

(Reprinted with amendments adopted on April 22, 2019)

FIRST REPRINT

A.B. 400

ASSEMBLY BILL NO. 400—ASSEMBLYWOMAN
BENITEZ-THOMPSON

MARCH 21, 2019

Referred to Committee on Taxation

SUMMARY—Revises provisions governing economic development. (BDR 22-803)

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

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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 tax abatements; prohibiting the Office of Economic Development from approving certain abatements of the taxes imposed for the support of local schools; prohibiting the Office from approving certain partial abatements of taxes if the applicant has previously received the partial abatement of taxes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Office of Economic Development to approve an abatement or a partial abatement of certain sales and use taxes in certain circumstances. (NRS 274.310, 274.320, 274.330, 360.750, 360.753, 360.754, 360.889, 360.945) **Sections 5-8, 11-13, 15, 16 and 18.5** of this bill provide that such an abatement does not apply to sales and use taxes that are imposed by the Sales and Use Tax Act and the Local School Support Tax Law if the application for the abatement is submitted on or after the passage and approval of this bill. **Sections 11 and 12** of this bill also prohibit the Office from awarding certain partial abatements of taxes imposed on a new or expanding business if the applicant previously received such a partial abatement for locating or expanding the business in this State.

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

Section 1. (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)



1 **Sec. 4.** (Deleted by amendment.)

2 **Sec. 5.** NRS 274.310 is hereby amended to read as follows:

3 274.310 1. A person who intends to locate a business in this
4 State within:

5 (a) A historically underutilized business zone, as defined in 15
6 U.S.C. § 632;

7 (b) A redevelopment area created pursuant to chapter 279 of
8 NRS;

9 (c) An area eligible for a community development block grant
10 pursuant to 24 C.F.R. Part 570; or

11 (d) An enterprise community established pursuant to 24 C.F.R.
12 Part 597,

13 ➤ may submit a request to the governing body of the county, city or
14 town in which the business would operate for an endorsement of an
15 application by the person to the Office of Economic Development
16 for a partial abatement of one or more of the taxes imposed pursuant
17 to chapter 361 ~~for 374~~ of NRS ~~or~~ *or the local sales and use taxes.*
18 The governing body of the county, city or town shall provide notice
19 of the request to the board of trustees of the school district in which
20 the business would operate. The notice must set forth the date, time
21 and location of the hearing at which the governing body will
22 consider whether to endorse the application. *As used in this*
23 *subsection, "local sales and use taxes" means the taxes imposed*
24 *on the gross receipts of any retailer from the sale of tangible*
25 *personal property sold at retail, or stored, used or otherwise*
26 *consumed, in the political subdivision in which the business is*
27 *located, except the taxes imposed by the Sales and Use Tax Act*
28 *and the Local School Support Tax Law.*

29 2. The governing body of a county, city or town shall develop
30 procedures for:

31 (a) Evaluating whether such an abatement would be beneficial
32 for the economic development of the county, city or town.

33 (b) Issuing a certificate of endorsement for an application for
34 such an abatement that is found to be beneficial for the economic
35 development of the county, city or town.

36 3. A person whose application has been endorsed by the
37 governing body of the county, city or town, as applicable, pursuant
38 to this section may submit the application to the Office of Economic
39 Development. The Office shall approve the application if the Office
40 makes the following determinations:

41 (a) The business is consistent with:

42 (1) The State Plan for Economic Development developed by
43 the Administrator pursuant to subsection 2 of NRS 231.053; and

44 (2) Any guidelines adopted by the Administrator to
45 implement the State Plan for Economic Development.



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

(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application; and

(2) That the business will, after the date on which the abatement becomes effective:

(I) Commence operation and continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➡ The agreement must bind successors in interest of the business for the specified period.

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

(d) The applicant invested or commits to invest a minimum of \$500,000 in capital assets that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

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

(a) The Department of Taxation;

(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 of the county in which the business will be located.

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

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75



1 percent of the taxes on personal property payable by a business each
2 year pursuant to that chapter.

