

MOCK-UP

PROPOSED AMENDMENT 6871 TO  
SENATE BILL NO. 483

MAY 4, 2015

PREPARED BY THE LEGAL DIVISION

**NOTE: THIS DOCUMENT SHOWS PROPOSED AMENDMENTS IN CONCEPTUAL FORM. THE LANGUAGE AND ITS PLACEMENT IN THE OFFICIAL AMENDMENT MAY DIFFER.**

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

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

**Section 1.** NRS 363A.030 is hereby amended to read as follows:

363A.030 ~~["Employer"]~~

**1. Except as otherwise provided in this section, "employer" means any ~~financial~~:**

**(a) Financial** institution who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the financial institution. ~~[-except]~~

**(b) Person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person.**

**2. The term does not include** an Indian tribe, a nonprofit organization or a political subdivision.

**3. For the purposes of this section:**

~~[1-]~~ **(a)** "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.

~~[2-]~~ **(b)** "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

~~[3-]~~ **(c)** "Political subdivision" means any entity described in subsection 9 of NRS 612.055.

**Sec. 2.** NRS 363B.030 is hereby amended to read as follows:

363B.030 ~~["Employer"]~~

**1. Except as otherwise provided in this section, "employer" means any employer who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the employer. ~~[-except a]~~**

**2. The term does not include:**

**(a) A financial institution ~~[-an]~~;**

**(b) Any person who is subject to the tax on the net proceeds of minerals imposed pursuant to the provisions of NRS 362.100 to 362.240, inclusive, whether or not the person is required to pay that tax in a particular calendar year, and who is required to pay a contribution pursuant to NRS 612.535 for any calendar quarter with respect to any business activity of the person;**

**(c) An Indian tribe ~~[-a]~~;**

**(d) A nonprofit organization ~~[-a]~~;**

**(e) A political subdivision; or ~~[-any]~~**

**(f) Any person who does not supply a product or service, but who only consumes a service.**

**3. For the purposes of this section:**

~~[1-]~~ **(a)** "Financial institution" has the meaning ascribed to it in NRS 363A.050.

~~[2-]~~ **(b)** "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.

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1 ~~[3.]~~ (c) "Nonprofit organization" means a nonprofit religious, charitable, fraternal or other  
2 organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

3 ~~[4.]~~ (d) "Political subdivision" means any entity described in subsection 9 of NRS 612.055.

4 **Sec. 3.** NRS 370.165 is hereby amended to read as follows:

5 370.165 There is hereby levied a tax upon the purchase or possession of cigarettes by a consumer in  
6 the State of Nevada at the rate of ~~[40-60]~~ 90 mills per cigarette. The tax may be represented and  
7 precollected by the affixing of a revenue stamp or other approved evidence of payment to each package,  
8 packet or container in which cigarettes are sold. The tax must be precollected by the wholesale or retail  
9 dealer, and must be recovered from the consumer by adding the amount of the tax to the selling price.  
10 Each person who sells cigarettes at retail shall prominently display on the premises a notice that the tax is  
11 included in the selling price and is payable under the provisions of this chapter.

12 **Sec. 4.** NRS 370.260 is hereby amended to read as follows:

13 370.260 1. All taxes and license fees imposed by the provisions of NRS 370.001 to 370.430,  
14 inclusive, less any refunds granted as provided by law, must be paid to the Department in the form of  
15 remittances payable to the Department.

16 2. The Department shall:

17 (a) As compensation to the State for the costs of collecting the taxes and license fees, transmit each  
18 month the sum the Legislature specifies from the remittances made to it pursuant to subsection 1 during  
19 the preceding month to the State Treasurer for deposit to the credit of the Department. The deposited  
20 money must be expended by the Department in accordance with its work program.

21 (b) From the remittances made to it pursuant to subsection 1 during the preceding month, less the  
22 amount transmitted pursuant to paragraph (a), transmit each month the portion of the tax which is  
23 equivalent to ~~[35-55]~~ 85 mills per cigarette to the State Treasurer for deposit to the credit of the Account  
24 for the Tax on Cigarettes in the State General Fund.

25 (c) Transmit the balance of the payments each month to the State Treasurer for deposit in the Local  
26 Government Tax Distribution Account created by NRS 360.660.

27 (d) Report to the State Controller monthly the amount of collections.

28 3. The money deposited pursuant to paragraph (c) of subsection 2 in the Local Government Tax  
29 Distribution Account is hereby appropriated to Carson City and to each of the counties in proportion to  
30 their respective populations and must be credited to the respective accounts of Carson City and each  
31 county.

