

MOCK-UP

PROPOSED AMENDMENT 7519 TO
ASSEMBLY BILL NO. 464

MAY 20, 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:

1 *Section 1. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the*
2 *provisions set forth as sections 2 to 61, inclusive, of this act.*

3 *Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined*
4 *in sections 2 to 13, inclusive, of this act have the meanings ascribed to them in those sections.*

5 *Sec. 3. "Business" means any activity engaged in or caused to be engaged in with the object of*
6 *gain, benefit or advantage, either direct or indirect, to any person or governmental entity.*

7 *Sec. 4. 1. Except as otherwise provided in subsection 2, "business entity" means a corporation,*
8 *partnership, proprietorship, limited-liability company, business association, joint venture, limited-*
9 *liability partnership, business trust, professional association, joint stock company, holding company*
10 *and any other person engaged in a business, and includes a combined group.*

11 *2. "Business entity" does not include:*

12 *(a) Any person or other entity which this State is prohibited from taxing pursuant to the*
13 *Constitution or laws of the United States or the Nevada Constitution.*

14 *(b) A natural person, unless that person is engaging in a business and is required to file with the*
15 *Internal Revenue Service a Schedule C (Form 1040), Profit or Loss from Business, or its equivalent or*
16 *successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or*
17 *successor form, or a Schedule F (Form 1040), Profit or Loss from Farming, or its equivalent or*
18 *successor form, for that business.*

19 *(c) A governmental entity.*

20 *(d) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt*
21 *organization pursuant to 26 U.S.C. § 501(c).*

22 *(e) A business entity organized pursuant to chapter 82 or 84 of NRS.*

23 *(f) A credit union organized under the provisions of chapter 678 of NRS or the Federal Credit*
24 *Union Act.*

25 *(g) A grantor trust as defined by section 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26*
26 *U.S.C. §§ 671 and 7701(a)(30)(E), all of the grantors and beneficiaries of which are natural persons or*
27 *charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. §*
28 *501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).*

29 *(h) An estate of a natural person as defined by section 7701(a)(30)(D) of the Internal Revenue*
30 *Code, 26 U.S.C. § 7701(a)(30)(D), excluding an estate taxable as a business entity pursuant to 26*
31 *C.F.R. § 301.7701-4b.*

1 (i) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C.
2 § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the
3 Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:

4 (1) A real estate investment trust with any amount of its assets in direct holdings of real estate,
5 other than real estate it occupies for business purposes, as opposed to holding interests in limited
6 partnerships or other entities that directly hold the real estate, is a business entity pursuant to this
7 section; and

8 (2) A limited partnership or other entity that directly holds the real estate as described in
9 subparagraph (1) is a business entity pursuant to this section, without regard to whether a real estate
10 investment trust holds an interest in it.

11 (j) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue
12 Code, 26 U.S.C. § 860D.

13 (k) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).

14 (l) A passive entity.

15 (m) A person whose activities within this State are confined to the owning, maintenance and
16 management of the person's intangible investments or of the intangible investments of persons or
17 statutory trusts or business trusts registered as investment companies under the Investment Company
18 Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and the collection and distribution of the income
19 from such investments or from tangible property physically located outside this State. For the purposes
20 of this paragraph, "intangible investments" includes, without limitation, investments in stocks, bonds,
21 notes and other debt obligations, including, without limitation, debt obligations of affiliated
22 corporations, real estate investment trusts, patents, patent applications, trademarks, trade names and
23 similar types of intangible assets or an entity that is registered as an investment company under the
24 Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq.

25 Sec. 5. "Commerce tax" means the tax required to be paid pursuant to this chapter.

26 Sec. 6. "Engaging in a business" means commencing, conducting or continuing a business,
27 the exercise of corporate or franchise powers regarding a business, and the liquidation of a business
28 which is or was engaging in a business when the liquidator holds itself out to the public as conducting
29 that business.

30 Sec. 7. "Governmental entity" means:

31 1. The United States and any of its unincorporated agencies and instrumentalities.

32 2. Any unincorporated agency or instrumentality of the United States wholly owned by the United
33 States or by a corporation wholly owned by the United States.

34 3. The State of Nevada and any of its unincorporated agencies and instrumentalities.

35 4. Any county, city, district or other political subdivision of this State.

36 Sec. 8. 1. Except as otherwise provided in subsection 3, "gross revenue" means the total amount
37 realized by a business entity from engaging in a business in this State, without deduction for the cost of
38 goods sold or other expenses incurred, that contributes to the production of gross income, including,
39 without limitation, the fair market value of any property and any services received, and any debt
40 transferred or forgiven as consideration.

41 2. Except as otherwise provided in subsection 3, the term includes, without limitation:

42 (a) Amounts realized from the sale, exchange or other disposition of a business entity's property;

43 (b) Amounts realized from the performance of services by a business entity;

44 (c) Amounts realized from another person's possession of the property or capital of a business
45 entity; and

46 (d) Any combination of these amounts.

