

Amendment No. 131

Senate Amendment to Senate Bill No. 144	(BDR 34-866)
Proposed by: Senate Committee on Revenue and Economic Development	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

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

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

BJF



Date: 4/24/2023

S.B. No. 144—Establishes a credit against certain taxes for a taxpayer who donates money to a career and technical program tax credit organization that makes grants to programs of career and technical education.
(BDR 34-866)



SENATE BILL NO. 144—SENATORS LANGE, KRASNER, DONATE; HANSEN, NEAL,
NGUYEN, PAZINA AND STONE

FEBRUARY 14, 2023

Referred to Committee on Revenue and
Economic Development

SUMMARY—Establishes a credit against certain taxes for a taxpayer who donates money to a career and technical program tax credit organization that makes grants to programs of career and technical education. (BDR 34-866)

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 education; providing for the ~~[appointment]~~ **selection** of a career and technical program tax credit organization to distribute donations to eligible programs of career and technical education at the direction of the State Board of Education; establishing a credit against the modified business tax and the general tax on insurance premiums for a taxpayer who donates money to a career and technical program tax credit organization; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires employers to pay an excise tax, commonly referred to as the modified business tax, on the wages paid to their employees during each calendar quarter. (NRS 363A.130, 363B.110) Existing law also requires each insurer to pay to the Department of Taxation a tax upon net direct premiums and net direct considerations written at the rate of 3.5 percent (the general tax on insurance premiums). (NRS 680B.027) **Sections 3, 5 and 9** of this bill authorize a taxpayer to receive a credit against the modified business tax or general tax on insurance premiums equal to an amount which is approved by the Department of Taxation and which must not exceed the amount of any donation of money made by a taxpayer to a career and technical program tax credit organization selected by the Executive Director of the Department. To claim the tax credit, **sections 3, 5 and 9** require the career and technical program credit organization to apply to the Department for approval of the credit for a taxpayer who intends to make a donation to the career and technical program tax credit organization. If the Department approves the application, the career and technical program tax credit organization must provide notice to the taxpayer, who must make the donation within 30 days after receiving the notice. If the taxpayer does not make the donation within the requisite period, the taxpayer forfeits eligibility for the credit. The Department: (1) must approve or deny applications for the tax credit in the order in which the applications are received by the Department; (2) is authorized to approve applications for each fiscal year until the total amount of the tax credits approved for the fiscal year is \$10,000,000.

Sections 4 and 6 of this bill provide specifically for the application of the credit against the modified business tax. Section 10 of this bill provides specifically for the application of the credit against the general tax on insurance premiums.

Section 1 of this bill requires the Executive Director of the Department to select a career and technical program tax credit organization to oversee and administer the donations received pursuant to the provisions of this bill. Section 1 requires the career and technical program tax credit organization to accept applications each year from programs of career and technical education who wish to receive a grant of money donated pursuant to the provisions of this bill and to make recommendations to the State Board of Education regarding the eligible programs that should receive a grant of money and the amount of any grant. Section 1 requires the career and technical program tax credit organization to distribute donations once each fiscal year as directed by the State Board, which has the sole discretion to determine which eligible programs receive a grant and the amount of any grant. Finally, section 1: (1) authorizes the Executive Director of the Department of Taxation to terminate the selection of a career and technical education tax credit organization and select another such organization if the selected organization violates a provision of section 1 or engages in improper practices of financial administration; (2) provides that the termination of the selection of a career and technical education tax credit organization or the selection of another such organization is not a contested case requiring certain notice and administrative procedures but, instead, is a decision to terminate a contract; and (3) prohibits section 1 from being construed to require the Department of Taxation to audit a selected career and technical education tax credit organization.

Section 2 of this bill makes a conforming change to indicate the proper placement of section 1 in the Nevada Revised Statutes. Sections 7 and 11-14 of this bill make conforming changes to indicate the proper placement of sections 9 and 10 in the Nevada Revised Statutes.

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

Section 1. Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Executive Director of the Department of Taxation shall solicit applications for and select a career and technical program tax credit organization to oversee and administer donations made pursuant to sections 3, 5 and 9 of this act. The career and technical program tax credit organization selected by the Executive Director must:

(a) Be exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3);

(b) Be incorporated in this State;

(c) Have sufficient experience raising funds to carry out the duties of the career and technical program tax credit organization;

(d) Have experience overseeing and administering education grants; and

(e) Not own or operate any school in this State which receives any grant money pursuant to this section.

