

**SMALL BUSINESS IMPACT STATEMENT AS REQUIRED BY
NRS 233B.0608/233B.0609**

LCB File No. R148-16

1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Comments were solicited from the public in the form of a Business Impact Questionnaire. The Treasurer provided businesses with the proposed regulation changes via the publicly posted questionnaire faxed and posted in Nevada Public Libraries. No comments or concerns were received from the Public.

2. The manner in which the analysis was conducted, including the methods used to determine the impacts of the proposed regulation on small business.

Not applicable. No comments or concerns were received from small businesses or the public and no adverse impacts were determined.

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

- (a) Both adverse and beneficial effects; and**
- (b) Both direct and indirect effects.**

Anticipated effects on the small business community:

- Adverse: None
- Beneficial: Employers will receive a modified business tax credit up to 25% of the college savings contribution they make (not to exceed \$500/per employee/per year) as part of a new employer/employee incentive to encourage families to save for higher education.
- Immediate: None. This Senate Bill 412 (modified business tax credit) will take time to communicate to the public, and for businesses to develop, and rollout the new employee benefit.
- Long-term: The proposed permanent regulations will help create an employee incentive companies can offer which may aid in employee retention as the cost to pursue higher education continues to skyrocket, and employees are encouraged to save in the Nevada Prepaid Tuition Program, taking advantage of the employer match program.

Anticipated effects on the public:

- Adverse: None
- Beneficial: The modified business tax credit incentive offered to businesses in Nevada will hopefully encourage economic development, job creation and enhanced employee retention.
- Immediate: None
- Long-term: The creation of another modified business tax credit in Nevada will hopefully encourage economic development, job creation. And enhanced employee retention.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

Not applicable. No adverse impact on small businesses determined.

5. The estimated cost to the agency for enforcement of the proposed regulation.

There will be no cost to make changes to the Nevada 529 College Savings Systems managed by Ascensus, record keeper for the Direct Sold Plans, and/or Putnam for the advisor sold 529 College Saving Plan. This change will allow acceptance of Employer Match Contributions, and the same summary report that is provided to the recordkeeping programs will be also submitted by employers to the Department of Taxation for review and action.

6. If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

These regulations do not establish a fee, nor increase an existing fee.

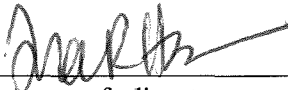
7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

Not applicable.

8. The reasons for the conclusion of the agency regarding the impact of a regulation on small businesses.

There were no comments or concerns received from small businesses, nor was there any public comment at the workshops or hearing. No adverse impacts were identified.

I hereby certify to the best of my knowledge or belief a concerted effort was made to determine the impact of the proposed regulation on small businesses and that this statement was properly prepared and the information contained herein is accurate.



(Signature of director, executive head or other person who is responsible for the agency certifying that, to the best of his or her knowledge or belief, the information contained in the statement was prepared properly and is accurate.)