47 3. The term does not include:

48 (a) Amounts realized from the sale, exchange, disposition or other grant of the right to use
49 trademarks, trade names, patents, copyrights and similar intellectual property;

50 (b) The value of cash discounts allowed by the business entity and taken by a customer; and

51 (c) The value of goods or services provided to a customer on a complimentary basis.

52 Sec. 9. "Nevada gross revenue" means the gross revenue of a business entity from engaging in a
53 business in this State, as adjusted pursuant to section 21 of this act and situated to this State pursuant to
54 section 22 of this act.

55 Sec. 10. "North American Industry Classification System" or "NAICS" means the 2012 North
56 American Industry Classification System published by the Bureau of the Census of the United States
57 Department of Commerce.

58 Sec. 11. 1. "Pass-through revenue" means:

1 (a) Revenue received by a business entity that is required by law or fiduciary duty to be distributed
2 to another person or governmental entity;

3 (b) Taxes collected from a third party by a business entity and remitted by the business entity to a
4 taxing authority;

5 (c) Reimbursement for advances made by a business entity on behalf of a customer or client, other
6 than with respect to services rendered or with respect to purchases of goods by the business entity in
7 carrying out the business in which it engages;

8 (d) Revenue received by a business entity that is mandated by contract or subcontract to be
9 distributed to another person or entity if the revenue constitutes:

10 (1) Sales commissions that are paid to a person who is not an employee of the business entity,
11 including, without limitation, a split-fee real estate commission;

12 (2) The tax basis of securities underwritten by the business entity, as determined for the
13 purposes of federal income taxation; or

14 (3) Subcontracting payments under a contract or subcontract entered into by a business entity to
15 provide services, labor or materials in connection with the actual or proposed design, construction,
16 remodeling, remediation or repair of improvements on real property or the location of the boundaries
17 of real property;

18 (e) Revenue received by a business entity that provides legal services if the revenue received by the
19 business entity is:

20 (1) Mandated by law, fiduciary duty or contract to be distributed to a claimant by the claimant's
21 attorney or to another person or entity on behalf of a claimant by the claimant's attorney, including,
22 without limitation, revenue received:

23 (I) For damages due to a client represented by the business entity;

24 (II) That are subject to a lien or other contractual obligation arising out of the
25 representation provided by the business entity, other than fees owed to the business entity for the
26 provision of legal services;

27 (III) That are subject to a subrogation interest or other third-party contractual claim; and

28 (IV) That are required to be paid to another attorney who provided legal services in a matter
29 and who is not a member, partner, shareholder or employee of the business entity; and

30 (2) Reimbursement of the expenses incurred by the business entity in providing legal services to
31 a claimant that are specific to the claimant's matter and that are not general operating expenses of the
32 business entity; or

33 (f) Revenue received by a business entity that is part of an affiliated group from another member of
34 the affiliated group.

35 2. As used in this section:

36 (a) "Affiliated group" means a group of two or more business entities, each of which is controlled
37 by one or more common owners or by one or more members of the group.

38 (b) "Controlled by" means the direct or indirect ownership, control or possession of 50 percent or
39 more of a business entity.

40 (c) "Sales commission" means:

41 (1) Any form of compensation paid to a person for engaging in an act for which a license is
42 required pursuant to chapter 645 of NRS; or

43 (2) Compensation paid to a sales representative by a principal in an amount that is based on the
44 amount or level of orders for or sales on behalf of the principal and that the principal is required to
45 report on Internal Revenue Service Form 1099-MISC, Miscellaneous Income.

46 Sec. 12. "Taxable year" means the 12-month period beginning on July 1 and ending on June 30
47 of the following year.

48 Sec. 13. "Wages" means any remuneration paid for personal services, including, without
49 limitation, commissions and bonuses, and remuneration payable in any medium other than cash.

50 Sec. 14. 1. For the purposes of this chapter, a business is a "passive entity" only if:

51 (a) The business is a general partnership, limited-liability partnership or limited partnership or a
52 trust, other than a business trust;

53 (b) During the period for which the gross revenue of the business entity is reported pursuant to
54 section 20 of this act, at least 90 percent of the business entity's federal gross income consists of the
55 following income:

56 (1) Dividends, interest, foreign currency exchange gains, periodic and nonperiodic payments
57 with respect to notional principal contracts, option premiums, cash settlements or termination
58 payments with respect to a financial instrument, and income from a limited-liability company;

1 (2) Capital gains from the sale of real property, gains from the sale of commodities traded on a
2 commodities exchange and gains from the sale of securities; and

3 (3) Royalties, bonuses or delay rental income from mineral properties and income from other
4 nonoperating mineral interests; and

5 (c) The business entity does not receive more than 10 percent of its federal gross income from
6 conducting an active trade or business.

7 2. As used in paragraph (b) of subsection 1, the term "income" does not include any:

8 (a) Rent; or

9 (b) Income received by a nonoperator from mineral properties under a joint operating agreement if
10 the nonoperator is a member of an affiliated group and another member of that group is the operator
11 under that joint operating agreement.