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

5 (a) To meet the eligibility requirements for the partial
6 abatement; or

7 (b) Operation before the time specified in the agreement
8 described in paragraph (b) of subsection 3,

9 ➤ the business shall repay to the Department of Taxation or, if the
10 partial abatement was from the property tax imposed pursuant to
11 chapter 361 of NRS, to the county treasurer, the amount of the
12 exemption that was allowed pursuant to this section before the
13 failure of the business to comply unless the Nevada Tax
14 Commission determines that the business has substantially complied
15 with the requirements of this section. Except as otherwise provided
16 in NRS 360.232 and 360.320, the business shall, in addition to the
17 amount of the exemption required to be paid pursuant to this
18 subsection, pay interest on the amount due at the rate most recently
19 established pursuant to NRS 99.040 for each month, or portion
20 thereof, from the last day of the month following the period for
21 which the payment would have been made had the partial abatement
22 not been approved until the date of payment of the tax.

23 7. The Office of Economic Development may adopt such
24 regulations as the Office determines to be necessary or advisable to
25 carry out the provisions of this section.

26 8. An applicant for an abatement who is aggrieved by a final
27 decision of the Office of Economic Development may petition for
28 judicial review in the manner provided in chapter 233B of NRS.

29 **Sec. 6.** NRS 274.310 is hereby amended to read as follows:

30 274.310 1. A person who intends to locate a business in this
31 State within:

32 (a) A historically underutilized business zone, as defined in 15
33 U.S.C. § 632;

34 (b) A redevelopment area created pursuant to chapter 279 of
35 NRS;

36 (c) An area eligible for a community development block grant
37 pursuant to 24 C.F.R. Part 570; or

38 (d) An enterprise community established pursuant to 24 C.F.R.
39 Part 597,

40 ➤ may submit a request to the governing body of the county, city or
41 town in which the business would operate for an endorsement of an
42 application by the person to the Office of Economic Development
43 for a partial abatement of one or more of the taxes imposed pursuant
44 to chapter 361 ~~for 374~~ of NRS ~~+~~ *or the local sales and use taxes.*
45 The governing body of the county, city or town shall provide notice



1 of the request to the board of trustees of the school district in which
2 the business would operate. The notice must set forth the date, time
3 and location of the hearing at which the governing body will
4 consider whether to endorse the application. *As used in this*
5 *subsection, "local sales and use taxes" means the taxes imposed*
6 *on the gross receipts of any retailer from the sale of tangible*
7 *personal property sold at retail, or stored, used or otherwise*
8 *consumed, in the political subdivision in which the business is*
9 *located, except the taxes imposed by the Sales and Use Tax Act*
10 *and the Local School Support Tax Law.*

11 2. The governing body of a county, city or town shall develop
12 procedures for:

13 (a) Evaluating whether such an abatement would be beneficial
14 for the economic development of the county, city or town.

15 (b) Issuing a certificate of endorsement for an application for
16 such an abatement that is found to be beneficial for the economic
17 development of the county, city or town.

18 3. A person whose application has been endorsed by the
19 governing body of the county, city or town, as applicable, pursuant
20 to this section may submit the application to the Office of Economic
21 Development. The Office shall approve the application if the Office
22 makes the following determinations:

23 (a) The business is consistent with:

24 (1) The State Plan for Economic Development developed by
25 the Administrator pursuant to subsection 2 of NRS 231.053; and

26 (2) Any guidelines adopted by the Administrator to
27 implement the State Plan for Economic Development.

28 (b) The applicant has executed an agreement with the Office
29 which states:

30 (1) The date on which the abatement becomes effective, as
31 agreed to by the applicant and the Office, which must not be earlier
32 than the date on which the Office received the application; and

33 (2) That the business will, after the date on which a
34 certificate of eligibility for the abatement is issued pursuant to
35 subsection 4:

36 (I) Commence operation and continue in operation in the
37 historically underutilized business zone, as defined in 15 U.S.C. §
38 632, redevelopment area created pursuant to chapter 279 of NRS,
39 area eligible for a community development block grant pursuant to
40 24 C.F.R. Part 570 or enterprise community established pursuant to
41 24 C.F.R. Part 597 for a period specified by the Office, which must
42 be at least 5 years; and

43 (II) Continue to meet the eligibility requirements set forth
44 in this subsection.



1 ➤ The agreement must bind successors in interest of the business
2 for the specified period.

3 (c) The business is registered pursuant to the laws of this State
4 or the applicant commits to obtain a valid business license and all
5 other permits required by the county, city or town in which the
6 business will operate.

7 (d) The applicant invested or commits to invest a minimum of
8 \$500,000 in capital.

