

Amendment No. 258

Assembly Amendment to Assembly Bill No. 368	(BDR 22-17)
Proposed by: Assembly Committee on Revenue	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

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



## ASSEMBLY BILL NO. 368--ASSEMBLYWOMAN BENITEZ-THOMPSON

MARCH 22, 2021

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to tourism improvement districts. (BDR 22-17)

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

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

AN ACT relating to tourism improvement districts; revising the reporting requirements for the Department of Taxation related to tourism improvement districts; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires, with certain exceptions, the Department of Taxation to prepare and submit a semiannual report to the Director of the Legislative Counsel Bureau and the governing body of a municipality related to a tourism improvement district (TID) that states: (1) the amount of revenue from the taxable sales made each month by the businesses within a TID; (2) the portion of revenue which is attributable to persons who are not residents of this State; (3) the amount of the wages paid each month by the businesses within the TID; and (4) the number of full-time and part-time employees employed each month by businesses within the TID. The report must provide the information separately for each TID in the municipality unless reporting the information separately would disclose or result in the disclosure of information about an individual business. Further, the Department is not required to prepare and submit the report if the report cannot be prepared in a manner which would not disclose or result in the disclosure of information about an individual business. (NRS 271A.105)

**Section 1** of this bill ~~[(1)]~~ **additionally requires the report to state: (1) the name and geographic location of the TID; (2) the total amount of money pledged and distributed to the municipality; and (3) the remaining number of payments, and the amount of those payments, on any bonds or notes issued by the municipality. Section 1 requires the Department to report alternate information if the Department determines that reporting the prescribed information for a district which includes more than one business would disclose or result in the disclosure of proprietary information about an individual business. Section 1 also requires , to the extent possible, the report to provide the information separately for each TID [unless reporting the information separately would disclose or result in the disclosure of proprietary information about an individual business; and (2) provides that the Department is not required to prepare and submit the report if the report cannot be prepared in a manner which would not disclose or result in the disclosure of proprietary information about an individual business.] that includes more than one business.** **Section 2** of this bill makes a conforming change to make an exception to the law that provides that records and files of the Department concerning the administration or collection of any tax, fee, assessment or other amount required by law to be collected are confidential and privileged.

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

**Section 1.** NRS 271A.105 is hereby amended to read as follows:

271A.105 1. On or before September 1 of each year, the governing body of a municipality that creates a district before, on or after July 1, 2011, shall prepare and submit to the Director of the Legislative Counsel Bureau for submission to the Legislature, or to the Legislative Commission when the Legislature is not in regular session, an annual report containing:

(a) A statement of the status of each project located or expected to be located in the district, and of any changes in that status since the last annual report.

(b) An assessment of the financial impact of the district on the provision of local governmental services, including, without limitation, services for police protection and fire protection.

2. If the governing body of a municipality creates a district before, on or after July 1, 2011, the Department of Taxation shall ~~+~~

~~—(a) On~~ on or before April 1 and October 1 of each year, except as otherwise provided in ~~(subsection 3)~~ subsections 3 and 5, prepare and submit to the Director of the Legislative Counsel Bureau for submission to the Legislature, or to the Legislative Commission when the Legislature is not in regular session, and to the governing body of the municipality a semiannual report which states ~~+~~

~~—(1) the name and geographic location of the district and:~~

(a) The amount of revenue from the taxable sales made each month by the businesses within the district;

~~—(2) (b)~~ (b) To the extent that the pertinent information is available, the portion of that revenue which is attributable to persons who are not residents of this State;

~~—(3) (c)~~ (c) The total amount of money pledged pursuant to NRS 271A.070 and distributed to the municipality;

(d) The remaining number of payments, and the amounts of those payments, on any bonds or notes issued by the municipality pursuant to NRS 271A.120;

(e) The amount of the wages paid each month by the businesses within the district; and

~~—(4) (f)~~ (f) The number of full-time and part-time employees employed each month by the businesses within the district.

➤ The report must provide the information separately for each district in the municipality unless reporting the information separately would disclose or result in the disclosure of proprietary information about an individual business, in which case ~~(the report must provide)~~ the information may be provided in the aggregate. ~~+~~

~~—(b) Require each~~ for two or more districts in the municipality in a manner that does not result in the disclosure of proprietary information about an individual business. To the extent possible, the report must provide the information separately for each district which includes more than one business.

