

SENATE BILL No. 441—COMMITTEE ON FINANCE

(ON BEHALF OF THE OFFICE OF FINANCE  
IN THE OFFICE OF THE GOVERNOR)

MAY 10, 2021

Referred to Committee on Revenue and  
Economic Development

SUMMARY—Revises provisions governing the issuance and renewal of a seller's permit. (BDR 32-1077)

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

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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 taxation; requiring a seller's permit issued by the Department of Taxation to be renewed annually; revising provisions governing the issuance of permits pursuant to the City-County Relief Tax Law; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires every person who desires to engage in or conduct business as a seller of tangible personal property in this State to: (1) register with the Department of Taxation or file an application with the Department; and (2) pay a fee of \$5 for a permit for each place of business. (NRS 372.125, 372.130, 374.130) **Sections 1-4** of this bill: (1) provide that a permit issued to a seller expires on December 31 of each year; and (2) authorize a seller who has been issued a permit to renew the permit by filing an application for renewal with the Department and paying an annual renewal fee of \$5. If the application and fee for renewal are not received by the Department on or before January 31 of each year, the Department is authorized to revoke the permit.

Existing law requires the board of county commissioners of a county to enact an ordinance imposing a city-county relief tax on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in a county. The ordinance must contain provisions substantially identical to those of the Local School Support Tax Law. (NRS 377.030, 377.040) **Sections 6-10** of this bill provide for the issuance, renewal, suspension and revocation of a seller's permit under the City-County Relief Tax Law in the same manner as under the Local School Support Tax Law.



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

1       **Section 1.** NRS 372.130 is hereby amended to read as follows:

2       372.130 At the time of making an application for a permit  
3 pursuant to NRS 372.125 ~~or~~ *or an application for the renewal of a*  
4 *permit pursuant to NRS 372.135*, the applicant must pay to the  
5 Department a fee of \$5 for each permit.

6       **Sec. 2.** NRS 372.135 is hereby amended to read as follows:

7       372.135 1. Except as otherwise provided in NRS 360.205  
8 and 372.145, after compliance with NRS 372.125, 372.130 and  
9 372.510 by an applicant for a permit, the Department shall:

10       (a) Grant and issue to the applicant a separate permit for each  
11 place of business within the State.

12       (b) Provide the applicant with a full, written explanation of the  
13 liability of the applicant for the collection and payment of the taxes  
14 imposed by this chapter. The explanation required by this  
15 paragraph:

16       (1) Must include the procedures for the collection and  
17 payment of the taxes that are specifically applicable to the type of  
18 business conducted by the applicant, including, without limitation  
19 and when appropriate:

20       (I) An explanation of the circumstances under which a  
21 service provided by the applicant is taxable;

22       (II) The procedures for administering exemptions; and

23       (III) The circumstances under which charges for freight  
24 are taxable.

25       (2) Is in addition to, and not in lieu of, the instructions and  
26 information required to be provided by NRS 360.2925.

27       2. A permit is not assignable and is valid only for the person in  
28 whose name it is issued and for the transaction of business at the  
29 place designated on it. It must at all times be conspicuously  
30 displayed at the place for which it is issued.

31       3. *A permit issued pursuant to this section expires on*  
32 *December 31 of each year. A person who is required to hold a*  
33 *seller's permit may renew the permit by filing an application for*  
34 *renewal with the Department in such form and including such*  
35 *information and documentation as the Department may require by*  
36 *regulation. The application for renewal must be accompanied by*  
37 *the fee required by NRS 372.130. If the application and fee for*  
38 *renewal of a permit are not received by the Department on or*  
39 *before January 31 of each year, the Department may revoke the*  
40 *permit pursuant to NRS 372.145.*



1     **Sec. 3.** NRS 374.135 is hereby amended to read as follows:  
2     374.135 At the time of making an application for a permit  
3 pursuant to NRS 374.130 ~~or~~ *or an application for the renewal of a*  
4 *permit pursuant to NRS 374.140*, the applicant shall pay to the  
5 Department a fee of \$5 for each permit.

6     **Sec. 4.** NRS 374.140 is hereby amended to read as follows:  
7     374.140 1. Except as otherwise provided in NRS 360.205  
8 and 374.150, after compliance with NRS 374.130, 374.135 and  
9 374.515 by an applicant for a permit, the Department shall:

10     (a) Grant and issue to the applicant a separate permit for each  
11 place of business within the county.

