

(Reprinted with amendments adopted on May 26, 2021)

SECOND REPRINT

S.B. 389

SENATE BILL NO. 389—SENATOR NEAL

MARCH 26, 2021

JOINT SPONSOR: ASSEMBLYWOMAN MONROE-MORENO

Referred to Committee on Revenue and
Economic DevelopmentSUMMARY—Establishes provisions governing peer-to-peer car
sharing programs. (BDR 43-585)FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

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

AN ACT relating to motor vehicles; establishing provisions governing the licensing and operation of a peer-to-peer car sharing program; requiring the charging and collecting of certain fees when a passenger car is shared through a peer-to-peer car sharing program; making appropriations to the Department of Taxation; 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. **Sections 11.7 and 30.23** of this bill require a peer-to-peer car sharing program to maintain certain records. **Sections 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.



* S B 3 8 9 R 2 *

(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 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 requires a peer-to-peer car sharing program to collect and remit, on behalf of the shared vehicle owner, sales and use taxes on the total amount for which a shared vehicle that was placed on a digital network or software application on or after October 1, 2021 for sharing through the program if the owner of the shared vehicle has not 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. **Section 11.5** provides that a peer-to-peer car sharing program is not liable for the failure to collect and remit sales and use taxes on a shared vehicle if the peer-to-peer car sharing program can provide proof that it made reasonable efforts to obtain accurate information regarding whether sales and use taxes were owed on the shared vehicle and the failure to collect and remit the sales and use taxes was due to incorrect or false information being provided by the shared vehicle owner.

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.

Section 30.37 of this bill requires a person to obtain a license from the Department of Motor Vehicles before operating a peer-to-peer car sharing program in this State and establishes provisions governing the issuance and renewal of such a license. **Section 30.4** of this bill establishes the grounds upon which the Department may refuse to issue or suspend or revoke a license. **Sections 30.43 and 30.47** of this bill establish procedures to review a decision of the Department to refuse to issue or suspend or revoke a license. **Section 30.5** of this bill provides for the filing of a bond or, alternatively, a deposit by a licensee.

Section 30.1 of this bill requires the Director of the Department to adopt regulations to carry out the provisions of law relating to peer-to-peer car sharing programs.

Section 30.13 of this bill provides that a peer-to-peer car sharing program assumes liability for certain damages on behalf of a shared vehicle owner. **Section 30.13** also requires a peer-to-peer car sharing program to ensure that, during each car sharing period, the shared vehicle owner and the shared vehicle driver are insured under a motor vehicle liability insurance policy meeting certain requirements. If the insurance policy used to satisfy these requirements has lapsed or does not meet the requirements, the peer-to-peer car sharing program assumes liability for damages up to the required level of coverage. **Section 30.2** of this bill authorizes an authorized insurer to exclude from coverage claims afforded under a shared vehicle owner’s motor vehicle liability insurance policy.

Sections 30.17 and 30.53 of this bill require a peer-to-peer car sharing program to make certain disclosures to shared vehicle owners and shared vehicle drivers.



Existing federal law provides that a vehicle owner who rents or leases the vehicle is not vicariously liable for harm to persons or property that results or arises out of the use, operation or possession of the vehicle during the period of the rental or lease under certain circumstances. (49 U.S.C. § 30106) **Section 30.27** of this bill provides that the provisions of **sections 2-30.67** of this bill are not to be construed to impose liability which is inconsistent with federal law.

Section 30.3 of this bill authorizes an insurer who defends or indemnifies certain claims to seek recovery from the motor vehicle insurer of a peer-to-peer car sharing program under certain circumstances.

Section 30.33 of this bill provides that a peer-to-peer car sharing program has an insurable interest in the shared vehicle during the car sharing period and may own and maintain certain types of motor vehicle liability insurance.

Section 30.57 of this bill prohibits a peer-to-peer car sharing program from entering into a car sharing program agreement with a person who does not possess a valid driver's license.

Section 30.6 of this bill establishes liability for the loss of or damage to equipment placed in or on a shared vehicle.

Section 30.63 of this bill establishes provisions relating to safety recalls on shared vehicles.

Section 30.67 of this bill prohibits a local governmental entity from imposing additional taxes, fees or licensing requirements on a peer-to-peer car sharing program, shared vehicle owner, shared vehicle driver or shared vehicle, other than those which are applicable, in general, to all businesses.

Sections 4.3-11 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. **Section 30.7** of this bill provides that the sharing of a vehicle through a peer-to-peer car sharing program is not a lease for certain purposes.

Section 31.7 of this bill makes appropriations to the Department of Taxation for certain costs associated with carrying out the provisions of this bill.

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 30.67, 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 11.1, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 4.3. *“Car sharing delivery period” means the period of time before the car sharing start time during which a shared*



vehicle is being delivered to the location where the shared vehicle driver will assume control of the shared vehicle.