9 4. If the Office of Economic Development approves an
10 application for a partial abatement, the Office shall immediately
11 forward a certificate of eligibility for the abatement to:

12 (a) The Department of Taxation;

13 (b) The Nevada Tax Commission; and

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

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

19 (a) To meet the eligibility requirements for the partial
20 abatement; or

21 (b) Operation before the time specified in the agreement
22 described in paragraph (b) of subsection 3,

23 ➤ the business shall repay to the Department of Taxation or, if the
24 partial abatement was from the property tax imposed pursuant to
25 chapter 361 of NRS, to the county treasurer, the amount of the
26 exemption that was allowed pursuant to this section before the
27 failure of the business to comply unless the Nevada Tax
28 Commission determines that the business has substantially complied
29 with the requirements of this section. Except as otherwise provided
30 in NRS 360.232 and 360.320, the business shall, in addition to the
31 amount of the exemption required to be paid pursuant to this
32 subsection, pay interest on the amount due at the rate most recently
33 established pursuant to NRS 99.040 for each month, or portion
34 thereof, from the last day of the month following the period for
35 which the payment would have been made had the partial abatement
36 not been approved until the date of payment of the tax.

37 6. The Office of Economic Development may adopt such
38 regulations as the Office determines to be necessary or advisable to
39 carry out the provisions of this section.

40 7. An applicant for an abatement who is aggrieved by a final
41 decision of the Office of Economic Development may petition for
42 judicial review in the manner provided in chapter 233B of NRS.

43 **Sec. 6.3.** NRS 274.320 is hereby amended to read as follows:

44 274.320 1. A person who intends to expand a business in this
45 State within:



(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to chapter 279 of NRS;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,

↪ may submit a request to the governing body of the county, city or town in which the business operates for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of the *local sales and use* taxes imposed on capital equipment . ~~[pursuant to chapter 374 of NRS.]~~ The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. *As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.*

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

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



(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application; and

(2) That the business will, after the date on which the abatement becomes effective:

(I) Continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➤ The agreement must bind successors in interest of the business for the specified period.

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

(d) The applicant invested or commits to invest a minimum of \$250,000 in capital equipment that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

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

(a) The Department of Taxation; and

(b) The Nevada Tax Commission.

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

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

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



(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

➔ the business shall repay to the Department of Taxation 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. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

8. An applicant for an abatement 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. 6.5. NRS 274.320 is hereby amended to read as follows:

274.320 1. A person who intends to expand a business in this State within:

(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to chapter 279 of NRS;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,

➔ may submit a request to the governing body of the county, city or town in which the business operates for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of the *local sales and use* taxes imposed on capital equipment ~~[pursuant to chapter 374 of NRS.]~~ The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. *As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail,*



or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

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

(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application; and

(2) That the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 4:

(I) Continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➤ The agreement must bind successors in interest of the business for the specified period.

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

(d) The applicant invested or commits to invest a minimum of \$250,000 in capital equipment.



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

(a) The Department of Taxation; and

(b) The Nevada Tax Commission.

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

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

the business shall repay to the Department of Taxation 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.

6. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

7. An applicant for an abatement 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. 7. NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 ~~for 374~~ of NRS ~~[-]~~ *or the local sales and use taxes*. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. *As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or*



otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

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

(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application; and

(2) That the business will, after the date on which the abatement becomes effective:

(I) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➤ The agreement must bind successors in interest of the business for the specified period.

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

(d) The business:

(1) Employs one or more dislocated workers who reside in the enterprise community; and

(2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents which meet the minimum requirements for medical benefits established by the Office.



4. If the Office of Economic Development approves an application for a partial abatement, the Office shall:

(a) Determine the percentage of employees of the business which meet the requirements of paragraph (d) of subsection 3 and grant a partial abatement equal to that percentage; and

(b) Immediately forward a certificate of eligibility for the abatement to:

(1) The Department of Taxation;

(2) The Nevada Tax Commission; and

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

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

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

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

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

the business shall repay to the Department of Taxation 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. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for an abatement pursuant to this section.



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

8. An applicant for an abatement 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.

9. As used in this section, "dislocated worker" means a person who:

(a) Has been terminated, laid off or received notice of termination or layoff from employment;

(b) Is eligible for or receiving or has exhausted his or her entitlement to unemployment compensation;

(c) Has been dependent on the income of another family member but is no longer supported by that income;

(d) Has been self-employed but is no longer receiving an income from self-employment because of general economic conditions in the community or natural disaster; or

(e) Is currently unemployed and unable to return to a previous industry or occupation.

Sec. 8. NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 ~~for 374~~ of NRS ~~1-1~~ *or the local sales and use taxes*. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. *As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.*

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.



