

## Assembly Bill No. 495—Committee on Ways and Means

### CHAPTER.....

AN ACT relating to governmental financial administration; providing for the imposition, administration and payment of an excise tax on the Nevada gross revenue of business entities engaged in the business of extracting gold or silver in this State; revising provisions governing the distribution of the proceeds of the tax imposed on the net proceeds of minerals extracted in this State; revising provisions governing the credits against the payroll taxes imposed on certain businesses for taxpayers who donate money to a scholarship organization; authorizing a recipient of Medicaid to receive reimbursements for personal care services; removing the prohibition against a scholarship organization using certain donations to provide a grant on behalf of a pupil other than a pupil who received such a grant in the immediately preceding school year or for whom the scholarship organization reasonably expects to provide a grant of the same amount for each school year until graduation; requiring the disbursement of certain federal money to the Department of Education and the State Public Charter School Authority for the purpose of making grants for certain educational purposes; requiring the Commission on School Funding to investigate sources of revenue to fund public education; requiring the Legislative Committee on Education to conduct an interim study concerning the composition of the board of trustees of school districts; making appropriations; providing a penalty; and providing other matters properly relating thereto.

#### Legislative Counsel's Digest:

Existing law imposes an annual commerce tax on each business entity engaged in business in this State whose Nevada gross revenue in a fiscal year exceeds \$4,000,000 at a rate that is based on the industry in which the business entity is primarily engaged. (NRS 363C.200) **Section 25** of this bill imposes an annual tax on each business entity engaged in the business of extracting gold or silver in this State whose Nevada gross revenue in a taxable year exceeds \$20,000,000. In accordance with **section 12** of this bill, the Nevada gross revenue of a business entity is determined by taking the amount of its gross revenue, as defined in **section 10** of this bill, making various adjustments to that amount under **section 26** of this bill, and then situsing that adjusted amount to this State pursuant to **section 27** of this bill. **Sections 2-44** of this bill further provide for the administration, collection and enforcement of the tax by the Department of Taxation in the same manner as the commerce tax. **Section 38** of this bill temporarily provides for the deposit of the payments made pursuant to **sections 2-44** in the State General Fund. **Sections 56 and 62** of this bill provide for the deposit of such payments in the State Education Fund beginning on July 1, 2023.

Existing law provides for the taxation of the net proceeds of minerals extracted in this State based upon the actual net proceeds from the preceding calendar year. (NRS 362.100-362.240) Under existing law, from the proceeds of the tax on the net proceeds of minerals: (1) there is an appropriation to each county equal to the total



of the amounts obtained by multiplying, for each extractive operation situated within the county, the net proceeds of that operation and any royalties paid by that operation, by the combined property tax rate, excluding any rate levied by the State of Nevada, for property at that site, plus a pro rata share of any penalties and interest collected by the Department for the late payment of taxes distributed to the county; and (2) the remaining proceeds of the tax are deposited in the State General Fund. **Sections 45, 51 and 62** of this bill provide that beginning on July 1, 2023, the portion of the tax on the net proceeds of minerals that is deposited in the State General Fund must instead be deposited in the State Education Fund.

**Section 59** of this bill requires the disbursement of, from the money received from the Coronavirus State and Local Fiscal Recovery Funds by the State of Nevada, the amount of \$200,000,000 to the Department of Education to be administered as grants to qualifying school districts and university schools for profoundly gifted pupils in Nevada to be used to augment certain programs implemented to address the impacts of learning loss experienced as a result of the COVID-19 pandemic. **Section 59.5** of this bill requires the disbursement of, from the money received from the Coronavirus State and Local Fiscal Recovery Funds by the State of Nevada, the amount of \$15,000,000 to the State Public Charter School Authority to be administered as grants to qualifying Title I charter schools in Nevada to be used to augment certain programs implemented to address the impacts of learning loss experienced as a result of the COVID-19 pandemic.

**Section 60** of this bill requires the Commission on School Funding to investigate sources of revenue to fund public education in this State and requires the Commission to submit a report to the Governor and the Director of the Legislative Counsel Bureau for transmission to the Legislature on or before November 15, 2022.

**Section 60.5** of this bill requires the Legislative Committee on Education to conduct a study of the composition of the board of trustees of school districts in this State and requires the Committee to submit a report to the Director of the Legislative Counsel Bureau for transmission to the Legislature on or before February 1, 2023.

Existing law requires the Department of Health and Human Services to administer Medicaid. (NRS 422.270) Existing law also requires Medicaid to cover certain home and community-based services for persons with physical disabilities, including supported personal care. (NRS 422.396) **Section 53** of this bill requires the Director of the Department to include in the State Plan for Medicaid authorization for a recipient of Medicaid to directly receive reimbursements for personal care services provided by a personal care assistant or an agency to provide personal care services in the home and paid for by the recipient. **Section 50** of this bill makes a conforming change to provide for the provisions of **section 53** to be administered by the same agency that administers existing law governing Medicaid. **Section 58** of this bill makes an appropriation to the Division of Health Care Financing and Policy of the Department of Health and Human Services for the State's share of the costs of personal care services for recipients of Medicaid under the self-directed model required by **section 53**.

Existing law establishes a credit against the payroll tax paid by certain businesses that make a donation to a scholarship organization that provides grants on behalf of pupils who are members of a household having a household income below a certain level to attend schools in this State, including private schools, chosen by the parents or legal guardians of those pupils. (NRS 363A.130, 363B.110, 388D.270) Under existing law, the Department: (1) is required to approve or deny applications for the tax credit in the order in which the applications are received by the Department; and (2) is authorized to approve applications for



each fiscal year until the amount of tax credits approved for the fiscal year is the amount authorized by statute for that fiscal year, which is \$6,655,000. (NRS 363A.139, 363B.119) **Section 52** of this bill removes the prohibition against a scholarship organization using a donation for which the donor received a tax credit to provide a grant on behalf of a pupil: (1) who did not receive a grant from such a donation for the immediately preceding school year; or (2) for whom the scholarship organization does not reasonably expect to be able to provide a grant of the same amount on behalf of the pupil for each school year until the pupil graduates from high school. (NRS 388D.270) **Sections 46 and 47** of this bill authorize the Department to approve, in addition to the amount of credits authorized under existing law an amount of tax credits equal to \$4,745,000 for Fiscal Year 2021-2022. Any amount of those credits that are not approved in Fiscal Year 2021-2022 must be carried forward to subsequent fiscal years. (NRS 363A.139, 363B.119)

**Section 57** of this bill makes an appropriation to the Nevada System of Higher Education for the support of the Silver State Opportunity Grant Program.

