

REQUIRES TWO-THIRDS MAJORITY VOTE

(§§ 11.3, 31.13, 31.15)

(Reprinted with amendments adopted on April 20, 2021)

FIRST REPRINT

S.B. 389

SENATE BILL NO. 389—SENATOR NEAL

MARCH 26, 2021

Referred to Committee on Revenue and
Economic Development

SUMMARY—Establishes provisions governing peer-to-peer car sharing programs. (BDR 43-585)

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 motor vehicles; requiring the charging and collecting of certain fees when a vehicle is shared through a peer-to-peer car sharing program; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires, with certain exceptions, a person who leases a passenger car to another person for a period of 31 days or less, or by the day or by the trip, to charge and collect a governmental services fee of 10 percent of the total amount for which the passenger car was leased, excluding certain charges, and certain additional fees imposed by certain counties. (NRS 482.313) **Section 11.3** of this bill similarly requires a peer-to-peer car sharing program, with certain exceptions, to collect from each shared vehicle driver a governmental services fee of 10 percent of the total amount for which a passenger car was shared through the program, plus any additional fee imposed on the sharing of the passenger car by authorized counties. **Section 11.3** requires the peer-to-peer car sharing program to remit such fees to the Department of Taxation, along with a quarterly report. **Section 11.7** of this bill requires a peer-to-peer car sharing program to maintain certain records. **Sections 31.1 and 31.2-31.65** of this bill make conforming changes to provide for the administration of the governmental services fee by the Department of Taxation.

Existing law imposes upon each retailer a sales tax measured by the gross receipts of the retailer from the retail sale of tangible personal property in this State. (NRS 372.105, 374.110, 374.111) Existing law also imposes a use tax on the storage, use or other consumption in this State of tangible personal property purchased outside of this State from a retailer in a transaction that would have been subject to the sales tax in this State if it had occurred within this State. (NRS 372.185, 374.190, 374.191) A "retail sale" does not include a sale for resale in the regular course of business and a purchaser of tangible personal property who purchases the property for resale in the regular course of business may present a



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resale certificate to the retailer to avoid collection of the sales and use tax. (NRS 372.050, 372.155, 372.225, 374.055, 374.160, 374.230) A person who purchases tangible personal property for the purpose of renting or leasing the property to customers may elect to pay sales and use tax on the purchase price of the tangible personal property or to collect and remit sales and use tax on the rental price of the tangible personal property to a customer. (NRS 372.060, NRS 372.170, 372.240, 374.065, 374.175, 374.245; NAC 372.938) **Section 11.5** of this bill prohibits a peer-to-peer car sharing program from operating in this State unless the program has entered into an agreement with the Department of Taxation to collect and remit, on behalf of the shared vehicle owner, sales and use tax on the total amount for which a shared vehicle was shared through the program if the owner of the shared vehicle has not, for any reason, paid any sales or use tax due on the purchase of the vehicle or has elected to pay sales and use taxes measured by gross charges for which the vehicle is shared.

Existing law authorizes the board of county commissioners of certain counties in this State to impose a fee on the short-term lease of a passenger car. (NRS 244A.810, 244A.860) **Sections 31.13 and 31.15** of this bill provide that if the board of county commissioners has imposed such a fee, the board of county commissioners is required to impose this fee on the sharing of a passenger car through a peer-to-peer car sharing program.

Sections 5-11 of this bill define terms relating to peer-to-peer car sharing programs.

Existing law prohibits a person from engaging in the activities of a short-term lessor unless such person has obtained a license to do so. (NRS 482.300) **Section 31** of this bill provides that a peer-to-peer car sharing program and a vehicle owner who makes a vehicle available through such a program are not engaged in the activities of a short-term lessor.

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

Section 1. Title 43 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 29, 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 11, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 5. *“Car sharing program agreement” means an agreement entered into between a peer-to-peer car sharing program and a shared vehicle driver or shared vehicle owner which establishes terms and conditions governing the sharing of a vehicle through the peer-to-peer car sharing program.*

Sec. 6. (Deleted by amendment.)

Sec. 7. (Deleted by amendment.)