3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

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

(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application; and

(2) That the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 4:

(I) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➡ The agreement must bind successors in interest of the business for the specified period.

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

(d) The business:

(1) Employs one or more dislocated workers who reside in the enterprise community; and

(2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents which meet the minimum requirements for medical benefits established by the Office.

4. If the Office of Economic Development approves an application for a partial abatement, the Office shall:

(a) Determine the percentage of employees of the business which meet the requirements of paragraph (d) of subsection 3 and grant a partial abatement equal to that percentage; and

(b) Immediately forward a certificate of eligibility for the abatement to:

(1) The Department of Taxation;

(2) The Nevada Tax Commission; and



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

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

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

the business shall repay to the Department of Taxation 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.

6. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for an abatement pursuant to this section.

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

7. An applicant for an abatement 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.

8. As used in this section, "dislocated worker" means a person who:

(a) Has been terminated, laid off or received notice of termination or layoff from employment;

(b) Is eligible for or receiving or has exhausted his or her entitlement to unemployment compensation;

(c) Has been dependent on the income of another family member but is no longer supported by that income;

(d) Has been self-employed but is no longer receiving an income from self-employment because of general economic conditions in the community or natural disaster; or

(e) Is currently unemployed and unable to return to a previous industry or occupation.



1 **Sec. 9.** (Deleted by amendment.)

2 **Sec. 10.** (Deleted by amendment.)

3 **Sec. 11.** NRS 360.750 is hereby amended to read as follows:

4 360.750 1. A person who intends to locate or expand a
5 business in this State may apply to the Office of Economic
6 Development pursuant to this section for a partial abatement of one
7 or more of the taxes imposed on the new or expanded business
8 pursuant to chapter 361 ~~1~~ or 363B ~~1~~ of NRS ~~1~~ or the local
9 sales and use taxes. *As used in this subsection, "local sales and*
10 *use taxes" means the taxes imposed on the gross receipts of any*
11 *retailer from the sale of tangible personal property sold at retail,*
12 *or stored, used or otherwise consumed, in the political subdivision*
13 *in which the business is to be located or expanded, except the*
14 *taxes imposed by the Sales and Use Tax Act and the Local School*
15 *Support Tax Law.*

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

19 (a) The business offers primary jobs and is consistent with:

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

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

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

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

28 (2) State the date on which the abatement becomes effective,
29 as agreed to by the applicant and the Office, which must not be
30 earlier than the date on which the Office received the application;

31 (3) State that the business will, after the date on which the
32 abatement becomes effective, continue in operation in this State for
33 a period specified by the Office, which must be at least 5 years, and
34 will continue to meet the eligibility requirements set forth in this
35 subsection;

36 (4) State that the business will offer primary jobs; and

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

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

43 (d) Except as otherwise provided in subsection 4 or 5, the
44 average hourly wage that will be paid by the business to its new
45 employees in this State is at least 100 percent of the average



1 statewide hourly wage as established by the Employment Security
2 Division of the Department of Employment, Training and
3 Rehabilitation on July 1 of each fiscal year.

4 (e) The business will, by the eighth calendar quarter following
5 the calendar quarter in which the abatement becomes effective, offer
6 a health insurance plan for all employees that includes an option for
7 health insurance coverage for dependents of the employees, and the
8 health care benefits the business offers to its employees in this State
9 will meet the minimum requirements for health care benefits
10 established by the Office.

11 (f) Except as otherwise provided in this subsection and NRS
12 361.0687, if the business is a new business in a county whose
13 population is 100,000 or more or a city whose population is 60,000
14 or more, the business meets at least one of the following
15 requirements:

16 (1) The business will have 50 or more full-time employees
17 on the payroll of the business by the eighth calendar quarter
18 following the calendar quarter in which the abatement becomes
19 effective who will be employed at the location of the business in
20 that county or city until at least the date which is 5 years after the
21 date on which the abatement becomes effective.

22 (2) Establishing the business will require the business to
23 make, not later than the date which is 2 years after the date on which
24 the abatement becomes effective, a capital investment of at least
25 \$1,000,000 in this State in capital assets that will be retained at the
26 location of the business in that county or city until at least the date
27 which is 5 years after the date on which the abatement becomes
28 effective.