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

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

**Section 1.** Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 40, inclusive, of this act.

**Sec. 2.** *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 19, inclusive, of this act have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Business” means any activity engaged in or caused to be engaged in with the object of gain, benefit or advantage, either direct or indirect, to any person or governmental entity.*

**Sec. 4.** *1. Except as otherwise provided in subsection 2, “business entity” means a corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust, professional association, joint stock company, holding company and any other person engaged in the business of extracting gold or silver, or both, in this State.*

*2. The term does not include:*

*(a) Any person or other entity which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.*

*(b) A natural person, unless that person is engaging in a business and is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business, or its*



*equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming, or its equivalent or successor form, for that business.*

*(c) A governmental entity.*

*(d) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).*

*(e) A business entity organized pursuant to chapter 82 or 84 of NRS.*

*(f) A credit union organized under the provisions of chapter 672 of NRS or the Federal Credit Union Act.*

*(g) A grantor trust as defined by sections 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26 U.S.C. §§ 671 and 7701(a)(30)(E), all of the grantors and beneficiaries of which are natural persons or charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).*

*(h) An estate of a natural person as defined by section 7701(a)(30)(D) of the Internal Revenue Code, 26 U.S.C. § 7701(a)(30)(D), excluding an estate taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).*

*(i) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C. § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:*

*(1) A real estate investment trust with any amount of its assets in direct holdings of real estate, other than real estate it occupies for business purposes, as opposed to holding interests in limited partnerships or other entities that directly hold the real estate, is a business entity pursuant to this section; and*

*(2) A limited partnership or other entity that directly holds the real estate as described in subparagraph (1) is a business entity pursuant to this section, without regard to whether a real estate investment trust holds an interest in it.*

*(j) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue Code, 26 U.S.C. § 860D.*

*(k) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).*

*(l) A passive entity.*

*(m) A person whose activities within this State are confined to the owning, maintenance and management of the person's*



*intangible investments or of the intangible investments of persons or statutory trusts or business trusts registered as investment companies under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and the collection and distribution of the income from such investments or from tangible property physically located outside this State. For the purposes of this paragraph, “intangible investments” includes, without limitation, investments in stocks, bonds, notes and other debt obligations, including, without limitation, debt obligations of affiliated corporations, real estate investment trusts, patents, patent applications, trademarks, trade names and similar types of intangible assets or an entity that is registered as an investment company under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq.*

*(n) A person who takes part in an exhibition held in this State for a purpose related to the conduct of a business and is not required to obtain a state business license specifically for that event pursuant to NRS 360.780.*

**Sec. 5.** *“Commission” means the Nevada Tax Commission.*

**Sec. 6.** *“Credit sales” means a sale of goods by a seller who accepts payments for the goods at a later time.*

**Sec. 7.** *“Engaging in a business” means commencing, conducting or continuing a business, the exercise of corporate or franchise powers regarding a business, and the liquidation of a business which is or was engaging in a business when the liquidator holds itself out to the public as conducting that business.*

**Sec. 8.** *“Gold” and “silver” include, respectively, without limitation:*

- 1. Gold-bearing and silver-bearing ores, quartz or minerals from which gold and silver are extracted;*
- 2. Gold and silver bullion; and*
- 3. The products or derivatives of gold and silver.*

**Sec. 9.** *“Governmental entity” means:*

- 1. The United States and any of its unincorporated agencies and instrumentalities.*
- 2. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.*
- 3. The State of Nevada and any of its unincorporated agencies and instrumentalities.*
- 4. Any county, city, district or other political subdivision of this State.*



**Sec. 10. 1.** *Except as otherwise provided in subsection 3, “gross revenue” means the total amount realized by a business entity from engaging in a business in this State, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income, including, without limitation, the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.*

*2. Except as otherwise provided in subsection 3, the term includes, without limitation:*

*(a) Amounts realized from the sale, exchange or other disposition of a business entity’s property;*

*(b) Amounts realized from the performance of services by a business entity;*

*(c) Amounts realized from another person’s possession of the property or capital of a business entity; and*

*(d) Any combination of these amounts.*

*3. The term does not include:*

*(a) Amounts realized from the sale, exchange, disposition or other grant of the right to use trademarks, trade names, patents, copyrights and similar intellectual property;*

*(b) The value of cash discounts allowed by the business entity and taken by a customer;*

*(c) The value of goods or services provided to a customer on a complimentary basis;*

*(d) Amounts realized from a transaction subject to, described in, or equivalent to, section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031 or 1033 of the Internal Revenue Code, 26 U.S.C. § 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031 or 1033, regardless of the federal tax classification of the business entity under 26 C.F.R. § 301.7701-3;*

*(e) Amounts indirectly realized from a reduction of an expense or deduction;*

*(f) The value of property or services donated to a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), if the donation is tax deductible pursuant to the provisions of section 170(c) of the Internal Revenue Code, 26 U.S.C. § 170(c); and*

*(g) Amounts that are not considered revenue under generally accepted accounting principles.*

**Sec. 11.** *“Loan” means any extension of credit or the purchase in whole or in part of an extension of credit from*



*another person, including, without limitation, participations and syndications.*

**Sec. 12.** *“Nevada gross revenue” means the gross revenue of a business entity from engaging in a business in this State, as adjusted pursuant to section 26 of this act and situated to this State pursuant to section 27 of this act.*

**Sec. 13.** *“Pass-through entity” means an entity that is disregarded as an entity for the purposes of federal income taxation or is treated as a partnership for the purposes of federal income taxation.*

**Sec. 14. 1.** *“Pass-through revenue” means:*

*(a) Revenue received by a business entity that is required by law or fiduciary duty to be distributed to another person or governmental entity;*

*(b) Taxes collected from a third party by a business entity and remitted by the business entity to a taxing authority;*

*(c) Reimbursement for advances made by a business entity on behalf of a customer or client, other than with respect to services rendered or with respect to purchases of goods by the business entity in carrying out the business in which it engages;*

*(d) Revenue received by a business entity that is mandated by contract or subcontract to be distributed to another person or entity if the revenue constitutes:*

*(1) Sales commissions that are paid to a person who is not an employee of the business entity, including, without limitation, a split-fee real estate commission;*

*(2) The tax basis of securities underwritten by the business entity, as determined for the purposes of federal income taxation; or*

*(3) Subcontracting payments under a contract or subcontract entered into by a business entity to provide services, labor or materials in connection with the actual or proposed design, construction, remodeling, remediation or repair of improvements on real property or the location of the boundaries of real property; or*

*(e) Revenue received by a business entity that is part of an affiliated group from another member of the affiliated group.*

**2.** *As used in this section:*

*(a) “Affiliated group” means a group of two or more business entities, including, without limitation, an entity described in subsection 2 of section 4 of this act, each of which is controlled by one or more common owners or by one or more members of the group.*



(b) *“Controlled by” means the direct or indirect ownership, control or possession of 50 percent or more of a business entity.*

(c) *“Sales commission” means:*

(1) *Any form of compensation paid to a person for engaging in an act for which a license is required pursuant to chapter 645 of NRS; or*

(2) *Compensation paid to a sales representative by a principal in an amount that is based on the amount or level of orders for or sales on behalf of the principal and that the principal is required to report on Internal Revenue Service Form 1099-MISC, Miscellaneous Income.*