3. Except as otherwise provided in subsection 5, if the Department of Taxation determines that reporting the information set forth in paragraphs (a) to (f), inclusive, of subsection 2 for a district that includes more than one business would disclose or result in the disclosure of proprietary information about an individual business, the Department shall provide the following information for that district:

(a) The taxable sales and the amount of money pledged pursuant to NRS 271A.070 from the taxable sales in a manner that reports the number of

businesses, taxable sales and pledged money in ranges of taxable sales and does not result in the disclosure of proprietary information about individual businesses in the district;

(b) The number of businesses in the district;

(c) The amount of revenue from taxable sales made each month in the district; and

(d) The amount of money pledged pursuant to NRS 271A.070 and distributed to the municipality.

4. Each business within the district ~~to~~ shall report to the Department of Taxation, at such times as the Department may specify on a form provided by the Department, such information as the Department determines to be necessary to carry out the provisions of ~~paragraph (a) of~~ subsections 2 and 3.

~~3.~~ 5. The Department of Taxation is not required to prepare and submit a report pursuant to ~~paragraph (a) of~~ subsection 2 if the report cannot be prepared in a manner which would not disclose or result in the disclosure of proprietary information about an individual business.

~~4.~~ 6. As used in this section, "taxable sales" means any sales that are taxable pursuant to chapter 372 of NRS.

**Sec. 2.** NRS 360.255 is hereby amended to read as follows:

360.255 1. Except as otherwise provided in this section and NRS 239.0115, 271A.105 and 360.250, the records and files of the Department concerning the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action are confidential and privileged. The Department, an employee of the Department and any other person engaged in the administration or collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action or charged with the custody of any such records or files:

(a) Shall not disclose any information obtained from those records or files; and

(b) May not be required to produce any of the records or files for the inspection of any person or governmental entity or for use in any action or proceeding.

2. The records and files of the Department concerning the administration and collection of any tax, fee, assessment or other amount required by law to be collected or the imposition of disciplinary action are not confidential and privileged in the following cases:

(a) Testimony by a member or employee of the Department and production of records, files and information on behalf of the Department or a person in any action or proceeding before the Nevada Tax Commission, the State Board of Equalization, the Department, a grand jury or any court in this State if that testimony or the records, files or information, or the facts shown thereby, are directly involved in the action or proceeding.

(b) Delivery to a person or his or her authorized representative of a copy of any document filed by the person pursuant to the provisions of any law of this State.

(c) Publication of statistics so classified as to prevent the identification of a particular business or document.

(d) Exchanges of information with the Internal Revenue Service in accordance with compacts made and provided for in such cases, or disclosure to any federal agency, state or local law enforcement agency, including, without limitation, the Cannabis Compliance Board, or local regulatory agency that requests the information for the use of the agency in a federal, state or local prosecution or criminal, civil or regulatory investigation.

(e) Disclosure in confidence to the Governor or his or her agent in the exercise of the Governor's general supervisory powers, or to any person authorized to audit the accounts of the Department in pursuance of an audit, or to the Attorney General

1 or other legal representative of the State in connection with an action or proceeding  
2 relating to a taxpayer or licensee, or to any agency of this or any other state charged  
3 with the administration or enforcement of laws relating to workers' compensation,  
4 unemployment compensation, public assistance, taxation, labor or gaming.

5 (f) Exchanges of information pursuant to an agreement between the Nevada  
6 Tax Commission and any county fair and recreation board or the governing body of  
7 any county, city or town.

8 (g) Upon written request made by a public officer of a local government,  
9 disclosure of the name and address of a taxpayer or licensee who must file a return  
10 with the Department. The request must set forth the social security number of the  
11 taxpayer or licensee about which the request is made and contain a statement signed  
12 by the proper authority of the local government certifying that the request is made  
13 to allow the proper authority to enforce a law to recover a debt or obligation owed  
14 to the local government. Except as otherwise provided in NRS 239.0115, the  
15 information obtained by the local government is confidential and privileged and  
16 may not be used or disclosed for any purpose other than the collection of a debt or  
17 obligation owed to that local government. The Executive Director may charge a  
18 reasonable fee for the cost of providing the requested information.

19 (h) Disclosure of information as to amounts of any unpaid tax or amounts of  
20 tax required to be collected, interest and penalties to successors, receivers, trustees,  
21 executors, administrators, assignees and guarantors, if directly interested.

22 (i) Disclosure of relevant information as evidence in an appeal by the taxpayer  
23 from a determination of tax due if the Nevada Tax Commission has determined the  
24 information is not proprietary or confidential in a hearing conducted pursuant to  
25 NRS 360.247.