12 3. For the purposes of paragraph (c) of subsection 1:

13 (a) Except as otherwise provided in this subsection, a business entity is "conducting an active trade
14 or business" if:

15 (1) The activities being carried on by the business entity include one or more active operations
16 that form a part of the process of earning income or profit, and the business entity performs active
17 management and operating functions; or

18 (2) Any assets, including, without limitation, royalties, patents, trademarks and other intangible
19 assets, held by the business entity are used in the active trade or business of one or more related
20 business entities.

21 (b) The ownership of a royalty interest or a nonoperating working interest in mineral rights does
22 not constitute the conduct of an active trade or business.

23 (c) The payment of compensation to employees or independent contractors for financial or legal
24 services reasonably necessary for the operation of a business does not constitute the conduct of an
25 active trade or business.

26 (d) Holding a seat on the board of directors of a business entity does not by itself constitute the
27 conduct of an active trade or business.

28 (e) Activities performed by a business entity include activities performed by persons outside the
29 business entity, including independent contractors, to the extent that those persons perform services on
30 behalf of the business entity and those services constitute all or any part of the business entity's trade
31 or business.

32 Sec. 15. For the purposes of this chapter, if a business entity engaging in a business in this State
33 is engaged in business in more than one business category set forth in sections 24 to 49, inclusive, of
34 this act, the business entity shall be deemed to be primarily engaged in the business category in which
35 the highest percentage of its Nevada gross revenue is generated.

36 Sec. 16. The Department shall:

37 1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it
38 deems appropriate for that purpose.

39 2. Deposit all fees, interest and penalties it receives pursuant to this chapter in the State Treasury
40 for credit to the State General Fund.

41 Sec. 17. 1. Each person responsible for maintaining the records of a business entity shall:

42 (a) Keep such records as may be necessary to determine the amount of the liability of the business
43 entity pursuant to the provisions of this chapter;

44 (b) Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter
45 is finally determined, whichever is longer; and

46 (c) Make the records available for inspection by the Department upon demand at reasonable times
47 during regular business hours.

48 2. The Department may by regulation specify the types of records which must be kept to determine
49 the amount of the liability of a business entity pursuant to the provisions of this chapter. The
50 regulations adopted by the Department pursuant to this subsection must specify:

51 (a) The type of information that a business entity engaging in a business in this State must keep in
52 the normal course of its financial recordkeeping for the purpose of determining the amount of the
53 commerce tax owed by the business entity; and

54 (b) The records that must be kept by a business entity that pursuant to section 50 of this act elects
55 an accounting method for the reporting of its Nevada gross revenue and determining the amount of the
56 commerce tax owed by the business entity that is different from the accounting method used by the
57 business entity in the normal course of its financial recordkeeping.

1 Sec. 18. 1. To verify the accuracy of any return filed or, if no return is filed by a business entity,
2 to determine the amount of the commerce tax required to be paid pursuant to this chapter, the
3 Department, or any person authorized in writing by the Department, may examine the books, papers
4 and records of any person who may be liable for the commerce tax.

5 2. Any person who may be liable for the commerce tax and who keeps outside of this State any
6 books, papers or records relating thereto shall pay to the Department an amount equal to the allowance
7 provided for state officers and employees generally while traveling outside of the State for each day or
8 fraction thereof during which an employee of the Department is engaged in examining those
9 documents, plus any other actual expenses incurred by the employee while he or she is absent from his
10 or her regular place of employment to examine those documents.

11 Sec. 19. The Executive Director may request from any other governmental agency or officer such
12 information as the Executive Director deems necessary to carry out the provisions of this chapter. If
13 the Executive Director obtains any confidential information pursuant to such a request, he or she shall
14 maintain the confidentiality of that information in the same manner and to the same extent as provided
15 by law for the agency or officer from whom the information was obtained.

16 Sec. 20. 1. For the privilege of engaging in a business in this State, a commerce tax is hereby
17 imposed upon each business entity whose Nevada gross revenue in a taxable year exceeds \$3,500,000
18 in an amount determined pursuant to sections 23 to 49, inclusive, of this act. The commerce tax is due
19 and payable as provided in this section.

20 2. Each business entity engaging in a business in this State during a taxable year shall, on or
21 before the 45th day immediately following the end of that taxable year, file with the Department a
22 report on a form prescribed by the Department. The report required by this subsection must include
23 such information as is required by the Department. A business entity shall remit with the return the
24 amount of commerce tax due pursuant to subsection 1.

25 3. For the purposes of determining the amount of the commerce tax due pursuant to this chapter,
26 the initial report filed by a business entity with the Department pursuant to subsection 2 must designate
27 the business category in which the business entity is primarily engaged. A business entity may not
28 change the business category designated for that business entity unless the person applies to the
29 Department to change such designation and the Department determines that the business is no longer
30 primarily engaged in the designated business category.

31 4. Upon written application made before the date on which payment of the commerce tax due
32 pursuant to this chapter must be made, the Department may for good cause extend by not more than 30
33 days the time within which a business entity is required to pay the commerce tax. If the commerce tax
34 is paid during the period of extension, no penalty or late charge may be imposed for failure to pay the
35 commerce tax at the time required, but the business entity shall pay interest at the rate of 0.75 percent
36 per month from the date on which the amount would have been due without the extension until the
37 date of payment, unless otherwise provided in NRS 360.232 or 360.320.