**Sec. 15.** *“Sale of gold or silver” means a sale or transfer of gold or silver in exchange for consideration by the business entity that extracted the gold, silver or gold-bearing or silver-bearing ore, quartz or mineral from which gold or silver is extracted.*

**Sec. 16.** *“Securities” means United States Treasury securities, obligations of United States governmental agencies and corporations, obligations of a state or political subdivision, corporate stock, bonds, participations in securities backed by mortgages held by the United States or state governmental agencies, loan-backed securities, money market instruments, federal funds, securities purchased and sold under agreements to resell or repurchase, commercial paper, banker’s acceptances, purchased certificates of deposit, options, futures contracts, forward contracts, notional principal contracts, including, without limitation, swaps, and other similar securities and instruments.*

**Sec. 17.** *“Taxable year” means the 12-month period beginning on January 1 and ending on December 31 of a calendar year.*

**Sec. 18.** *“Taxpayer” means any person liable for the tax imposed by this chapter.*

**Sec. 19.** *“Wages” means any remuneration paid for personal services, including, without limitation, commissions and bonuses, and remuneration payable in any medium other than cash.*

**Sec. 20.** *For the purposes of this chapter, unless otherwise indicated, section references are to the Internal Revenue Code of 1986, as amended, and include future amendments to such sections and corresponding provisions of future federal internal revenue laws.*

**Sec. 21. 1.** *For the purposes of this chapter, a business is a “passive entity” only if:*

(a) *The business is a limited-liability company, general partnership, limited-liability partnership, limited partnership or*





*limited-liability limited partnership, or a trust, other than a business trust;*

*(b) During the period for which the gross revenue of the business entity is reported pursuant to section 25 of this act, at least 90 percent of the business entity's federal gross income consists of the following income:*

*(1) Dividends, interest, foreign currency exchange gains, periodic and nonperiodic payments with respect to notional principal contracts, option premiums, cash settlements or termination payments with respect to a financial instrument, and income from a limited-liability company;*

*(2) Capital gains from the sale of real property, gains from the sale of commodities traded on a commodities exchange and gains from the sale of securities; and*

*(3) Royalties, bonuses or delay rental income from mineral properties and income from other nonoperating mineral interests; and*

*(c) The business entity does not receive more than 10 percent of its federal gross income from conducting an active trade or business.*

*2. As used in paragraph (b) of subsection 1, the term "income" does not include any:*

*(a) Rent; or*

*(b) Income received by a nonoperator from mineral properties under a joint operating agreement if the nonoperator is a member of an affiliated group and another member of that group is the operator under that joint operating agreement.*

*3. For the purposes of paragraph (c) of subsection 1:*

*(a) Except as otherwise provided in this subsection, a business entity is "conducting an active trade or business" if:*

*(1) The activities being carried on by the business entity include one or more active operations that form a part of the process of earning income or profit, and the business entity performs active management and operating functions; or*

*(2) Any assets, including, without limitation, royalties, patents, trademarks and other intangible assets, held by the business entity are used in the active trade or business of one or more related business entities.*

*(b) The ownership of a royalty interest or a nonoperating working interest in mineral rights does not constitute the conduct of an active trade or business.*

*(c) The payment of compensation to employees or independent contractors for financial or legal services reasonably necessary for*



*the operation of a business does not constitute the conduct of an active trade or business.*

*(d) Holding a seat on the board of directors of a business entity does not by itself constitute the conduct of an active trade or business.*

*(e) Activities performed by a business entity include activities performed by persons outside the business entity, including independent contractors, to the extent that those persons perform services on behalf of the business entity and those services constitute all or any part of the business entity's trade or business.*

**Sec. 22.** *The Department shall administer and enforce the provisions of this chapter and may adopt such regulations as it deems appropriate for those purposes.*

**Sec. 23.** *1. Each person responsible for maintaining the records of a taxpayer shall:*

*(a) Keep such records as may be necessary to determine the amount of the liability of the taxpayer pursuant to the provisions of this chapter;*

*(b) Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and*

*(c) Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.*

*2. The Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a taxpayer pursuant to the provisions of this chapter.*

*3. Any person who violates the provisions of subsection 1 is guilty of a misdemeanor.*

**Sec. 24.** *1. To verify the accuracy of any return filed or, if no return is filed by a taxpayer, to determine the amount of the tax required to be paid pursuant to this chapter, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the tax imposed by this chapter.*

*2. Any person who may be liable for the tax imposed by this chapter and who keeps outside of this State any books, papers and records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he or she is absent from*



*his or her regular place of employment to examine those documents.*

**Sec. 25.** *1. For the privilege of engaging in a business in this State, an excise tax is hereby imposed upon the Nevada gross revenue of each business entity whose Nevada gross revenue in a taxable year exceeds \$20,000,000, which shall be at the following rates:*

*(a) For all Nevada gross revenue in a taxable year in excess of \$20,000,000 but not more than \$150,000,000, a rate of 0.75 percent.*

*(b) For all Nevada gross revenue in excess of \$150,000,000, a rate of 1.10 percent.*

*2. Each business entity whose Nevada gross revenue in a taxable year exceeds \$20,000,000 shall, on or before April 1 immediately following the end of that taxable year, file with the Department a return on a form prescribed by the Department. The Department shall not require a business entity whose Nevada gross revenue for a taxable year is \$20,000,000 or less to file a return for that taxable year. The return required by this subsection must include such information as is required by the Department.*

*3. A business entity shall remit with the return the amount of tax due pursuant to subsection 1. Upon written application made before the date on which payment must be made, the Department may for good cause extend by not more than 30 days the time within which a taxpayer is required to pay the tax imposed by this chapter. If the tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay at the time required, but the taxpayer shall pay interest at the rate of 1 percent per month from the date on which the amount would have been due without the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.*

**Sec. 26.** *In computing the tax owed by a business entity pursuant to this chapter, the business entity is entitled to deduct from its gross revenue the following amounts, to the extent such amounts are included in the gross revenue of the business entity:*

*1. Any gross revenue which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.*

*2. Any gross revenue of the business entity attributable to dividends and interest upon any bonds or securities of the Federal Government, the State of Nevada or a political subdivision of this State.*



3. Any gross revenue realized from the sale or transfer of a mineral other than gold or silver.

4. The amount of any pass-through revenue of the business entity.

5. The tax basis of securities and loans sold by the business entity, as determined for the purposes of federal income taxation.

6. The amount of revenue received by the business entity that is directly derived from the operation of a facility that is:

(a) Located on property owned or leased by the Federal Government; and

(b) Managed or operated primarily to house members of the Armed Forces of the United States.

7. Interest income other than interest on credit sales.

8. Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity.

9. Receipts from the sale, exchange or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, 26 U.S.C. § 1221 or 1231, without regard to the length of time the business entity held the asset.

