

ASSEMBLY BILL NO. 226—ASSEMBLYMEMBER MOSCA

PREFILED FEBRUARY 3, 2025

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to economic development. (BDR 32-690)

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 taxation; requiring an application for certain transferable tax credits and certain tax abatements to contain a certification that the applicant agrees to submit a community benefits agreement and collaborate with the community in which the business is located if the application is approved; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law authorizes the Office of Economic Development to approve  
2 transferable tax credits and abatements or partial abatements of certain property  
3 taxes, business taxes and sales and use taxes for certain businesses in certain  
4 circumstances. The Office is prohibited from approving an application for such  
5 credits or abatements unless the applicant satisfies certain criteria and has entered  
6 into an agreement with the Office establishing certain terms for the abatement.  
7 (NRS 231.1555, 274.310, 274.320, 274.330, 360.750, 360.753, 360.754, 360.759,  
8 360.889, 360.945) **Sections 1-3, 6, 8 and 12-15** of this bill additionally require an  
9 applicant for certain transferable tax credits or a tax abatement to certify in the  
10 application for transferrable tax credits or a tax abatement, as applicable, that, if the  
11 application is approved, the business will: (1) collaborate with the community in  
12 which the business is located; and (2) submit to the Office a community benefits  
13 agreement not later than 2 years after the date on which the application is approved.  
14 **Section 16** of this bill makes the requirements of this bill relating to the  
15 certification requirement applicable only to applications for certain transferable tax  
16 credits or certain abatements submitted on or after July 1, 2025.



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

1       **Section 1.** NRS 360.750 is hereby amended to read as follows:

2       360.750 1. A person who intends to locate or expand a  
3 business in this State may apply to the Office of Economic  
4 Development pursuant to this section for a partial abatement of one  
5 or more of the taxes imposed on the:

6       (a) New business pursuant to chapter 361, 363B or 374 of NRS.

7       (b) Expanded business pursuant to chapter 361 or 363B of NRS  
8 or a partial abatement of the local sales and use taxes imposed on  
9 the expanded business. As used in this paragraph, "local sales and  
10 use taxes" means the taxes imposed on the gross receipts of any  
11 retailer from the sale of tangible personal property sold at retail, or  
12 stored, used or otherwise consumed, in the political subdivision in  
13 which the business is to be located or expanded, except the taxes  
14 imposed by the Sales and Use Tax Act and the Local School  
15 Support Tax Law.

16       2. The Office of Economic Development shall approve an  
17 application for a partial abatement pursuant to this section if the  
18 Office makes the following determinations:

19       (a) The business offers primary jobs and is consistent with:

20           (1) The State Plan for Economic Development developed by  
21 the Executive Director of the Office of Economic Development  
22 pursuant to subsection 2 of NRS 231.053; and

23           (2) Any guidelines adopted by the Executive Director of the  
24 Office to implement the State Plan for Economic Development.

25       (b) Not later than 1 year after the date on which the application  
26 was received by the Office, the applicant has executed an agreement  
27 with the Office which must:

28           (1) Comply with the requirements of NRS 360.755;

29           (2) State the date on which the abatement becomes effective,  
30 as agreed to by the applicant and the Office, which must not be  
31 earlier than the date on which the Office received the application  
32 and not later than 1 year after the date on which the Office approves  
33 the application;

34           (3) State that the business will, after the date on which the  
35 abatement becomes effective, continue in operation in this State for  
36 a period specified by the Office, which must be at least 5 years, and  
37 will continue to meet the eligibility requirements set forth in this  
38 subsection;

39           (4) State that the business will offer primary jobs; and

40           (5) Bind the successors in interest of the business for the  
41 specified period.



1 (c) The business is registered pursuant to the laws of this State  
2 or the applicant commits to obtain a valid business license and all  
3 other permits required by the county, city or town in which the  
4 business operates.

5 (d) Except as otherwise provided in subsection 4, 5 or 6, the  
6 average hourly wage that will be paid by the business to its new  
7 employees in this State is at least 100 percent of the average  
8 statewide hourly wage as established by the Employment Security  
9 Division of the Department of Employment, Training and  
10 Rehabilitation on July 1 of each fiscal year.

11 (e) The business will, by the eighth calendar quarter following  
12 the calendar quarter in which the abatement becomes effective, offer  
13 a health insurance plan for all employees that includes an option for  
14 health insurance coverage for dependents of the employees, and the  
15 health care benefits the business offers to its employees in this State  
16 will meet the minimum requirements for health care benefits  
17 established by the Office.

18 (f) Except as otherwise provided in this subsection and NRS  
19 361.0687, if the business is a new business in a county whose  
20 population is 100,000 or more or a city whose population is 60,000  
21 or more, the business meets at least one of the following  
22 requirements:

23 (1) The business will have 50 or more full-time employees  
24 on the payroll of the business by the eighth calendar quarter  
25 following the calendar quarter in which the abatement becomes  
26 effective who will be employed at the location of the business in  
27 that county or city until at least the date which is 5 years after the  
28 date on which the abatement becomes effective.

29 (2) Establishing the business will require the business to  
30 make, not later than the date which is 2 years after the date on which  
31 the abatement becomes effective, a capital investment of at least  
32 \$1,000,000 in this State in capital assets that will be retained at the  
33 location of the business in that county or city until at least the date  
34 which is 5 years after the date on which the abatement becomes  
35 effective.

36 (g) Except as otherwise provided in NRS 361.0687, if the  
37 business is a new business in a county whose population is less than  
38 100,000, in an area of a county whose population is 100,000 or more  
39 that is located within the geographic boundaries of an area that is  
40 designated as rural by the United States Department of Agriculture  
41 and at least 20 miles outside of the geographic boundaries of an area  
42 designated as urban by the United States Department of Agriculture,  
43 or in a city whose population is less than 60,000, the business meets  
44 at least one of the following requirements:



1 (1) The business will have 10 or more full-time employees  
2 on the payroll of the business by the eighth calendar quarter  
3 following the calendar quarter in which the abatement becomes  
4 effective who will be employed at the location of the business in  
5 that county or city until at least the date which is 5 years after the  
6 date on which the abatement becomes effective.

7 (2) Establishing the business will require the business to  
8 make, not later than the date which is 2 years after the date on which  
9 the abatement becomes effective, a capital investment of at least  
10 \$250,000 in this State in capital assets that will be retained at the  
11 location of the business in that county or city until at least the date  
12 which is 5 years after the date on which the abatement becomes  
13 effective.

14 (h) If the business is an existing business, the business meets at  
15 least one of the following requirements:

16 (1) For a business in:

17 (I) Except as otherwise provided in sub-subparagraph (II),  
18 a county whose population is 100,000 or more or a city whose  
19 population is 60,000 or more, the business will, by the eighth  
20 calendar quarter following the calendar quarter in which the  
21 abatement becomes effective, increase the number of employees on  
22 its payroll in that county or city by 10 percent more than it  
23 employed in the fiscal year immediately preceding the fiscal year in  
24 which the abatement becomes effective or by twenty-five  
25 employees, whichever is greater, who will be employed at the  
26 location of the business in that county or city until at least the date  
27 which is 5 years after the date on which the abatement becomes  
28 effective; or

29 (II) A county whose population is less than 100,000, an  
30 area of a county whose population is 100,000 or more that is located  
31 within the geographic boundaries of an area that is designated as  
32 rural by the United States Department of Agriculture and at least 20  
33 miles outside of the geographic boundaries of an area designated as  
34 urban by the United States Department of Agriculture, or a city  
35 whose population is less than 60,000, the business will, by the  
36 eighth calendar quarter following the calendar quarter in which the  
37 abatement becomes effective, increase the number of employees on  
38 its payroll in that county or city by 10 percent more than it  
39 employed in the fiscal year immediately preceding the fiscal year in  
40 which the abatement becomes effective or by six employees,  
41 whichever is greater, who will be employed at the location of the  
42 business in that county or city until at least the date which is 5 years  
43 after the date on which the abatement becomes effective.

44 (2) The business will expand by making a capital investment  
45 in this State, not later than the date which is 2 years after the date on



1 which the abatement becomes effective, in an amount equal to at  
2 least 20 percent of the value of the tangible property possessed by  
3 the business in the fiscal year immediately preceding the fiscal year  
4 in which the abatement becomes effective, and the capital  
5 investment will be in capital assets that will be retained at the  
6 location of the business in that county or city until at least the date  
7 which is 5 years after the date on which the abatement becomes  
8 effective. The determination of the value of the tangible property  
9 possessed by the business in the immediately preceding fiscal year  
10 must be made by the:

11 (I) County assessor of the county in which the business  
12 will expand, if the business is locally assessed; or

13 (II) Department, if the business is centrally assessed.

14 (i) The applicant has provided in the application an estimate of  
15 the total number of new employees which the business anticipates  
16 hiring in this State by the eighth calendar quarter following the  
17 calendar quarter in which the abatement becomes effective if the  
18 Office approves the application.

19 (j) Except as otherwise provided in subsection 3, if the business  
20 will have at least 50 full-time employees on the payroll of the  
21 business by the eighth calendar quarter following the calendar  
22 quarter in which the abatement becomes effective, the business, by  
23 the earlier of the eighth calendar quarter following the calendar  
24 quarter in which the abatement becomes effective or the date on  
25 which the business has at least 50 full-time employees on the payroll  
26 of the business, has a policy for paid family and medical leave and  
27 agrees that all employees who have been employed by the business  
28 for at least 1 year will be eligible for at least 12 weeks of paid  
29 family and medical leave at a rate of at least 55 percent of the  
30 regular wage of the employee. The business will agree in writing  
31 that if the Office approves the application, the business will not:

32 (1) Prohibit, interfere with or otherwise discourage an  
33 employee from taking paid family and medical leave:

34 (I) For any reason authorized pursuant to the Family and  
35 Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

36 (II) To care for any adult child, sibling or domestic  
37 partner of the employee.

38 (2) Discriminate, discipline or discharge an employee for  
39 taking paid family and medical leave:

40 (I) For any reason authorized pursuant to the Family and  
41 Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

42 (II) To care for any adult child, sibling or domestic  
43 partner of the employee.

44 (3) Prohibit, interfere with or otherwise discourage an  
45 employee or other person from bringing a proceeding or testifying



1 in a proceeding against the business for a violation of the policy for  
2 paid family and medical leave that is required pursuant to this  
3 paragraph.