38 Sec. 21. 1. In computing the commerce tax owed by a business entity pursuant to this chapter,
39 the business entity is entitled to deduct from its gross revenue the following amounts, to the extent such
40 amounts are included in gross revenue of the business entity:

41 (a) Any gross revenue which this State is prohibited from taxing pursuant to the Constitution or
42 laws of the United States or the Nevada Constitution.

43 (b) Any gross revenue of the business entity attributable to dividends and interest upon any bonds
44 or securities of the Federal Government, the State of Nevada or a political subdivision of this State.

45 (c) If a business entity is required to pay a license fee pursuant to NRS 463.370, the amount of its
46 gross receipts used to determine the amount of that fee.

47 (d) If the business entity is required to pay a tax on the net proceeds from mineral extraction and
48 royalties subject to the excise tax pursuant to the provisions of NRS 362.100 to 362.240, inclusive, the
49 amount of the gross proceeds used to determine the amount of that tax.

50 (e) If the business entity is required to pay the tax imposed pursuant to NRS 369.330, the amount of
51 revenue from the sale of any liquor or malt beverage subject to that tax.

52 (f) If the business entity is required to pay the tax imposed pursuant to chapter 680B of NRS:

53 (1) The amount of the total income derived from direct premiums written and all other
54 considerations for insurance, bail or annuity contracts used to determine the amount of the tax
55 imposed pursuant to chapter 680B of NRS;

56 (2) Any amounts excluded from total income derived from direct premiums pursuant to NRS
57 680B.025; and

1 (3) Gross premiums upon policies on risks located in this State received by a factory mutual and
2 amounts deducted from such gross premiums to determine the amount of the tax imposed by NRS
3 680B.027 upon the factory mutual pursuant to NRS 680B.033.

4 (g) If the business entity is required to pay the tax imposed pursuant to NRS 694C.450, the amount
5 of the net direct premiums, as defined in that section, used to determine the amount of that tax.

6 (h) If the business entity is required to pay the tax imposed pursuant to NRS 685A.180, the amount
7 of the premiums, as defined in that section, used to determine the amount of that tax.

8 (i) Except as otherwise provided by paragraph (j), the total amount of payments received by a
9 health care provider:

10 (1) From Medicaid, Medicare, the Children's Health Insurance Program, the Fund for Hospital
11 Care to Indigent Persons created pursuant to NRS 428.175 or TRICARE;

12 (2) For professional services provided in relation to a workers' compensation claim; and

13 (3) For the actual cost to the health care provider for any uncompensated care provided by the
14 health care provider, except that if the health care provider later receives payment for all or part of that
15 care, the health care provider must include the amount of the payment in his or her gross receipts for
16 the calendar quarter in which the payment is received.

17 (j) If the business entity is engaging in a business in this State as a health care provider that is a
18 health care institution, an amount equal to 50 percent of the amounts described in paragraph (i) that
19 are received by the health care institution.

20 (k) If the business entity is engaging in business in this State as an employee leasing company, the
21 amount of any payments received from a client company for wages, payroll taxes on those wages,
22 employee benefits and workers' compensation benefits for employees leased to the client company.

23 (l) The amount of any pass-through revenue of the business entity.

24 (m) The tax basis of securities and loans sold by the business entity, as determined for the purposes
25 of federal income taxation.

26 (n) The amount of revenue received by the business entity that is directly derived from the
27 operation of a facility that is:

28 (1) Located on property owned or leased by the Federal Government; and

29 (2) Managed or operated primarily to house members of the Armed Forces of the United States.

30 (o) Interest income other than interest on credit sales.

31 (p) Dividends and distributions from corporations, and distributive or proportionate shares of
32 receipts and income from a pass-through entity.

33 (q) Receipts from the sale, exchange or other disposition of an asset described in section 1221 or
34 1231 of the Internal Revenue Code, 26 U.S.C. § 1221 or 1231, without regard to the length of time the
35 business entity held the asset.

36 (r) Receipts from a hedging transaction, as defined in section 1221 of the Internal Revenue Code,
37 26 U.S.C. § 1221, or a transaction accorded hedge accounting treatment under Statement No. 133 of
38 the Financial Accounting Standards Board, Accounting for Derivative Instruments and Hedging
39 Activities, to the extent the transaction is entered into primarily to protect a financial position,
40 including, without limitation, managing the risk of exposure to foreign currency fluctuations that
41 affect assets, liabilities, profits, losses, equity or investments in foreign operations, to interest rate
42 fluctuations or to commodity price fluctuations. For the purposes of this paragraph, receipts from the
43 actual transfer of title of real or tangible personal property to another business entity are not receipts
44 from a hedging transaction or a transaction accorded hedge accounting treatment.

45 (s) Proceeds received by a business entity that are attributable to the repayment, maturity or
46 redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable
47 instrument.

48 (t) The principal amount received under a repurchase agreement or on account of any transaction
49 properly characterized as a loan.