Sec. 4.7. *“Car sharing period” means the period of time that:*

1. Begins:

(a) If there is a car sharing delivery period, at the start of that period; or

(b) If there is no car sharing delivery period, at the car sharing start time; and

2. Ends at the car sharing termination time.

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. 7.1. *“Car sharing start time” means the time when the shared vehicle becomes subject to the control of the shared vehicle driver at or after the time the reservation of a shared vehicle is scheduled to begin, as documented in the records of the peer-to-peer car sharing program.*

Sec. 7.3. *“Car sharing termination time” means whichever of the following events occurs first:*

1. The expiration of the agreed upon period of time established for the use of a shared vehicle according to the terms of the car sharing program agreement if the shared vehicle is delivered to the location agreed upon in the car sharing program agreement;

2. The expiration of the agreed upon period of time established for the use of a shared vehicle according to the terms of the car sharing program agreement if the shared vehicle is delivered to a location alternatively agreed upon by the shared vehicle owner and shared vehicle driver and as communicated through a peer-to-peer car sharing program and incorporated into the car sharing program agreement; or

3. When the shared vehicle owner or the authorized designee of the shared vehicle owner takes possession and control of the shared vehicle.

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

Sec. 7.7. *“Peer-to-peer car sharing” means the authorized use of a vehicle by an individual other than the owner of the vehicle through a peer-to-peer car sharing program.*

Sec. 8. *“Peer-to-peer car sharing program” means a platform operated by a business that connects shared vehicle*



owners with shared vehicle drivers to enable the sharing of vehicles in exchange for money.

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

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

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

Sec. 11.1. "Vehicle" has the meaning ascribed to it in NRS 482.135.

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

(a) A governmental services fee of 10 percent of the total amount for which the shared vehicle was shared with the shared vehicle driver, 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, as applicable.

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

2. The fees due from a peer-to-peer car sharing program 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 peer-to-peer car sharing program 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 peer-to-peer car sharing program pursuant to subsection 1 during the immediately preceding calendar quarter; and

(b) Remit to the Department of Taxation the fees collected by the peer-to-peer car sharing program 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 a peer-to-peer car sharing program 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 peer-to-peer car sharing program.

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

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

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

6. The Department of Motor Vehicles shall, upon request, provide to the Department of Taxation any information in its records relating to a peer-to-peer car sharing program 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 shared vehicle was shared:

(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 shared vehicle;

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

(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 shared vehicle driver for damages for which the shared vehicle driver is held responsible.

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



agencies and instrumentalities or any county, city, district or other political subdivisions 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. 11.5. 1. Except as otherwise provided in subsection 2, a peer-to-peer car sharing program shall collect and remit, on behalf of any shared vehicle owner, sales and use taxes measured by the gross charges for the sharing of a vehicle that is placed on a digital network or software application of the peer-to-peer car sharing program on or after October 1, 2021, for the purpose of making the vehicle available for sharing through the peer-to-peer car sharing program if the shared vehicle owner has not paid any sales or use tax due or has elected to collect sales and use taxes measured by the gross charges for the sharing of the vehicle.

2. The Department of Taxation shall not hold a peer-to-peer car sharing program liable for the payment, collection or remittance of sales and use taxes owed by a shared vehicle owner if:

(a) The peer-to-peer car sharing program provides proof satisfactory to the Department of Taxation that the peer-to-peer car sharing program has made a reasonable effort to obtain accurate information from the shared vehicle owner regarding whether the shared vehicle owner has paid the sales and use taxes due on a shared vehicle described in subsection 1; and

(b) The failure to collect and remit the sales and use taxes measured by the gross charges for the sharing of the vehicle through the peer-to-peer car sharing program was due to incorrect or false information provided to the peer-to-peer car sharing program by the shared vehicle owner.

3. On or after October 1, 2021, a peer-to-peer car sharing program shall not allow a vehicle to be placed on a digital network or software application of the peer-to-peer car sharing program for the purpose of making the vehicle available for sharing through the peer-to-peer car sharing program unless the peer-to-peer car sharing program first requests an electronic certification from the shared vehicle owner as to whether the shared vehicle owner paid all sales and use taxes due on the purchase of the shared vehicle. The Department of Taxation may prescribe by



1 regulation the method by which a peer-to-peer car sharing
2 program shall obtain an electronic certification from the shared
3 vehicle owner as to whether the shared vehicle owner paid all
4 sales and use taxes due on the purchase of the shared vehicle.

5 4. Nothing in this section shall be construed to relieve a peer-
6 to-peer car sharing program of liability for collecting but failing to
7 remit to the Department of Taxation any sales and use tax
8 pursuant to this section. The Department of Taxation shall not
9 require a peer-to-peer car sharing program to collect or remit
10 sales and use taxes measured by the gross charges for the sharing
11 of the vehicle if the full amount of sales and use taxes were paid
12 on the purchase price of the shared vehicle by the shared vehicle
13 owner.

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

16 (a) Keep such records as may be necessary to determine the
17 amount of the liability of the peer-to-peer car sharing program
18 pursuant to sections 11.3 and 11.5 of this act;

19 (b) Preserve those records for 4 years or until any litigation or
20 prosecution pursuant to chapter 360 of NRS or audit conducted
21 pursuant to section 11.3 of this act is finally determined,
22 whichever is longer; and

23 (c) Make the records available for inspection by the
24 Department of Taxation upon demand at reasonable times during
25 regular business hours.