2. The career and technical program tax credit organization selected pursuant to subsection 1 shall open and maintain a separate account in a financial institution located in the United States for the deposit of any donations received pursuant to sections 3, 5 and 9 of this act.

3. The career and technical program tax credit organization may expend not more than 3 percent of the total amount of any donations received pursuant to sections 3, 5 and 9 of this act in a fiscal year to pay its administrative expenses.

4. The career and technical program tax credit organization shall establish a 60-day period each fiscal year in which the career and technical program tax

1 *credit organization will accept applications from programs of career and*
2 *technical education in this State that wish to receive a grant of money from the*
3 *account created pursuant to subsection 2. Each year, the career and technical*
4 *program tax credit organization shall notify the Department of Education of the*
5 *start date and end date of the application period for that year not later than 30*
6 *days before the start date. The career and technical program tax credit*
7 *organization shall not charge an application fee.*

8 *5. The career and technical program tax credit organization shall review*
9 *the applications submitted pursuant to subsection 4 and from those applications*
10 *create a list of eligible programs for that fiscal year. A program of career and*
11 *technical education in this State is an eligible program if the program:*

12 *(a) Is a program of career and technical education organized by the board of*
13 *trustees of a school district or the governing body of a charter school in*
14 *accordance with the regulations adopted by the State Board and approved by the*
15 *Superintendent of Public Instruction;*

16 *(b) Complies with all applicable state laws and regulations governing*
17 *programs of career and technical education;*

18 *(c) Consists of not less than two courses which are taught in a sequence and*
19 *have been approved by the State Board; and*

20 *(d) Receives money pursuant to the Every Student Succeeds Act of 2015, 20*
21 *U.S.C. §§ 6301 et seq., and is obligated to comply with the provisions of that*
22 *federal law.*

23 *6. The career and technical program tax credit organization shall review*
24 *applications from eligible programs and make recommendations to the State*
25 *Board regarding which eligible programs should receive a grant of money*
26 *pursuant to this section and the amount of any such grant. The career and*
27 *technical program tax credit organization shall take into consideration any*
28 *preference expressed by a taxpayer pursuant to sections 3, 5 and 9 of this act*
29 *identifying a particular eligible program to receive the donation made by the*
30 *taxpayer.*

31 *7. After reviewing the recommendations of the career and technical*
32 *program tax credit organization, the State Board shall allocate the available*
33 *money in the account created pursuant to subsection 2 among the eligible*
34 *programs for the fiscal year. The determination of which eligible programs are to*
35 *receive a grant of money from the account and the amount of any such grant is*
36 *solely within the discretion of the State Board, subject to such standards as the*
37 *State Board may adopt by regulation. The State Board shall notify the career and*
38 *technical program tax credit organization and each eligible program which is*
39 *selected to receive a grant pursuant to this section of the amount of money the*
40 *eligible program will receive.*

41 *8. Each fiscal year the career and technical program tax credit organization*
42 *shall distribute the money in the account created pursuant to subsection 2, as*
43 *directed by the State Board pursuant to subsection 7.*

44 *9. A program of career and technical education which receives a grant of*
45 *money pursuant to this section may use such money to:*

46 *(a) Support operational expenses related to the program of career and*
47 *technical education, including, without limitation, supplies, technology,*
48 *curriculum and professional development;*

49 *(b) Finance or lease school facilities that directly support the program of*
50 *career and technical education; or*

51 *(c) Pay other expenses related to the program of career and technical*
52 *education which have been approved by the Department of Education.*

10. The career and technical program tax credit organization shall preserve for inspection and audit by the Department of Taxation and its agents, for a period of 4 years, the books of account and all financial records of the career and technical program tax credit organization relevant to the donations received pursuant to sections 3, 5 and 9 of this act and any distributions made pursuant to this section. The career and technical program tax credit organization shall make the records available for inspection by the Department of Taxation upon demand at reasonable times during regular business hours.