50 (u) Proceeds received from the issuance of the business entity's own stock, options, warrants, puts
51 or calls, from the sale of the business entity's treasury stock or as contributions to the capital of the
52 business entity.

53 (v) Proceeds received on account of payments from insurance policies, except those proceeds
54 received for the loss of business revenue.

55 (w) Damages received as a result of litigation in excess of amounts that, if received without
56 litigation, would not have been included in the gross receipts of the business entity pursuant to this
57 section.

58 (x) Bad debts expensed for the purposes of federal income taxation.

1 (y) Returns and refunds to customers.
2 (z) Amounts realized from the sale of an account receivable to the extent the receipts from the
3 underlying transaction were included in the gross receipts of the business entity.

4 (aa) If the business entity owns an interest in a passive entity, the business entity's share of the net
5 income of the passive entity, but only to the extent the net income of the passive entity was generated by
6 the gross revenue of another business entity.

7 2. As used in this section:

8 (a) "Children's Health Insurance Program" means the program established pursuant to 42 U.S.C.
9 §§ 1397aa to 1397jj, inclusive, to provide health insurance for uninsured children from low-income
10 families in this State.

11 (b) "Client company" has the meaning ascribed to it in
12 NRS 616B.670.

13 (c) "Employee leasing company" has the meaning ascribed to it in NRS 616B.670.

14 (d) "Health care institution" means:

15 (1) A medical facility as defined in NRS 449.0151; and

16 (2) A pharmacy as defined in NRS 639.012.

17 (e) "Health care provider" means a business that receives any payments listed in paragraph (i) of
18 subsection 1 as a provider of health care services, including, without limitation, mental health care
19 services.

20 (f) "Medicaid" means the program established pursuant to Title XIX of the Social Security Act, 42
21 U.S.C. §§ 1396 et seq., to provide assistance for part or all of the cost of medical care rendered on
22 behalf of indigent persons.

23 (g) "Medicare" means the program of health insurance for aged persons and persons with
24 disabilities established pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq.

25 Sec. 22. 1. In computing the commerce tax owed by a business entity, the gross revenue of the
26 business entity, as adjusted pursuant to section 21 of this act, must be sitused to this State in
27 accordance with the following rules:

28 (a) Gross rents and royalties from real property are sitused to this State if the real property is
29 located in this State.

30 (b) Gross revenue from the sale of real property are sitused to this State if the real property is
31 located in this State.

32 (c) Gross rents and royalties from tangible personal property is sitused to this State to the extent the
33 tangible personal property is located or used in this State.

34 (d) Gross revenue from the sale of tangible personal property is sitused to this State if the property
35 is delivered or shipped to a buyer in this State, regardless of the F.O.B. point or any other condition of
36 sale.

37 (e) Gross revenue from the sale of transportation services is sitused to this State if both the origin
38 and the destination point of the transportation are located in this State.

39 (f) Gross revenue from the sale of any services not otherwise described in this section is sitused to
40 this State in the proportion that the purchaser's benefit in this State, with respect to what was
41 purchased, bears to the purchaser's benefit everywhere with respect to what was purchased.

42 (g) Gross revenue not otherwise described in this section is sitused to this State if the gross receipts
43 are from business conducted in this State.

44 2. If the application of the provisions of subsection 1 do not fairly represent the extent of the
45 business conducted in this State by a business entity, the Department may authorize the business entity
46 to the use of an alternative method of situsing gross revenue to this State.

47 Sec. 23. Except as otherwise provided in this section, the commerce tax required to be paid by a
48 business entity engaging in a business in this State is equal to the amount obtained by subtracting
49 \$3,500,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying
50 that amount by the rate set forth in sections 24 to 48, inclusive, of this act for the business category in
51 which the business entity is primarily engaged. If the business entity cannot be categorized in a
52 business category set forth in sections 24 to 48, inclusive, of this act, the commerce tax required to be
53 paid by that business entity is equal to the amount obtained by subtracting \$3,500,000 from the Nevada
54 gross revenue of the business entity for the taxable year and multiplying that amount by the rate set
55 forth in section 49 of this act.

56 Sec. 24. 1. The agriculture, forestry, fishing and hunting business category (NAICS 11)
57 includes all business entities primarily engaged in agricultural production or agricultural support

1 activities, or both, including, without limitation, growing crops, raising animals, harvesting timber and
2 harvesting fish and other animals from a farm, ranch or their natural habitats.

3 2. Examples of business entities in this category include, without limitation, farms, ranches,
4 dairies, greenhouses, nurseries, orchards and hatcheries.

5 3. This category does not include business entities primarily engaged in agricultural research or
6 administering programs for regulating and conserving land, minerals, wildlife or forest use.

7 4. The amount of the commerce tax for a business entity included in this category is the amount
8 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
9 taxable year and multiplying that amount by 0.063 percent.

10 Sec. 25. 1. The mining, quarrying and oil and gas extraction business category (NAICS 21)
11 includes all business entities primarily engaged in mining operations and mining support activities,
12 including, without limitation, extracting:

13 (a) Naturally occurring mineral solids, such as coal and ores;

14 (b) Liquid minerals, such as crude petroleum; and

15 (c) Gases, such as natural gas.