26 2. The Department of Taxation may by regulation specify the
27 types of records which must be kept to determine the amount of
28 the liability of a taxpayer pursuant to sections 11.3 and 11.5 of this
29 act.

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

32 **Sec. 12.** (Deleted by amendment.)

33 **Sec. 13.** (Deleted by amendment.)

34 **Sec. 14.** (Deleted by amendment.)

35 **Sec. 15.** (Deleted by amendment.)

36 **Sec. 16.** (Deleted by amendment.)

37 **Sec. 17.** (Deleted by amendment.)

38 **Sec. 18.** (Deleted by amendment.)

39 **Sec. 19.** (Deleted by amendment.)

40 **Sec. 20.** (Deleted by amendment.)

41 **Sec. 21.** (Deleted by amendment.)

42 **Sec. 22.** (Deleted by amendment.)

43 **Sec. 23.** (Deleted by amendment.)

44 **Sec. 24.** (Deleted by amendment.)

45 **Sec. 25.** (Deleted by amendment.)



1 **Sec. 26.** (Deleted by amendment.)

2 **Sec. 27.** (Deleted by amendment.)

3 **Sec. 28.** (Deleted by amendment.)

4 **Sec. 29.** (Deleted by amendment.)

5 **Sec. 30.** (Deleted by amendment.)

6 **Sec. 30.1.** *The Director shall adopt such regulations as are*
7 *necessary to carry out the provisions of this chapter.*

8 **Sec. 30.13.** 1. *Except as otherwise provided in subsection 2,*
9 *a peer-to-peer car sharing program assumes any tort liability of a*
10 *shared vehicle owner arising out of the use or operation of the*
11 *shared vehicle during the car sharing period up to an amount of:*

12 (a) *For bodily injury to or death of one person in any one*
13 *crash, \$50,000;*

14 (b) *For bodily injury to or death of two or more persons in any*
15 *one crash and subject to the limit for one person, \$100,000; and*

16 (c) *For injury to or destruction of property of others in any one*
17 *crash, \$20,000,*

18 *↪ or any amount set forth in the car sharing program agreement*
19 *which is greater than an amount provided for by this section.*

20 2. *The provisions of subsection 1 do not apply to a shared*
21 *vehicle owner:*

22 (a) *Who made an intentional and fraudulent material*
23 *misrepresentation or omission to the peer-to-peer car sharing*
24 *program before the car sharing period in which the liability arose;*
25 *or*

26 (b) *Who acts in concert with a shared vehicle driver who fails*
27 *to return the shared vehicle pursuant to the terms of the car*
28 *sharing program agreement.*

29 3. *The assumption of liability pursuant to subsection 1*
30 *includes, without limitation, liability for bodily injury, property*
31 *damage, uninsured and underinsured motorist or personal injury*
32 *protection losses by damaged third parties to the same extent as*
33 *the insurance required by NRS 485.185 is required to include*
34 *coverage for such damage or losses, up to any applicable amount*
35 *set forth in subsection 1.*

36 4. *A peer-to-peer car sharing program shall ensure that,*
37 *during each car sharing period:*

38 (a) *Both the shared vehicle owner and the shared vehicle*
39 *driver are insured under a motor vehicle liability insurance policy*
40 *that includes coverage which is not less than:*

41 (1) *For bodily injury to or death of one person in any one*
42 *crash, \$50,000;*

43 (2) *For bodily injury to or death of two or more persons in*
44 *any one crash and subject to the limit for one person, \$100,000;*
45 *and*



(3) For injury to or destruction of property of others in any one crash, \$20,000,

➔ or any amount set forth in the car sharing program agreement which is greater than an amount provided for by this section.

(b) Any insurance policy used to satisfy the requirements of paragraph (a):

(1) Expressly recognizes that the shared vehicle insured under the policy is made available and used through a peer-to-peer car sharing program; or

(2) Does not prohibit or exclude the use of the shared vehicle by a shared vehicle driver.

5. The insurance policy used to satisfy the requirements of subsection 4 may be a policy maintained by:

(a) The shared vehicle owner;

(b) The shared vehicle driver;

(c) The peer-to-peer car sharing program; or

(d) The shared vehicle owner, shared vehicle driver and peer-to-peer car sharing program.

6. The insurance policy used to satisfy the requirements of subsection 4 must provide primary insurance during each car sharing period. If, during the car sharing period, a claim arises in another state with minimum financial responsibility requirements that are higher than the amounts set forth in paragraph (a) of subsection 4, the insurance policy used to satisfy the requirements of subsection 4 must satisfy the difference in minimum coverage amounts, up to the applicable policy limits.

7. The insurer providing the insurance used to satisfy the requirements of subsection 4 shall assume primary liability for a claim when:

(a) A dispute exists as to who was in control of the shared vehicle at the time of the occurrence out of which liability arose and the peer-to-peer car sharing program does not have available, did not retain or fails to provide the information required by section 30.23 of this act; or

(b) A dispute exists as to whether the shared vehicle was returned to an alternatively agreed upon location.

