitory provisions governing the computation for 2015, 2016 and subsequent calendar years.

Existing law imposes an annual fee of \$200 for a state business license. (NRS 76.100, 76.130) On July 1, 2013, this fee is scheduled to change to \$100. (Chapter 429, Statutes of Nevada 2009, as last amended by chapter 476, Statutes of Nevada 2011, at p. 2897) **Section 4** of this bill delays this change until July 1, 2015.

Existing law requires, until June 30, 2013, an increase in the rate of the Local School Support Tax of 0.35 percent. (Chapter 395, Statutes of Nevada 2009, as amended by chapter 476, Statutes of Nevada 2011, at pp. 2897-98) **Section 5** of this bill delays the expiration of this increase until June 30, 2015.



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

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

Section 1. NRS 363B.110 is hereby amended to read as follows:

363B.110 1. There is hereby imposed an excise tax on each employer at the rate of 1.17 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer exceeds ~~1~~~~\$62,500.~~
\$85,000.

2. The tax imposed by this section:

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

Sec. 2. (Deleted by amendment.)

Sec. 3. Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, as last amended by chapter 476, Statutes of Nevada 2011, at page 2896, is hereby amended to read as follows:

Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon passage and approval.

2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009.

3. Sections 4 and 6 to 12, inclusive, of this act expire by limitation on June 30, 2009.

4. Sections 1, 3, 5 and 13 of this act become effective on July 1, 2009.

5. Sections 1, 2, 3 and 5 of this act expire by limitation on June 30, ~~2013.~~ ***2015.***



Sec. 4. Section 47 of chapter 381, Statutes of Nevada 2009, as last amended by chapter 476, Statutes of Nevada 2011, at page 2897, is hereby amended to read as follows:

Sec. 47. 1. This section and section 45.5 of this act become effective upon passage and approval.

2. Sections 1 to 44, inclusive, 45, 46 and 46.5 of this act become effective:

(a) Upon passage and approval for the purposes of adopting regulations and performing any other preparatory actions that are necessary to carry out the provisions of this act; and

(b) On October 1, 2009, for all other purposes.

3. Sections 44.3 and 44.7 of this act become effective on July 1, ~~2013~~ 2015.

Sec. 5. Section 20 of chapter 395, Statutes of Nevada 2009, as amended by chapter 476, Statutes of Nevada 2011, at page 2897, is hereby amended to read as follows:

Sec. 20. 1. This section and section 19 of this act become effective upon passage and approval.

2. Sections 1 and 2 of this act become effective on July 1, 2009.

3. Section 3 of this act becomes effective on July 1, 2009, and expires by limitation on June 30, 2011.

4. Sections 6 to 12, inclusive, of this act become effective on July 1, 2009, and expire by limitation on June 30, ~~2013~~ 2015.

5. Sections 4, 5, 13, 14, 15, 16, 17 and 18 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On September 1, 2009, for all other purposes.

6. Sections 15.5 and 18.5 of this act become effective on July 1, 2013.

7. Section 18 of this act expires by limitation on June 30, 2013.

Sec. 6. Section 17.5 of chapter 449, Statutes of Nevada 2011, at page 2701, is hereby amended to read as follows:

Sec. 17.5. The amendatory provisions of section 12.7 of this act:

1. Do not apply to or affect any determination of gross yield or net proceeds required pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year ~~2013~~ 2015.



2. Apply for the purposes of estimating and determining gross yield and net proceeds pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year ~~2014~~ 2016 and each calendar year thereafter.

Sec. 7. Section 19 of chapter 449, Statutes of Nevada 2011, at page 2701, is hereby amended to read as follows:

Sec. 19. 1. This section and sections 1 to 12, inclusive, and 13 to 18, inclusive, of this act become effective upon passage and approval.

2. Section 12.5 of this act becomes effective on January 1, 2012.

3. Section 12.7 of this act becomes effective on January 1, ~~2014~~ 2016.

Sec. 8. Section 13 of chapter 476, Statutes of Nevada 2011, at page 2898, is hereby amended to read as follows:

Sec. 13. The amendatory provisions of section 4 of this act:

1. Do not apply to any taxes due for any period ending on or before June 30, 2011; and

2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 17 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, ~~2013~~ 2015.

Sec. 9. Section 15 of chapter 476, Statutes of Nevada 2011, at page 2898, is hereby amended to read as follows:

Sec. 15. 1. When preparing its certificate of the tax due from a taxpayer pursuant to NRS 362.130 during the calendar year ~~2014~~ 2016, the Department of Taxation shall reduce the amount of the tax due from the taxpayer by the amount of:

(a) Any estimated payments of the tax made by or on behalf of the taxpayer during the calendar year ~~2013~~ 2015 pursuant to NRS 362.115, as that section read on January 1, ~~2013~~ 2015; and

(b) Any unused credit to which the taxpayer may be entitled as a result of any previous overpayment of the tax.

2. Notwithstanding any provision of NRS 362.170 to the contrary:

(a) The amount appropriated to each county pursuant to that section for distribution to the county during the calendar year ~~2014~~ 2016 must be reduced by the amount appropriated to the county pursuant to that section for



distribution to the county during the calendar year ~~2013,~~ **2015**, excluding any portion of the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year ~~2013,~~ **2015** which is attributable to a pro rata share of any penalties and interest collected by the Department of Taxation for the late payment of taxes distributed to the county.

(b) In calculating the amount required to be apportioned to each local government or other local entity pursuant to subsection 2 of that section for the calendar year ~~2014,~~ **2016**, the county treasurer shall reduce the amount required to be determined pursuant to paragraph (a) of that subsection for that calendar year by the amount determined pursuant to that paragraph for the calendar year ~~2013,~~ **2015**.

Sec. 10. Section 17 of chapter 476, Statutes of Nevada 2011, at page 2898, is hereby amended to read as follows:

Sec. 17. 1. This section and sections 1 and 7 to 16, inclusive, of this act become effective upon passage and approval.

2. Sections 4.5 and 6 of this act become effective on July 1, 2011.

3. Sections 4 and 6.5 of this act become effective on July 1, 2011, and expire by limitation on June 30, ~~2013,~~ **2015**.

4. Section 5 of this act becomes effective on the date that the balance of the separate account required by subsection 8 of NRS 408.235 is reduced to zero.

Sec. 11. The amendatory provisions of section 1 of this act:

1. Do not apply to any taxes due for any period ending on or before June 30, 2013; and

2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 12 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, 2015.

Sec. 12. 1. This act becomes effective upon passage and approval.

2. Section 1 of this act expires by limitation on June 30, 2015.