10. Receipts from a hedging transaction, as defined in section 1221 of the Internal Revenue Code, 26 U.S.C. § 1221, or a transaction accorded hedge accounting treatment under Statement No. 133 of the Financial Accounting Standards Board, Accounting for Derivative Instruments and Hedging Activities, to the extent the transaction is entered into primarily to protect a financial position, including, without limitation, managing the risk of exposure to foreign currency fluctuations that affect assets, liabilities, profits, losses, equity or investments in foreign operations, to interest rate fluctuations or to commodity price fluctuations. For the purposes of this subsection, receipts from the actual transfer of title of real or tangible personal property to another business entity are not receipts from a hedging transaction or a transaction accorded hedge accounting treatment.

11. Proceeds received by a business entity that are attributable to the repayment, maturity or redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable instrument.

12. The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan.

13. Proceeds received from the issuance of the business entity's own stock, options, warrants, puts or calls, from the sale of



*the business entity's treasury stock or as contributions to the capital of the business entity.*

*14. Proceeds received on account of payments from insurance policies, except those proceeds received for the loss of business revenue.*

*15. Damages received as a result of litigation in excess of amounts that, if received without litigation, would not have been included in the gross receipts of the business entity pursuant to this section.*

*16. Bad debts expensed for the purposes of federal income taxation.*

*17. Returns and refunds to customers.*

*18. Amounts realized from the sale of an account receivable to the extent the receipts from the underlying transaction were included in the gross receipts of the business entity.*

*19. If the business entity owns an interest in a passive entity, the business entity's share of the net income of the passive entity, but only to the extent the net income of the passive entity was generated by the gross revenue of another business entity.*

**Sec. 27. 1.** *In computing the tax owed by a business entity pursuant to this chapter, the gross revenue of the business entity, as adjusted pursuant to section 26 of this act, must be situated to this State in accordance with the following rules:*

*(a) Gross rents and royalties from real property is situated to this State if the real property is located in this State.*

*(b) Gross revenue from the sale of real property is situated to this State if the real property is located in this State.*

*(c) Gross rents and royalties from tangible personal property is situated to this State to the extent that the tangible personal property is located or used in this State.*

*(d) Gross revenue from the sale of gold or silver is situated to this State if the gold or silver is extracted in this State.*

*(e) Gross revenue from the sale of tangible personal property is situated to this State if the property is delivered or shipped to a buyer in this State, regardless of the F.O.B. point or any other condition of sale.*

*(f) Gross revenue from the sale of transportation services is situated to this State if both the origin and the destination point of the transportation are located in this State.*

*(g) Gross revenue from the sale of any services not otherwise described in this section is situated to this State in the proportion that the purchaser's benefit in this State, with respect to what was purchased, bears to the purchaser's benefit everywhere with*



*respect to what was purchased. For the purposes of this paragraph, the physical location at which the purchaser of a service ultimately uses or receives the benefit of the service that was purchased is paramount in determining the proportion of the benefit in this State to the benefit everywhere. If the records of a business entity do not allow the taxpayer to determine that location, the business entity may use an alternative method to situs gross revenue pursuant to this section if the alternative method is reasonable, is consistently and uniformly applied and is supported by the taxpayer's records as those records exist when the service is provided or within a reasonable period of time thereafter.*

*(h) Gross revenue not otherwise described in this section is situated to this State if the gross receipts are from business conducted in this State. For the purposes of this paragraph, the physical location of the purchaser is paramount in determining if business is done in this State. If the records of a business entity do not allow the business entity to determine the location of the purchaser, the gross revenue must not be considered to be from business conducted in this State.*

*2. If the application of the provisions of subsection 1 does not fairly represent the extent of the business conducted in this State by a business entity, the Department may authorize the business entity to use an alternative method of situsing gross revenue to this State.*

**Sec. 28.** *If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after being credited against any amount then due from the person in accordance with NRS 360.236, be refunded to the person or his or her successors in interest.*

**Sec. 29.** *1. Except as otherwise provided in NRS 360.235 and 360.395:*

*(a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the calendar quarter for which the overpayment was made.*



*(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.*

*2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.*

*3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.*

*4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.*

**Sec. 30.** *1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of the tax imposed by this chapter at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.*

*2. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.*

**Sec. 31.** *1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of the State to prevent or enjoin the collection under this chapter of the tax imposed by this chapter or any amount of tax, penalty or interest required to be collected.*

*2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.*

**Sec. 32.** *1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State where the claimant resides or maintains his or her principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.*

*2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.*





**Sec. 33. 1.** *If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.*

*2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited towards any tax due from the plaintiff.*

*3. The balance of the judgment must be refunded to the plaintiff.*

**Sec. 34.** *In any judgment, interest must be allowed at the rate of 3 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.*

**Sec. 35.** *A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.*

**Sec. 36. 1.** *The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.*

*2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.*

*3. The Attorney General shall prosecute the action, and the provisions of NRS, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.*

**Sec. 37. 1.** *If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify that fact to the State*





*Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.*

*2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the return, the Department, without certifying that fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.*

**Sec. 38.** *1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the State under this chapter must be paid to the Department in the form of remittances payable to the Department.*

*2. The Department shall deposit the payments in the State Treasury for credit to the State General Fund.*

**Sec. 39.** *1. A person shall not:*

*(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any return or declaration with intent to defraud the State or to evade payment of the tax or any part of the tax imposed by this chapter.*

*(b) Make, cause to be made or permit to be made any false entry in books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.*

*(c) Keep, cause to be kept or permit to be kept more than one set of books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.*

*2. Any person who violates the provisions of subsection 1 is guilty of a gross misdemeanor.*

**Sec. 40.** *The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.*

**Sec. 41.** NRS 360.2937 is hereby amended to read as follows:

360.2937 1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment of any tax provided for in chapter 362, 363A, 363B, 363C, 369, 370, 372, 372B, 374, 377, 377A, 377C or 377D of NRS, *or sections 2 to 40, inclusive, of this act*, any of the taxes provided for in NRS 372A.290, any fee provided for in NRS 444A.090 or 482.313, or any assessment provided for in NRS 585.497, at the rate



of 0.25 percent per month from the last day of the calendar month following the period for which the overpayment was made.

2. No refund or credit may be made of any interest imposed on the person making the overpayment with respect to the amount being refunded or credited.

3. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if the person has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

**Sec. 42.** NRS 360.300 is hereby amended to read as follows:

360.300 1. If a person fails to file a return or the Department is not satisfied with the return or returns of any tax, contribution or premium or amount of tax, contribution or premium required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B, 362, 363A, 363B, 363C, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, *or sections 2 to 40, inclusive, of this act*, as administered or audited by the Department, it may compute and determine the amount required to be paid upon the basis of:

(a) The facts contained in the return;

(b) Any information within its possession or that may come into its possession; or

(c) Reasonable estimates of the amount.

2. One or more deficiency determinations may be made with respect to the amount due for one or for more than one period.

3. In making its determination of the amount required to be paid, the Department shall impose interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in NRS 360.417, unless a different rate of interest is specifically provided by statute.

4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination that is made in the case of the failure of a person to file a return with the Department.