Sec. 7.5. *“Passenger car” has the meaning ascribed to it in NRS 482.087.*



1 **Sec. 8.** *"Peer-to-peer car sharing program" means a*
2 *platform operated by a business that connects shared vehicle*
3 *owners with shared vehicle drivers to enable the sharing of*
4 *vehicles in exchange for money.*

5 **Sec. 9.** *"Shared vehicle" means a passenger car that is*
6 *shared or available for sharing through a peer-to-peer car sharing*
7 *program.*

8 **Sec. 10.** *"Shared vehicle driver" means a person who has*
9 *been authorized to drive a shared vehicle by the shared vehicle*
10 *owner pursuant to the terms of a car sharing program agreement.*

11 **Sec. 11.** *"Shared vehicle owner" means the registered owner*
12 *of a shared vehicle or a person who is authorized by the registered*
13 *owner to make a vehicle available for sharing through a peer-to-*
14 *peer car sharing program.*

15 **Sec. 11.3.** *1. Except as otherwise provided in subsection 8,*
16 *when a shared vehicle is shared through a peer-to-peer car*
17 *sharing program in this State, the peer-to-peer car sharing*
18 *program shall charge and collect from the shared vehicle driver:*

19 (a) *A governmental services fee of 10 percent of the total*
20 *amount for which the shared vehicle was shared with the shared*
21 *vehicle driver, excluding any taxes or other fees imposed by a*
22 *governmental entity and the items described in subsection 7; and*

23 (b) *Any fee required pursuant to NRS 244A.810 or 244A.860,*
24 *as applicable,*

25 *↪ the amount of each fee charged pursuant to this subsection*
26 *must be indicated in the car sharing program agreement.*

27 **2.** *The fees due from a peer-to-peer car sharing program to*
28 *the Department of Taxation pursuant to subsection 1 are due*
29 *on the last day of each calendar quarter. On or before the last day*
30 *of the month following each calendar quarter, the peer-to-peer car*
31 *sharing program shall:*

32 (a) *File with the Department of Taxation, on a form prescribed*
33 *by the Department of Taxation, a report indicating the total*
34 *amount of each of the fees collected by the peer-to-peer car*
35 *sharing program pursuant to subsection 1 during the immediately*
36 *preceding calendar quarter; and*

37 (b) *Remit to the Department of Taxation the fees collected by*
38 *the peer-to-peer car sharing program pursuant to subsection 1*
39 *during the immediately preceding calendar quarter.*

40 **3.** *Except as otherwise provided in a contract made pursuant*
41 *to NRS 244A.820 or 244A.870, the Department of Taxation shall*
42 *deposit all money received from a peer-to-peer car sharing*
43 *program pursuant to the provisions of subsection 1 with the State*
44 *Treasurer for credit to the State General Fund.*



1 4. To ensure compliance with this section, the Department of
2 Taxation may audit the records of a peer-to-peer car sharing
3 program.

4 5. Except as otherwise provided in this subsection, the
5 provisions of this section do not limit or affect the payment of any
6 taxes or fees imposed pursuant to the provisions of chapter 482 of
7 NRS. A shared vehicle owner is not required to:

8 (a) Be licensed pursuant to NRS 482.363 to make a shared
9 vehicle available for sharing through a peer-to-peer car sharing
10 program; or

11 (b) Charge and collect the fees required pursuant to subsection
12 1 or any fee required pursuant to NRS 244A.810, 244A.860 or
13 482.313 when sharing a shared vehicle through a peer-to-peer car
14 sharing program if the shared vehicle owner is the registered
15 owner of the shared vehicle or a person authorized by the
16 registered owner of the shared vehicle to make the shared vehicle
17 available for sharing through the peer-to-peer car sharing
18 program.

19 6. The Department of Motor Vehicles shall, upon request,
20 provide to the Department of Taxation any information in its
21 records relating to a peer-to-peer car sharing program that the
22 Department of Taxation considers necessary to collect the fees
23 described in subsection 1.

24 7. For the purposes of charging and collecting the
25 governmental services fee described in paragraph (a) of subsection
26 1, the following items must not be included in the total amount for
27 which the shared vehicle was shared:

28 (a) The amount of any fee charged and collected pursuant to
29 paragraph (b) of subsection 1;

30 (b) The amount of any charge for fuel used to operate the
31 shared vehicle;

32 (c) The amount of any fee or charge for the delivery,
33 transportation or other handling of the shared vehicle by an agent
34 of the peer-to-peer vehicle sharing program, not including the
35 shared vehicle driver;

36 (d) The amount of any fee or charge for insurance, including,
37 without limitation, personal accident insurance, extended
38 coverage or insurance coverage for personal property; and

39 (e) The amount of any charges assessed against a shared
40 vehicle driver for damages for which the shared vehicle driver is
41 held responsible.