26 (j) Disclosure of the identity of a person and the amount of tax assessed and  
27 penalties imposed against the person at any time after a determination, decision or  
28 order of the Executive Director or other officer of the Department imposing upon  
29 the person a penalty for fraud or intent to evade a tax imposed by law becomes final  
30 or is affirmed by the Nevada Tax Commission.

31 (k) Disclosure of the identity of a licensee against whom disciplinary action  
32 has been taken and the type of disciplinary action imposed against the licensee at  
33 any time after a determination, decision or order of the Executive Director or other  
34 officer of the Department imposing upon the licensee disciplinary action becomes  
35 final or is affirmed by the Nevada Tax Commission.

36 (l) Disclosure of information pursuant to subsection 2 of NRS 370.257.

37 (m) With respect to an application for a registration certificate to operate a  
38 medical marijuana establishment pursuant to chapter 453A of NRS, as that chapter  
39 existed on June 30, 2020, or a license to operate a marijuana establishment pursuant  
40 to chapter 453D of NRS, as that chapter existed on June 30, 2020, which was  
41 submitted on or after May 1, 2017, and on or before June 30, 2020, and regardless  
42 of whether the application was ultimately approved, disclosure of the following  
43 information:

44 (1) The identity of an applicant, including, without limitation, any owner,  
45 officer or board member of an applicant;

46 (2) The contents of any tool used by the Department to evaluate an  
47 applicant;

48 (3) The methodology used by the Department to score and rank applicants  
49 and any documentation or other evidence showing how that methodology was  
50 applied; and

51 (4) The final ranking and scores of an applicant, including, without  
52 limitation, the score assigned to each criterion in the application that composes a  
53 part of the total score of an applicant.

1 (n) Disclosure of the name of a licensee and the jurisdiction of that licensee  
2 pursuant to chapter 453A or 453D of NRS, as those chapters existed on June 30,  
3 2020, and any regulations adopted pursuant thereto.

4 3. The Executive Director shall periodically, as he or she deems appropriate,  
5 but not less often than annually, transmit to the Administrator of the Division of  
6 Industrial Relations of the Department of Business and Industry a list of the  
7 businesses of which the Executive Director has a record. The list must include the  
8 mailing address of the business as reported to the Department.

9 4. The Executive Director may request from any other governmental agency  
10 or officer such information as the Executive Director deems necessary to carry out  
11 his or her duties with respect to the administration or collection of any tax, fee,  
12 assessment or other amount required by law to be collected or the imposition of  
13 disciplinary action. If the Executive Director obtains any confidential information  
14 pursuant to such a request, he or she shall maintain the confidentiality of that  
15 information in the same manner and to the same extent as provided by law for the  
16 agency or officer from whom the information was obtained.

17 5. As used in this section:

18 (a) "Applicant" means any person listed on the application for a registration  
19 certificate to operate a medical marijuana establishment pursuant to chapter 453A  
20 of NRS, as that chapter existed on June 30, 2020, or a license to operate a  
21 marijuana establishment pursuant to chapter 453D of NRS, as that chapter existed  
22 on June 30, 2020.

23 (b) "Disciplinary action" means any suspension or revocation of a license,  
24 registration, permit or certificate issued by the Department pursuant to this title or  
25 chapter 453A or 453D of NRS, as those chapters existed on June 30, 2020, or any  
26 other disciplinary action against the holder of such a license, registration, permit or  
27 certificate.

28 (c) "Licensee" means a person to whom the Department has issued a license,  
29 registration, permit or certificate pursuant to this title or chapter 453A or 453D of  
30 NRS, as those chapters existed on June 30, 2020. The term includes, without  
31 limitation, any owner, officer or board member of an entity to whom the  
32 Department has issued a license.

33 (d) "Records" or "files" means any records and files related to an investigation  
34 or audit or a disciplinary action, financial information, correspondence, advisory  
35 opinions, decisions of a hearing officer in an administrative hearing and any other  
36 information specifically related to a taxpayer or licensee.

37 (e) "Taxpayer" means a person who pays any tax, fee, assessment or other  
38 amount required by law to the Department.

39 **Sec. 3.** The provisions of subsection 1 of NRS 218D.380 do not apply to any  
40 provision of this act which adds or revises a requirement to submit a report to the  
41 Legislature.

42 **Sec. 4.** This act becomes effective upon passage and approval.