16 2. Examples of business entities in this category include, without limitation:

17 (a) Business entities operating mines, quarries or oil and gas wells on their own account or for
18 others on a contract or fee basis.

19 (b) Mining support activities, including business entities that perform exploration or other mining
20 services, or both, on a contract or fee basis, except geophysical surveying, mine site preparation and
21 the construction of oil and gas pipelines.

22 3. As used in subsections 1 and 2, the term "mining" includes quarrying, well operations and
23 beneficiating, including, without limitation, crushing, screening, washing, flotation and other
24 preparation customarily performed at a mine site or as a part of mining activity.

25 4. The amount of the commerce tax for a business entity included in this category is the amount
26 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
27 taxable year and multiplying that amount by 0.051 percent.

28 Sec. 26. 1. The utilities and telecommunications business category (NAICS 22 and 517,
29 respectively) includes:

30 (a) All business entities primarily engaged in providing utility services, including, without
31 limitation, electric power, natural gas, steam supply, water supply and sewage removal; and

32 (b) All business entities primarily engaged in providing telecommunications and the services
33 related to that activity, including, without limitation, telephony, cable and satellite distribution services,
34 Internet access and telecommunications reselling services.

35 2. This category does not include business entities primarily engaged in waste management and
36 remediation services that are described in section 42 of this act.

37 3. The amount of the commerce tax for a business entity included in this category is the amount
38 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
39 taxable year and multiplying that amount by 0.136 percent.

40 Sec. 27. 1. The construction business category (NAICS 23) includes all business entities
41 primarily engaged in the construction of buildings or engineering projects, such as highways and
42 utility systems. Business entities engaged in the preparation of sites for new construction and business
43 entities primarily engaged in subdividing land for sale as building sites also are included in this
44 category.

45 2. Examples of business entities in this category include, without limitation, general contractors,
46 design-builders, construction managers, turnkey contractors, joint-venture contractors, specialty trade
47 contractors, for-sale builders, speculative builders and merchant builders.

48 3. The amount of the commerce tax for a business entity included in this category is the amount
49 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
50 taxable year and multiplying that amount by 0.083 percent.

51 Sec. 28. 1. The manufacturing business category (NAICS 31, 32 and 33) includes all business
52 entities primarily engaged in the mechanical, physical or chemical transformation of materials,
53 substances or components into new products.

54 2. Examples of business entities in this category include, without limitation, milk bottling and
55 pasteurizing, water bottling and processing, fresh fish packaging, apparel jobbing, contracting on
56 materials owned by others, printing and related activities, ready-mixed concrete production, leather
57 converting, grinding of lenses to prescription, wood preserving, electroplating, plating, metal heat,
58 treating and polishing for the trade, lapidary work for the trade, fabricating signs and advertising

1 displays, rebuilding or remanufacturing machinery, ship repair and renovation, machine shops and
2 tire retreading.

3 3. The amount of the commerce tax for a business entity included in this category is the amount
4 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
5 taxable year and multiplying that amount by 0.091 percent.

6 Sec. 29. 1. The wholesale trade business category (NAICS 42) includes all business entities
7 primarily engaged in wholesaling merchandise, generally without transformation, and rendering
8 services incidental to the sale of merchandise.

9 2. The amount of the commerce tax for a business entity included in this category is the amount
10 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
11 taxable year and multiplying that amount by 0.101 percent.

12 Sec. 30. 1. The retail trade business category (NAICS 44 and 45) includes all businesses
13 primarily engaged in retailing merchandise, generally without transformation, and rendering services
14 incidental to the sale of merchandise.

15 2. The amount of the commerce tax for a business entity included in this category is the amount
16 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
17 taxable year and multiplying that amount by 0.111 percent.

18 Sec. 31. 1. The air transportation business category (NAICS 481) includes all business entities
19 primarily engaged in providing air transportation of passengers or cargo, or both, using aircraft, such
20 as an airplane and helicopter.

21 2. The amount of the commerce tax for a business entity included in this category is the amount
22 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
23 taxable year and multiplying that amount by 0.058 percent.

24 Sec. 32. 1. The truck transportation business category (NAICS 484) includes all business
25 entities primarily engaged in providing over-the-road transportation of cargo using motor vehicles,
26 such as a truck and tractor trailer.

27 2. The amount of the commerce tax for a business entity included in this category is the amount
28 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
29 taxable year and multiplying that amount by 0.202 percent.

30 Sec. 33. 1. The rail transportation business category (NAICS 482) includes all business entities
31 primarily engaged in providing rail transportation of passengers or cargo, or both, using railroad
32 rolling stock.

33 2. The amount of the commerce tax for a business entity included in this category is the amount
34 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
35 taxable year and multiplying that amount by 0.331 percent.