8. If the insurance used to satisfy the requirements of subsection 4 has lapsed or does not provide the coverage required pursuant to subsection 4, the peer-to-peer car sharing program:

(a) Shall assume liability for damages up to the amounts set forth in subsection 1, which may be satisfied through the peer-to-peer car sharing program's own insurance policy, beginning with the first dollar of any claim; and

(b) Is responsible for defending against any such claim,



↪ except in the situation where the shared vehicle owner acts in concert with a shared vehicle driver who fails to return the shared vehicle pursuant to the terms of the car sharing program agreement.

9. Coverage under a motor vehicle liability insurance policy maintained by a peer-to-peer car sharing program must not be dependent on another insurer first denying a claim or require another motor vehicle liability insurance policy to first deny a claim.

10. Nothing in this chapter shall be construed to:

(a) Limit the liability of a peer-to-peer car sharing program for any act or omission of the peer-to-peer car sharing program that results in injury to any person as a result of the use of a shared vehicle through the peer-to-peer car sharing program; or

(b) Limit the ability of a peer-to-peer car sharing program to, by contract, seek indemnification from the shared vehicle owner or shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program resulting from a breach of the terms and conditions of the car sharing program agreement.

11. As used in this section, "alternatively agreed upon location" means a location alternatively agreed upon by the shared vehicle owner and shared vehicle driver, as communicated through a peer-to-peer car sharing program for the return of the shared vehicle.

Sec. 30.17. At the time the owner of a motor vehicle registers as a shared vehicle owner through a peer-to-peer car sharing program and before the shared vehicle owner is permitted to make his or her vehicle available for car sharing through a peer-to-peer car sharing program, the peer-to-peer car sharing program shall notify the shared vehicle owner that, if the shared vehicle has a lien against it, the use of the shared vehicle through a peer-to-peer car sharing program, including, without limitation, use without insurance coverage for physical damage, may violate the terms of the contract with the lienholder.

Sec. 30.2. 1. An authorized insurer that writes motor vehicle liability insurance in this State may exclude any and all coverage for and any duty to defend or indemnify for any claim afforded under a shared vehicle owner's motor vehicle liability insurance policy, including, without limitation:

- (a) Liability coverage for bodily injury and property damage;
- (b) Personal injury protection coverage;
- (c) Uninsured and underinsured motorist coverage;
- (d) Medical payments coverage;
- (e) Comprehensive physical damage coverage; and
- (f) Collision physical damage coverage.



2. Nothing in this section shall be construed to:

(a) Invalidate or limit an exclusion contained in a motor vehicle liability insurance policy, including, without limitation, any insurance policy in use or approved for use that excludes coverage for motor vehicles made available for rent, sharing or hire or for any business use.

(b) Invalidate, limit or restrict an insurer's ability to underwrite an insurance policy or to cancel or decline to renew a policy.

3. As used in this section, "authorized insurer" has the meaning ascribed to it in NRS 679A.030.

Sec. 30.23. 1. A peer-to-peer car sharing program shall collect and maintain the following records relating to the sharing of a shared vehicle through the peer-to-peer car sharing program in such format as the Director may prescribe:

(a) The exact car sharing start time and car sharing termination time, plus the exact start and end time of any car sharing delivery period;

(b) The pick-up and drop-off locations for each car sharing period;

(c) The amount of any fees paid by the shared vehicle driver for each car sharing period;

(d) The amount of any revenues received by the shared vehicle owner for each car sharing period; and

(e) Such other records as the Director may require by regulation.

2. The peer-to-peer car sharing program shall maintain the peer-to-peer car sharing records required pursuant to subsection 1 for a period of not less than 6 years after the record is created.

3. Upon request, the peer-to-peer car sharing program shall provide copies of the peer-to-peer car sharing records maintained pursuant to this section and section 30.57 of this act to the shared vehicle owner, shared vehicle driver, insurer of the shared vehicle owner or shared vehicle driver or a claimant alleging damages related to the use of the shared vehicle to facilitate a claim coverage investigation or the settlement, negotiation or litigation of a claim.

4. Upon request, each peer-to-peer car sharing record maintained pursuant to this section and section 30.57 of this act must be made available for inspection by a shared vehicle owner, shared vehicle driver, the insurer of a shared vehicle owner or shared vehicle driver or the Department or its designee at any time during regular business hours, subject to the provisions of any applicable data security or data privacy law.



5. A peer-to-peer car sharing program that keeps outside of this State any books, papers and records maintained pursuant to this section and section 30.57 of this act 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.

6. The Director shall adopt such regulations as the Director determines are necessary to carry out the provisions of this section.

Sec. 30.27. The provisions of this chapter shall not be construed to impose liability which is inconsistent with the provisions of 49 U.S.C. § 30106.

Sec. 30.3. A motor vehicle insurer that defends or indemnifies a claim arising from the use of a shared vehicle shall have the right to seek recovery against the motor vehicle insurer of the peer-to-peer car sharing program if the claim is:

1. Made against the shared vehicle owner or shared vehicle driver for loss or injury that occurs during the car sharing period; and

2. Excluded under the terms of the motor vehicle liability insurance policy of the motor vehicle insurer who is not the motor vehicle insurer of the peer-to-peer car sharing program.