4 *(k) The applicant has certified in the application that the*  
5 *business will, if the application is approved:*

6 *(1) Collaborate with the community in which the business*  
7 *is located; and*

8 *(2) Submit a community benefits agreement to the Office*  
9 *not later than 2 years after the date on which the Office approves*  
10 *the application.*

11 3. For purposes of paragraph (j) of subsection 2, the Office of  
12 Economic Development shall determine that a business meets the  
13 requirements of that paragraph if the business has a policy for paid  
14 family and medical leave for employees on the payroll of the  
15 business outside of this State that meets or exceeds the requirements  
16 for a policy for paid family and medical leave pursuant to that  
17 paragraph and the business agrees in writing that its employees on  
18 the payroll in this State are eligible for paid family and medical  
19 leave under such policy.

20 4. Notwithstanding the provisions of subsection 2, the Office  
21 of Economic Development:

22 (a) Shall not consider an application for a partial abatement  
23 pursuant to this section unless the Office has requested a letter of  
24 acknowledgment of the request for the abatement from any affected  
25 county, school district, city or town.

26 (b) Shall consider the level of health care benefits provided by  
27 the business to its employees, the policy of paid family and medical  
28 leave provided by the business to its employees, the projected  
29 economic impact of the business and the projected tax revenue of  
30 the business after deducting projected revenue from the abated  
31 taxes.

32 (c) May, if the Office determines that such action is necessary:

33 (1) Approve an application for a partial abatement pursuant  
34 to this section by a business that does not meet the requirements set  
35 forth in paragraph (f), (g) or (h) of subsection 2;

36 (2) Make any of the requirements set forth in paragraphs (d)  
37 to (h), inclusive, of subsection 2 more stringent; or

38 (3) Add additional requirements that a business must meet to  
39 qualify for a partial abatement pursuant to this section.

40 5. Notwithstanding any other provision of law, the Office of  
41 Economic Development shall not approve an application for a  
42 partial abatement pursuant to this section if:

43 (a) The applicant intends to locate or expand in a county in  
44 which the rate of unemployment is 7 percent or more and the  
45 average hourly wage that will be paid by the applicant to its new



1 employees in this State is less than 70 percent of the average  
2 statewide hourly wage, as established by the Employment Security  
3 Division of the Department of Employment, Training and  
4 Rehabilitation on July 1 of each fiscal year.

5 (b) The applicant intends to locate or expand in a county in  
6 which the rate of unemployment is less than 7 percent and the  
7 average hourly wage that will be paid by the applicant to its new  
8 employees in this State is less than 85 percent of the average  
9 statewide hourly wage, as established by the Employment Security  
10 Division of the Department of Employment, Training and  
11 Rehabilitation on July 1 of each fiscal year.

12 (c) The applicant intends to locate in a county but has already  
13 received a partial abatement pursuant to this section for locating that  
14 business in that county.

15 (d) The applicant intends to expand in a county but has already  
16 received a partial abatement pursuant to this section for expanding  
17 that business in that county.

18 (e) The applicant has changed the name or identity of the  
19 business to evade the provisions of paragraph (c) or (d).

20 6. Notwithstanding any other provision of law, if the Office of  
21 Economic Development approves an application for a partial  
22 abatement pursuant to this section, in determining the types of taxes  
23 imposed on a new or expanded business for which the partial  
24 abatement will be approved and the amount of the partial abatement:

25 (a) If the new or expanded business is located in a county in  
26 which the rate of unemployment is 7 percent or more and the  
27 average hourly wage that will be paid by the business to its new  
28 employees in this State is less than 85 percent of the average  
29 statewide hourly wage, as established by the Employment Security  
30 Division of the Department of Employment, Training and  
31 Rehabilitation on July 1 of each fiscal year, the Office shall not:

32 (1) Approve an abatement of the taxes imposed pursuant to  
33 chapter 361 of NRS which exceeds 25 percent of the taxes on  
34 personal property payable by the business each year.

35 (2) Approve an abatement of the taxes imposed pursuant to  
36 chapter 363B of NRS which exceeds 25 percent of the amount of  
37 tax otherwise due pursuant to NRS 363B.110.

38 (b) If the new or expanded business is located in a county in  
39 which the rate of unemployment is less than 7 percent and the  
40 average hourly wage that will be paid by the business to its new  
41 employees in this State is less than 100 percent of the average  
42 statewide hourly wage, as established by the Employment Security  
43 Division of the Department of Employment, Training and  
44 Rehabilitation on July 1 of each fiscal year, the Office shall not:



1 (1) Approve an abatement of the taxes imposed pursuant to  
2 chapter 361 of NRS which exceeds 25 percent of the taxes on  
3 personal property payable by the business each year.

4 (2) Approve an abatement of the taxes imposed pursuant to  
5 chapter 363B of NRS which exceeds 25 percent of the amount of  
6 tax otherwise due pursuant to NRS 363B.110.

7 7. If the Office of Economic Development approves an  
8 application for a partial abatement pursuant to this section, the  
9 Office shall immediately forward a certificate of eligibility for the  
10 abatement to:

11 (a) The Department;

12 (b) The Nevada Tax Commission; and

13 (c) If the partial abatement is from the property tax imposed  
14 pursuant to chapter 361 of NRS, the county treasurer.

15 8. An applicant for a partial abatement pursuant to this section  
16 or an existing business whose partial abatement is in effect shall,  
17 upon the request of the Executive Director of the Office of  
18 Economic Development, furnish the Executive Director with copies  
19 of all records necessary to verify that the applicant meets the  
20 requirements of subsection 2.

21 9. If an applicant for a partial abatement pursuant to this  
22 section fails to execute the agreement described in paragraph (b) of  
23 subsection 2 within 1 year after the date on which the application  
24 was received by the Office, the applicant shall not be approved for a  
25 partial abatement pursuant to this section unless the applicant  
26 submits a new application.

27 10. If a business whose partial abatement has been approved  
28 pursuant to this section and is in effect ceases:

29 (a) To meet the requirements set forth in subsection 2; or

30 (b) Operation before the time specified in the agreement  
31 described in paragraph (b) of subsection 2,

32 ↪ the business shall repay to the Department or, if the partial  
33 abatement was from the property tax imposed pursuant to chapter  
34 361 of NRS, to the county treasurer, the amount of the partial  
35 abatement that was allowed pursuant to this section before the  
36 failure of the business to comply unless the Nevada Tax  
37 Commission determines that the business has substantially complied  
38 with the requirements of this section. Except as otherwise provided  
39 in NRS 360.232 and 360.320, the business shall, in addition to the  
40 amount of the partial abatement required to be paid pursuant to this  
41 subsection, pay interest on the amount due at the rate most recently  
42 established pursuant to NRS 99.040 for each month, or portion  
43 thereof, from the last day of the month following the period for  
44 which the payment would have been made had the partial abatement  
45 not been approved until the date of payment of the tax.



1 11. A county treasurer:

2 (a) Shall deposit any money that he or she receives pursuant to  
3 subsection 10 in one or more of the funds established by a local  
4 government of the county pursuant to NRS 354.6113 or 354.6115;  
5 and

6 (b) May use the money deposited pursuant to paragraph (a) only  
7 for the purposes authorized by NRS 354.6113 and 354.6115.

8 12. The Office of Economic Development may adopt such  
9 regulations as the Office of Economic Development determines to  
10 be necessary to carry out the provisions of this section and  
11 NRS 360.755.

12 13. The Nevada Tax Commission:

13 (a) Shall adopt regulations regarding:

14 (1) The capital investment that a new business must make to  
15 meet the requirement set forth in paragraph (f) or (g) of subsection  
16 2; and

17 (2) Any security that a business is required to post to qualify  
18 for a partial abatement pursuant to this section.

19 (b) May adopt such other regulations as the Nevada Tax  
20 Commission determines to be necessary to carry out the provisions  
21 of this section and NRS 360.755.

22 14. An applicant for a partial abatement pursuant to this section  
23 who is aggrieved by a final decision of the Office of Economic  
24 Development may petition for judicial review in the manner  
25 provided in chapter 233B of NRS.

26 15. For the purposes of this section, an employee is a "full-time  
27 employee" if he or she is in a permanent position of employment  
28 and works an average of 30 hours per week during the applicable  
29 period set forth in subsection 2.

30 **Sec. 2.** NRS 360.753 is hereby amended to read as follows:

31 360.753 1. An owner of a business or a person who intends  
32 to locate or expand a business in this State may apply to the Office  
33 of Economic Development pursuant to this section for a partial  
34 abatement of one or more of:

35 (a) The personal property taxes imposed on an aircraft and the  
36 personal property used to own, operate, manufacture, service,  
37 maintain, test, repair, overhaul or assemble an aircraft or any  
38 component of an aircraft; and

39 (b) The local sales and use taxes imposed on the purchase of  
40 tangible personal property used to operate, manufacture, service,  
41 maintain, test, repair, overhaul or assemble an aircraft or any  
42 component of an aircraft.

43 2. Notwithstanding the provisions of any law to the contrary  
44 and except as otherwise provided in subsections 3 and 4, the Office



1 of Economic Development shall approve an application for a partial  
2 abatement if the Office makes the following determinations:

3 (a) Not later than 1 year after the date on which the application  
4 was received by the Office, the applicant has executed an agreement  
5 with the Office which:

6 (1) Complies with the requirements of NRS 360.755;

7 (2) States the date on which the abatement becomes  
8 effective, as agreed to by the applicant and the Office, which must  
9 not be earlier than the date on which the Office received the  
10 application and not later than 1 year after the date on which the  
11 Office approves the application;

12 (3) States that the business will, after the date on which a  
13 certificate of eligibility for the partial abatement is issued pursuant  
14 to subsection 5, continue in operation in this State for a period  
15 specified by the Office, which must be not less than 5 years, and  
16 will continue to meet the eligibility requirements set forth in this  
17 subsection; and

18 (4) Binds any successor in interest of the applicant for the  
19 specified period;

20 (b) The business is registered pursuant to the laws of this State  
21 or the applicant commits to obtaining a valid business license and all  
22 other permits required by the county, city or town in which the  
23 business operates;

24 (c) The business owns, operates, manufactures, services,  
25 maintains, tests, repairs, overhauls or assembles an aircraft or any  
26 component of an aircraft;

27 (d) The average hourly wage that will be paid by the business to  
28 its employees in this State during the period of partial abatement is  
29 not less than 100 percent of the average statewide hourly wage as  
30 established by the Employment Security Division of the Department  
31 of Employment, Training and Rehabilitation on July 1 of each fiscal  
32 year;

33 (e) The business will, by the eighth calendar quarter following  
34 the calendar quarter in which the abatement becomes effective, offer  
35 a health insurance plan for all employees that includes an option for  
36 health insurance coverage for dependents of the employees, and the  
37 health care benefits the business offers to its employees in this State  
38 will meet the minimum requirements for health care benefits  
39 established by the Office;