32 **Sec. 5.** NRS 370.350 is hereby amended to read as follows:

33 370.350 1. Except as otherwise provided in subsection 3, a tax is hereby levied and imposed upon  
34 the use of cigarettes in this state.

35 2. The amount of the use tax is ~~[40-60]~~ 90 mills per cigarette.

36 3. The use tax does not apply where:

37 (a) Nevada cigarette revenue stamps have been affixed to cigarette packages as required by law.

38 (b) Tax exemption is provided for in this chapter.

39 **Sec. 6.** Section 16 of chapter 4, Statutes of Nevada 2008, 25th Special Session, as last amended by  
40 chapter 518, Statutes of Nevada 2013, at page 3425, is hereby amended to read as follows:

41 Sec. 16. 1. This section and sections 2, 4, 14 and 15 of this act become effective upon  
42 passage and approval.

43 2. Sections 6 to 12, inclusive, of this act become effective on January 1, 2009.

44 3. Sections 4 and 6 to 12, inclusive, of this act expire by limitation on June 30, 2009.

45 4. Sections 1, 3, 5 and 13 of this act become effective on July 1, 2009.

46 5. Sections 1, 2, 3 and 5 of this act expire by limitation on June 30, ~~[2015.]~~ 2016.

47 **Sec. 7.** Section 20 of chapter 395, Statutes of Nevada 2009, as last amended by chapter 518, Statutes  
48 of Nevada 2013, at p. 3426, is hereby amended to read as follows:

49 Sec. 20. 1. This section and section 19 of this act become effective upon passage and  
50 approval.

51 2. Sections 1 and 2 of this act become effective on  
52 July 1, 2009.

53 3. Section 3 of this act becomes effective on July 1, 2009, and expires by limitation on June  
54 30, 2011.

55 4. Sections 6 to 12, inclusive, of this act become effective on July 1, 2009. ~~[and expire by~~  
56 ~~limitation~~  
57 ~~June 30, 2015.]~~ on

58 5. Sections 4, 5, 13, 14, 15, 16, 17 and 18 of this act become effective:

(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of this act; and  
(b) On September 1, 2009, for all other purposes.

6. Sections 15.5 and 18.5 of this act become effective on July 1, ~~[2015.]~~ 2017.

7. Section 18 of this act expires by limitation on June 30, ~~[2015.]~~ 2017.

**Sec. 8.** Section 17.5 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3426, is hereby amended to read as follows:

Sec. 17.5. The amendatory provisions of section 12.7 of this act:

1. Do not apply to or affect any determination of gross yield or net proceeds required pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year ~~[2015.]~~ 2016.

2. Apply for the purposes of estimating and determining gross yield and net proceeds pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year ~~[2016]~~ 2017 and each calendar year thereafter.

**Sec. 9.** Section 19 of chapter 449, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at p. 3426, is hereby amended to read as follows:

Sec. 19. 1. This section and sections 1 to 12, inclusive, and 13 to 18, inclusive, of this act become effective upon passage and approval.

2. Section 12.5 of this act becomes effective on January 1, 2012.

3. Section 12.7 of this act becomes effective on January 1, ~~[2016.]~~ 2017.

**Sec. 10.** Section 13 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:

Sec. 13. The amendatory provisions of section 4 of this act ~~[-~~

~~1. Do] do not apply to any taxes due for any period ending on or before June 30, 2011. [- and  
2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 17 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, 2015.]~~

**Sec. 11.** Section 15 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:

Sec. 15. 1. When preparing its certificate of the tax due from a taxpayer pursuant to NRS 362.130 during the calendar year ~~[2016.]~~ 2017, the Department of Taxation shall reduce the amount of the tax due from the taxpayer by the amount of:

(a) Any estimated payments of the tax made by or on behalf of the taxpayer during the calendar year ~~[2015]~~ 2016 pursuant to NRS 362.115, as that section read on January 1, ~~[2015.]~~ 2016; and

(b) Any unused credit to which the taxpayer may be entitled as a result of any previous overpayment of the tax.

2. Notwithstanding any provision of NRS 362.170 to the contrary:

(a) The amount appropriated to each county pursuant to that section for distribution to the county during the calendar year ~~[2016]~~ 2017 must be reduced by the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year ~~[2015.]~~ 2016, excluding any portion of the amount appropriated to the county pursuant to that section for distribution to the county during the calendar year ~~[2015]~~ 2016 which is attributable to a pro rata share of any penalties and interest collected by the Department of Taxation for the late payment of taxes distributed to the county.