5. When a business is discontinued, a determination may be made at any time thereafter within the time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of



whether the determination is issued before the due date of the liability.

**Sec. 43.** NRS 360.417 is hereby amended to read as follows:

360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 363A, 363B, 363C, 369, 370, 372, 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS, *or sections 2 to 40, inclusive, of this act*, any of the taxes provided for in NRS 372A.290, or any fee provided for in NRS 482.313, and any person or governmental entity that fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

**Sec. 44.** NRS 360.510 is hereby amended to read as follows:

360.510 1. If any person is delinquent in the payment of any tax or fee administered by the Department or if a determination has been made against the person which remains unpaid, the Department may:

(a) Not later than 3 years after the payment became delinquent or the determination became final; or

(b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate constituting a lien for tax owed,

➤ give a notice of the delinquency and a demand to transmit personally or by registered or certified mail to any person, including, without limitation, any officer or department of this State or any political subdivision or agency of this State, who has in his or her possession or under his or her control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or that person. In the case of any state officer, department or agency, the notice must be given to the officer, department or agency before the Department presents the claim of the delinquent taxpayer to the State Controller.



2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it by that person before it honors the notice of the Department.

3. After receiving the demand to transmit, the person notified by the demand may not transfer or otherwise dispose of the credits, other personal property, or debts in his or her possession or under his or her control at the time the person received the notice until the Department consents to a transfer or other disposition.

4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to transmit, inform the Department of and transmit to the Department all such credits, other personal property or debts in his or her possession, under his or her control or owing by that person within the time and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further notice is required to be served to that person.

5. If the property of the delinquent taxpayer consists of a series of payments owed to him or her, the person who owes or controls the payments shall transmit the payments to the Department until otherwise notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the Department issued the original demand to transmit, the Department shall issue another demand to transmit to the person responsible for making the payments informing him or her to continue to transmit payments to the Department or that his or her duty to transmit the payments to the Department has ceased.

6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a bank or credit union or other credits or personal property in the possession or under the control of a bank, credit union or other depository institution, the notice must be delivered or mailed to any branch or office of the bank, credit union or other depository institution at which the deposit is carried or at which the credits or personal property is held.

7. If any person notified by the notice of the delinquency makes any transfer or other disposition of the property or debts required to be withheld or transmitted, to the extent of the value of the property or the amount of the debts thus transferred or paid, that person is liable to the State for any indebtedness due pursuant to this chapter, chapter 360B, 362, 363A, 363B, 363C, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS *or sections 2 to 40, inclusive, of this act*, from the person with respect to whose obligation the notice was given if solely by reason of the transfer or



other disposition the State is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

**Sec. 45.** NRS 362.100 is hereby amended to read as follows:

362.100 1. The Department shall:

(a) Investigate and determine the net proceeds of all minerals extracted and certify them as provided in NRS 362.100 to 362.240, inclusive.

(b) Appraise and assess all reduction, smelting and milling works, plants and facilities, whether or not associated with a mine, all drilling rigs, and all supplies, machinery, equipment, apparatus, facilities, buildings, structures and other improvements used in connection with any mining, drilling, reduction, smelting or milling operation as provided in chapter 361 of NRS.

*(c) Deposit all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund. Each year after the distribution of all money due to the State of Nevada and each county pursuant to NRS 362.170, the State Controller shall transfer all taxes, interest and penalties collected pursuant to this chapter to the State Education Fund.*

2. As used in this section, “net proceeds of all minerals extracted” includes the proceeds of all:

(a) Operating mines;

(b) Operating oil and gas wells;

(c) Operations extracting geothermal resources for profit, except an operation which uses natural hot water to enhance the growth of animal or plant life; and

(d) Operations extracting minerals from natural solutions.

**Sec. 46.** NRS 363A.139 is hereby amended to read as follows:

363A.139 1. Any taxpayer who is required to pay a tax pursuant to NRS 363A.130 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before making such a donation, notify the scholarship organization of the taxpayer’s intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and provide to the scholarship organization notice of the decision and, if the application is



approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 4 of NRS 363B.119 is \$6,655,000. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. Except as otherwise provided in this subsection, in addition to the amount of credits authorized by subsection 4 for Fiscal Years 2019-2020 , ~~and~~ 2020-2021 ~~and~~ **and 2021-2022**, the Department of Taxation may approve applications for the credit authorized by subsection 1 for each of those fiscal years until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363B.119 is \$4,745,000. The provisions of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to subsection 4. If, in Fiscal Year 2019-2020 , ~~or~~ 2020-2021 ~~or~~ **or 2021-2022**, the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than \$4,745,000, the remaining amount of credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~\$9,490,000~~ **\$14,235,000**. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in



calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, “scholarship organization” has the meaning ascribed to it in NRS 388D.260.

**Sec. 47.** NRS 363B.119 is hereby amended to read as follows:

363B.119 1. Any taxpayer who is required to pay a tax pursuant to NRS 363B.110 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before making such a donation, notify the scholarship organization of the taxpayer’s intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and provide to the scholarship organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to



the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 4 of NRS 363A.139 is \$6,655,000. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. In addition to the amount of credits authorized by subsection 4 for Fiscal Years 2019-2020 , ~~and~~ 2020-2021 ~~and~~ **and 2021-2022**, the Department of Taxation may approve applications for the credit authorized by subsection 1 for each of those fiscal years until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363A.139 is \$4,745,000. The provisions of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to subsection 4. If, in Fiscal Year 2019-2020 , ~~for~~ 2020-2021 ~~or~~ **or 2021-2022**, the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than \$4,745,000, the remaining amount of credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~[\$9,490,000.]~~ **\$14,235,000**. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.





7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, “scholarship organization” has the meaning ascribed to it in NRS 388D.260.

**Sec. 48.** NRS 363C.020 is hereby amended to read as follows:

363C.020 1. Except as otherwise provided in subsection 2, “business entity” means a corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust, professional association, joint stock company, holding company and any other person engaged in a business.

2. “Business entity” does not include:

(a) Any person or other entity which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.

(b) A natural person, unless that person is engaging in a business and is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss from Business, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss from Farming, or its equivalent or successor form, for that business.

(c) A governmental entity.

(d) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(e) A business entity organized pursuant to chapter 82 or 84 of NRS.

(f) A credit union organized under the provisions of chapter 672 of NRS or the Federal Credit Union Act.

(g) A grantor trust as defined by section 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26 U.S.C. §§ 671 and 7701(a)(30)(E), all of the grantors and beneficiaries of which are natural persons or charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).

(h) An estate of a natural person as defined by section 7701(a)(30)(D) of the Internal Revenue Code, 26 U.S.C. §



7701(a)(30)(D), excluding an estate taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).

(i) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C. § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:

(1) A real estate investment trust with any amount of its assets in direct holdings of real estate, other than real estate it occupies for business purposes, as opposed to holding interests in limited partnerships or other entities that directly hold the real estate, is a business entity pursuant to this section; and

(2) A limited partnership or other entity that directly holds the real estate as described in subparagraph (1) is a business entity pursuant to this section, without regard to whether a real estate investment trust holds an interest in it.