40 (f) If the business is:

41 (1) A new business, that it will have five or more full-time  
42 employees on the payroll of the business within 1 year after  
43 receiving its certificate of eligibility for a partial abatement; or

44 (2) An existing business, that it will increase its number of  
45 full-time employees on the payroll of the business in this State by 3



1 percent or three employees, whichever is greater, within 1 year after  
2 receiving its certificate of eligibility for a partial abatement;

3 (g) The business meets at least one of the following  
4 requirements:

5 (1) The business will make a new capital investment of at  
6 least \$250,000 in this State within 1 year after receiving its  
7 certificate of eligibility for a partial abatement;

8 (2) The business will maintain and possess in this State  
9 tangible personal property having a value of not less than  
10 \$5,000,000 during the period of partial abatement;

11 (3) The business develops, refines or owns a patent or other  
12 intellectual property, or has been issued a type certificate by the  
13 Federal Aviation Administration pursuant to 14 C.F.R. Part 21;  
14 ~~and~~

15 (h) If the application is for the partial abatement of the taxes  
16 imposed by the Local School Support Tax Law, the application has  
17 been approved by a vote of at least two-thirds of the members of the  
18 Board of Economic Development created by NRS 231.033 ~~and~~; and

19 *(i) The applicant has certified in the application that the  
20 business will, if the application is approved:*

21 *(1) Collaborate with the community in which the business  
22 is located; and*

23 *(2) Submit a community benefits agreement to the Office  
24 not later than 2 years after the date on which the Office approves  
25 the application.*

26 3. The Office of Economic Development:

27 (a) Shall approve or deny an application submitted pursuant to  
28 this section and notify the applicant of its decision not later than 45  
29 days after receiving the application.

30 (b) Must not:

31 (1) Consider an application for a partial abatement unless the  
32 Office has requested a letter of acknowledgment of the request for  
33 the partial abatement from any affected county, school district, city  
34 or town and has complied with the requirements of NRS 360.757; or

35 (2) Approve a partial abatement for any applicant for a  
36 period of more than 10 years.

37 4. The Office of Economic Development must not approve a  
38 partial abatement of personal property taxes for a business whose  
39 physical property is collectively valued and centrally assessed  
40 pursuant to NRS 361.320 and 361.3205.

41 5. If the Office of Economic Development approves an  
42 application for a partial abatement pursuant to this section, the  
43 Office shall immediately forward a certificate of eligibility for the  
44 partial abatement to:

45 (a) The Department;



1 (b) The Nevada Tax Commission; and  
2 (c) If the partial abatement is from personal property taxes, the  
3 appropriate county treasurer.

4 6. An applicant for a partial abatement pursuant to this section  
5 or an existing business whose partial abatement is in effect shall,  
6 upon the request of the Executive Director of the Office of  
7 Economic Development, furnish the Executive Director with copies  
8 of all records necessary to verify that the applicant meets the  
9 requirements of subsection 2.

10 7. If an applicant for a partial abatement pursuant to this  
11 section fails to execute the agreement described in paragraph (a) of  
12 subsection 2 within 1 year after the date on which the application  
13 was received by the Office, the applicant shall not be approved for a  
14 partial abatement pursuant to this section unless the applicant  
15 submits a new application.

16 8. If a business whose partial abatement has been approved  
17 pursuant to this section and whose partial abatement is in effect  
18 ceases:

19 (a) To meet the requirements set forth in subsection 2; or

20 (b) Operation before the time specified in the agreement  
21 described in paragraph (a) of subsection 2,

22 ↪ the business shall repay to the Department or, if the partial  
23 abatement was from personal property taxes, to the appropriate  
24 county treasurer, the amount of the partial abatement that was  
25 allowed pursuant to this section before the failure of the business to  
26 comply unless the Nevada Tax Commission determines that the  
27 business has substantially complied with the requirements of this  
28 section. Except as otherwise provided in NRS 360.232 and 360.320,  
29 the business shall, in addition to the amount of the partial abatement  
30 required to be repaid pursuant to this subsection, pay interest on the  
31 amount due at the rate most recently established pursuant to NRS  
32 99.040 for each month, or portion thereof, from the last day of the  
33 month following the period for which the payment would have been  
34 made had the partial abatement not been approved until the date of  
35 payment of the tax.

36 9. The Office of Economic Development may adopt such  
37 regulations as the Office determines to be necessary to carry out the  
38 provisions of this section.

39 10. The Nevada Tax Commission may adopt such regulations  
40 as the Commission determines are necessary to carry out the  
41 provisions of this section.

42 11. An applicant for a partial abatement who is aggrieved by a  
43 final decision of the Office of Economic Development may petition  
44 a court of competent jurisdiction to review the decision in the  
45 manner provided in chapter 233B of NRS.



1 12. As used in this section:

2 (a) "Aircraft" means any fixed-wing, rotary-wing or unmanned  
3 aerial vehicle.

4 (b) "Component of an aircraft" means any:

5 (1) Element that makes up the physical structure of an  
6 aircraft, or is affixed thereto;

7 (2) Mechanical, electrical or other system of an aircraft,  
8 including, without limitation, any component thereof; and

9 (3) Raw material or processed material, part, machinery,  
10 tool, chemical, gas or equipment used to operate, manufacture,  
11 service, maintain, test, repair, overhaul or assemble an aircraft or  
12 component of an aircraft.

13 (c) "Full-time employee" means a person who is in a permanent  
14 position of employment and works an average of 30 hours per week  
15 during the applicable period set forth in subparagraph (3) of  
16 paragraph (a) of subsection 2.

17 (d) "Local sales and use taxes" means any taxes imposed on the  
18 gross receipts of any retailer from the sale of tangible personal  
19 property sold at retail, or stored, used or otherwise consumed, in any  
20 political subdivision of this State, except the taxes imposed by the  
21 Sales and Use Tax Act.

22 (e) "Personal property taxes" means any taxes levied on  
23 personal property by the State or a local government pursuant to  
24 chapter 361 of NRS.

25 **Sec. 3.** NRS 360.754 is hereby amended to read as follows:

26 360.754 1. A person who intends to locate or expand a data  
27 center in this State may apply to the Office of Economic  
28 Development pursuant to this section for a partial abatement of one  
29 or more of the taxes imposed on the new or expanded data center  
30 pursuant to chapter 361 or 374 of NRS.

31 2. The Office of Economic Development shall approve an  
32 application for a partial abatement pursuant to this section if the  
33 Office makes the following determinations:

34 (a) The application is consistent with the State Plan for  
35 Economic Development developed by the Executive Director of the  
36 Office of Economic Development pursuant to subsection 2 of NRS  
37 231.053 and any guidelines adopted by the Executive Director of the  
38 Office to implement the State Plan for Economic Development.

39 (b) Not later than 1 year after the date on which the application  
40 was received by the Office, the applicant has executed an agreement  
41 with the Office of Economic Development which must:

42 (1) Comply with the requirements of NRS 360.755;

43 (2) State the date on which the abatement becomes effective,  
44 as agreed to by the applicant and the Office of Economic  
45 Development, which must not be earlier than the date on which the



1 Office received the application and not later than 1 year after the  
2 date on which the Office approves the application;

3 (3) State that the data center will, after the date on which the  
4 abatement becomes effective, continue in operation in this State for  
5 a period specified by the Office of Economic Development, which  
6 must be at least 10 years, and will continue to meet the eligibility  
7 requirements set forth in this subsection; and

8 (4) Bind the successors in interest of the applicant for the  
9 specified period.

10 (c) The applicant is registered pursuant to the laws of this State  
11 or the applicant commits to obtain a valid business license and all  
12 other permits required by each county, city or town in which the  
13 data center operates.

14 (d) If the applicant is seeking a partial abatement for a period of  
15 not more than 10 years, the applicant meets the following  
16 requirements:

17 (1) The data center will, by not later than the date that is 5  
18 years after the date on which the abatement becomes effective, have  
19 or have added 10 or more full-time employees who are residents of  
20 Nevada and who will be employed at the data center and will  
21 continue to employ 10 or more full-time employees who are  
22 residents of Nevada at the data center until at least the date which is  
23 10 years after the date on which the abatement becomes effective.

24 (2) Establishing or expanding the data center will require the  
25 data center or any combination of the data center and one or more  
26 colocated businesses to make in each county in this State in which  
27 the data center is located, by not later than the date which is 5 years  
28 after the date on which the abatement becomes effective, a  
29 cumulative capital investment of at least \$25,000,000 in capital  
30 assets that will be used or located at the data center.

31 (3) The average hourly wage that will be paid by the data  
32 center to its employees in this State is at least 100 percent of the  
33 average statewide hourly wage as established by the Employment  
34 Security Division of the Department of Employment, Training and  
35 Rehabilitation on July 1 of each fiscal year and:

36 (I) The data center will, by not later than the date which is  
37 2 years after the date on which the abatement becomes effective,  
38 provide a health insurance plan for all employees employed at the  
39 data center that includes an option for health insurance coverage for  
40 dependents of the employees; and

41 (II) The health care benefits provided to employees  
42 employed at the data center will meet the minimum requirements for  
43 health care benefits established by the Office of Economic  
44 Development by regulation pursuant to subsection 13.



1 (4) At least 50 percent of the employees engaged in the  
2 construction of the data center are residents of Nevada, unless  
3 waived by the Executive Director of the Office of Economic  
4 Development upon proof satisfactory to the Executive Director of  
5 the Office of Economic Development that there is an insufficient  
6 number of residents of Nevada available and qualified for such  
7 employment.

8 (e) If the applicant is seeking a partial abatement for a period of  
9 10 years or more but not more than 20 years, the applicant meets the  
10 following requirements:

11 (1) The data center will, by not later than the date that is 5  
12 years after the date on which the abatement becomes effective, have  
13 or have added 50 or more full-time employees who are residents of  
14 Nevada and who will be employed at the data center and will  
15 continue to employ 50 or more full-time employees who are  
16 residents of Nevada at the data center until at least the date which is  
17 20 years after the date on which the abatement becomes effective.

18 (2) Establishing or expanding the data center will require the  
19 data center or any combination of the data center and one or more  
20 colocated businesses to make in each county in this State in which  
21 the data center is located, by not later than the date which is 5 years  
22 after the date on which the abatement becomes effective, a  
23 cumulative capital investment of at least \$100,000,000 in capital  
24 assets that will be used or located at the data center.