42 8. The fees required pursuant to subsection 1 do not apply
43 with respect to any shared vehicle made available through a peer-
44 to-peer car sharing program to this State, its unincorporated



1 *agencies and instrumentalities or any county, city, district or other*
2 *political subdivisions of this State.*

3 *9. The Executive Director of the Department of Taxation*
4 *shall:*

5 *(a) Adopt such regulations as the Executive Director*
6 *determines are necessary to carry out the provisions of this*
7 *section; and*

8 *(b) Upon the request of the Director of the Department of*
9 *Motor Vehicles, provide to the Director of the Department of*
10 *Motor Vehicles a copy of any record or report described in this*
11 *section.*

12 **Sec. 11.5. 1.** *A peer-to-peer car sharing program shall not*
13 *operate in this State unless the operator of the peer-to-peer car*
14 *sharing program has entered into an agreement with the*
15 *Department of Taxation whereby the peer-to-peer car sharing*
16 *program agrees to collect and remit, on behalf of any shared*
17 *vehicle owner, sales and use taxes measured by the gross charges*
18 *for the sharing of the vehicle through the peer-to-peer car sharing*
19 *program if the shared vehicle owner has not, for any reason, paid*
20 *any sales or use tax due or has elected to collect sales and use*
21 *taxes measured by the gross charges for the sharing of the vehicle.*

22 **2.** *Before a peer-to-peer car sharing program allows a vehicle*
23 *to be shared through the peer-to-peer car sharing program, the*
24 *peer-to-peer car sharing program must first determine whether*
25 *the shared vehicle owner paid all sales and use taxes due on the*
26 *purchase of the shared vehicle. The Department of Taxation may*
27 *prescribe by regulation the method by which a peer-to-peer car*
28 *sharing program shall determine if the shared vehicle owner paid*
29 *all sales and use taxes due on the purchase of the shared vehicle.*

30 **Sec. 11.7. 1.** *Each person responsible for maintaining the*
31 *records of a peer-to-peer car sharing program shall:*

32 *(a) Keep such records as may be necessary to determine the*
33 *amount of the liability of the peer-to-peer car sharing program*
34 *pursuant to section 11.3 of this act and the agreement entered into*
35 *pursuant to section 11.5 of this act;*

36 *(b) Preserve those records for 4 years or until any litigation or*
37 *prosecution pursuant to chapter 360 of NRS or audit conducted*
38 *pursuant to section 11.3 of this act is finally determined,*
39 *whichever is longer; and*

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

43 **2.** *The Department of Taxation may by regulation specify the*
44 *types of records which must be kept to determine the amount of*



the liability of a taxpayer pursuant to section 11.3 of this act and the agreement entered into pursuant to section 11.5 of this act.

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

Sec. 12. (Deleted by amendment.)

Sec. 13. (Deleted by amendment.)

Sec. 14. (Deleted by amendment.)

Sec. 15. (Deleted by amendment.)

Sec. 16. (Deleted by amendment.)

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. (Deleted by amendment.)

Sec. 22. (Deleted by amendment.)

Sec. 23. (Deleted by amendment.)

Sec. 24. (Deleted by amendment.)

Sec. 25. (Deleted by amendment.)

Sec. 26. (Deleted by amendment.)

Sec. 27. (Deleted by amendment.)

Sec. 28. (Deleted by amendment.)

Sec. 29. (Deleted by amendment.)

Sec. 30. (Deleted by amendment.)

Sec. 31. NRS 482.300 is hereby amended to read as follows:

482.300 ~~§~~ *Except as otherwise provided in section 11.3 of this act, it* is unlawful for any person to engage in the activities of a short-term lessor unless such person has been licensed pursuant to NRS 482.363.

Sec. 31.1. NRS 482.313 is hereby amended to read as follows:

482.313 1. Except as otherwise provided in subsection 8 ~~§~~ *and section 11.3 of this act,* upon the lease of a passenger car by a short-term lessor in this State, the short-term lessor shall charge and collect from the short-term lessee:

(a) A governmental services fee of 10 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity and the items described in subsection 7; and

(b) Any fee required pursuant to NRS 244A.810 or 244A.860.

↪ The amount of each fee charged pursuant to this subsection must be indicated in the lease agreement.