29 (g) Except as otherwise provided in NRS 361.0687, if the
30 business is a new business in a county whose population is less than
31 100,000, in an area of a county whose population is 100,000 or more
32 that is located within the geographic boundaries of an area that is
33 designated as rural by the United States Department of Agriculture
34 and at least 20 miles outside of the geographic boundaries of an area
35 designated as urban by the United States Department of Agriculture,
36 or in a city whose population is less than 60,000, the business meets
37 at least one of the following requirements:

38 (1) The business will have 10 or more full-time employees
39 on the payroll of the business by the eighth calendar quarter
40 following the calendar quarter in which the abatement becomes
41 effective who will be employed at the location of the business in
42 that county or city until at least the date which is 5 years after the
43 date on which the abatement becomes effective.

44 (2) Establishing the business will require the business to
45 make, not later than the date which is 2 years after the date on which



the abatement becomes effective, a capital investment of at least \$250,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(h) If the business is an existing business, the business meets at least one of the following requirements:

(1) For a business in:

(I) Except as otherwise provided in sub-subparagraph (II), a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by twenty-five employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective; or

(II) A county whose population is less than 100,000, an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or a city whose population is less than 60,000, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by six employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) The business will expand by making a capital investment in this State, not later than the date which is 2 years after the date on which the abatement becomes effective, in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective, and the capital investment will be in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective. The determination of the value of the tangible property



1 possessed by the business in the immediately preceding fiscal year
2 must be made by the:

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

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

6 (i) The applicant has provided in the application an estimate of
7 the total number of new employees which the business anticipates
8 hiring in this State by the eighth calendar quarter following the
9 calendar quarter in which the abatement becomes effective if the
10 Office approves the application.

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

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

17 (b) Shall consider the level of health care benefits provided by
18 the business to its employees, the projected economic impact of the
19 business and the projected tax revenue of the business after
20 deducting projected revenue from the abated taxes.

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

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

25 (2) Make any of the requirements set forth in paragraphs (d)
26 to (h), inclusive, of subsection 2 more stringent; or

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

29 4. Notwithstanding any other provision of law, the Office of
30 Economic Development shall not approve an application for a
31 partial abatement pursuant to this section if:

32 (a) The applicant intends to locate or expand in a county in
33 which the rate of unemployment is 7 percent or more and the
34 average hourly wage that will be paid by the applicant to its new
35 employees in this State is less than 70 percent of the average
36 statewide hourly wage, as established by the Employment Security
37 Division of the Department of Employment, Training and
38 Rehabilitation on July 1 of each fiscal year.

39 (b) The applicant intends to locate or expand in a county in
40 which the rate of unemployment is less than 7 percent and the
41 average hourly wage that will be paid by the applicant to its new
42 employees in this State is less than 85 percent of the average
43 statewide hourly wage, as established by the Employment Security
44 Division of the Department of Employment, Training and
45 Rehabilitation on July 1 of each fiscal year.



(c) *The applicant intends to locate in a county but has already received a partial abatement pursuant to this section for locating that business in that county.*

(d) *The applicant intends to expand in a county but has already received a partial abatement pursuant to this section for expanding that business in that county.*

5. Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement pursuant to this section, in determining the types of taxes imposed on a new or expanded business for which the partial abatement will be approved and the amount of the partial abatement:

(a) If the new or expanded business is located in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the business to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

(b) If the new or expanded business is located in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

~~[(3) Approve an abatement of the taxes imposed pursuant to chapter 374 of NRS which exceeds the local sales and use taxes. As used in this subparagraph, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the new or expanded business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.]~~



6. 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.

7. 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.

8. 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.

9. A county treasurer:

- (a) Shall deposit any money that he or she receives pursuant to subsection 8 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.

10. The Office of Economic Development may adopt such regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

11. 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 (f) 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.

12. An applicant for 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.

13. For the purposes of this section, an employee is a "full-time employee" if he or she is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subsection 2.

Sec. 12. NRS 360.750 is hereby amended to read as follows:

360.750 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded business pursuant to chapter 361 ~~or~~ 363B ~~or 374~~ of NRS ~~or the local sales and use taxes. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is to be located or expanded, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.~~

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

(a) The business offers primary jobs and is consistent with:

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

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

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

(1) Comply with the requirements of NRS 360.755;

(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;



(3) State that the business will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection;

(4) State that the business will offer primary jobs; and

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

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

(d) Except as otherwise provided in subsection 4 or 5, the average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(e) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office.