25 (3) The average hourly wage that will be paid by the data  
26 center to its employees in this State is at least 100 percent of the  
27 average statewide hourly wage as established by the Employment  
28 Security Division of the Department of Employment, Training and  
29 Rehabilitation on July 1 of each fiscal year and:

30 (I) The data center will, by not later than the date which is  
31 2 years after the date on which the abatement becomes effective,  
32 provide a health insurance plan for all employees employed at the  
33 data center that includes an option for health insurance coverage for  
34 dependents of the employees; and

35 (II) The health care benefits provided to employees  
36 employed at the data center will meet the minimum requirements for  
37 health care benefits established by the Office of Economic  
38 Development by regulation pursuant to subsection 13.

39 (4) At least 50 percent of the employees engaged in the  
40 construction of the data center are residents of Nevada, unless  
41 waived by the Executive Director of the Office of Economic  
42 Development upon proof satisfactory to the Executive Director of  
43 the Office of Economic Development that there is an insufficient  
44 number of residents of Nevada available and qualified for such  
45 employment.



1 (f) The applicant has provided in the application an estimate of  
2 the total number of new employees which the data center anticipates  
3 hiring in this State if the Office of Economic Development approves  
4 the application.

5 (g) If the applicant is seeking a partial abatement of the taxes  
6 imposed by the Local School Support Tax Law, the application has  
7 been approved by a vote of at least two-thirds of the members of the  
8 Board of Economic Development created by NRS 231.033.

9 *(h) The applicant has certified in the application that the data  
10 center will, if the application is approved:*

11 *(1) Collaborate with the community in which the data  
12 center is located; and*

13 *(2) Submit a community benefits agreement to the Office  
14 not later than 2 years after the date on which the Office approves  
15 the application.*

16 3. Notwithstanding the provisions of subsection 2, the Office  
17 of Economic Development:

18 (a) Shall not consider an application for a partial abatement  
19 pursuant to this section unless the Office of Economic Development  
20 has requested a letter of acknowledgment of the request for the  
21 abatement from each affected county, school district, city or town.

22 (b) Shall consider the level of health care benefits provided to  
23 employees employed at the data center, the projected economic  
24 impact of the data center and the projected tax revenue of the data  
25 center after deducting projected revenue from the abated taxes.

26 (c) May, if the Office of Economic Development determines  
27 that such action is necessary:

28 (1) Approve an application for a partial abatement pursuant  
29 to this section by a data center that does not meet the requirements  
30 set forth in paragraph (d) or (e) of subsection 2;

31 (2) Make the requirements set forth in paragraphs (d) and (e)  
32 of subsection 2 more stringent; or

33 (3) Add additional requirements that an applicant must meet  
34 to qualify for a partial abatement pursuant to this section.

35 4. If the Office of Economic Development approves an  
36 application for a partial abatement pursuant to this section, the  
37 Office shall immediately forward a certificate of eligibility for the  
38 abatement to:

39 (a) The Department;

40 (b) The Nevada Tax Commission; and

41 (c) If the partial abatement is from the property tax imposed  
42 pursuant to chapter 361 of NRS, the county treasurer of each county  
43 in which the data center is or will be located.

44 5. If the Office of Economic Development approves an  
45 application for a partial abatement pursuant to this section, the



1 Office may also approve a partial abatement of taxes for each  
2 colocated business that enters into a contract to use or occupy, for a  
3 period of at least 2 years, all or a portion of the new or expanded  
4 data center. Each such colocated business shall obtain a state  
5 business license issued by the Secretary of State. The percentage  
6 amount of a partial abatement approved for a colocated business  
7 pursuant to this subsection must not exceed the percentage amount  
8 of the partial abatement approved for the data center. The duration  
9 of a partial abatement approved for a colocated business pursuant to  
10 this subsection must not exceed the duration of the contract or  
11 contracts entered into between the colocated business and the data  
12 center, including the duration of any contract or contracts extended  
13 or renewed by the parties. If a colocated business ceases to meet the  
14 requirements set forth in this subsection, the colocated business  
15 shall repay the amount of the abatement that was allowed in the  
16 same manner in which a data center is required by subsection 8 to  
17 repay the Department or a county treasurer. If a data center ceases to  
18 meet the requirements of subsection 2 or ceases operation before the  
19 time specified in the agreement described in paragraph (b) of  
20 subsection 2, any partial abatement approved for a colocated  
21 business ceases to be in effect, but the colocated business is not  
22 required to repay the amount of the abatement that was allowed  
23 before the date on which the abatement ceases to be in effect. A data  
24 center shall provide the Executive Director of the Office and the  
25 Department with a list of the colocated businesses that are qualified  
26 to receive a partial abatement pursuant to this subsection and shall  
27 notify the Executive Director within 30 days after any change to the  
28 list. The Executive Director shall provide the list and any updates to  
29 the list to the Department and the county treasurer of each affected  
30 county.

31 6. An applicant for a partial abatement pursuant to this section  
32 or a data center whose partial abatement is in effect shall, upon the  
33 request of the Executive Director of the Office of Economic  
34 Development, furnish the Executive Director with copies of all  
35 records necessary to verify that the applicant meets the requirements  
36 of subsection 2.

37 7. If an applicant for a partial abatement pursuant to this  
38 section fails to execute the agreement described in paragraph (b) of  
39 subsection 2 within 1 year after the date on which the application  
40 was received by the Office, the applicant shall not be approved for a  
41 partial abatement pursuant to this section unless the applicant  
42 submits a new application.

43 8. If a data center whose partial abatement has been approved  
44 pursuant to this section and is in effect ceases:

45 (a) To meet the requirements set forth in subsection 2; or



1 (b) Operation before the time specified in the agreement  
2 described in paragraph (b) of subsection 2,

3 ↪ the data center shall repay to the Department or, if the partial  
4 abatement was from the property tax imposed pursuant to chapter  
5 361 of NRS, to the county treasurer, the amount of the partial  
6 abatement that was allowed pursuant to this section before the  
7 failure of the data center to comply unless the Nevada Tax  
8 Commission determines that the data center has substantially  
9 complied with the requirements of this section. Except as otherwise  
10 provided in NRS 360.232 and 360.320, the data center shall, in  
11 addition to the amount of the partial abatement required to be repaid  
12 pursuant to this subsection, pay interest on the amount due at the  
13 rate most recently established pursuant to NRS 99.040 for each  
14 month, or portion thereof, from the last day of the month following  
15 the period for which the payment would have been made had the  
16 partial abatement not been approved until the date of payment of the  
17 tax.

18 9. A county treasurer:

19 (a) Shall deposit any money that he or she receives pursuant to  
20 subsection 5 or 8 in one or more of the funds established by a local  
21 government of the county pursuant to NRS 354.6113 or 354.6115;  
22 and

23 (b) May use the money deposited pursuant to paragraph (a) only  
24 for the purposes authorized by NRS 354.6113 and 354.6115.

25 10. An applicant for a partial abatement pursuant to this section  
26 who is aggrieved by a final decision of the Office of Economic  
27 Development may petition for judicial review in the manner  
28 provided in chapter 233B of NRS.

29 11. For an employee to be considered a resident of Nevada for  
30 the purposes of this section, a data center must maintain the  
31 following documents in the personnel file of the employee:

32 (a) A copy of the current and valid Nevada driver's license of  
33 the employee or a current and valid identification card for the  
34 employee issued by the Department of Motor Vehicles;

35 (b) If the employee is a registered owner of one or more motor  
36 vehicles in Nevada, a copy of the current motor vehicle registration  
37 of at least one of those vehicles;

38 (c) Proof that the employee is a full-time employee; and

39 (d) Proof that the employee is covered by the health insurance  
40 plan which the data center is required to provide pursuant to sub-  
41 subparagraph (I) of subparagraph (3) of paragraph (d) of subsection  
42 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of  
43 subsection 2.

44 12. For the purpose of obtaining from the Executive Director  
45 of the Office of Economic Development any waiver of the



1 requirements set forth in subparagraph (4) of paragraph (d) of  
2 subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a  
3 data center must submit to the Executive Director of the Office of  
4 Economic Development written documentation of the efforts to  
5 meet the requirements and documented proof that an insufficient  
6 number of Nevada residents is available and qualified for  
7 employment.

8 13. The Office of Economic Development:

9 (a) Shall adopt regulations relating to the minimum level of  
10 health care benefits that a data center must provide to its employees  
11 to meet the requirement set forth in paragraph (d) or (e) of  
12 subsection 2;

13 (b) May adopt such other regulations as the Office determines to  
14 be necessary to carry out the provisions of this section; and

15 (c) Shall not approve any application for a partial abatement  
16 submitted pursuant to this section which is received on or after  
17 January 1, 2036.

18 14. The Nevada Tax Commission:

19 (a) Shall adopt regulations regarding:

20 (1) The capital investment necessary to meet the requirement  
21 set forth in paragraph (d) or (e) of subsection 2; and

22 (2) Any security that a data center is required to post to  
23 qualify for a partial abatement pursuant to this section.

24 (b) May adopt such other regulations as the Nevada Tax  
25 Commission determines to be necessary to carry out the provisions  
26 of this section.

27 15. As used in this section, unless the context otherwise  
28 requires:

29 (a) "Colocated business" means a person who enters into a  
30 contract with a data center that is qualified to receive an abatement  
31 pursuant to this section to use or occupy all or part of the data  
32 center.

33 (b) "Data center" means one or more buildings located at one or  
34 more physical locations in this State which house a group of  
35 networked server computers for the purpose of centralizing the  
36 storage, management and dissemination of data and information  
37 pertaining to one or more businesses and includes any modular or  
38 preassembled components, associated telecommunications and  
39 storage systems and, if the data center includes more than one  
40 building or physical location, any network or connection between  
41 such buildings or physical locations.

42 (c) "Full-time employee" means a person who is in a permanent  
43 position of employment and works an average of 30 hours per week  
44 during the applicable period set forth in paragraph (d) or (e) of  
45 subsection 2.



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

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

3     **Sec. 6.** NRS 360.889 is hereby amended to read as follows:

4     360.889 1. On behalf of a project, the lead participant in the  
5 project may apply to the Office of Economic Development for:

6     (a) A certificate of eligibility for transferable tax credits which  
7 may be applied to:

8         (1) Any tax imposed by chapters 363A and 363B of NRS;

9         (2) The gaming license fees imposed by the provisions of  
10 NRS 463.370;

11         (3) Any tax imposed by chapter 680B of NRS; or

12         (4) Any combination of the fees and taxes described in  
13 subparagraphs (1), (2) and (3).

14     (b) A partial abatement of property taxes, employer excise taxes  
15 or local sales and use taxes, or any combination of any of those  
16 taxes.