11. If the entity selected pursuant to subsection 1 violates any provision of this section or commits improper practices of financial administration, the Executive Director of the Department of Taxation may terminate the selection of the entity and select another entity as the career and technical program tax credit organization. ~~Any provision of an agreement between an entity and the Department of Taxation which conflicts with this section is void.~~ A decision of the Executive Director of the Department of Taxation to terminate the selection of an entity or to select another entity as the career and technical program tax credit organization pursuant to this subsection is not a contested case as defined in NRS 233B.032, but is a decision to terminate a contract.

12. Nothing in this section shall be construed to require the Department of Taxation to audit an entity selected pursuant to subsection 1 as a career and technical education tax credit organization.

13. Money in the account created pursuant to subsection 2 and any money distributed from that account may not be used to satisfy funding level or matching requirements related to federal career and technical education grants.

Sec. 2. NRS 388.400 is hereby amended to read as follows:

388.400 1. The money for career and technical education must be provided for and raised in the manner specified in NRS 387.050 and 388.340 to 388.400, inclusive ~~H~~, and section 1 of this act.

2. The State Treasurer is the custodian of the money and shall make disbursements therefrom on warrants of the State Controller issued upon the order of the Superintendent of Public Instruction.

Sec. 3. Chapter 363A of NRS is hereby amended by adding thereto a new section to read as follows:

1. Any taxpayer who is required to pay a tax pursuant to NRS 363A.130 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to the career and technical program tax credit organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to the career and technical program tax credit organization must, before making such a donation, notify the career and technical program tax credit organization of the taxpayer's intent to make the donation and to seek the credit authorized by subsection 1. The taxpayer may indicate a preference identifying a particular eligible program to receive the donation. The career and technical program tax credit organization shall, before accepting any such donation, apply to the Department for approval of the credit authorized by subsection 1. The Department shall, within 20 days after receiving the application, approve or deny the application and provide to the career and technical program tax credit organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the career and technical program tax credit organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the career and technical program tax credit organization. If the

1 *taxpayer does not make the donation of money to the career and technical*
2 *program tax credit organization within 30 days after receiving the notice, the*
3 *career and technical program tax credit organization shall provide notice of the*
4 *failure to the Department and the taxpayer forfeits any claim to the credit*
5 *authorized by subsection 1.*

6 3. *The Department shall approve or deny applications for the credit*
7 *authorized by subsection 1 in the order in which the applications are received.*

8 4. *The Department may, for each fiscal year, approve applications for the*
9 *credit authorized by subsection 1 until the total amount of the credits authorized*
10 *by subsection 1 and approved by the Department pursuant to this section and*
11 *sections 5 and 9 of this act is \$10,000,000. The amount of any credit which is*
12 *forfeited pursuant to subsection 2 must not be considered in calculating the*
13 *amount of credits authorized for any fiscal year.*

14 5. *If a taxpayer applies to and is approved by the Department for the credit*
15 *authorized by subsection 1, the amount of the credit provided by this section is*
16 *equal to the amount approved by the Department pursuant to subsection 2, which*
17 *must not exceed the amount of the donation made by the taxpayer to the career*
18 *and technical program tax credit organization. The total amount of the credit*
19 *applied against the taxes described in subsection 1 and otherwise due from a*
20 *taxpayer must not exceed the amount of the donation.*

21 6. *If the amount of the tax described in subsection 1 and otherwise due*
22 *from a taxpayer is less than the credit to which the taxpayer is entitled pursuant*
23 *to this section, the taxpayer may, after applying the credit to the extent of the tax*
24 *otherwise due, carry the balance of the credit forward for not more than 5 years*
25 *after the end of the calendar year in which the donation is made or until the*
26 *balance of the credit is applied, whichever is earlier.*

27 7. *As used in this section:*

28 (a) *“Career and technical program tax credit organization” means the career*
29 *and technical program tax credit organization selected by the Executive Director*
30 *pursuant to section 1 of this act.*

31 (b) *“Eligible program” means an eligible program as determined pursuant to*
32 *subsection 5 of section 1 of this act.*

33 **Sec. 4.** *NRS 363A.130 is hereby amended to read as follows:*

34 363A.130 1. *Except as otherwise provided in NRS 360.203, there is hereby*
35 *imposed an excise tax on each employer at the rate of 2 percent of the wages, as*
36 *defined in NRS 612.190, paid by the employer during a calendar quarter with*
37 *respect to employment in connection with the business activities of the employer.*