(b) In calculating the amount required to be apportioned to each local government or other local entity pursuant to subsection 2 of that section for the calendar year ~~[2016.]~~ 2017, the county treasurer shall reduce the amount required to be determined pursuant to paragraph (a) of that subsection for that calendar year by the amount determined pursuant to that paragraph for the calendar year ~~[2015.]~~ 2016.

**Sec. 12.** Section 17 of chapter 476, Statutes of Nevada 2011, as amended by chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:

Sec. 17. 1. This section and sections 1 and 7 to 16, inclusive, of this act become effective upon passage and approval.

2. Sections 4.5 and 6 of this act become effective on July 1, 2011.

3. Sections 4 and 6.5 of this act become effective on July 1, 2011. ~~[- and expire by limitation on June 30, 2015.]~~

4. Section 5 of this act becomes effective on the date that the balance of the separate account required by subsection 8 of NRS 408.235 is reduced to zero.

**Sec. 13.** Section 11 of chapter 518, Statutes of Nevada 2013, at page 3427, is hereby amended to read as follows:

Sec. 11. The amendatory provisions of section 1 of this act ~~is~~:

- ~~1. Do~~ **do** not apply to any taxes due for any period ending on or before June 30, 2013. ~~is and~~
- ~~2. Except as otherwise provided in subsection 1 and notwithstanding the expiration of that section by limitation pursuant to section 12 of this act, apply to taxes due pursuant to NRS 363B.110 for each calendar quarter ending on or before June 30, 2015.~~

**Sec. 14.** Section 12 of chapter 518, Statutes of Nevada 2013, at page 3428, is hereby amended to read as follows:

Sec. 12. ~~is~~ This act becomes effective upon passage and approval.

~~2. Section 1 of this act expires by limitation on June 30, 2015.~~

**Sec. 14.5. 1. In addition to the information required by law to be included in an application for the issuance or renewal of a state business license, each application for the issuance or renewal of a state business license submitted on or after October 1, 2015 and before October 1, 2016, must include the following information:**

**(a) The total dollar amount of revenue earned by each business conducted by the applicant during the immediately preceding federal tax year of the business from the sale of services used in this State, or if the applicant conducted no business in this State during the immediately preceding federal tax year of the applicant, an estimate of the total dollar amount of revenue that the applicant will earn from the sale of services used in this State during the 12-month period commencing with the date the application is submitted.**

**(b) The industry in which each business conducted by the applicant is primarily engaged.**  
**2. The agency responsible for administering the state business license shall collect the information required by subsection 1 in the manner that is least burdensome for the businesses required to submit such information.**

**3. Upon request, the agency responsible for administering the state business license shall provide the information collected pursuant to subsection 1 to the Fiscal Analysis Division of the Legislative Counsel Bureau and the Department of Taxation.**

**4. The Fiscal Analysis Division and the Department of Taxation may analyze the information obtained pursuant to subsection 3 and issue written reports based on that information but shall not disclose any proprietary or confidential information obtained from the agency responsible for administering the state business license pursuant to subsection 3.**

**5. Except as otherwise provided in this subsections 3 and 4:**

**(a) If the information collected pursuant to subsection 1 is collected by the Secretary of State, the provisions of NRS 76.160 apply to that information.**

**(b) If the information collected pursuant to subsection 1 is collected by the Department of Taxation, the provisions of NRS 360.255 apply to that information.**

**(c) Any information obtained by the Fiscal Analysis Division pursuant to subsection 3 shall be deemed a work product that is confidential pursuant to NRS 218F.150.**

**6. As used in this section, "federal tax year" has the meaning ascribed to it in NRS 76.120.**

**Sec. 15.** The amendatory provisions of sections 1 and 2 of this act do not apply to taxes due for any period ending on or before June 30, 2015.

**Sec. 16. 1.** The amendatory provisions of sections 3 and 5 of this act apply to cigarettes to which a stamp is affixed on or after July 1, 2015, regardless of the date on which a wholesale dealer purchased the stamp from the Department of Taxation.

2. As used in this section:

(a) "Stamp" has the meaning ascribed to it in NRS 370.048.

(b) "Wholesale dealer" has the meaning ascribed to it in NRS 370.055.

**Sec. 17. 1.** This section and sections 6 to 14, inclusive, of this act become effective upon passage and approval.

2. Sections 1 to 5, inclusive, 15 and 16 of this act become effective on July 1, 2015.

**3. Section 14.5 of this act becomes effective:**

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

**(b) On October 1, 2015, for all other purposes.**

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