17     2. For a project to be eligible for the transferable tax credits  
18 described in paragraph (a) of subsection 1 and the partial abatement  
19 of the taxes described in paragraph (b) of subsection 1, the lead  
20 participant in the project must, on behalf of the project:

21     (a) Submit an application that meets the requirements of  
22 subsection 5;

23     (b) Provide documentation satisfactory to the Office that  
24 approval of the application would promote the economic  
25 development of this State and aid the implementation of the State  
26 Plan for Economic Development developed by the Executive  
27 Director of the Office pursuant to subsection 2 of NRS 231.053;

28     (c) Provide documentation satisfactory to the Office that the  
29 participants in the project collectively will make a total new capital  
30 investment of at least \$1 billion in this State within the 10-year  
31 period immediately following approval of the application;

32     (d) Provide documentation satisfactory to the Office that the  
33 participants in the project are engaged in a common business  
34 purpose or industry;

35     (e) Provide documentation satisfactory to the Office that the  
36 place of business of each participant is or will be located within the  
37 geographic boundaries of the project site or sites;

38     (f) Provide documentation satisfactory to the Office that each  
39 participant in the project is registered pursuant to the laws of this  
40 State or commits to obtaining a valid business license and all other  
41 permits required by the county, city or town in which the project  
42 operates;

43     (g) Provide documentation satisfactory to the Office of the  
44 number of employees engaged in the construction of the project;



1 (h) Provide documentation satisfactory to the Office of the  
2 number of qualified employees employed or anticipated to be  
3 employed at the project by the participants;

4 (i) Provide documentation satisfactory to the Office that each  
5 employer engaged in the construction of the project provides a plan  
6 of health insurance and that each employee engaged in the  
7 construction of the project is offered coverage under the plan of  
8 health insurance provided by his or her employer;

9 (j) Provide documentation satisfactory to the Office that each  
10 participant in the project provides a plan of health insurance and that  
11 each employee employed at the project by each participant is  
12 offered coverage under the plan of health insurance provided by his  
13 or her employer;

14 (k) Provide documentation satisfactory to the Office that at least  
15 50 percent of the employees engaged in construction of the project  
16 and 50 percent of the employees employed at the project are  
17 residents of Nevada, unless waived by the Executive Director of the  
18 Office upon proof satisfactory to the Executive Director of the  
19 Office that there is an insufficient number of Nevada residents  
20 available and qualified for such employment;

21 (l) Agree to provide the Office with a full compliance audit of  
22 the participants in the project at the end of each fiscal year which:

23 (1) Shows the amount of money invested in this State by  
24 each participant in the project;

25 (2) Shows the number of employees engaged in the  
26 construction of the project and the number of those employees who  
27 are residents of Nevada;

28 (3) Shows the number of employees employed at the project  
29 by each participant and the number of those employees who are  
30 residents of Nevada; and

31 (4) Is certified by an independent certified public accountant  
32 in this State who is approved by the Office;

33 (m) Pay the cost of the audit required by paragraph (l);

34 (n) Enter into an agreement with the governing body of the city  
35 or county in which the qualified project is located that:

36 (1) Requires the lead participant to pay the cost of any  
37 engineering or design work necessary to determine the cost of  
38 infrastructure improvements required to be made by the governing  
39 body pursuant to an economic development financing proposal  
40 approved pursuant to NRS 360.990; and

41 (2) Requires the lead participant to seek reimbursement for  
42 any costs paid by the lead participant pursuant to subparagraph (1)  
43 from the proceeds of bonds issued pursuant to NRS 360.991; and

44 (o) Meet any other requirements prescribed by the Office.



1 3. In addition to meeting the requirements set forth in  
2 subsection 2, for a project located on more than one site in this State  
3 to be eligible for the partial abatement of the taxes described in  
4 paragraph (b) of subsection 1, the lead participant must, on behalf of  
5 the project, submit an application that meets the requirements of  
6 subsection 5 on or before June 30, 2019, and provide documentation  
7 satisfactory to the Office that:

8 (a) The initial project will have a total of 500 or more full-time  
9 employees employed at the site of the initial project and the average  
10 hourly wage that will be paid to employees of the initial project in  
11 this State is at least 120 percent of the average statewide hourly  
12 wage as established by the Employment Security Division of the  
13 Department of Employment, Training and Rehabilitation on July 1  
14 of each fiscal year;

15 (b) Each participant in the project must be a subsidiary or  
16 affiliate of the lead participant; and

17 (c) Each participant offers primary jobs and:

18 (1) Except as otherwise provided in subparagraph (2),  
19 satisfies the requirements of paragraph (f) or (g) of subsection 2 of  
20 NRS 360.750, regardless of whether the business is a new business  
21 or an existing business; and

22 (2) If a participant owns, operates, manufactures, services,  
23 maintains, tests, repairs, overhauls or assembles an aircraft or any  
24 component of an aircraft, that the participant satisfies the applicable  
25 requirements of paragraph (f) or (g) of subsection 2 of  
26 NRS 360.753.

27 ↪ If any participant is a data center, as defined in NRS 360.754, any  
28 capital investment by that participant must not be counted in  
29 determining whether the participants in the project collectively will  
30 make a total new capital investment of at least \$1 billion in this  
31 State within the 10-year period immediately following approval of  
32 the application, as required by paragraph (c) of subsection 2.

33 4. In addition to meeting the requirements set forth in  
34 subsection 2, a project is eligible for the transferable tax credits  
35 described in paragraph (a) of subsection 1 only if the Interim  
36 Finance Committee approves a written request for the issuance of  
37 the transferable tax credits. Such a request may only be submitted  
38 by the Office and only after the Office has approved the application  
39 submitted for the project pursuant to subsection 2. The Interim  
40 Finance Committee may approve a request submitted pursuant to  
41 this subsection only if the Interim Finance Committee determines  
42 that approval of the request:

43 (a) Will not impede the ability of the Legislature to carry out its  
44 duty to provide for an annual tax sufficient to defray the estimated



1 expenses of the State for each fiscal year as set forth in Article 9,  
2 Section 2 of the Nevada Constitution; and

3 (b) Will promote the economic development of this State and  
4 aid the implementation of the State Plan for Economic Development  
5 developed by the Executive Director of the Office pursuant to  
6 subsection 2 of NRS 231.053.

7 5. An application submitted pursuant to subsection 2 must  
8 include:

9 (a) A detailed description of the project, including a description  
10 of the common purpose or business endeavor in which the  
11 participants in the project are engaged;

12 (b) A detailed description of the location of the project,  
13 including a precise description of the geographic boundaries of the  
14 project site or sites;

15 (c) The name and business address of each participant in the  
16 project, which must be an address in this State;

17 (d) A detailed description of the plan by which the participants  
18 in the project intend to comply with the requirement that the  
19 participants collectively make a total new capital investment of at  
20 least \$1 billion in this State in the 10-year period immediately  
21 following approval of the application;

22 (e) If the application includes one or more partial abatements, an  
23 agreement executed by the Office with the lead participant in the  
24 project not later than 1 year after the date on which the application  
25 was received by the Office which:

26 (1) Complies with the requirements of NRS 360.755;

27 (2) States the date on which the partial abatement becomes  
28 effective, as agreed to by the applicant and the Office, which must  
29 not be earlier than the date on which the Office received the  
30 application and not later than 1 year after the date on which the  
31 Office approves the application;

32 (3) States that the project will, after the date on which a  
33 certificate of eligibility for the partial abatement is approved  
34 pursuant to NRS 360.893, continue in operation in this State for a  
35 period specified by the Office; and

36 (4) Binds successors in interest of the lead participant for the  
37 specified period; ~~and~~

38 (f) *A certification by the lead participant in the project that, if*  
39 *the application is approved, the participants in the project will:*

40 (1) *Collaborate with the community in which the project is*  
41 *located; and*

42 (2) *Submit a community benefits agreement to the Office*  
43 *not later than 2 years after the date on which the Office approves*  
44 *the application; and*

45 (g) Any other information required by the Office.



1 6. For an employee to be considered a resident of Nevada for  
2 the purposes of this section, each participant in the project must  
3 maintain the following documents in the personnel file of the  
4 employee:

5 (a) A copy of the:

6 (1) Current and valid Nevada driver's license of the  
7 employee originally issued by the Department of Motor Vehicles  
8 more than 60 days before the hiring of the employee or a current and  
9 valid identification card for the employee originally issued by the  
10 Department of Motor Vehicles more than 60 days before the hiring  
11 of the employee; or

12 (2) If the employee is a veteran of the Armed Forces of the  
13 United States, a current and valid Nevada driver's license of the  
14 employee or a current and valid identification card for the employee  
15 issued by the Department of Motor Vehicles;

16 (b) If the employee is a registered owner of one or more motor  
17 vehicles in Nevada, a copy of the current motor vehicle registration  
18 of at least one of those vehicles;

19 (c) Proof that the employee is employed full-time and scheduled  
20 to work for an average minimum of 30 hours per week; and

21 (d) Proof that the employee is offered coverage under a plan of  
22 health insurance provided by his or her employer.

23 7. For the purpose of obtaining from the Executive Director of  
24 the Office any waiver of the requirement set forth in paragraph (k)  
25 of subsection 2, the lead participant in the project must submit to the  
26 Executive Director of the Office written documentation of the  
27 efforts to meet the requirement and documented proof that an  
28 insufficient number of Nevada residents is available and qualified  
29 for employment.

30 8. The Executive Director of the Office shall make available to  
31 the public and post on the Internet website of the Office:

32 (a) Any request for a waiver of the requirements set forth in  
33 paragraph (k) of subsection 2; and

34 (b) Any approval of such a request for a waiver that is granted  
35 by the Executive Director of the Office.

36 9. The Executive Director of the Office shall post a request for  
37 a waiver of the requirements set forth in paragraph (k) of subsection  
38 2 on the Internet website of the Office within 3 days after receiving  
39 the request and shall keep the request posted on the Internet website  
40 for not less than 5 days. The Executive Director of the Office shall  
41 ensure that the Internet website allows members of the public to post  
42 comments regarding the request.

43 10. The Executive Director of the Office shall consider any  
44 comments posted on the Internet website concerning any request for  
45 a waiver of the requirements set forth in paragraph (k) of subsection



1 2 before making a decision regarding whether to approve the  
2 request. If the Executive Director of the Office approves the request  
3 for a waiver, the Executive Director of the Office must post the  
4 approval on the Internet website of the Office within 3 days and  
5 ensure that the Internet website allows members of the public to post  
6 comments regarding the approval.