38 2. *The tax imposed by this section:*

39 (a) *Does not apply to any person or other entity or any wages this State is*
40 *prohibited from taxing under the Constitution, laws or treaties of the United States*
41 *or the Nevada Constitution.*

42 (b) *Must not be deducted, in whole or in part, from any wages of persons in the*
43 *employment of the employer.*

44 3. *Each employer shall, on or before the last day of the month immediately*
45 *following each calendar quarter for which the employer is required to pay a*
46 *contribution pursuant to NRS 612.535:*

47 (a) *File with the Department a return on a form prescribed by the Department;*
48 *and*

49 (b) *Remit to the Department any tax due pursuant to this section for that*
50 *calendar quarter.*

51 4. *In determining the amount of the tax due pursuant to this section, an*
52 *employer is entitled to subtract from the amount calculated pursuant to subsection 1*
53 *a credit in an amount equal to 50 percent of the amount of the commerce tax paid*

1 by the employer pursuant to chapter 363C of NRS for the preceding taxable year.
2 The credit may only be used for any of the 4 calendar quarters immediately
3 following the end of the taxable year for which the commerce tax was paid. The
4 amount of credit used for a calendar quarter may not exceed the amount calculated
5 pursuant to subsection 1 for that calendar quarter. Any unused credit may not be
6 carried forward beyond the fourth calendar quarter immediately following the end
7 of the taxable year for which the commerce tax was paid, and a taxpayer is not
8 entitled to a refund of any unused credit.

9 5. An employer who makes a donation of money to a scholarship organization
10 during the calendar quarter for which a return is filed pursuant to this section is
11 entitled, in accordance with NRS 363A.139, to a credit equal to the amount
12 authorized pursuant to NRS 363A.139 against any tax otherwise due pursuant to
13 this section. As used in this subsection, "scholarship organization" has the meaning
14 ascribed to it in NRS 388D.260.

15 *6. An employer who makes a donation of money to the career and technical*
16 *program tax credit organization during the calendar quarter for which a return is*
17 *filed pursuant to this section is entitled, in accordance with section 3 of this act,*
18 *to a credit equal to the amount authorized pursuant to section 3 of this act*
19 *against any tax otherwise due pursuant to this section. As used in this subsection,*
20 *"career and technical program tax credit organization" has the meaning ascribed*
21 *to it in section 3 of this act.*

22 **Sec. 5.** Chapter 363B of NRS is hereby amended by adding thereto a new
23 section to read as follows:

24 *1. Any taxpayer who is required to pay a tax pursuant to NRS 363B.110*
25 *may receive a credit against the tax otherwise due for any donation of money*
26 *made by the taxpayer to the career and technical program tax credit organization*
27 *in the manner provided by this section.*

28 *2. To receive the credit authorized by subsection 1, a taxpayer who intends*
29 *to make a donation of money to the career and technical program tax credit*
30 *organization must, before making such a donation, notify the career and*
31 *technical program tax credit organization of the taxpayer's intent to make the*
32 *donation and to seek the credit authorized by subsection 1. The taxpayer may*
33 *indicate a preference identifying a particular eligible program to receive the*
34 *donation. The career and technical program tax credit organization shall, before*
35 *accepting any such donation, apply to the Department for approval of the credit*
36 *authorized by subsection 1. The Department shall, within 20 days after receiving*
37 *the application, approve or deny the application and provide to the career and*
38 *technical program tax credit organization notice of the decision and, if the*
39 *application is approved, the amount of the credit authorized. Upon receipt of*
40 *notice that the application has been approved, the career and technical program*
41 *tax credit organization shall provide notice of the approval to the taxpayer who*
42 *must, not later than 30 days after receiving the notice, make the donation of*
43 *money to the career and technical program tax credit organization. If the*
44 *taxpayer does not make the donation of money to the career and technical*
45 *program tax credit organization within 30 days after receiving the notice, the*
46 *career and technical program tax credit organization shall provide notice of the*
47 *failure to the Department and the taxpayer forfeits any claim to the credit*
48 *authorized by subsection 1.*

49 *3. The Department shall approve or deny applications for the credit*
50 *authorized by subsection 1 in the order in which the applications are received.*

51 *4. The Department may, for each fiscal year, approve applications for the*
52 *credit authorized by subsection 1 until the total amount of the credits authorized*
53 *by subsection 1 and approved by the Department pursuant to this section and*

sections 3 and 9 of this act is \$10,000,000. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. If a taxpayer applies to and is approved by the Department for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to the career and technical program tax credit organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

6. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

7. As used in this section:

(a) "Career and technical program tax credit organization" has the meaning ascribed to it in section 3 of this act.