(f) Except as otherwise provided in this subsection and NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least one of the following requirements:

(1) The business will have 75 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

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

(g) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000, in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture,



1 or in a city whose population is less than 60,000, the business meets
2 at least one of the following requirements:

3 (1) The business will have 15 or more full-time employees
4 on the payroll of the business by the eighth calendar quarter
5 following the calendar quarter in which the abatement becomes
6 effective who will be employed at the location of the business in
7 that county or city until at least the date which is 5 years after the
8 date on which the abatement becomes effective.

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

11 (h) If the business is an existing business, the business meets at
12 least one of the following requirements:

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

16 (2) The business will expand by making a capital investment
17 in this State in an amount equal to at least 20 percent of the value of
18 the tangible property possessed by the business in the immediately
19 preceding fiscal year. The determination of the value of the tangible
20 property possessed by the business in the immediately preceding
21 fiscal year must be made by the:

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

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

25 (i) The applicant has provided in the application an estimate of
26 the total number of new employees which the business anticipates
27 hiring in this State by the eighth calendar quarter following the
28 calendar quarter in which the abatement becomes effective if the
29 Office approves the application.

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

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

36 (b) Shall consider the level of health care benefits provided by
37 the business to its employees, the projected economic impact of the
38 business and the projected tax revenue of the business after
39 deducting projected revenue from the abated taxes.

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

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

44 (2) Make any of the requirements set forth in paragraphs (d)
45 to (h), inclusive, 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. Notwithstanding any other provision of law, the Office of Economic Development shall not approve an application for a partial abatement pursuant to this section if:

(a) The applicant intends to locate or expand in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 70 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(b) The applicant intends to locate or expand in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(c) The applicant intends to locate in a county but has already received a partial abatement pursuant to this section for locating that business in that county.

(d) The applicant intends to expand in a county but has already received a partial abatement pursuant to this section for expanding that business in that county.

5. Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement pursuant to this section, in determining the types of taxes imposed on a new or expanded business for which the partial abatement will be approved and the amount of the partial abatement:

(a) If the new or expanded business is located in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the business to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

(b) If the new or expanded business is located in a county in which the rate of unemployment is less than 7 percent and the



average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

~~[(3) Approve an abatement of the taxes imposed pursuant to chapter 374 of NRS which exceeds the local sales and use taxes. As used in this subparagraph, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the new or expanded business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.]~~

6. 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.

7. 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.

8. 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.

9. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 8 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.

10. The Office of Economic Development may adopt such regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

11. 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 (f) 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.

12. An applicant for 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.

13. For the purposes of this section, an employee is a "full-time employee" if he or she is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subsection 2.

Sec. 12.5. NRS 360.753 is hereby amended to read as follows:

360.753 1. An owner of a business or a person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of:

(a) The personal property taxes imposed on an aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft; and



(b) The local sales and use taxes imposed on the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft.

2. Notwithstanding the provisions of any law to the contrary and except as otherwise provided in subsections 3 and 4, the Office of Economic Development shall approve an application for a partial abatement if the Office makes the following determinations:

(a) The applicant has executed an agreement with the Office which:

(1) Complies with the requirements of NRS 360.755;

(2) States the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application;

(3) States that the business will, after the date on which a certificate of eligibility for the partial abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be not less than 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(4) Binds any successor in interest of the applicant for the specified period;

(b) The business is registered pursuant to the laws of this State or the applicant commits to obtaining a valid business license and all other permits required by the county, city or town in which the business operates;

(c) The business owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft;

(d) The average hourly wage that will be paid by the business to its employees in this State during the period of partial abatement is not less than 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year;

(e) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office;

(f) If the business is:



(1) A new business, that it will have five or more full-time employees on the payroll of the business within 1 year after receiving its certificate of eligibility for a partial abatement; or

(2) An existing business, that it will increase its number of full-time employees on the payroll of the business in this State by 3 percent or three employees, whichever is greater, within 1 year after receiving its certificate of eligibility for a partial abatement; and

(g) The business meets at least one of the following requirements:

(1) The business will make a new capital investment of at least \$250,000 in this State within 1 year after receiving its certificate of eligibility for a partial abatement.

(2) The business will maintain and possess in this State tangible personal property having a value of not less than \$5,000,000 during the period of partial abatement.

(3) The business develops, refines or owns a patent or other intellectual property, or has been issued a type certificate by the Federal Aviation Administration pursuant to 14 C.F.R. Part 21.

3. The Office of Economic Development:

(a) Shall approve or deny an application submitted pursuant to this section and notify the applicant of its decision not later than 45 days after receiving the application.