12     (b) Provide the applicant with a full, written explanation of the  
13 liability of the applicant for the collection and payment of the taxes  
14 imposed by this chapter. The explanation required by this  
15 paragraph:

16     (1) Must include the procedures for the collection and  
17 payment of the taxes that are specifically applicable to the type of  
18 business conducted by the applicant, including, without limitation,  
19 and when appropriate:

20     (I) An explanation of the circumstances under which a  
21 service provided by the applicant is taxable;

22     (II) The procedures for administering exemptions; and

23     (III) The circumstances under which charges for freight  
24 are taxable.

25     (2) Is in addition to, and not in lieu of, the instructions and  
26 information required to be provided by NRS 360.2925.

27     2. A permit is not assignable and is valid only for the person in  
28 whose name it is issued and for the transaction of business at the  
29 place designated therein. A permit must at all times be  
30 conspicuously displayed at the place for which it is issued.

31     **3. A permit issued pursuant to this section expires on**  
32 *December 31 of each year. A person who is required to hold a*  
33 *seller's permit may renew the permit by filing an application for*  
34 *renewal with the Department in such form and including such*  
35 *information and documentation as the Department may require by*  
36 *regulation. The application for renewal must be accompanied by*  
37 *the fee required by NRS 374.135. If the application and fee for*  
38 *renewal of a permit are not received by the Department on or*  
39 *before January 31 of each year, the Department may revoke the*  
40 *permit pursuant to NRS 374.150.*

41     **Sec. 5.** Chapter 377 of NRS is hereby amended by adding  
42 thereto the provisions set forth as sections 6 to 10, inclusive, of this  
43 act.

44     **Sec. 6. 1. Every person desiring to engage in or conduct**  
45 *business as a seller within this State must:*



(a) Register with the Department pursuant to NRS 360B.200;  
or

(b) File with the Department an application for a permit for each place of business.

2. Every application for a permit must:

(a) Be made upon a form prescribed by the Department.

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of the applicant's place or places of business.

(c) Set forth any other information which the Department may require.

(d) Be signed by:

(1) The owner if he or she is a natural person;

(2) A member or partner if the seller is an association or partnership; or

(3) An executive officer or some person specifically authorized to sign the application if the seller is a corporation. Written evidence of the signer's authority must be attached to the application.

**Sec. 7.** At the time of making an application for a permit pursuant to section 6 of this act or an application for the renewal of a permit pursuant to section 8 of this act, the applicant must pay to the Department a fee of \$5 for each permit.

**Sec. 8. 1.** Except as otherwise provided in NRS 360.205 and section 10 of this act, after compliance with sections 6 and 7 of this act and NRS 374.515 by an applicant for a permit, the Department shall:

(a) Grant and issue to the applicant a separate permit for each place of business within the county.

(b) Provide the applicant with a full, written explanation of the liability of the applicant for the collection and payment of the taxes imposed by this chapter. The explanation required by this paragraph:

(I) Must include the procedures for the collection and payment of the taxes that are specifically applicable to the type of business conducted by the applicant, including, without limitation, and when appropriate:

(I) An explanation of the circumstances under which a service provided by the applicant is taxable;

(II) The procedures for administering exemptions; and

(III) The circumstances under which charges for freight are taxable.

(2) Is in addition to, and not in lieu of, the instructions and information required to be provided by NRS 360.2925.



2. A permit is not assignable and is valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. A permit must at all times be conspicuously displayed at the place for which it is issued.

3. A permit issued pursuant to this section expires on December 31 of each year. A person who is required to hold a seller's permit may renew the permit by filing an application for renewal with the Department in such form and including such information and documentation as the Department may require by regulation. The application for renewal must be accompanied by the fee required by section 7 of this act. If the application and fee for renewal of a permit are not received by the Department on or before January 31 of each year, the Department may revoke the permit pursuant to section 10 of this act.

**Sec. 9.** A seller whose permit has been previously suspended or revoked shall pay the Department a fee of \$5 for the renewal or issuance of a permit.

**Sec. 10.** 1. Whenever any person fails to comply with any provision of this chapter relating to the taxes imposed by this chapter or any regulation of the Department relating to the taxes imposed by this chapter, the Department, after a hearing of which the person was given prior notice of at least 10 days in writing specifying the time and place of the hearing and requiring the person to show cause as to why his or her permit or permits should not be revoked, may revoke or suspend any one or more of the permits held by the person.

2. The Department shall give to the person written notice of the suspension or revocation of any of his or her permits.

3. The notices may be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.

4. The Department shall not issue a new permit after the revocation of a permit unless it is satisfied that the former holder of the permit will comply with the provisions of this chapter relating to the taxes imposed by this chapter and the regulations of the Department.