(b) "Eligible program" has the meaning ascribed to it in section 3 of this act.

Sec. 6. NRS 363B.110 is hereby amended to read as follows:

363B.110 1. Except as otherwise provided in NRS 360.203, there is hereby imposed an excise tax on each employer at the rate of 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer exceeds \$50,000.

2. The tax imposed by this section:

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to chapter 363C of NRS for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

5. An employer who makes a donation of money to a scholarship organization during the calendar quarter for which a return is filed pursuant to this section is entitled, in accordance with NRS 363B.119, to a credit equal to the amount

1 authorized pursuant to NRS 363B.119 against any tax otherwise due pursuant to
2 this section. As used in this subsection, "scholarship organization" has the meaning
3 ascribed to it in NRS 388D.260.

4 *6. An employer who makes a donation of money to the career and technical*
5 *program tax credit organization during the calendar quarter for which a return is*
6 *filed pursuant to this section is entitled, in accordance with section 5 of this act,*
7 *to a credit equal to the amount authorized pursuant to section 5 of this act*
8 *against any tax otherwise due pursuant to this section. As used in this subsection,*
9 *"career and technical program tax credit organization" has the meaning ascribed*
10 *to it in section 3 of this act.*

11 **Sec. 7.** NRS 679A.160 is hereby amended to read as follows:

12 679A.160 Except as otherwise provided by specific statute, no provision of
13 this Code applies to:

14 1. Fraternal benefit societies, as identified in chapter 695A of NRS, except as
15 stated in chapter 695A of NRS.

16 2. Hospital, medical or dental service corporations, as identified in chapter
17 695B of NRS, except as stated in chapter 695B of NRS.

18 3. Motor clubs, as identified in chapter 696A of NRS, except as stated in
19 chapter 696A of NRS.

20 4. Bail agents, as identified in chapter 697 of NRS, except as stated in NRS
21 680B.025 to 680B.039, inclusive, *and sections 9 and 10 of this act* and chapter 697
22 of NRS.

23 5. Risk retention groups, as identified in chapter 695E of NRS, except as
24 stated in chapter 695E of NRS.

25 6. Captive insurers, as identified in chapter 694C of NRS, with respect to their
26 activities as captive insurers, except as stated in chapter 694C of NRS.

27 7. Health and welfare plans arising out of collective bargaining under chapter
28 288 of NRS, except that the Commissioner may review the plan to ensure that the
29 benefits are reasonable in relation to the premiums and that the fund is financially
30 sound.

31 8. Programs established pursuant to subsection 1 of NRS 315.725 and the
32 entities administering those programs, except as stated in NRS 315.725.

33 **Sec. 8.** Chapter 680B of NRS is hereby amended by adding thereto the
34 provisions set forth as sections 9 and 10 of this act.

35 **Sec. 9.** *1. Any taxpayer who is required to pay a tax pursuant to NRS*
36 *680B.027 may receive a credit against the tax otherwise due for any donation of*
37 *money made by the taxpayer to the career and technical program tax credit*
38 *organization in the manner provided by this section.*

39 *2. To receive the credit authorized by subsection 1, a taxpayer who intends*
40 *to make a donation of money to the career and technical program tax credit*
41 *organization must, before making such a donation, notify the career and*
42 *technical program tax credit organization of the taxpayer's intent to make the*
43 *donation and to seek the credit authorized by subsection 1. The insurer may*
44 *indicate if the taxpayer has a preference identifying a particular eligible program*
45 *to receive the donation. The career and technical program tax credit organization*
46 *shall, before accepting any such donation, apply to the Department of Taxation*
47 *for approval of the credit authorized by subsection 1. The Department of*
48 *Taxation shall, within 20 days after receiving the application, approve or deny the*
49 *application and provide to the career and technical program tax credit*
50 *organization notice of the decision and, if the application is approved, the amount*
51 *of the credit authorized. Upon receipt of the notice that the application has been*
52 *approved, the career and technical program tax credit organization shall provide*
53 *notice of the approval to the taxpayer who must, not later than 30 days after*

