

ASSEMBLY BILL NO. 306—ASSEMBLYMEN MCARTHUR,
TORRES, D’SILVA AND GRAY

MARCH 15, 2023

Referred to Committee on Ways and Means

SUMMARY—Requires the waiver of certain fees for certain veteran-owned businesses. (BDR 7-956)

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 state business licenses; requiring the Secretary of State to waive the fees charged for the issuance and renewal of a state business license for certain veteran-owned businesses; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires certain businesses to obtain a state business license from the Secretary of State and to pay an annual fee for the renewal of the license. (NRS 76.100, 76.130) The fee for the issuance and renewal of a state business license is \$500 for certain corporations and \$200 for certain other businesses. (NRS 76.100, 76.130) **Sections 3 and 4** of this bill require the Secretary of State to waive the fee for the issuance of a state business license and, during the first 5 years of existence of a business, the fee for the renewal of the license if the business is created on or after July 1, 2023, and: (1) the applicant is an honorably discharged veteran; or (2) at least 50 percent of the business is owned by one or more honorably discharged veterans.

Section 1 of this bill defines “honorably discharged veteran” for the purpose of establishing who is entitled to a waiver of fees pursuant to **sections 3 and 4**. **Section 2** of this bill makes a conforming change to indicate the proper placement of **section 1** in the Nevada Revised Statutes.



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

Section 1. Chapter 76 of NRS is hereby amended by adding thereto a new section to read as follows:

“Honorably discharged veteran” means a resident of this State who:

1. Was regularly enlisted, drafted, inducted or commissioned in the:

(a) Armed Forces of the United States and was accepted for and assigned to active duty in the Armed Forces of the United States;

(b) National Guard or a reserve component of the Armed Forces of the United States and was accepted for and assigned to duty for a minimum of 6 continuous years; or

(c) Commissioned Corps of the United States Public Health Service or the Commissioned Corps of the National Oceanic and Atmospheric Administration of the United States and served in the capacity of a commissioned officer while on active duty in defense of the United States; and

2. Received, upon severance of service, an honorable discharge.

Sec. 2. NRS 76.010 is hereby amended to read as follows:

76.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 76.020 to 76.040, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.

Sec. 3. NRS 76.100 is hereby amended to read as follows:

76.100 1. A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:

(a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.

(b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.

2. An application for a state business license must:

(a) Be made upon a form prescribed by the Secretary of State;

(b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the business identification number as assigned by the Secretary of State pursuant to



1 NRS 225.082, and the location in this State of the place or places of
2 business;

3 (c) ~~Be~~ *Except as otherwise provided in subsection 8, be*
4 accompanied by a fee in the amount of \$200 ~~[-except that]~~ *or*, if the
5 applicant is a corporation organized pursuant to chapter 78, 78A or
6 78B of NRS, or a foreign corporation required to file an initial or
7 annual list with the Secretary of State pursuant to chapter 80 of
8 NRS, ~~the application must be accompanied by~~ a fee of \$500; and

9 (d) Include any other information that the Secretary of State
10 deems necessary.

11 ➤ If the applicant is an entity organized pursuant to this title and on
12 file with the Secretary of State and the applicant has no location in
13 this State of its place of business, the address of its registered agent
14 shall be deemed to be the location in this State of its place of
15 business.

16 3. The application must be signed pursuant to NRS 239.330 by:

17 (a) The owner of a business that is owned by a natural person.

18 (b) A member or partner of an association or partnership.

19 (c) A general partner of a limited partnership.

20 (d) A managing partner of a limited-liability partnership.

21 (e) A manager or managing member of a limited-liability
22 company.

23 (f) An officer of a corporation or some other person specifically
24 authorized by the corporation to sign the application.

25 4. If the application for a state business license is defective in
26 any respect or the fee required by this section is not paid, the
27 Secretary of State may return the application for correction or
28 payment.

29 5. A state business license issued pursuant to this section must
30 contain the business identification number assigned by the Secretary
31 of State pursuant to NRS 225.082.

32 6. The state business license required to be obtained pursuant
33 to this section is in addition to any license to conduct business that
34 must be obtained from the local jurisdiction in which the business is
35 being conducted.

36 7. For the purposes of this chapter, a person:

37 (a) Shall be deemed to conduct a business in this State if a
38 business for which the person is responsible:

39 (1) Is organized pursuant to this title, other than a business
40 organized pursuant to:

41 (I) Chapter 82 or 84 of NRS; or

42 (II) Chapter 81 of NRS if the business is a nonprofit unit-
43 owners' association or a nonprofit religious, charitable, fraternal or
44 other organization that qualifies as a tax-exempt organization
45 pursuant to 26 U.S.C. § 501(c);



(2) Has an office or other base of operations in this State;
(3) Except as otherwise provided in NRS 76.103, has a registered agent in this State; or
(4) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid.