Sec. 30.33. 1. Notwithstanding any other provision of law, a peer-to-peer car sharing program shall be deemed to have an insurable interest in a shared vehicle during the car sharing period.

2. A peer-to-peer car sharing program may own and maintain as the named insured one or more policies of motor vehicle liability insurance that provides coverage for:

(a) Liabilities assumed by the peer-to-peer car sharing program under a peer-to-peer car sharing program agreement;

(b) Any liability of a shared vehicle owner;

(c) Any liability of a shared vehicle driver; or

(d) Damage or loss to a shared motor vehicle.

3. Nothing in this section shall be construed to require a peer-to-peer car sharing program to obtain or maintain the motor vehicle liability insurance policy necessary to satisfy the requirements of subsection 4 of section 30.13 of this act or to impose any liability on the peer-to-peer car sharing program which does not obtain or maintain such a policy.



1 **Sec. 30.37. 1.** *A peer-to-peer car sharing program shall not*
2 *engage in business in this State unless the person who operates*
3 *the peer-to-peer car sharing program holds a valid license issued*
4 *by the Department pursuant to this chapter.*

5 2. *A person who desires to operate a peer-to-peer car sharing*
6 *program in this State must:*

7 (a) *Submit to the Department an application for the issuance*
8 *of a license to operate a peer-to-peer car sharing program in such*
9 *form and including such information and documentation as the*
10 *Director may require by regulation.*

11 (b) *Provide evidence of insurance coverage to satisfy any*
12 *liability that accrues to a peer-to-peer car sharing program for*
13 *damage that arises from the failure of the peer-to-peer car sharing*
14 *program to comply with the provisions of this chapter in an*
15 *amount established by the Director by regulation, which is*
16 *separate from any insurance coverage a peer-to-peer car sharing*
17 *program may use to satisfy the liability which may accrue to a*
18 *peer-to-peer car sharing program pursuant to section 30.13 of this*
19 *act or which may be used to satisfy the requirements of subsection*
20 *4 of section 30.13 of this act, or file a bond or make a deposit*
21 *pursuant to section 30.5 of this act.*

22 (c) *Pay a fee of \$125.*

23 3. *Licenses issued pursuant to subsection 2 expire on*
24 *December 31 of each year. Before December 31 of each year,*
25 *licensees shall submit to the Department an application for*
26 *renewal of the license in such form and including such*
27 *information and documentation as the Director may require by*
28 *regulation accompanied by an annual renewal fee of \$50.*

29 **Sec. 30.4.** *The Department may refuse to issue or suspend or*
30 *revoke a license as a peer-to-peer car sharing program upon any*
31 *of the following grounds:*

32 1. *Material misstatement in the application for a license.*

33 2. *Willful failure to comply with any provision of this chapter*
34 *or regulations adopted pursuant thereto. If the Department*
35 *notifies a peer-to-peer car sharing program that the peer-to-peer*
36 *car sharing program has violated the provisions of this chapter or*
37 *the regulations adopted pursuant thereto and the peer-to-peer car*
38 *sharing program fails to take corrective action within 10 days after*
39 *having received the notice or continues to violate the provisions of*
40 *this chapter or the regulations adopted pursuant thereto, the*
41 *failure to take corrective action or the continuing violation, as*
42 *applicable, shall be deemed prima facie evidence of willful failure*
43 *to comply with the provisions of this chapter or the regulations*
44 *adopted pursuant thereto.*



3. Failure or refusal to furnish and keep in force any bond or maintain insurance in an amount established by the Director in regulations adopted pursuant to section 30.37 of this act to satisfy any liability that accrues to a peer-to-peer car sharing program for damage that arises from the failure of the peer-to-peer car sharing program to comply with the provisions of this chapter.

4. Failure or refusal to pay or otherwise discharge any final judgment entered against the licensee arising out of a violation of this chapter.

Sec. 30.43. 1. An applicant or licensee may, within 30 days after receipt of the notice of denial, suspension or revocation, petition the Director in writing for a hearing.

2. Except as otherwise provided in subsection 3, the Director shall make written findings of fact and conclusions and grant or finally deny the application or suspend or revoke the license within 15 days after the hearing unless, by interim order, the Director extends the time to 30 days after the hearing. If the license has been temporarily suspended, the suspension expires not later than 15 days after the hearing.

3. If the Director finds that the action is necessary in the public interest, upon notice to the licensee, the Director may temporarily suspend or refuse to renew the license issued to a peer-to-peer car sharing program for a period not to exceed 30 days. A hearing must be held, and a final decision rendered, within 30 days after notice of the temporary suspension.

4. The Director may issue subpoenas for the attendance of witnesses and the production of evidence.

Sec. 30.47. Upon judicial review of the denial or revocation of a license, the court for good cause shown may order a trial de novo.

Sec. 30.5. 1. In lieu of insurance coverage to satisfy any liability that accrues to a peer-to-peer car sharing program for damage that arises from the failure of the peer-to-peer car sharing program to comply with the provisions of this chapter, a peer-to-peer car sharing program may:

(a) File with the Department a bond of a surety company authorized to transact business in this State in an amount not less than \$5,000 conditioned that the peer-to-peer car sharing program will comply with the provisions of this chapter in the operation of the peer-to-peer car sharing program.