7 11. If an applicant for one or more partial abatements pursuant  
8 to this section fails to execute the agreement described in paragraph  
9 (e) of subsection 5 within 1 year after the date on which the  
10 application was received by the Office, the applicant shall not be  
11 approved for a partial abatement pursuant to this section unless the  
12 applicant submits a new application.

13 **Sec. 7.** (Deleted by amendment.)

14 **Sec. 8.** NRS 360.945 is hereby amended to read as follows:

15 360.945 1. On behalf of a project, the lead participant in the  
16 project may apply to the Office of Economic Development for:

17 (a) A certificate of eligibility for transferable tax credits which  
18 may be applied to:

19 (1) Any tax imposed by chapters 363A and 363B of NRS;

20 (2) The gaming license fees imposed by the provisions of  
21 NRS 463.370;

22 (3) Any tax imposed by chapter 680B of NRS; or

23 (4) Any combination of the fees and taxes described in  
24 subparagraphs (1), (2) and (3).

25 (b) An abatement of property taxes, employer excise taxes or  
26 local sales and use taxes, or any combination of any of those taxes.

27 2. For a project to be eligible for the transferable tax credits  
28 described in paragraph (a) of subsection 1 and abatement of the  
29 taxes described in paragraph (b) of subsection 1, the lead participant  
30 in the project must, on behalf of the project:

31 (a) Submit an application that meets the requirements of  
32 subsection 3;

33 (b) Provide documentation satisfactory to the Office that  
34 approval of the application would promote the economic  
35 development of this State and aid the implementation of the State  
36 Plan for Economic Development developed by the Executive  
37 Director of the Office pursuant to subsection 2 of NRS 231.053;

38 (c) Provide documentation satisfactory to the Office that the  
39 participants in the project collectively will make a total new capital  
40 investment of at least \$3.5 billion in this State within the 10-year  
41 period immediately following approval of the application;

42 (d) Provide documentation satisfactory to the Office that the  
43 participants in the project are engaged in a common business  
44 purpose or industry;



1 (e) Provide documentation satisfactory to the Office that the  
2 place of business of each participant is or will be located within the  
3 geographic boundaries of the project site;

4 (f) Provide documentation satisfactory to the Office that each  
5 participant in the project is registered pursuant to the laws of this  
6 State or commits to obtaining a valid business license and all other  
7 permits required by the county, city or town in which the project  
8 operates;

9 (g) Provide documentation satisfactory to the Office of the  
10 number of employees engaged in the construction of the project;

11 (h) Provide documentation satisfactory to the Office of the  
12 number of qualified employees employed or anticipated to be  
13 employed at the project by the participants;

14 (i) Provide documentation satisfactory to the Office that each  
15 employer engaged in the construction of the project provides a plan  
16 of health insurance and that each employee engaged in the  
17 construction of the project is offered coverage under the plan of  
18 health insurance provided by his or her employer;

19 (j) Provide documentation satisfactory to the Office that each  
20 participant in the project provides a plan of health insurance and that  
21 each employee employed at the project by each participant is  
22 offered coverage under the plan of health insurance provided by his  
23 or her employer;

24 (k) Provide documentation satisfactory to the Office that at least  
25 50 percent of the employees engaged in construction of the project  
26 and 50 percent of the employees employed at the project are  
27 residents of Nevada, unless waived by the Executive Director of the  
28 Office upon proof satisfactory to the Executive Director of the  
29 Office that there is an insufficient number of Nevada residents  
30 available and qualified for such employment;

31 (l) Agree to provide the Office with a full compliance audit of  
32 the participants in the project at the end of each fiscal year which:

33 (1) Shows the amount of money invested in this State by  
34 each participant in the project;

35 (2) Shows the number of employees engaged in the  
36 construction of the project and the number of those employees who  
37 are residents of Nevada;

38 (3) Shows the number of employees employed at the project  
39 by each participant and the number of those employees who are  
40 residents of Nevada; and

41 (4) Is certified by an independent certified public accountant  
42 in this State who is approved by the Office;

43 (m) Pay the cost of the audit required by paragraph (l);

44 (n) Enter into an agreement with the governing body of the city  
45 or county in which the qualified project is located that:



1 (1) Requires the lead participant to pay the cost of any  
2 engineering or design work necessary to determine the cost of  
3 infrastructure improvements required to be made by the governing  
4 body pursuant to an economic development financing proposal  
5 approved pursuant to NRS 360.990; and

6 (2) Requires the lead participant to seek reimbursement for  
7 any costs paid by the lead participant pursuant to subparagraph (1)  
8 from the proceeds of bonds of the State of Nevada issued pursuant  
9 to NRS 360.991; and

10 (o) Meet any other requirements prescribed by the Office.

11 3. An application submitted pursuant to subsection 2 must  
12 include:

13 (a) A detailed description of the project, including a description  
14 of the common purpose or business endeavor in which the  
15 participants in the project are engaged;

16 (b) A detailed description of the location of the project,  
17 including a precise description of the geographic boundaries of the  
18 project site;

19 (c) The name and business address of each participant in the  
20 project, which must be an address in this State;

21 (d) A detailed description of the plan by which the participants  
22 in the project intend to comply with the requirement that the  
23 participants collectively make a total new capital investment of at  
24 least \$3.5 billion in this State in the 10-year period immediately  
25 following approval of the application;

26 (e) If the application includes one or more abatements, an  
27 agreement executed by the Office with the lead participant in the  
28 project not later than 1 year after the date on which the application  
29 was received by the Office which:

30 (1) Complies with the requirements of NRS 360.755;

31 (2) States that the project will, after the date on which a  
32 certificate of eligibility for the abatement is approved pursuant to  
33 NRS 360.965, continue in operation in this State for a period  
34 specified by the Office; and

35 (3) Binds successors in interest of the lead participant for the  
36 specified period; ~~and~~

37 (f) *A certification by the lead participant in the project that, if  
38 the application is approved, the participants in the project will:*

39 (1) *Collaborate with the community in which the project is  
40 located; and*

41 (2) *Submit a community benefits agreement to the Office  
42 not later than 2 years after the date on which the Office approves  
43 the application; and*

44 (g) Any other information required by the Office.



1 4. For an employee to be considered a resident of Nevada for  
2 the purposes of this section, each participant in the project must  
3 maintain the following documents in the personnel file of the  
4 employee:

5 (a) A copy of the current and valid Nevada driver's license of  
6 the employee or a current and valid identification card for the  
7 employee issued by the Department of Motor Vehicles;

8 (b) If the employee is a registered owner of one or more motor  
9 vehicles in Nevada, a copy of the current motor vehicle registration  
10 of at least one of those vehicles;

11 (c) Proof that the employee is employed full-time and scheduled  
12 to work for an average minimum of 30 hours per week; and

13 (d) Proof that the employee is offered coverage under a plan of  
14 health insurance provided by his or her employer.

15 5. For the purpose of obtaining from the Executive Director of  
16 the Office any waiver of the requirement set forth in paragraph (k)  
17 of subsection 2, the lead participant in the project must submit to the  
18 Executive Director of the Office written documentation of the  
19 efforts to meet the requirement and documented proof that an  
20 insufficient number of Nevada residents is available and qualified  
21 for employment.

22 6. The Executive Director of the Office shall make available to  
23 the public and post on the Internet website for the Office:

24 (a) Any request for a waiver of the requirements set forth in  
25 paragraph (k) of subsection 2; and

26 (b) Any approval of such a request for a waiver that is granted  
27 by the Executive Director of the Office.

28 7. The Executive Director of the Office shall post a request for  
29 a waiver of the requirements set forth in paragraph (k) of subsection  
30 2 on the Internet website of the Office within 3 days after receiving  
31 the request and shall keep the request posted on the Internet website  
32 for not less than 5 days. The Executive Director of the Office shall  
33 ensure that the Internet website allows members of the public to post  
34 comments regarding the request.

35 8. The Executive Director of the Office shall consider any  
36 comments posted on the Internet website concerning any request for  
37 a waiver of the requirements set forth in paragraph (k) of subsection  
38 2 before making a decision regarding whether to approve the  
39 request. If the Executive Director of the Office approves the request  
40 for a waiver, the Executive Director of the Office must post the  
41 approval on the Internet website of the Office within 3 days and  
42 ensure that the Internet website allows members of the public to post  
43 comments regarding the approval.

44 9. If an applicant for one or more abatements pursuant to this  
45 section fails to execute the agreement described in paragraph (e) of



1 subsection 3 within 1 year after the date on which the application  
2 was received by the Office, the applicant shall not be approved for  
3 an abatement pursuant to this section unless the applicant submits a  
4 new application.

5 **Sec. 9.** (Deleted by amendment.)

6 **Sec. 10.** (Deleted by amendment.)

7 **Sec. 11.** (Deleted by amendment.)

8 **Sec. 12.** NRS 231.1555 is hereby amended to read as follows:

9 231.1555 1. A person who intends to locate or expand a  
10 business in this State may apply to the Office for a certificate of  
11 eligibility for transferable tax credits which may be applied to:

12 (a) Any tax imposed by chapter 363A or 363B of NRS;

13 (b) The gaming license fee imposed by the provisions of  
14 NRS 463.370;

15 (c) Any tax imposed by chapter 680B of NRS; or

16 (d) Any combination of the fees and taxes described in  
17 paragraphs (a), (b) and (c).

18 2. After considering any advice and recommendations of the  
19 Board, the Executive Director shall establish:

20 (a) Procedures for applying to the Office for a certificate of  
21 eligibility for transferable tax credits which must:

22 (1) Include, without limitation, a requirement that the  
23 applicant set forth in the application:

24 (I) The proposed use of the transferable tax credits;

25 (II) The plans, projects and programs for which the  
26 transferable tax credits will be used;

27 (III) The expected benefits of the issuance of the  
28 transferable tax credits; ~~and~~

29 (IV) A statement of the short-term and long-term impacts  
30 of the issuance of the transferable tax credits; and

31 (V) *A certification that the business will, if the*  
32 *application is approved, collaborate with the community in which*  
33 *the business is located and submit a community benefits*  
34 *agreement to the Office not later than 2 years after the date on*  
35 *which the Office approves the application; and*

36 (2) Allow the applicant to revise the application upon the  
37 recommendation of the Executive Director.

38 (b) The criteria which a person to whom a certificate of  
39 eligibility for transferable tax credits has been issued must satisfy to  
40 be issued a certificate of transferable tax credits.

41 3. After receipt of an application pursuant to this section, the  
42 Executive Director shall review and evaluate the application and  
43 determine whether the approval of the application would promote  
44 the economic development of this State and aid the implementation



1 of the State Plan for Economic Development developed by the  
2 Executive Director pursuant to subsection 2 of NRS 231.053.