(b) Shall be deemed not to conduct a business in this State if:

(1) The business for which the person is responsible:

(I) Is not organized pursuant to this title;

(II) Does not have an office or base of operations in this State;

(III) Does not have a registered agent in this State; and

(IV) Does not pay wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid, other than wages or other remuneration paid to a natural person for performing duties in connection with an activity described in subparagraph (2);

(2) The business for which the person is responsible is conducting activity in this State solely to provide vehicles or equipment on a short-term basis in response to a wildland fire, a flood, an earthquake or another emergency; or

(3) The Secretary of State determines that the person is not conducting a business in this State.

8. *The Secretary of State shall waive the fee required by this section if the applicant is:*

(a) *A natural person who is an honorably discharged veteran; or*

(b) *An entity organized pursuant to this title in which at least 50 percent of the ownership interest in the entity is held by one or more honorably discharged veterans.*

9. As used in this section, "registered agent" has the meaning ascribed to it in NRS 77.230.

Sec. 4. NRS 76.130 is hereby amended to read as follows:

76.130 1. Except as otherwise provided in ~~{subsection}~~ **subsections 2 ~~H~~ and 6**, a person who applies for renewal of a state business license shall submit a fee in the amount of \$200 to the Secretary of State:

(a) If the person is an entity required to file an annual list with the Secretary of State pursuant to this title, at the time the person submits the annual list to the Secretary of State, unless the person submits a certificate or other form evidencing the dissolution of the entity; or

(b) If the person is not an entity required to file an annual list with the Secretary of State pursuant to this title, on the last day of the month in which the anniversary date of issuance of the state



business license occurs in each year, unless the person submits a written statement to the Secretary of State, at least 10 days before that date, indicating that the person will not be conducting a business in this State after that date.

2. If the person applying for the renewal of a state business license pursuant to subsection 1 is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the fee for the renewal of a state business license is \$500.

3. The Secretary of State shall, 90 days before the last day for filing an application for renewal of the state business license of a person who holds a state business license, provide to the person a notice of the state business license fee due pursuant to this section and a reminder to file the application for renewal required pursuant to this section. Failure of any person to receive a notice does not excuse the person from the penalty imposed by law.

4. If a person fails to submit the annual state business license fee required pursuant to this section in a timely manner and the person is:

(a) An entity required to file an annual list with the Secretary of State pursuant to this title, the person:

(1) Shall pay a penalty of \$100 in addition to the annual state business license fee;

(2) Shall be deemed to have not complied with the requirement to file an annual list with the Secretary of State; and

(3) Is subject to all applicable provisions relating to the failure to file an annual list, including, without limitation, the provisions governing default and revocation of its charter or right to transact business in this State, except that the person is required to pay the penalty set forth in subparagraph (1).

(b) Not an entity required to file an annual list with the Secretary of State, the person shall pay a penalty in the amount of \$100 in addition to the annual state business license fee. The Secretary of State shall provide to the person a written notice that:

(1) Must include a statement indicating the amount of the fees and penalties required pursuant to this section and the costs remaining unpaid.

(2) May be provided electronically, if the person has requested to receive communications by electronic transmission, by electronic mail or other electronic communication.

5. A person who continues to do business in this State without renewing the person's state business license before its renewal date is subject to the fees and penalties provided for in this section unless



1 the person files a certificate of cancellation of the person's state
2 business license with the Secretary of State.

3 6. The Secretary of State shall ~~{waive}~~ :

4 (a) *Waive* the annual state business license fee and any related
5 penalty imposed on a natural person or partnership if the natural
6 person or partnership provides evidence satisfactory to the Secretary
7 of State that the natural person or partnership conducted no business
8 in this State during the period for which the fees and penalties
9 would be waived.

10 (b) *For the 5 years following the issuance of a state business*
11 *license on or after July 1, 2023, waive the annual state business*
12 *license fee if the applicant for renewal of the state business license*
13 *is:*

14 (1) *A natural person who is an honorably discharged*
15 *veteran; or*

16 (2) *An entity organized pursuant to this title in which at*
17 *least 50 percent of the ownership interest in the entity is held by*
18 *one or more honorably discharged veterans.*

19 **Sec. 5.** This act becomes effective on July 1, 2023.