(j) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue Code, 26 U.S.C. § 860D.

(k) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).

(l) A passive entity.

(m) A person whose activities within this State are confined to the owning, maintenance and management of the person's intangible investments or of the intangible investments of persons or statutory trusts or business trusts registered as investment companies under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and the collection and distribution of the income from such investments or from tangible property physically located outside this State. For the purposes of this paragraph, "intangible investments" includes, without limitation, investments in stocks, bonds, notes and other debt obligations, including, without limitation, debt obligations of affiliated corporations, real estate investment trusts, patents, patent applications, trademarks, trade names and similar types of intangible assets or an entity that is registered as an investment company under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq.

(n) A person who takes part in an exhibition held in this State for a purpose related to the conduct of a business and is not required to obtain a state business license specifically for that event pursuant to NRS 360.780.

*(o) A person engaged in the business of extracting gold or silver in this State.*



**Sec. 49.** NRS 78.245 is hereby amended to read as follows:

78.245 1. Except as otherwise provided in subsection 2, no stocks, bonds or other securities issued by any corporation organized under this chapter, nor the income or profits therefrom, nor the transfer thereof by assignment, descent, testamentary disposition or otherwise, shall be taxed by this State when such stocks, bonds or other securities shall be owned by nonresidents of this State or by foreign corporations.

2. The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to chapter 363C of NRS ~~§~~ *or the tax imposed pursuant to sections 2 to 40, inclusive, of this act.*

**Sec. 50.** NRS 232.320 is hereby amended to read as follows:

232.320 1. The Director:

(a) Shall appoint, with the consent of the Governor, administrators of the divisions of the Department, who are respectively designated as follows:

(1) The Administrator of the Aging and Disability Services Division;

(2) The Administrator of the Division of Welfare and Supportive Services;

(3) The Administrator of the Division of Child and Family Services;

(4) The Administrator of the Division of Health Care Financing and Policy; and

(5) The Administrator of the Division of Public and Behavioral Health.

(b) Shall administer, through the divisions of the Department, the provisions of chapters 63, 424, 425, 427A, 432A to 442, inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and section 53 of this act*, 422.580, 432.010 to 432.133, inclusive, 432B.6201 to 432B.626, inclusive, 444.002 to 444.430, inclusive, and 445A.010 to 445A.055, inclusive, and all other provisions of law relating to the functions of the divisions of the Department, but is not responsible for the clinical activities of the Division of Public and Behavioral Health or the professional line activities of the other divisions.

(c) Shall administer any state program for persons with developmental disabilities established pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000, 42 U.S.C. §§ 15001 et seq.

(d) Shall, after considering advice from agencies of local governments and nonprofit organizations which provide social



services, adopt a master plan for the provision of human services in this State. The Director shall revise the plan biennially and deliver a copy of the plan to the Governor and the Legislature at the beginning of each regular session. The plan must:

(1) Identify and assess the plans and programs of the Department for the provision of human services, and any duplication of those services by federal, state and local agencies;

(2) Set forth priorities for the provision of those services;

(3) Provide for communication and the coordination of those services among nonprofit organizations, agencies of local government, the State and the Federal Government;

(4) Identify the sources of funding for services provided by the Department and the allocation of that funding;

(5) Set forth sufficient information to assist the Department in providing those services and in the planning and budgeting for the future provision of those services; and

(6) Contain any other information necessary for the Department to communicate effectively with the Federal Government concerning demographic trends, formulas for the distribution of federal money and any need for the modification of programs administered by the Department.

(e) May, by regulation, require nonprofit organizations and state and local governmental agencies to provide information regarding the programs of those organizations and agencies, excluding detailed information relating to their budgets and payrolls, which the Director deems necessary for the performance of the duties imposed upon him or her pursuant to this section.

(f) Has such other powers and duties as are provided by law.

2. Notwithstanding any other provision of law, the Director, or the Director's designee, is responsible for appointing and removing subordinate officers and employees of the Department.

**Sec. 51.** NRS 387.1212 is hereby amended to read as follows:

387.1212 1. The State Education Fund is hereby created as a special revenue fund to be administered by the Superintendent of Public Instruction for the purpose of supporting the operation of the public schools in this State. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

2. Money which must be deposited for credit to the State Education Fund includes, without limitation:

(a) All money derived from interest on the State Permanent School Fund, as provided in NRS 387.030;



(b) The proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest, less any amount retained by the county treasurer for the actual cost of collecting and administering the tax;

(c) The proceeds of the tax imposed pursuant to subsection 1 of NRS 387.195;

(d) The portion of the money in each special account created pursuant to subsection 1 of NRS 179.1187 which is identified in paragraph (d) of subsection 2 of NRS 179.1187;

(e) The money identified in subsection 1 of NRS 328.450;

(f) The money identified in subsection 1 of NRS 328.460;

(g) The money identified in paragraph (a) of subsection 2 of NRS 360.850;

(h) The money identified in paragraph (a) of subsection 2 of NRS 360.855;

(i) *The money required to be transferred to the State Education Fund pursuant to NRS 362.100;*

(j) The money required to be paid over to the State Treasurer for deposit to the credit of the State Education Fund pursuant to subsection 4 of NRS 362.170;

~~[(k)]~~ (k) The portion of the proceeds of the tax imposed pursuant to subsection 1 of NRS 372A.290 identified in paragraph (b) of subsection 4 of NRS 372A.290;

~~[(k)]~~ (l) The proceeds of the tax imposed pursuant to subsection 3 of NRS 372A.290;

~~[(m)]~~ (m) The proceeds of the fees, taxes, interest and penalties imposed pursuant to chapter 374 of NRS, as transferred pursuant to subsection 3 of NRS 374.785;

~~[(m)]~~ (n) The money identified in paragraph (b) of subsection 3 of NRS 678B.390;

~~[(n)]~~ (o) The portion of the proceeds of the excise tax imposed pursuant to subsection 1 of NRS 463.385 identified in paragraph (c) of subsection 5 of NRS 463.385;

~~[(p)]~~ (p) The money required to be distributed to the State Education Fund pursuant to subsection 3 of NRS 482.181;

~~[(p)]~~ (q) The portion of the net profits of the grantee of a franchise, right or privilege identified in NRS 709.110;

~~[(q)]~~ (r) The portion of the net profits of the grantee of a franchise identified in NRS 709.230;

~~[(s)]~~ (s) The portion of the net profits of the grantee of a franchise identified in NRS 709.270; ~~and~~

~~[(s)]~~ (t) *The money required to be distributed to the State Education Fund pursuant to section 56 of this act; and*



(u) The direct legislative appropriation from the State General Fund required by subsection 3.