1 *receiving the notice, make the donation of money to the career and technical*
2 *program tax credit organization. If the taxpayer does not make the donation of*
3 *money to the career and technical program tax credit organization within 30 days*
4 *after receiving the notice, the career and technical program tax credit*
5 *organization shall provide notice of the failure to the Department of Taxation*
6 *and the taxpayer forfeits any claim to the credit authorized by subsection 1.*

7 *3. The Department of Taxation shall approve or deny applications for the*
8 *credit authorized by subsection 1 in the order in which the applications are*
9 *received.*

10 *4. The Department of Taxation may, for each fiscal year, approve*
11 *applications for the credit authorized by subsection 1 until the total amount of the*
12 *credits authorized by subsection 1 and approved by the Department of Taxation*
13 *pursuant to this section and sections 3 and 5 of this act is \$10,000,000. The*
14 *amount of any credit which is forfeited pursuant to subsection 2 must not be*
15 *considered in calculating the amount of credits authorized for any fiscal year.*

16 *5. If a taxpayer applies to and is approved by the Department of Taxation*
17 *for the credit authorized by subsection 1, the amount of the credit provided by this*
18 *section is equal to the amount approved by the Department of Taxation pursuant*
19 *to subsection 2, which must not exceed the amount of the donation made by the*
20 *taxpayer to the career and technical program tax credit organization. The total*
21 *amount of the credit applied against the taxes described in subsection 1 and*
22 *otherwise due from a taxpayer must not exceed the amount of the donation.*

23 *6. If the amount of the tax described in subsection 1 and otherwise due*
24 *from a taxpayer is less than the credit to which the taxpayer is entitled pursuant*
25 *to this section, the taxpayer may, after applying the credit to the extent of the tax*
26 *otherwise due, carry the balance of the credit forward for not more than 5 years*
27 *after the end of the calendar year in which the donation is made or until the*
28 *balance of the credit is applied, whichever is earlier.*

29 *7. As used in this section:*

30 *(a) "Career and technical program tax credit organization" has the meaning*
31 *ascribed to it in section 3 of this act.*

32 *(b) "Eligible program" has the meaning ascribed to it in section 3 of this act.*

33 *(c) "Taxpayer" means any person liable for a tax imposed by this chapter.*

34 **Sec. 10.** *1. An insurer who makes a donation of money to the career and*
35 *technical program tax credit organization during the calendar quarter for which*
36 *a report is filed pursuant to NRS 680B.032 or during a calendar year in which a*
37 *report is filed pursuant to NRS 680B.030 is entitled, in accordance with section 9*
38 *of this act, to a credit equal to the amount authorized pursuant to section 9 of this*
39 *act against any tax otherwise due pursuant to NRS 680B.027.*

40 *2. As used in this section, "career and technical program tax credit*
41 *organization" has the meaning ascribed to it in section 3 of this act.*

42 **Sec. 11.** *NRS 680B.025 is hereby amended to read as follows:*

43 *680B.025 For the purposes of NRS 680B.025 to 680B.039, inclusive ~~§~~, and*
44 *sections 9 and 10 of this act:*

45 *1. "Total income derived from direct premiums written":*

46 *(a) Does not include premiums written or considerations received from life*
47 *insurance policies or annuity contracts issued in connection with the funding of a*
48 *pension, annuity or profit-sharing plan qualified or exempt pursuant to sections*
49 *401, 403, 404, 408, 457 or 501 of the United States Internal Revenue Code as*
50 *renumbered from time to time.*

51 *(b) Does not include payments received by an insurer from the Secretary of*
52 *Health and Human Services pursuant to a contract entered into pursuant to section*
53 *1876 of the Social Security Act, 42 U.S.C. § 1395mm.*

(c) As to title insurance, consists of the total amount charged by the company for the sale of policies of title insurance.