(b) Deposit with the Department, under such terms as the Director may prescribe, a like amount of lawful money of the United States or a savings certificate of a bank, credit union, savings and loan association or savings bank situated in Nevada, which must state that the amount is unavailable for withdrawal



except upon order of the Director. Interest earned on the amount accrues to the account of the licensee or applicant.

2. The bond must be continuous in form, and the total aggregate liability on the bond must be limited to the payment of the total amount of the bond.

3. The bond must provide that a shared vehicle owner or shared vehicle driver injured by the failure of the licensee to provide the disclosures required by section 30.53 of this act or to otherwise comply with the provisions of this chapter may apply to the Director for compensation from the bond. The Director, for good cause shown and after notice and an opportunity for hearing, may determine the amount of compensation and the person to whom it is to be paid. The surety shall then make the payment.

4. A deposit made pursuant to paragraph (b) of subsection 1 may be disbursed by the Director, for good cause shown and after notice and an opportunity for hearing, in an amount determined by the Director to compensate a shared vehicle owner or shared vehicle driver for an injury incurred due to the failure of the licensee to provide the disclosures required by section 30.53 of this act or to otherwise comply with the provisions of this chapter, or released upon receipt of:

(a) A court order requiring the Director to release all or a specified portion of the deposit; or

(b) A statement signed by the licensee requesting the Director to release the deposit, or a specified portion thereof, and stating the purpose for which the release is requested.

5. When a deposit is made pursuant to paragraph (b) of subsection 1, liability under the deposit must be in the amount prescribed by the Department. If the amount of the deposit is reduced or if there is an outstanding court judgment for which the licensee is liable under the deposit, the license as a peer-to-peer car sharing program is automatically suspended. The license must be reinstated if the licensee:

(a) Files an additional bond pursuant to subsection 1;

(b) Restores the deposit with the Department to the original amount required under this section; or

(c) Satisfies the outstanding judgment for which the licensee is liable under the deposit.

6. A deposit made pursuant to paragraph (b) of subsection 1 may be refunded:

(a) By order of the Director, 3 years after the date the licensee ceases to be licensed by the Department, if the Director is satisfied that there are no outstanding claims against the deposit; or



(b) By order of court, at any time within 3 years after the date the licensee ceases to be licensed by the Department, upon evidence satisfactory to the court that there are no outstanding claims against the deposit.

Sec. 30.53. Each car sharing program agreement entered into between a peer-to-peer car sharing program and a shared vehicle driver or shared vehicle owner shall disclose:

1. Any right of the peer-to-peer car sharing program to seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program resulting from a breach of the terms and conditions of the car sharing program agreement.

2. That a motor vehicle liability insurance policy issued to the shared vehicle owner for the shared vehicle or to the shared vehicle driver does not provide a defense or indemnification for any claim asserted by the peer-to-peer car sharing program.

3. That the insurance coverage of the peer-to-peer car sharing program on the shared vehicle owner and the shared vehicle driver is in effect only during each car sharing period and that, for any use of the shared vehicle by the shared vehicle driver after the car sharing termination time, the shared vehicle driver and shared vehicle owner may not have insurance coverage.

4. The daily rate, fees and, if applicable, any insurance or protection package costs that are charged to the shared vehicle owner or the shared vehicle driver.

5. That the motor vehicle liability insurance of the shared vehicle owner may not provide coverage for a shared vehicle.

6. An emergency telephone number to personnel capable of fielding roadside assistance and other customer service inquiries.

7. If there are conditions under which a shared vehicle driver must maintain a personal motor vehicle liability insurance policy with certain applicable coverage limits on a primary basis in order to book a shared motor vehicle.

Sec. 30.57. 1. A peer-to-peer car sharing program may not enter into a car sharing program agreement with a person to be a shared vehicle driver unless the person:

(a) Possesses a valid driver's license issued by the Department that authorizes the person to operate vehicles of the class of the shared vehicle; or

(b) Is exempt from the requirement to obtain a Nevada driver's license pursuant to subsection 3 of NRS 483.240 and possesses a valid driver's license issued to the person in his or her home state or country that authorizes the person to operate vehicles of the class of the shared vehicle in that home state or country.

2. A peer-to-peer car sharing program shall keep a record of:



(a) The name and address of each shared vehicle driver;
(b) The number of the driver's license of each shared vehicle driver and each other person, if any, who will operate the shared vehicle; and

(c) The place of issuance of each driver's license described in paragraph (b).

Sec. 30.6. A peer-to-peer car sharing program shall have sole responsibility for any equipment, such as a GPS system or other special equipment, that is put in or on the shared vehicle to monitor or facilitate the car sharing transaction and shall indemnify and hold harmless the shared vehicle owner for any damage to or theft of such equipment during the car sharing period not caused by the shared vehicle owner. A peer-to-peer car sharing program may enter into an agreement with a shared vehicle driver wherein the shared vehicle driver agrees to indemnify the peer-to-peer car sharing program for any loss or damage to such equipment that occurs during the car sharing period.