36 Sec. 34. 1. The other transportation business category (NAICS 483, 485, 486, 487, 488, 491 and
37 492) includes all business entities primarily engaged in:

38 (a) Water transportation, including, without limitation, the transportation of passengers and cargo
39 using watercraft;

40 (b) Transit and ground passenger transportation, including, without limitation, charter buses,
41 school buses, interurban bus transportation, taxis and limousine services, street railroads, commuter
42 rail and rapid transit;

43 (c) Pipeline transportation, including, without limitation, using transmission pipelines to transport
44 products, such as crude oil, natural gas, refined petroleum products and slurry;

45 (d) Scenic and sightseeing transportation, including, without limitation, on land or the water, or in
46 the air;

47 (e) Support activities for transportation, including, without limitation, air traffic control services,
48 marine cargo handling, motor vehicle towing, railroad switching and terminals, and ship repair and
49 maintenance not done in a shipyard, such as floating drydock services in a harbor;

50 (f) Postal services, including, without limitation, the activities of the United States Postal Service
51 and its subcontractors operating under a universal service obligation to provide mail services, deliver
52 letters and small parcels, and rural post offices on contract to the United States Postal Service; and

53 (g) Courier and messenger services, including, without limitation, the provision of intercity, local
54 or international delivery of parcels and documents without operating under a universal service
55 obligation.

56 2. The amount of the commerce tax for a business entity included in this category is the amount
57 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
58 taxable year and multiplying that amount by 0.129 percent.

1 Sec. 35. 1. The warehousing and storage business category (NAICS 493) includes all business
2 entities primarily engaged in operating warehousing and storage facilities for general merchandise,
3 refrigerated goods and other warehouse products.

4 2. The amount of the commerce tax for a business entity included in this category is the amount
5 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
6 taxable year and multiplying that amount by 0.128 percent.

7 Sec. 36. 1. The publishing, software and data processing business category (NAICS 511, 512,
8 515 and 518) includes all business entities primarily engaged in:

9 (a) Publishing, except on the Internet, including, without limitation, the publishing of newspapers,
10 magazines, other periodicals and books, as well as directory and mailing list and software publishing;

11 (b) Motion picture and sound recording, including, without limitation, the production and
12 distribution of motion pictures and sound recordings;

13 (c) Broadcasting, except on the Internet, including, without limitation, creating content or
14 acquiring the right to distribute content and subsequently broadcast the content; and

15 (d) Data processing, hosting and related services, including, without limitation, the provision of
16 infrastructure for hosting and data processing services.

17 2. The amount of the commerce tax for a business entity included in this category is the amount
18 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
19 taxable year and multiplying that amount by 0.253 percent.

20 Sec. 37. 1. The finance and insurance business category (NAICS 52) includes all business
21 entities primarily engaged in financial transactions or in facilitating financial transactions.

22 2. The amount of the commerce tax for a business entity included in this category is the amount
23 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
24 taxable year and multiplying that amount by 0.111 percent.

25 Sec. 38. 1. The real estate and rental and leasing business category (NAICS 53) includes all
26 business entities primarily engaged in renting, leasing or otherwise allowing the use of tangible or
27 intangible assets, providing related services, managing real estate for others, selling, renting or buying
28 real estate for others, and appraising real estate.

29 2. The amount of the commerce tax for a business entity included in this category is the amount
30 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
31 taxable year and multiplying that amount by 0.25 percent.

32 Sec. 39. 1. The professional, scientific and technical services business category (NAICS 54)
33 includes all business entities primarily engaged in performing professional, scientific and technical
34 activities for others.

35 2. The amount of the commerce tax for a business entity included in this category is the amount
36 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
37 taxable year and multiplying that amount by 0.181 percent.

38 Sec. 40. 1. The management of companies and enterprises business category (NAICS 55)
39 includes all business entities primarily engaged in:

40 (a) Holding the securities of, or other equity interests in, companies and enterprises for the purpose
41 of owning a controlling interest or influencing management decisions; or

42 (b) Administering, overseeing and managing establishments of the company or enterprise and that
43 normally undertake the strategic or organizational planning and decision-making role of the company
44 or enterprise.

45 2. The amount of the commerce tax for a business entity included in this category is the amount
46 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
47 taxable year and multiplying that amount by 0.137 percent.

48 Sec. 41. 1. The administrative and support services business category (NAICS 561) includes all
49 business entities primarily engaged in activities that support the day-to-day operations of other
50 organizations.

51 2. The amount of the commerce tax for a business entity included in this category is the amount
52 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
53 taxable year and multiplying that amount by 0.154 percent.

54 Sec. 42. 1. The waste management and remediation services business category (NAICS 562)
55 includes all business entities primarily engaged in the collection, treatment and disposal of waste
56 materials.

1 2. The amount of the commerce tax for a business entity included in this category is the amount
2 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
3 taxable year and multiplying that amount by 0.261 percent.

4 Sec. 43. 1. The educational services business category (NAICS 61) includes all businesses
5 primarily engaged in providing instruction and training in a wide variety of subjects.

6 2. The amount of the commerce tax for a business entity included in this category is the amount
7 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
8 taxable year and multiplying that amount by 0.281 percent.

9 Sec. 44. 1. The health care and social assistance business category (NAICS 62) includes all
10 business entities primarily engaged in providing health care and social assistance for natural persons.