2. Money accepted by a life insurer pursuant to an agreement which provides for an accumulation of money to purchase annuities at future dates may be considered as "total income derived from direct premiums written" either upon receipt or upon the actual application of the money to the purchase of annuities, but any interest credited to money accumulated while under the latter alternative must also be included in "total income derived from direct premiums written," and any money taxed upon receipt, including any interest later credited thereto, is not subject to taxation upon the purchase of annuities. Each life insurer shall signify on its return covering premiums for the calendar year 1971 or for the first calendar year it transacts business in this State, whichever is later, its election between those two alternatives. Thereafter an insurer shall not change his or her election without the consent of the Commissioner. Any such money taxed as "total income derived from direct premiums written" is, in the event of withdrawal of the money before its actual application to the purchase of annuities, eligible to be included as "return premiums" pursuant to the provisions of NRS 680B.030.

Sec. 12. NRS 680B.0395 is hereby amended to read as follows:

680B.0395 An insurer who holds a certificate of authority as a reinsurer is exempt from the requirements of NRS 680B.025 to 680B.039, inclusive ~~and~~, *and sections 9 and 10 of this act.*

Sec. 13. NRS 695B.320 is hereby amended to read as follows:

695B.320 1. Nonprofit hospital and medical or dental service corporations are subject to the provisions of this chapter, and to the provisions of chapters 679A and 679B of NRS, subsections 2, 4, 18, 19 and 31 of NRS 680B.010, NRS 680B.025 to 680B.060, inclusive, *and sections 9 and 10 of this act*, chapter 681B of NRS, NRS 686A.010 to 686A.315, inclusive, 686B.010 to 686B.175, inclusive, 687B.010 to 687B.040, inclusive, 687B.070 to 687B.140, inclusive, 687B.150, 687B.160, 687B.180, 687B.200 to 687B.255, inclusive, 687B.270, 687B.310 to 687B.380, inclusive, 687B.410, 687B.420, 687B.430, 687B.500 and chapters 692B, 692C, 693A and 696B of NRS, to the extent applicable and not in conflict with the express provisions of this chapter.

2. For the purposes of this section and the provisions set forth in subsection 1, a nonprofit hospital and medical or dental service corporation is included in the meaning of the term "insurer."

Sec. 14. NRS 695F.090 is hereby amended to read as follows:

695F.090 1. Prepaid limited health service organizations are subject to the provisions of this chapter and to the following provisions, to the extent reasonably applicable:

(a) NRS 686B.010 to 686B.175, inclusive, concerning rates and essential insurance.

(b) NRS 687B.310 to 687B.420, inclusive, concerning cancellation and nonrenewal of policies.

(c) NRS 687B.122 to 687B.128, inclusive, concerning readability of policies.

(d) The requirements of NRS 679B.152.

(e) The fees imposed pursuant to NRS 449.465.

(f) NRS 686A.010 to 686A.310, inclusive, concerning trade practices and frauds.

(g) The assessment imposed pursuant to NRS 679B.700.

(h) Chapter 683A of NRS.

(i) To the extent applicable, the provisions of NRS 689B.340 to 689B.580, inclusive, and chapter 689C of NRS relating to the portability and availability of health insurance.

1 (j) NRS 689A.035, 689A.0463, 689A.410, 689A.413 and 689A.415.

2 (k) NRS 680B.025 to 680B.060, inclusive, *and sections 9 and 10 of this act*
3 concerning premium tax, premium tax rate, annual report and estimated quarterly
4 tax payments. For the purposes of this paragraph, unless the context otherwise
5 requires that a section apply only to insurers, any reference in those sections to
6 “insurer” must be replaced by a reference to “prepaid limited health service
7 organization.”

8 (l) Chapter 692C of NRS, concerning holding companies.

9 (m) NRS 689A.637, concerning health centers.

10 (n) Chapter 681B of NRS, concerning assets and liabilities.

11 (o) NRS 682A.400 to 682A.468, inclusive, concerning investments.

12 2. For the purposes of this section and the provisions set forth in subsection 1,
13 a prepaid limited health service organization is included in the meaning of the term
14 “insurer.”

15 **Sec. 15.** This act becomes effective on July 1, 2023.