3. In addition to money from any other source provided by law, support for the State Education Fund must be provided by direct legislative appropriation from the State General Fund in an amount determined by the Legislature to be sufficient to fund the operation of the public schools in this State for kindergarten through grade 12 for the next ensuing biennium for the population reasonably estimated for that biennium. Money in the State Education Fund does not revert to the State General Fund at the end of a fiscal year, and the balance in the State Education Fund must be carried forward to the next fiscal year.

4. Money in the Fund must be paid out on claims as other claims against the State are paid.

5. The Superintendent of Public Instruction may create one or more accounts in the State Education Fund for the purpose of administering any money received from the Federal Government for the support of education and any State money required to be administered separately to satisfy any requirement imposed by the Federal Government. The money in any such account must not be considered when calculating the statewide base per pupil funding amount or appropriating money from the State Education Fund pursuant to NRS 387.1214. The interest and income earned on the money in any such account, after deducting any applicable charges, must be credited to the account.

**Sec. 52.** NRS 388D.270 is hereby amended to read as follows:  
388D.270 1. A scholarship organization must:

(a) Be exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3).

(b) Not own or operate any school in this State, including, without limitation, a private school, which receives any grant money pursuant to the Nevada Educational Choice Scholarship Program.

(c) Accept donations from taxpayers and other persons and may also solicit and accept gifts and grants.

(d) Not expend more than 5 percent of the total amount of money accepted pursuant to paragraph (c) to pay its administrative expenses.

(e) Provide grants on behalf of pupils who are members of a household that has a household income which is not more than 300 percent of the federally designated level signifying poverty to allow those pupils to attend schools in this State chosen by the parents or legal guardians of those pupils, including, without limitation, private schools. The total amount of a grant provided by the scholarship



organization on behalf of a pupil pursuant to this paragraph must not exceed \$7,755 for Fiscal Year 2015-2016.

(f) Not limit to a single school the schools for which it provides grants.

(g) Except as otherwise provided in paragraph (e), not limit to specific pupils the grants provided pursuant to that paragraph.

2. The maximum amount of a grant provided by the scholarship organization pursuant to paragraph (e) of subsection 1 must be adjusted on July 1 of each year for the fiscal year beginning that day and ending June 30 in a rounded dollar amount corresponding to the percentage of increase in the Consumer Price Index (All Items) published by the United States Department of Labor for the preceding calendar year. On May 1 of each year, the Department of Education shall determine the amount of increase required by this subsection, establish the adjusted amounts to take effect on July 1 of that year and notify each scholarship organization of the adjusted amounts. The Department of Education shall also post the adjusted amounts on its Internet website.

3. A grant provided on behalf of a pupil pursuant to subsection 1 must be paid directly to the school chosen by the parent or legal guardian of the pupil.

4. A scholarship organization shall provide each taxpayer and other person who makes a donation, gift or grant of money to the scholarship organization pursuant to paragraph (c) of subsection 1 with an affidavit, signed under penalty of perjury, which includes, without limitation:

(a) A statement that the scholarship organization satisfies the requirements set forth in subsection 1; and

(b) The total amount of the donation, gift or grant made to the scholarship organization.

5. Each school in which a pupil is enrolled for whom a grant is provided by a scholarship organization shall maintain a record of the academic progress of the pupil. The record must be maintained in such a manner that the information may be aggregated and reported for all such pupils if reporting is required by the regulations of the Department of Education.

6. ~~[A scholarship organization shall not use a donation for which a taxpayer received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of a pupil unless the scholarship organization used a donation for which the taxpayer received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of the pupil for the immediately preceding school year or reasonably~~



~~expects to be able to provide a grant pursuant to this section on behalf of the pupil in at least the same amount for each school year until the pupil graduates from high school. A scholarship organization that violates this subsection shall repay to the Department of Taxation the amount of the tax credit received by the taxpayer pursuant to NRS 363A.139 or 363B.119, as applicable.~~

~~—7.1~~ The Department of Education:

(a) Shall adopt regulations prescribing the contents of and procedures for applications for grants provided pursuant to subsection 1.

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

~~[8.1]~~ 7. As used in this section, “private school” has the meaning ascribed to it in NRS 394.103.

**Sec. 53.** Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. To the extent authorized by federal law, the Director shall include in the State Plan for Medicaid authorization for a recipient of Medicaid to be deemed a provider of services for the purposes of allowing the recipient to receive reimbursements for personal care services covered by Medicaid and use that money to pay for services provided by a personal care assistant acting pursuant to NRS 629.091 or an agency to provide personal care services in the home using a self-directed model.*

*2. As used in this section:*

*(a) “Agency to provide personal care services in the home” has the meaning ascribed to it in NRS 449.0021.*

*(b) “Personal care services” means the services described in NRS 449.1935.*

**Sec. 54.** NRS 612.265 is hereby amended to read as follows:

612.265 1. Except as otherwise provided in this section and NRS 239.0115, 607.217 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person’s or employing unit’s identity.

2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the proper presentation of the claimant’s claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.





3. The Administrator may, in accordance with a cooperative agreement among all participants in the statewide longitudinal data system developed pursuant to NRS 400.037 and administered pursuant to NRS 223.820, make the information obtained by the Division available to:

(a) The Board of Regents of the University of Nevada for the purpose of complying with the provisions of subsection 4 of NRS 396.531; and

(b) The Director of the Department of Employment, Training and Rehabilitation for the purpose of complying with the provisions of paragraph (d) of subsection 1 of NRS 232.920.

4. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:

(a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices;

(b) Any state or local agency for the enforcement of child support;

(c) The Internal Revenue Service of the Department of the Treasury;

(d) The Department of Taxation;

(e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS; and

(f) The Secretary of State to operate the state business portal established pursuant to chapter 75A of NRS for the purposes of verifying that data submitted via the portal has satisfied the necessary requirements established by the Division, and as necessary to maintain the technical integrity and functionality of the state business portal established pursuant to chapter 75A of NRS.

➤ Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.

5. Upon written request made by the State Controller or a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request may be made electronically and must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper



authority of the State Controller or local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation assigned to the State Controller for collection or owed to the local government, as applicable. Except as otherwise provided in NRS 239.0115, the information obtained by the State Controller or local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation assigned to the State Controller for collection or owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.

6. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

7. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.

8. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently



being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

9. In addition to the provisions of subsection 6, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to chapters 363A, 363B and 363C of NRS ~~§~~ *and sections 2 to 40, inclusive, of this act*. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

10. Upon the request of any district judge or jury commissioner of the judicial district in which the county is located, the Administrator shall, in accordance with other agreements entered into with other district courts and in compliance with 20 C.F.R. Part 603, and any other applicable federal laws and regulations governing the Division, furnish the name, address and date of birth of persons who receive benefits in any county, for use in the selection of trial jurors pursuant to NRS 6.045. The court or jury commissioner who requests the list of such persons shall reimburse the Division for the reasonable cost of providing the requested information.