(b) Must not:

(1) Consider an application for a partial abatement unless the Office has requested a letter of acknowledgment of the request for the partial abatement from any affected county, school district, city or town and has complied with the requirements of NRS 360.757; or

(2) Approve a partial abatement for any applicant for a period of more than 20 years.

4. The Office of Economic Development must not approve a partial abatement of personal property taxes for a business whose physical property is collectively valued and centrally assessed pursuant to NRS 361.320 and 361.3205.

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 partial abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from personal property taxes, the appropriate county treasurer.

6. 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



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1 of all records necessary to verify that the applicant meets the
2 requirements of subsection 2.

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

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

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

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

23 8. The Office of Economic Development may adopt such
24 regulations as the Office determines to be necessary to carry out the
25 provisions of this section.

26 9. The Nevada Tax Commission may adopt such regulations as
27 the Commission determines are necessary to carry out the provisions
28 of this section.

29 10. An applicant for a partial abatement who is aggrieved by a
30 final decision of the Office of Economic Development may petition
31 a court of competent jurisdiction to review the decision in the
32 manner provided in chapter 233B of NRS.

33 11. If the Office of Economic Development approves an
34 application for a partial abatement of local sales and use taxes
35 pursuant to this section, the Department shall issue to the business a
36 document certifying the partial abatement which can be presented to
37 retailers and customers of the business at the time of sale. The
38 document must clearly state that the purchaser is only required to
39 pay sales and use taxes imposed in this State at the rate of 2 percent.

40 12. As used in this section:

41 (a) "Aircraft" means any fixed-wing, rotary-wing or unmanned
42 aerial vehicle.

43 (b) "Component of an aircraft" means any:

44 (1) Element that makes up the physical structure of an
45 aircraft, or is affixed thereto;



(2) Mechanical, electrical or other system of an aircraft, including, without limitation, any component thereof; and

(3) Raw material or processed material, part, machinery, tool, chemical, gas or equipment used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or component of an aircraft.

(c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subparagraph (3) of paragraph (a) of subsection 2.

(d) "Local sales and use taxes" means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act ~~[-]~~ *and the Local School Support Tax Law.*

(e) "Personal property taxes" means any taxes levied on personal property by the State or a local government pursuant to chapter 361 of NRS.

Sec. 13. NRS 360.754 is hereby amended to read as follows:

360.754 1. A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded data center pursuant to chapter 361 ~~for 374~~ of NRS ~~[-]~~ *or the local sales and use taxes. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the data center is to be located or expanded, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.*

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

(a) The application is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office of Economic Development which must:

(1) Comply with the requirements of NRS 360.755;

(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office of Economic



1 Development, which must not be earlier than the date on which the
2 Office received the application;

3 (3) State that the data center will, after the date on which the
4 abatement becomes effective, continue in operation in this State for
5 a period specified by the Office of Economic Development, which
6 must be at least 10 years, and will continue to meet the eligibility
7 requirements set forth in this subsection; and

8 (4) Bind the successors in interest of the applicant for the
9 specified period.

10 (c) The applicant is registered pursuant to the laws of this State
11 or the applicant commits to obtain a valid business license and all
12 other permits required by each county, city or town in which the
13 data center operates.

14 (d) If the applicant is seeking a partial abatement for a period of
15 not more than 10 years, the applicant meets the following
16 requirements:

17 (1) The data center will, by not later than the date that is 5
18 years after the date on which the abatement becomes effective, have
19 or have added 10 or more full-time employees who are residents of
20 Nevada and who will be employed at the data center and will
21 continue to employ 10 or more full-time employees who are
22 residents of Nevada at the data center until at least the date which is
23 10 years after the date on which the abatement becomes effective.

24 (2) Establishing or expanding the data center will require the
25 data center or any combination of the data center and one or more
26 colocated businesses to make in each county in this State in which
27 the data center is located, by not later than the date which is 5 years
28 after the date on which the abatement becomes effective, a
29 cumulative capital investment of at least \$25,000,000 in capital
30 assets that will be used or located at the data center.

31 (3) The average hourly wage that will be paid by the data
32 center to its employees in this State is at least 100 percent of the
33 average statewide hourly wage as established by the Employment
34 Security Division of the Department of Employment, Training and
35 Rehabilitation on July 1 of each fiscal year and:

36 (I) The data center will, by not later than the date which is
37 2 years after the date on which the abatement becomes effective,
38 provide a health insurance plan for all employees employed at the
39 data center that includes an option for health insurance coverage for
40 dependents of the employees; and

41 (II) The health care benefits provided to employees
42 employed at the data center will meet the minimum requirements for
43 health care benefits established by the Office of Economic
44 Development by regulation pursuant to subsection 12.