Sec. 30.63. 1. At the time a motor vehicle owner registers as a shared vehicle owner through a peer-to-peer car sharing program and before being permitted to make a shared vehicle available for car sharing through the peer-to-peer car sharing program, the peer-to-peer car sharing program shall:

(a) Verify that the shared vehicle is not subject to any safety recalls on the vehicle for which the repairs have not been made; and

(b) Notify the shared vehicle owner of the requirements of subsections 2, 3 and 4.

2. If a shared vehicle owner has received an actual notice of a safety recall on the vehicle, the shared vehicle owner may not make the vehicle available as a shared vehicle on a peer-to-peer car sharing program until the safety recall repair has been made.

3. If a shared vehicle owner receives an actual notice of a safety recall on a shared vehicle while the shared vehicle is made available through a peer-to-peer car sharing program, the shared vehicle owner shall remove the shared vehicle from being made available through the peer-to-peer car sharing program as soon as possible after receiving the notice of the safety recall and until the safety recall repair has been made.

4. If a shared vehicle owner receives an actual notice of a safety recall on a shared vehicle while the shared vehicle is in the possession of a shared vehicle driver, the shared vehicle owner shall notify the peer-to-peer car sharing program as soon as possible after receiving the notice of the safety recall so that the shared vehicle owner may address the safety recall repair.



Sec. 30.67. 1. Except as otherwise provided in subsection 2 and NRS 244A.810 and 244A.860, a local governmental entity shall not:

(a) Impose any tax or fee on:

(1) Any peer-to-peer car sharing program operating within the scope of a valid license issued pursuant to section 30.37 of this act;

(2) Any shared vehicle driver;

(3) Any shared vehicle owner; or

(4) Any shared vehicle.

(b) Require:

(1) A peer-to-peer car sharing program operating within the scope of a valid license issued pursuant to section 30.37 of this act to obtain from the local government any certificate, license or permit to operate as a peer-to-peer car sharing program; or

(2) A shared vehicle owner who makes a shared vehicle available through a peer-to-peer car sharing program to obtain from the local government any certificate, license or permit to make the shared vehicle available through a peer-to-peer car sharing program.

(c) Impose any other requirement on a peer-to-peer car sharing program, shared vehicle owner or shared vehicle driver which is not of general applicability to all similarly situated persons or entities within the jurisdiction of the local government.

2. Nothing in this section shall be construed to:

(a) Prohibit a local government from requiring a peer-to-peer car sharing program, or a shared vehicle owner operating as a corporation, limited partnership or limited-liability company through which the shared vehicle owner shares a vehicle using a peer-to-peer car sharing program, to obtain from the local government a business license or to pay any business license fee in the same manner that is generally applicable to any other business that operates within the jurisdiction of the local government.

(b) Prohibit an airport or its governing body from requiring a peer-to-peer car sharing program or shared vehicle owner to:

(1) Obtain a permit or certification to operate at the airport;

(2) Pay a fee to operate at the airport; or

(3) Comply with any other requirement to operate at the airport.

(c) Exempt a shared vehicle from any tax imposed pursuant to NRS 354.705, 371.043 or 371.045.

3. Nothing in this section shall be construed to exempt a peer-to-peer car sharing program from the requirement to obtain a state business license pursuant to chapter 76 of NRS.



Sec. 30.7. NRS 482.053 is hereby amended to read as follows:
482.053 For the purposes of regulation under this chapter and of imposing tort liability under NRS 41.440, and for no other purpose:

1. "Lease" means a contract by which the lienholder or owner of a vehicle transfers to another person, for compensation, the right to use such vehicle **H but does not include the sharing of a vehicle through a peer-to-peer car sharing program pursuant to sections 2 to 30.67, inclusive, of this act.**

2. "Long-term lessee" means a person who has leased a vehicle from another person for a fixed period of more than 31 days.

3. "Long-term lessor" means a person who has leased a vehicle to another person for a fixed period of more than 31 days.

4. "Short-term lessee" means a person who has leased a vehicle from another person for a period of 31 days or less, or by the day, or by the trip.

5. "Short-term lessor" means a person who has leased a vehicle to another person for a period of 31 days or less, or by the day, or by the trip.

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

482.300 **1.** 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.

2. A peer-to-peer car sharing program licensed pursuant to section 30.37 of this act and a shared vehicle owner, as defined by section 11 of this act, shall not be deemed to be engaged in the activities of a short-term lessor.

Sec. 31.1. (Deleted by amendment.)

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 that is a passenger car 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 *and sections 8 and 9 of this act* 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 that is a passenger car 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 *and sections 8 and 9 of this act* 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 or 11.5 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



1 or regulations are of doubtful validity or effect, unless there is a
2 specific statutory provision that is applicable.

3 2. The provisions of this title and title 57 of NRS and NRS
4 244A.820, 244A.870, 482.313 and 482.315 , *and sections 11.3 and*
5 *11.5 of this act* governing the administration and collection of taxes
6 by the Department must not be construed in such a manner as to
7 interfere or conflict with the provisions of this section or any
8 applicable regulations.