2. The fees due from a short-term lessor to the Department of Taxation pursuant to subsection 1 are due on the last day of each calendar quarter. On or before the last day of the month following each calendar quarter, the short-term lessor shall:



(a) File with the Department of Taxation, on a form prescribed by the Department of Taxation, a report indicating the total amount of each of the fees collected by the short-term lessor pursuant to subsection 1 during the immediately preceding calendar quarter; and

(b) Remit to the Department of Taxation the fees collected by the short-term lessor pursuant to subsection 1 during the immediately preceding calendar quarter.

3. Except as otherwise provided in a contract made pursuant to NRS 244A.820 or 244A.870, the Department of Taxation shall deposit all money received from short-term lessors pursuant to the provisions of subsection 1 with the State Treasurer for credit to the State General Fund.

4. To ensure compliance with this section, the Department of Taxation may audit the records of a short-term lessor.

5. The provisions of this section do not limit or affect the payment of any taxes or fees imposed pursuant to the provisions of this chapter.

6. The Department of Motor Vehicles shall, upon request, provide to the Department of Taxation any information in its records relating to a short-term lessor that the Department of Taxation considers necessary to collect the fees described in subsection 1.

7. For the purposes of charging and collecting the governmental services fee described in paragraph (a) of subsection 1, the following items must not be included in the total amount for which the passenger car was leased:

(a) The amount of any fee charged and collected pursuant to paragraph (b) of subsection 1;

(b) The amount of any charge for fuel used to operate the passenger car;

(c) The amount of any fee or charge for the delivery, transportation or other handling of the passenger car;

(d) The amount of any fee or charge for insurance, including, without limitation, personal accident insurance, extended coverage or insurance coverage for personal property; and

(e) The amount of any charges assessed against a short-term lessee for damages for which the short-term lessee is held responsible.

8. The fee required pursuant to subsection 1 does not apply with respect to any passenger car leased by or on behalf of this State, its unincorporated agencies and instrumentalities or any county, city, district or other political subdivision of this State.

9. The Executive Director of the Department of Taxation shall:

(a) Adopt such regulations as the Executive Director determines are necessary to carry out the provisions of this section; and



(b) Upon the request of the Director of the Department of Motor Vehicles, provide to the Director of the Department of Motor Vehicles a copy of any record or report described in this section.

Sec. 31.13. NRS 244A.810 is hereby amended to read as follows:

244A.810 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 100,000 or more but less than 700,000 may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity. *If the board of county commissioners has imposed a fee pursuant to this section, the board of county commissioners shall by ordinance require such a fee to be charged and collected, in the manner required by section 11.3 of this act, when a shared vehicle is shared through a peer-to-peer car sharing program in the county.*

2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, “replacement vehicle” means a vehicle that is:

(a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and

(b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner’s policy of liability insurance for the motor vehicle.

3. Any proceeds of a fee imposed pursuant to this section which are received by a county must be used solely to pay the costs to acquire, lease, improve, equip, operate and maintain within the county a minor league baseball stadium project, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay such costs, including bonds issued to refund bonds issued to pay such costs, or any combination thereof.

4. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.

5. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.



Sec. 31.15. NRS 244A.860 is hereby amended to read as follows:

244A.860 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 700,000 or more may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity. *If the board of county commissioners has imposed a fee pursuant to this section, the board of county commissioners shall by ordinance require such a fee to be charged and collected, in the manner required by section 11.3 of this act, when a shared vehicle is shared through a peer-to-peer car sharing program in the county.*

2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, "replacement vehicle" means a vehicle that is:

(a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and

(b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner's policy of liability insurance for the motor vehicle.

3. After reimbursement of the Department pursuant to paragraph (a) of subsection 1 of NRS 244A.870 for its expense in collecting and administering a fee imposed pursuant to this section, the remaining proceeds of the fee which are received by a county must be used to pay the costs to acquire, improve, equip, operate and maintain within the county a performing arts center, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay those costs, including bonds issued to refund bonds issued to pay those costs, or any combination thereof.

4. The board of county commissioners of a county that imposes the fee authorized by subsection 1 may enter into a cooperative agreement with another governmental entity in which the other governmental entity agrees to receive the proceeds of the fee from the county if the cooperative agreement includes a provision that requires the other governmental entity to assume all responsibility for the operation of the performing arts center and to use the proceeds of the fee it receives from the county to pay the costs to acquire, improve, equip, operate and maintain within the county a performing arts center, and to pay the principal of, interest on or other payments due with respect to bonds issued to pay those costs, including bonds issued to refund bonds issued to pay those costs, or



any combination thereof. A governmental entity that enters into a cooperative agreement with the board of county commissioners pursuant to this subsection may delegate to a nonprofit organization one or more of the responsibilities that the governmental entity assumed pursuant to the cooperative agreement, including, without limitation, the acquisition, design, construction, improvement, equipment, operation and maintenance of the center.

5. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.

6. A performing arts center to be acquired, improved, equipped, operated and maintained pursuant to this section may, regardless of the estimated cost of the center, be designed and constructed pursuant to a contract with a design-build team in accordance with NRS 338.1711 to 338.1727, inclusive.

7. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.

Sec. 31.2. NRS 360.236 is hereby amended to read as follows:

360.236 Notwithstanding any specific statute to the contrary, if the Department determines that any taxpayer or other person has overpaid any tax or fee administered by the Department pursuant to this title or NRS 444A.090 or 482.313, *or section 11.3 of this act* the amount of the overpayment must be credited against any other such tax or fee then due from the taxpayer or other person before any portion of the overpayment may be refunded.

Sec. 31.25. NRS 360.291 is hereby amended to read as follows:

360.291 1. The Legislature hereby declares that each taxpayer has the right:

(a) To be treated by officers and employees of the Department with courtesy, fairness, uniformity, consistency and common sense.

(b) To a prompt response from the Department to each communication from the taxpayer.

(c) To provide the minimum documentation and other information as may reasonably be required by the Department to carry out its duties.

(d) To written explanations of common errors, oversights and violations that taxpayers experience and instructions on how to avoid such problems.



(e) To be notified, in writing, by the Department whenever its officer, employee or agent determines that the taxpayer is entitled to an exemption or has been taxed or assessed more than is required by law.

(f) To written instructions indicating how the taxpayer may petition for:

(1) An adjustment of an assessment;

(2) A refund or credit for overpayment of taxes, interest or penalties; or

(3) A reduction in or the release of a bond or other form of security required to be furnished pursuant to the provisions of this title that are administered by the Department.

(g) Except as otherwise provided in NRS 360.236 and 361.485, to recover an overpayment of taxes promptly upon the final determination of such an overpayment.

(h) To obtain specific advice from the Department concerning taxes imposed by the State.

(i) In any meeting with the Department, including an audit, conference, interview or hearing:

(1) To an explanation by an officer, agent or employee of the Department that describes the procedures to be followed and the taxpayer's rights thereunder;

(2) To be represented by himself or herself or anyone who is otherwise authorized by law to represent the taxpayer before the Department;

(3) To make an audio recording using the taxpayer's own equipment and at the taxpayer's own expense; and

(4) To receive a copy of any document or audio recording made by or in the possession of the Department relating to the determination or collection of any tax for which the taxpayer is assessed, upon payment of the actual cost to the Department of making the copy.

(j) To a full explanation of the Department's authority to assess a tax or to collect delinquent taxes, including the procedures and notices for review and appeal that are required for the protection of the taxpayer. An explanation which meets the requirements of this section must also be included with each notice to a taxpayer that an audit will be conducted by the Department.

(k) To the immediate release of any lien which the Department has placed on real or personal property for the nonpayment of any tax when:

(1) The tax is paid;

(2) The period of limitation for collecting the tax expires;

(3) The lien is the result of an error by the Department;



(4) The Department determines that the taxes, interest and penalties are secured sufficiently by a lien on other property;

(5) The release or subordination of the lien will not jeopardize the collection of the taxes, interest and penalties;

(6) The release of the lien will facilitate the collection of the taxes, interest and penalties; or

(7) The Department determines that the lien is creating an economic hardship.

(l) To the release or reduction of a bond or other form of security required to be furnished pursuant to the provisions of this title by the Department in accordance with applicable statutes and regulations.

(m) To be free from investigation and surveillance by an officer, agent or employee of the Department for any purpose that is not directly related to the administration of the taxes administered by the Department.

(n) To be free from harassment and intimidation by an officer, agent or employee of the Department for any reason.

(o) To have statutes imposing taxes and any regulations adopted pursuant thereto construed in favor of the taxpayer if those statutes or regulations are of doubtful validity or effect, unless there is a specific statutory provision that is applicable.

2. The provisions of this title and title 57 of NRS and NRS 244A.820, 244A.870, 482.313 and 482.315 , *and section 11.3 of this act* governing the administration and collection of taxes by the Department must not be construed in such a manner as to interfere or conflict with the provisions of this section or any applicable regulations.

3. The provisions of this section apply to any tax administered, regulated and collected by the Department pursuant to the provisions of this title and title 57 of NRS and NRS 244A.820, 244A.870, 482.313 and 482.315 , *and section 11.3 of this act* and any regulations adopted by the Department relating thereto.