3 4. If the applicant is requesting transferable tax credits in an  
4 amount of \$100,000 or less, the Executive Director may approve the  
5 application, subject to the provisions of subsection 6, if the  
6 Executive Director determines that approving the application will  
7 promote the economic development of this State and aid the  
8 implementation of the State Plan for Economic Development.

9 5. If the applicant is requesting transferable tax credits in an  
10 amount greater than \$100,000, the Executive Director shall submit  
11 the application and the Executive Director's review and evaluation  
12 of the application pursuant to subsection 3 to the Board, and the  
13 Board may approve the application, subject to the provisions of  
14 subsection 6, if the Board determines that approving the application  
15 will promote the economic development of this State and aid the  
16 implementation of the State Plan for Economic Development.

17 6. The Executive Director or the Board shall not approve any  
18 application for transferable tax credits for:

19 (a) A period of more than 5 fiscal years;

20 (b) Fiscal Year 2015-2016; or

21 (c) Any fiscal year if the approval of the application would  
22 cause the total amount of transferable tax credits issued pursuant to  
23 this section to exceed:

24 (1) For Fiscal Year 2016-2017, \$1,000,000.

25 (2) For Fiscal Year 2017-2018, \$2,000,000.

26 (3) For Fiscal Year 2018-2019, \$2,000,000.

27 (4) For Fiscal Year 2019-2020, \$3,000,000.

28 (5) For a fiscal year beginning on or after July 1, 2020,  
29 \$5,000,000.

30 7. If the Executive Director or the Board approves an  
31 application and issues a certificate of eligibility for transferable tax  
32 credits, the Office shall immediately forward a copy of the  
33 certificate of eligibility which identifies the estimated amount of the  
34 tax credits available pursuant to this section to:

35 (a) The applicant;

36 (b) The Department of Taxation; and

37 (c) The Nevada Gaming Control Board.

38 8. Within 14 days after the Office determines that a person to  
39 whom a certificate of eligibility for transferable tax credits has been  
40 issued satisfies the criteria established by the Executive Director  
41 pursuant to subsection 2, the Office shall notify the person that  
42 transferable tax credits will be issued. Within 30 days after the  
43 receipt of the notice, the person shall make an irrevocable  
44 declaration of the amount of transferable tax credits that will be  
45 applied to each fee or tax set forth in paragraphs (a), (b) and (c) of



1 subsection 1, thereby accounting for all of the credits which will be  
2 issued. Upon receipt of the declaration, the Office shall issue to the  
3 person a certificate of transferable tax credits in the amount  
4 approved by the Executive Director or the Board, as applicable, for  
5 the fees or taxes included in the declaration. The Office shall notify  
6 the Department of Taxation and the Nevada Gaming Control Board  
7 of all transferable tax credits issued, segregated by each fee or tax  
8 set forth in paragraphs (a), (b) and (c) of subsection 1, and the  
9 amount of any transferable tax credits transferred.

10 **Sec. 13.** NRS 274.310 is hereby amended to read as follows:

11 274.310 1. A person who intends to locate a business in this  
12 State within:

13 (a) A historically underutilized business zone, as defined in 15  
14 U.S.C. § 632;

15 (b) A redevelopment area created pursuant to chapter 279 of  
16 NRS;

17 (c) An area eligible for a community development block grant  
18 pursuant to 24 C.F.R. Part 570; or

19 (d) An enterprise community established pursuant to 24 C.F.R.  
20 Part 597,

21 ↪ may submit a request to the governing body of the county, city or  
22 town in which the business would operate for an endorsement of an  
23 application by the person to the Office of Economic Development  
24 for a partial abatement of one or more of the taxes imposed pursuant  
25 to chapter 361 of NRS or the local sales and use taxes. The  
26 governing body of the county, city or town shall provide notice of  
27 the request to the board of trustees of the school district in which the  
28 business would operate. The notice must set forth the date, time and  
29 location of the hearing at which the governing body will consider  
30 whether to endorse the application. As used in this subsection,  
31 "local sales and use taxes" means the taxes imposed on the gross  
32 receipts of any retailer from the sale of tangible personal property  
33 sold at retail, or stored, used or otherwise consumed, in the political  
34 subdivision in which the business is located, except the taxes  
35 imposed by the Sales and Use Tax Act and the Local School  
36 Support Tax Law.

37 2. The governing body of a county, city or town shall develop  
38 procedures for:

39 (a) Evaluating whether such an abatement would be beneficial  
40 for the economic development of the county, city or town.

41 (b) Issuing a certificate of endorsement for an application for  
42 such an abatement that is found to be beneficial for the economic  
43 development of the county, city or town.

44 3. A person whose application has been endorsed by the  
45 governing body of the county, city or town, as applicable, pursuant



1 to this section may submit the application to the Office of Economic  
2 Development. The Office shall approve the application if the Office  
3 makes the following determinations:

4 (a) The business is consistent with:

5 (1) The State Plan for Economic Development developed by  
6 the Administrator pursuant to subsection 2 of NRS 231.053; and

7 (2) Any guidelines adopted by the Administrator to  
8 implement the State Plan for Economic Development.

9 (b) Not later than 1 year after the date on which the application  
10 was received by the Office, the applicant has executed an agreement  
11 with the Office which states:

12 (1) The date on which the abatement becomes effective, as  
13 agreed to by the applicant and the Office, which must not be earlier  
14 than the date on which the Office received the application and not  
15 later than 1 year after the date on which the Office approves the  
16 application; and

17 (2) That the business will, after the date on which the  
18 abatement becomes effective:

19 (I) Commence operation and continue in operation in the  
20 historically underutilized business zone, as defined in 15 U.S.C. §  
21 632, redevelopment area created pursuant to chapter 279 of NRS,  
22 area eligible for a community development block grant pursuant to  
23 24 C.F.R. Part 570 or enterprise community established pursuant to  
24 24 C.F.R. Part 597 for a period specified by the Office, which must  
25 be at least 5 years; and

26 (II) Continue to meet the eligibility requirements set forth  
27 in this subsection.

28 ➔ The agreement must bind successors in interest of the business  
29 for the specified period.

30 (c) The business is registered pursuant to the laws of this State  
31 or the applicant commits to obtain a valid business license and all  
32 other permits required by the county, city or town in which the  
33 business will operate.

34 (d) The applicant invested or commits to invest a minimum of  
35 \$500,000 in capital assets that will be retained at the location of the  
36 business in the historically underutilized business zone, as defined  
37 in 15 U.S.C. § 632, redevelopment area created pursuant to chapter  
38 279 of NRS, area eligible for a community development block grant  
39 pursuant to 24 C.F.R. Part 570 or enterprise community established  
40 pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years  
41 after the date on which the abatement becomes effective.

42 (e) *The applicant has certified in the application that the*  
43 *business will, if the application is approved:*

44 (1) *Collaborate with the community in which the business*  
45 *is located; and*



1           ***(2) Submit a community benefits agreement to the Office***  
2 ***not later than 2 years after the date on which the Office approves***  
3 ***the application.***

4           4. If the Office of Economic Development approves an  
5 application for a partial abatement, the Office shall immediately  
6 forward a certificate of eligibility for the abatement to:

7           (a) The Department of Taxation;

8           (b) The Nevada Tax Commission; and

9           (c) If the partial abatement is from the property tax imposed  
10 pursuant to chapter 361 of NRS, the county treasurer of the county  
11 in which the business will be located.

12          5. If the Office of Economic Development approves an  
13 application for a partial abatement pursuant to this section:

14          (a) The partial abatement must be for a duration of not less than  
15 1 year but not more than 5 years.

16          (b) If the abatement is from the property tax imposed pursuant  
17 to chapter 361 of NRS, the partial abatement must not exceed 75  
18 percent of the taxes on personal property payable by a business each  
19 year pursuant to that chapter.

20          6. If an applicant for a partial abatement pursuant to this  
21 section fails to execute the agreement described in paragraph (b) of  
22 subsection 3 within 1 year after the date on which the application  
23 was received by the Office, the applicant shall not be approved for a  
24 partial abatement pursuant to this section unless the applicant  
25 submits a new request pursuant to subsection 1.

26          7. If a business whose partial abatement has been approved  
27 pursuant to this section and is in effect ceases:

28          (a) To meet the eligibility requirements for the partial  
29 abatement; or

30          (b) Operation before the time specified in the agreement  
31 described in paragraph (b) of subsection 3,

32          ↳ the business shall repay to the Department of Taxation or, if the  
33 partial abatement was from the property tax imposed pursuant to  
34 chapter 361 of NRS, to the county treasurer, the amount of the  
35 partial abatement that was allowed pursuant to this section before  
36 the failure of the business to comply unless the Nevada Tax  
37 Commission determines that the business has substantially complied  
38 with the requirements of this section. Except as otherwise provided  
39 in NRS 360.232 and 360.320, the business shall, in addition to the  
40 amount of the partial abatement required to be paid pursuant to this  
41 subsection, pay interest on the amount due at the rate most recently  
42 established pursuant to NRS 99.040 for each month, or portion  
43 thereof, from the last day of the month following the period for  
44 which the payment would have been made had the partial abatement  
45 not been approved until the date of payment of the tax.



1 8. The Office of Economic Development may adopt such  
2 regulations as the Office determines to be necessary or advisable to  
3 carry out the provisions of this section.

4 9. An applicant for an abatement who is aggrieved by a final  
5 decision of the Office of Economic Development may petition for  
6 judicial review in the manner provided in chapter 233B of NRS.

7 **Sec. 14.** NRS 274.320 is hereby amended to read as follows:

8 274.320 1. A person who intends to expand a business in this  
9 State within:

10 (a) A historically underutilized business zone, as defined in 15  
11 U.S.C. § 632;

12 (b) A redevelopment area created pursuant to chapter 279 of  
13 NRS;

14 (c) An area eligible for a community development block grant  
15 pursuant to 24 C.F.R. Part 570; or

16 (d) An enterprise community established pursuant to 24 C.F.R.  
17 Part 597,

18 ↪ may submit a request to the governing body of the county, city or  
19 town in which the business operates for an endorsement of an  
20 application by the person to the Office of Economic Development  
21 for a partial abatement of the local sales and use taxes imposed on  
22 capital equipment. The governing body of the county, city or town  
23 shall provide notice of the request to the board of trustees of the  
24 school district in which the business operates. The notice must set  
25 forth the date, time and location of the hearing at which the  
26 governing body will consider whether to endorse the application. As  
27 used in this subsection, "local sales and use taxes" means the taxes  
28 imposed on the gross receipts of any retailer from the sale of  
29 tangible personal property sold at retail, or stored, used or otherwise  
30 consumed, in the political subdivision in which the business is  
31 located, except the taxes imposed by the Sales and Use Tax Act and  
32 the Local School Support Tax Law.