11. The Division of Industrial Relations of the Department of Business and Industry shall periodically submit to the Administrator, from information in the index of claims established pursuant to NRS 616B.018, a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS. Upon receipt of that information, the Administrator shall compare the information so provided with the records of the Employment Security Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the Division of Industrial Relations must be in a form determined by the Administrator and must contain the social security number of each such person. If it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency.

12. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and



may in connection with the request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.

13. The Administrator, any employee or other person acting on behalf of the Administrator, or any employee or other person acting on behalf of an agency or entity allowed to access information obtained from any employing unit or person in the administration of this chapter, or any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter, is guilty of a gross misdemeanor if he or she:

- (a) Uses or permits the use of the list for any political purpose;
- (b) Uses or permits the use of the list for any purpose other than one authorized by the Administrator or by law; or
- (c) Fails to protect and prevent the unauthorized use or dissemination of information derived from the list.

14. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

**Sec. 55.** NRS 616B.012 is hereby amended to read as follows:

616B.012 1. Except as otherwise provided in this section and NRS 239.0115, 607.217, 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's identity.

2. Any claimant or legal representative of the claimant is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, or chapter 617 of NRS.

3. The Division and Administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:

(a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;

(b) Any state or local agency for the enforcement of child support;



(c) The Internal Revenue Service of the Department of the Treasury;

(d) The Department of Taxation; and

(e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

↪ Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or agencies for purposes appropriate to the operation of a program of industrial insurance.

4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to the local government. The insurer may charge a reasonable fee for the cost of providing the requested information.

5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit to the Administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.

6. Upon request by the Department of Taxation, the Administrator shall provide:

(a) Lists containing the names and addresses of employers; and

(b) Other information concerning employers collected and maintained by the Administrator or the Division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS,



→ to the Department for its use in verifying returns for the taxes imposed pursuant to chapters 363A, 363B and 363C of NRS ~~§~~ *and sections 2 to 40, inclusive, of this act.* The Administrator may charge a reasonable fee to cover any related administrative expenses.

7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.

8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.

9. The provisions of this section do not prohibit the Administrator or the Division from:

(a) Disclosing any nonproprietary information relating to an uninsured employer or proof of industrial insurance; or

(b) Notifying an injured employee or the surviving spouse or dependent of an injured employee of benefits to which such persons may be entitled in addition to those provided pursuant to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS but only if:

(1) The notification is solely for the purpose of informing the recipient of benefits that are available to the recipient; and

(2) The content of the notification is limited to information concerning services which are offered by nonprofit entities.

**Sec. 56.** Section 38 of this act is hereby amended to read as follows:

Sec. 38. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the State under this chapter must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments in the State Treasury for credit to the State ~~General~~ *Education* Fund.

**Sec. 57.** 1. There is hereby appropriated from the State General Fund to the Nevada System of Higher Education for the support of the Silver State Opportunity Grant Program the following sums:



For the Fiscal Year 2021-2022 ..... \$600,000  
For the Fiscal Year 2022-2023 ..... \$600,000

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 16, 2022, and September 15, 2023, respectively, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 16, 2022, and September 15, 2023, respectively.

**Sec. 58.** 1. There is hereby appropriated from the State General Fund to the Division of Health Care Financing and Policy of the Department of Health and Human Services to pay the State’s share of the costs of personal care services for recipients of Medicaid under the self-directed model required by section 53 of this act the following sums:

For the Fiscal Year 2021-2022 ..... \$50,895  
For the Fiscal Year 2022-2023 ..... \$104,354

2. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2023, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 15, 2023, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 15, 2023.

**Sec. 59.** The Chief of the Budget Division of the Office of Finance shall disburse from the money received from the Coronavirus State and Local Fiscal Recovery Funds by the State of Nevada the amount of \$200,000,000 , *in accordance with the provisions of chapter 353 of NRS*, to the Department of Education to be administered as grants to qualifying school districts and university schools for profoundly gifted pupils in Nevada to be used to augment programs implemented to address the impacts of learning loss experienced as a result of the COVID-19 pandemic, including, without limitation, evidence-based educational services and practices to address the academic needs of pupils, such as



tutoring, summer school, afterschool programs and other extended learning and enrichment programs, in addition to literacy instruction programs, instructional programs and support for at-risk pupils. To qualify for such a grant, a school district or university school for profoundly gifted pupils must describe how the entity has expended or plans to expend its allocation of federal funding from the Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief Funds under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Pub. L. No. 116-260, and federal funding from the Elementary and Secondary School Emergency Relief Fund under the American Rescue Plan Act of 2021, Pub. L. No. 117-2, to demonstrate funding gaps in existing literacy and at-risk programming experienced because of the COVID-19 pandemic impacts.

**Sec. 59.5.** The Chief of the Budget Division of the Office of Finance created by NRS 223.400 shall disburse from the money received from the Coronavirus State and Local Fiscal Recovery Funds by the State of Nevada the amount of \$15,000,000, in accordance with the provisions of chapter 353 of NRS, to the State Public Charter School Authority to be administered as grants to qualifying charter schools in Nevada to be used to augment programs implemented to address the impacts of learning loss experienced as a result of the COVID-19 pandemic, including, without limitation, evidence-based educational services and practices to address the academic needs of pupils, such as tutoring, summer school, afterschool programs and other extended learning and enrichment programs, in addition to literacy instruction programs, instructional programs and support for at-risk pupils. To qualify for such a grant, a charter school must be a Title I school, as defined in NRS 385A.040, and describe how the charter school has expended or plans to expend its allocation of federal funding from the Elementary and Secondary School Emergency Relief and Governor's Emergency Education Relief Funds under the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Pub. L. No. 116-260, and federal funding from the Elementary and Secondary School Emergency Relief Fund under the American Rescue Plan Act of 2021, Pub. L. No. 117-2, to demonstrate funding gaps in existing literacy and at-risk programming experienced because of the COVID-19 pandemic impacts.





**Sec. 60.** The Commission on School Funding created by NRS 387.1246 shall:

1. Investigate sources of revenue to fund public education in this State; and

2. On or before November 15, 2022, submit written findings and recommendations to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

**Sec. 60.5.** 1. The Legislative Committee on Education shall conduct a study during the 2021-2022 interim concerning the composition of the board of trustees of county school districts in this State, including, without limitation, the manner in which members of the board of trustees of school districts are selected.

2. On or before February 1, 2023, the Legislative Committee on Education shall submit a report of its findings and any recommendations for legislation to the Director of the Legislative Counsel Bureau for transmittal to the 82nd Session of the Legislature.

**Sec. 61.** Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee may vote on this act before the expiration of the period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after March 22, 2021.

**Sec. 62.** The provisions of sections 1 to 44, inclusive, of this act apply to the taxable year, as defined in section 17 of this act, that began on January 1, 2021, and to each subsequent taxable year.

**Sec. 63.** 1. This section and sections 1 to 44, inclusive, 46 to 50, inclusive, 52 to 55, inclusive, and 57 to 62, inclusive, of this act become effective on July 1, 2021.

2. Sections 45, 51 and 56 of this act become effective on July 1, 2023.