Sec. 31.3. 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, any of the taxes provided for in NRS 372A.290, any fee provided for in NRS 444A.090 or 482.313, *or section 11.3 of this act*, 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. 31.35. NRS 360.297 is hereby amended to read as follows:

360.297 1. A responsible person who willfully fails to collect or pay to the Department any tax or fee required to be paid to the Department pursuant to this title, NRS 444A.090 or 482.313, or chapter 680B of NRS, *or section 11.3 of this act*, or who attempts to evade the payment of any such tax or fee, is jointly and severally liable with any other person who is required to pay such a tax or fee for the tax or fee owed plus interest and all applicable penalties. The responsible person shall pay the tax or fee upon notice from the Department that it is due.

2. As used in this section, "responsible person" includes:

(a) An officer or employee of a corporation; and

(b) A member or employee of a partnership or limited-liability company,

↳ whose job or duty it is to collect, account for or pay to the Department any tax or fee required to be paid to the Department pursuant to this title, NRS 444A.090 or 482.313, or chapter 680B of NRS *or section 11.3 of this act*.

Sec. 31.4. 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 section 11.3 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. 31.45. NRS 360.412 is hereby amended to read as follows:

360.412 If the Department believes that the collection of any amount of sales or use tax, business tax or other excise due pursuant to this title, NRS 482.313 or chapter 585 of NRS *or section 11.3 of this act* will be jeopardized by delay, it shall make a determination of the amount required to be collected and serve notice of the determination upon the person against whom it is made.

Sec. 31.5. 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, any of the taxes provided for in NRS 372A.290, or any fee provided for in NRS 482.313 *or section 11.3 of this act*, 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.



1 **Sec. 31.55.** NRS 360.419 is hereby amended to read as
2 follows:

3 360.419 1. If the Executive Director or a designated hearing
4 officer finds that the failure of a person to make a timely return or
5 payment of any tax or fee required to be paid to the Department
6 pursuant to this title or NRS 482.313 *or section 11.3 of this act* is
7 the result of circumstances beyond his or her control and occurred
8 despite the exercise of ordinary care and without intent, the
9 Department may relieve the person of all or part of any interest or
10 penalty, or both.

11 2. A person seeking relief must file with the Department a
12 statement under oath setting forth the facts upon which the person
13 bases his or her claim.

14 3. The Department shall disclose, upon the request of any
15 person:

16 (a) The name of the person to whom relief was granted; and

17 (b) The amount of the relief.

18 4. The Executive Director or a designated hearing officer shall
19 act upon the request of a taxpayer seeking relief pursuant to NRS
20 361.4835 which is deferred by a county treasurer or county assessor.

21 **Sec. 31.6.** NRS 360.510 is hereby amended to read as follows:

22 360.510 1. If any person is delinquent in the payment of any
23 tax or fee administered by the Department or if a determination has
24 been made against the person which remains unpaid, the
25 Department may:

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

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

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

42 2. A state officer, department or agency which receives such a
43 notice may satisfy any debt owed to it by that person before it
44 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 section 11.3 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.



1 **Sec. 31.65.** NRS 360.530 is hereby amended to read as
2 follows:

3 360.530 1. At any time within 3 years after any person has
4 become delinquent in the payment of any amount of sales or use tax
5 or other excise due pursuant to this title, NRS 482.313 or chapter
6 585 of NRS, *or section 11.3 of this act*, the Department may seize
7 any property, real or personal, of the person and sell the property, or
8 a sufficient part of it, at public auction to pay the amount due,
9 together with any interest or penalties imposed for the delinquency
10 and any costs incurred on account of the seizure and sale.

11 2. Any seizure made to collect a tax due may be only of the
12 property of the person not exempt from execution under the
13 provisions of law.

14 **Sec. 32.** Notwithstanding the provisions of NRS 218D.430 and
15 218D.435, a committee, other than the Assembly Standing
16 Committee on Ways and Means and the Senate Standing Committee
17 on Finance, may vote on this act before the expiration of the period
18 prescribed for the return of a fiscal note in NRS 218D.475. This
19 section applies retroactively from and after March 22, 2021.

20 **Sec. 33.** 1. This section and section 32 of this act become
21 effective upon passage and approval.

22 2. Sections 1 to 31.65, inclusive, of this act become effective:

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

26 (b) On October 1, 2021, for all other purposes.