33 2. The governing body of a county, city or town shall develop  
34 procedures for:

35 (a) Evaluating whether such an abatement would be beneficial  
36 for the economic development of the county, city or town.

37 (b) Issuing a certificate of endorsement for an application for  
38 such an abatement that is found to be beneficial for the economic  
39 development of the county, city or town.

40 3. A person whose application has been endorsed by the  
41 governing body of the county, city or town, as applicable, pursuant  
42 to this section may submit the application to the Office of Economic  
43 Development. The Office shall approve the application if the Office  
44 makes the following determinations:

45 (a) The business is consistent with:



1 (1) The State Plan for Economic Development developed by  
2 the Administrator pursuant to subsection 2 of NRS 231.053; and

3 (2) Any guidelines adopted by the Administrator to  
4 implement the State Plan for Economic Development.

5 (b) Not later than 1 year after the date on which the application  
6 was received by the Office, the applicant has executed an agreement  
7 with the Office which states:

8 (1) The date on which the abatement becomes effective, as  
9 agreed to by the applicant and the Office, which must not be earlier  
10 than the date on which the Office received the application and not  
11 later than 1 year after the date on which the Office approves the  
12 application; and

13 (2) That the business will, after the date on which the  
14 abatement becomes effective:

15 (I) Continue in operation in the historically underutilized  
16 business zone, as defined in 15 U.S.C. § 632, redevelopment area  
17 created pursuant to chapter 279 of NRS, area eligible for a  
18 community development block grant pursuant to 24 C.F.R. Part 570  
19 or enterprise community established pursuant to 24 C.F.R. Part 597  
20 for a period specified by the Office, which must be at least 5 years;  
21 and

22 (II) Continue to meet the eligibility requirements set forth  
23 in this subsection.

24 ➤ The agreement must bind successors in interest of the business  
25 for the specified period.

26 (c) The business is registered pursuant to the laws of this State  
27 or the applicant commits to obtain a valid business license and all  
28 other permits required by the county, city or town in which the  
29 business operates.

30 (d) The applicant invested or commits to invest a minimum of  
31 \$250,000 in capital equipment that will be retained at the location of  
32 the business in the historically underutilized business zone, as  
33 defined in 15 U.S.C. § 632, redevelopment area created pursuant to  
34 chapter 279 of NRS, area eligible for a community development  
35 block grant pursuant to 24 C.F.R. Part 570 or enterprise community  
36 established pursuant to 24 C.F.R. Part 597 until at least the date  
37 which is 5 years after the date on which the abatement becomes  
38 effective.

39 *(e) The applicant has certified in the application that the*  
40 *business will, if the application is approved:*

41 *(1) Collaborate with the community in which the business*  
42 *is located; and*

43 *(2) Submit a community benefits agreement to the Office*  
44 *not later than 2 years after the date on which the Office approves*  
45 *the application.*



1 4. If the Office of Economic Development approves an  
2 application for a partial abatement, the Office shall immediately  
3 forward a certificate of eligibility for the abatement to:

- 4 (a) The Department of Taxation; and
- 5 (b) The Nevada Tax Commission.

6 5. If the Office of Economic Development approves an  
7 application for a partial abatement pursuant to this section:

8 (a) The partial abatement must be for a duration of not less than  
9 1 year but not more than 5 years.

10 (b) If the abatement is from the property tax imposed pursuant  
11 to chapter 361 of NRS, the partial abatement must not exceed 75  
12 percent of the taxes on personal property payable by a business each  
13 year pursuant to that chapter.

14 6. If an applicant for a partial abatement pursuant to this  
15 section fails to execute the agreement described in paragraph (b) of  
16 subsection 3 within 1 year after the date on which the application  
17 was received by the Office, the applicant shall not be approved for a  
18 partial abatement pursuant to this section unless the applicant  
19 submits a new request pursuant to subsection 1.

20 7. If a business whose partial abatement has been approved  
21 pursuant to this section and is in effect ceases:

22 (a) To meet the eligibility requirements for the partial  
23 abatement; or

24 (b) Operation before the time specified in the agreement  
25 described in paragraph (b) of subsection 3,

26 ↪ the business shall repay to the Department of Taxation the  
27 amount of the partial abatement that was allowed pursuant to this  
28 section before the failure of the business to comply unless the  
29 Nevada Tax Commission determines that the business has  
30 substantially complied with the requirements of this section. Except  
31 as otherwise provided in NRS 360.232 and 360.320, the business  
32 shall, in addition to the amount of the partial abatement required to  
33 be paid pursuant to this subsection, pay interest on the amount due  
34 at the rate most recently established pursuant to NRS 99.040 for  
35 each month, or portion thereof, from the last day of the month  
36 following the period for which the payment would have been made  
37 had the partial abatement not been approved until the date of  
38 payment of the tax.

39 8. The Office of Economic Development may adopt such  
40 regulations as the Office determines to be necessary or advisable to  
41 carry out the provisions of this section.

42 9. An applicant for an abatement who is aggrieved by a final  
43 decision of the Office of Economic Development may petition for  
44 judicial review in the manner provided in chapter 233B of NRS.



**Sec. 15.** NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 of NRS or the local sales and use taxes. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

(b) Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which states:

(1) The date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application and not later than 1 year after the date on which the Office approves the application; and



1 (2) That the business will, after the date on which the  
2 abatement becomes effective:

3 (I) Continue in operation in the enterprise community for  
4 a period specified by the Office, which must be at least 5 years; and

5 (II) Continue to meet the eligibility requirements set forth  
6 in this subsection.

7 ↪ The agreement must bind successors in interest of the business  
8 for the specified period.

9 (c) The business is registered pursuant to the laws of this State  
10 or the applicant commits to obtain a valid business license and all  
11 other permits required by the county, city or town in which the  
12 business operates.

13 (d) The business:

14 (1) Employs one or more dislocated workers who reside in  
15 the enterprise community; and

16 (2) Pays such employees a wage of not less than 100 percent  
17 of the federally designated level signifying poverty for a family of  
18 four persons and provides medical benefits to the employees and  
19 their dependents which meet the minimum requirements for medical  
20 benefits established by the Office.

21 *(e) The applicant has certified in the application that the*  
22 *business will, if the application is approved:*

23 *(1) Collaborate with the community in which the business*  
24 *is located; and*

25 *(2) Submit a community benefits agreement to the Office*  
26 *not later than 2 years after the date on which the Office approves*  
27 *the application.*

28 4. If the Office of Economic Development approves an  
29 application for a partial abatement, the Office shall:

30 (a) Determine the percentage of employees of the business  
31 which meet the requirements of paragraph (d) of subsection 3 and  
32 grant a partial abatement equal to that percentage; and

33 (b) Immediately forward a certificate of eligibility for the  
34 abatement to:

35 (1) The Department of Taxation;

36 (2) The Nevada Tax Commission; and

37 (3) If the partial abatement is from the property tax imposed  
38 pursuant to chapter 361 of NRS, the county treasurer of the county  
39 in which the business is located.

40 5. If the Office of Economic Development approves an  
41 application for a partial abatement pursuant to this section:

42 (a) The partial abatement must be for a duration of not less than  
43 1 year but not more than 5 years.

44 (b) If the abatement is from the property tax imposed pursuant  
45 to chapter 361 of NRS, the partial abatement must not exceed 75



1 percent of the taxes on personal property payable by a business each  
2 year pursuant to that chapter.

3 6. If an applicant for a partial abatement pursuant to this  
4 section fails to execute the agreement described in paragraph (b) of  
5 subsection 3 within 1 year after the date on which the application  
6 was received by the Office, the applicant shall not be approved for a  
7 partial abatement pursuant to this section unless the applicant  
8 submits a new request pursuant to subsection 1.

9 7. If a business whose partial abatement has been approved  
10 pursuant to this section and is in effect ceases:

11 (a) To meet the eligibility requirements for the partial  
12 abatement; or

13 (b) Operation before the time specified in the agreement  
14 described in paragraph (b) of subsection 3,

15 ➔ the business shall repay to the Department of Taxation or, if the  
16 partial abatement was from the property tax imposed pursuant to  
17 chapter 361 of NRS, to the county treasurer, the amount of the  
18 partial abatement that was allowed pursuant to this section before  
19 the failure of the business to comply unless the Nevada Tax  
20 Commission determines that the business has substantially complied  
21 with the requirements of this section. Except as otherwise provided  
22 in NRS 360.232 and 360.320, the business shall, in addition to the  
23 amount of the partial abatement required to be paid pursuant to this  
24 subsection, pay interest on the amount due at the rate most recently  
25 established pursuant to NRS 99.040 for each month, or portion  
26 thereof, from the last day of the month following the period for  
27 which the payment would have been made had the partial abatement  
28 not been approved until the date of payment of the tax.

29 8. The Office of Economic Development:

30 (a) Shall adopt regulations relating to the minimum level of  
31 benefits that a business must provide to its employees to qualify for  
32 an abatement pursuant to this section.

33 (b) May adopt such other regulations as the Office determines to  
34 be necessary or advisable to carry out the provisions of this section.

35 9. An applicant for an abatement who is aggrieved by a final  
36 decision of the Office of Economic Development may petition for  
37 judicial review in the manner provided in chapter 233B of NRS.

38 10. As used in this section, "dislocated worker" means a person  
39 who:

40 (a) Has been terminated, laid off or received notice of  
41 termination or layoff from employment;

42 (b) Is eligible for or receiving or has exhausted his or her  
43 entitlement to unemployment compensation;

44 (c) Has been dependent on the income of another family  
45 member but is no longer supported by that income;



1 (d) Has been self-employed but is no longer receiving an income  
2 from self-employment because of general economic conditions in  
3 the community or natural disaster; or

4 (e) Is currently unemployed and unable to return to a previous  
5 industry or occupation.

6 **Sec. 16.** The amendatory provisions of this act apply only to  
7 an application for an abatement from taxation for which a person  
8 applies on or after July 1, 2025.

9 **Sec. 17.** 1. This section becomes effective upon passage and  
10 approval.

11 2. Sections 1 to 16, inclusive, of this act become effective:

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

15 (b) On July 1, 2025, for all other purposes.

16 3. Section 6 of this act expires by limitation on June 30, 2032.

17 4. Section 2 of this act expires by limitation on June 30, 2035.

18 5. Section 8 of this act expires by limitation on June 30, 2036.

19 6. Section 3 of this act expires by limitation on December 31,  
20 2056.