(4) At least 50 percent of the employees engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.

(e) If the applicant is seeking a partial abatement for a period of 10 years or more but not more than 20 years, the applicant meets the following requirements:

(1) The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 50 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ 50 or more full-time employees who are residents of Nevada at the data center until at least the date which is 20 years after the date on which the abatement becomes effective.

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$100,000,000 in capital assets that will be used or located at the data center.

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

(I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection 12.

(4) At least 50 percent of the employees engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.



(f) The applicant has provided in the application an estimate of the total number of new employees which the data center anticipates hiring in this State if the Office of Economic Development approves the application.

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 of Economic Development has requested a letter of acknowledgment of the request for the abatement from each affected county, school district, city or town.

(b) Shall consider the level of health care benefits provided to employees employed at the data center, the projected economic impact of the data center and the projected tax revenue of the data center after deducting projected revenue from the abated taxes.

(c) May, if the Office of Economic Development determines that such action is necessary:

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

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

(3) Add additional requirements that an applicant 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 of each county in which the data center is or will be located.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a state business license issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data



center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection 7 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to the list to the Department and the county treasurer of each affected county.

6. An applicant for a partial abatement pursuant to this section or a data center 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.

7. If a data center 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 data center 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 abatement that was allowed pursuant to this section before the failure of the data center to comply unless the Nevada Tax Commission determines that the data center has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the data center shall, in addition to the amount of the abatement required to be repaid 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.

8. A county treasurer:



(a) Shall deposit any money that he or she receives pursuant to subsection 5 or 7 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.

9. An applicant for 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.

10. For an employee to be considered a resident of Nevada for the purposes of this section, a data center must maintain the following documents in the personnel file of the employee:

(a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;

(b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;

(c) Proof that the employee is a full-time employee; and

(d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (I) of subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of subsection 2.

11. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in subparagraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

12. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of health care benefits that a data center must provide to its employees to meet the requirement set forth in paragraph (d) or (e) of subsection 2;

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

(c) Shall not approve any application for a partial abatement submitted pursuant to this section which is received on or after January 1, 2036.

13. The Nevada Tax Commission:



(a) Shall adopt regulations regarding:

(1) The capital investment necessary to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a data center 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.

14. As used in this section, unless the context otherwise requires:

(a) "Colocated business" means a person who enters into a contract with a data center that is qualified to receive an abatement pursuant to this section to use or occupy all or part of the data center.

(b) "Data center" means one or more buildings located at one or more physical locations in this State which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in paragraph (d) or (e) of subsection 2.

Sec. 14. (Deleted by amendment.)

Sec. 15. NRS 360.884 is hereby amended to read as follows:

360.884 "Local sales and use taxes" means only the taxes imposed pursuant to chapters 374, 377, 377A and 377B of NRS imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the county in which the qualified project is located. The term does not include any taxes imposed by the Sales and Use Tax Act ~~§~~ and the *Local School Support Tax Law*.

Sec. 16. NRS 360.920 is hereby amended to read as follows:

360.920 "Local sales and use taxes" means only the taxes imposed pursuant to chapters 374 and 377 of NRS on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the county in which the qualified project is located. The term does not include the taxes imposed by the Sales and Use Tax Act ~~§~~ and the *Local School Support Tax Law*.

Sec. 17. (Deleted by amendment.)



Sec. 18. (Deleted by amendment.)

Sec. 18.5. The amendatory provisions of sections 5, 6.3, 7, 11, 12.5, 13, 15 and 16 do not apply to any abatement granted or any application for an abatement filed before the effective date of the amendatory provisions to those sections.

Sec. 19. 1. This section and sections 5, 6.3, 7, 11, 12.5, 13, 15, 16 and 18.5 of this act become effective on passage and approval.

2. Sections 6, 6.5, 8 and 12 of this act become effective on July 1, 2032.

3. Section 15 of this act expires by limitation on June 30, 2032.

4. Section 12.5 of this act expires by limitation on June 30, 2035.

5. Section 16 of this act expires by limitation on June 30, 2036.

6. Section 13 of this act expires by limitation on December 31, 2056.