9 3. The provisions of this section apply to any tax administered,
10 regulated and collected by the Department pursuant to the
11 provisions of this title and title 57 of NRS and NRS 244A.820,
12 244A.870, 482.313 and 482.315 , *and sections 11.3 and 11.5 of this*
13 *act* and any regulations adopted by the Department relating thereto.

14 **Sec. 31.3.** NRS 360.2937 is hereby amended to read as
15 follows:

16 360.2937 1. Except as otherwise provided in this section,
17 NRS 360.320 or any other specific statute, and notwithstanding the
18 provisions of NRS 360.2935, interest must be paid upon an
19 overpayment of any tax provided for in chapter 362, 363A, 363B,
20 363C, 369, 370, 372, 372B, 374, 377, 377A, 377C or 377D of NRS,
21 any of the taxes provided for in NRS 372A.290, any fee provided
22 for in NRS 444A.090 or 482.313, *or sections 11.3 and 11.5 of this*
23 *act*, or any assessment provided for in NRS 585.497, at the rate of
24 0.25 percent per month from the last day of the calendar month
25 following the period for which the overpayment was made.

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

29 3. The interest must be paid:

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

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

39 **Sec. 31.35.** NRS 360.297 is hereby amended to read as
40 follows:

41 360.297 1. A responsible person who willfully fails to collect
42 or pay to the Department any tax or fee required to be paid to the
43 Department pursuant to this title, NRS 444A.090 or 482.313, or
44 chapter 680B of NRS, *or sections 11.3 and 11.5 of this act*, or who
45 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 sections 11.3 and 11.5 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 sections 11.3 or 11.5 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.



1 **Sec. 31.45.** NRS 360.412 is hereby amended to read as
2 follows:

3 360.412 If the Department believes that the collection of any
4 amount of sales or use tax, business tax or other excise due pursuant
5 to this title, NRS 482.313 or chapter 585 of NRS **or section 11.3 or**
6 **11.5 of this act** will be jeopardized by delay, it shall make a
7 determination of the amount required to be collected and serve
8 notice of the determination upon the person against whom it is
9 made.

10 **Sec. 31.5.** NRS 360.417 is hereby amended to read as follows:

11 360.417 Except as otherwise provided in NRS 360.232 and
12 360.320, and unless a different penalty or rate of interest is
13 specifically provided by statute, any person who fails to pay any tax
14 provided for in chapter 362, 363A, 363B, 363C, 369, 370, 372,
15 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS, any of
16 the taxes provided for in NRS 372A.290, or any fee provided for in
17 NRS 482.313 **or section 11.3 or 11.5 of this act**, and any person
18 or governmental entity that fails to pay any fee provided for in NRS
19 360.787, to the State or a county within the time required, shall pay
20 a penalty of not more than 10 percent of the amount of the tax or fee
21 which is owed, as determined by the Department, in addition to the
22 tax or fee, plus interest at the rate of 0.75 percent per month, or
23 fraction of a month, from the last day of the month following the
24 period for which the amount or any portion of the amount should
25 have been reported until the date of payment. The amount of any
26 penalty imposed must be based on a graduated schedule adopted by
27 the Nevada Tax Commission which takes into consideration the
28 length of time the tax or fee remained unpaid.

29 **Sec. 31.55.** NRS 360.419 is hereby amended to read as
30 follows:

31 360.419 1. If the Executive Director or a designated hearing
32 officer finds that the failure of a person to make a timely return or
33 payment of any tax or fee required to be paid to the Department
34 pursuant to this title or NRS 482.313 **or section 11.3 or 11.5 of this**
35 **act** is the result of circumstances beyond his or her control and
36 occurred despite the exercise of ordinary care and without intent, the
37 Department may relieve the person of all or part of any interest or
38 penalty, or both.

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

42 3. The Department shall disclose, upon the request of any
43 person:

- 44 (a) The name of the person to whom relief was granted; and
45 (b) The amount of the relief.



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

Sec. 31.6. 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



* S B 3 8 9 R 2 *

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 or 11.5 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. 31.65. NRS 360.530 is hereby amended to read as follows:

360.530 1. At any time within 3 years after any person has become delinquent in the payment of any amount of sales or use tax or other excise due pursuant to this title, NRS 482.313 or chapter 585 of NRS, *or section 11.3 or 11.5 of this act*, the Department may seize any property, real or personal, of the person and sell the property, or a sufficient part of it, at public auction to pay the amount due, together with any interest or penalties imposed for the delinquency and any costs incurred on account of the seizure and sale.

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

Sec. 31.7. 1. There is hereby appropriated from the State General Fund to the Department of Taxation for personnel, operating, equipment and computer programming costs to carry out the provisions of this act the following sums:

For the Fiscal Year 2021-2022	\$374,871
For the Fiscal Year 2022-2023	\$406,699



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. 32. Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee, other than the Assembly Standing Committee on Ways and Means and the Senate Standing Committee on Finance, 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. 33. 1. This section and section 32 of this act become effective upon passage and approval.

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

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

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

3. Section 31.7 of this act becomes effective on July 1, 2021.