11 2. The amount of the commerce tax for a business entity included in this category is the amount
12 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
13 taxable year and multiplying that amount by 0.190 percent.

14 Sec. 45. 1. The arts, entertainment and recreation business category (NAICS 71) includes all
15 business entities primarily engaged in operating facilities or providing services to meet varied cultural,
16 entertainment and recreational interests of their patrons.

17 2. The amount of the commerce tax for a business entity included in this category is the amount
18 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
19 taxable year and multiplying that amount by 0.24 percent.

20 Sec. 46. 1. The accommodation business category (NAICS 721) includes all business entities
21 primarily engaged in providing lodging or short-term accommodations for travelers, vacationers and
22 others.

23 2. The amount of the commerce tax for a business entity included in this category is the amount
24 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
25 taxable year and multiplying that amount by 0.2 percent.

26 Sec. 47. 1. The food services and drinking places business category (NAICS 722) includes all
27 business entities primarily engaged in preparing meals, snacks and beverages to customer order for
28 immediate on-premises and off-premises consumption.

29 2. The amount of the commerce tax for a business entity included in this category is the amount
30 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
31 taxable year and multiplying that amount by 0.194 percent.

32 Sec. 48. 1. The other services business category (NAICS 81) includes all business entities
33 primarily engaged in providing services not included in any of the business categories described in
34 sections 24 to 47, inclusive, of this act. Business entities in this category are primarily engaged in
35 activities such as repairing equipment and machinery, promoting or administering religious activities,
36 grantmaking, advocacy, and providing dry cleaning and laundry services, personal care services, death
37 care services, pet care services, photofinishing services, temporary parking services and dating
38 services.

39 2. The amount of the commerce tax for a business entity included in this category is the amount
40 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
41 taxable year and multiplying that amount by 0.142 percent.

42 Sec. 49. 1. The unclassified business category includes any business entity not included in any
43 of the business categories established by sections 24 to 48, inclusive, of this act.

44 2. The amount of the commerce tax for a business entity included in this category is the amount
45 obtained by subtracting \$3,500,000 from the Nevada gross revenue of the business entity for the
46 taxable year and multiplying that amount by 0.128 percent.

47 Sec. 50. A business entity engaging in a business in this State:

48 1. May use either the cash or accrual method of accounting for the purposes of reporting and
49 determining the amount of the commerce tax owed by the business entity.

50 2. May not change that method of accounting more often than once every 3 years unless the
51 Department consents to the change. For the purposes of this subsection, a change in accounting
52 method may not occur solely because the change results in a lower amount of commerce tax owed by
53 the business entity.

54 Sec. 51. If the Department determines that any tax, penalty or interest has been paid more
55 than once or has been erroneously or illegally collected or computed, the Department shall set forth
56 that fact in the records of the Department and certify to the State Board of Examiners the amount
57 collected in excess of the amount legally due and the person from whom it was collected or by whom it
58 was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after

1 being credited against any amount then due from the person in accordance with NRS 360.236, be
2 refunded to the person or his or her successors in interest.

3 Sec. 52. 1. Except as otherwise provided in NRS 360.235 and 360.395:

4 (a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after
5 the last day of the month following the last month of the taxable year for which the overpayment was
6 made.

7 (b) No credit may be allowed after the expiration of the period specified for filing claims for refund
8 unless a claim for credit is filed with the Department within that period.

9 2. Each claim must be in writing and must state the specific grounds upon which the claim is
10 founded.

11 3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any
12 demand against the State on account of overpayment.

13 4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice
14 of its action on the claimant in the manner prescribed for service of notice of a deficiency
15 determination.

16 Sec. 53. 1. Except as otherwise provided in this section and NRS 360.320 or any other specific
17 statute, interest must be paid upon any overpayment of any amount of the commerce tax at the rate set
18 forth in, and in accordance with the provisions of, NRS 360.2937.

19 2. If the Department determines that any overpayment has been made intentionally or by reason
20 of carelessness, the Department shall not allow any interest on the overpayment.

21 Sec. 54. 1. No injunction, writ of mandate or other legal or equitable process may issue in any
22 suit, action or proceeding in any court against this State or against any officer of this State to prevent
23 or enjoin the collection under this chapter of the commerce tax or any amount of tax, penalty or
24 interest required to be collected.

25 2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to
26 have been erroneously or illegally determined or collected unless a claim for refund or credit has been
27 filed.

28 Sec. 55. 1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is
29 rendered by the Commission, the claimant may bring an action against the Department on the grounds
30 set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State where
31 the claimant resides or maintains his or her principal place of business or a county in which any
32 relevant proceedings were conducted by the Department, for the recovery of the whole or any part of
33 the amount with respect to which the claim has been disallowed.

34 2. Failure to bring an action within the time specified constitutes a waiver of any demand against
35 the State on account of alleged overpayments.

36 Sec. 56. 1. If the Department fails to mail notice of action on a claim within 6 months after the
37 claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission
38 within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of
39 the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered,
40 bring an action against the Department on the grounds set forth in the claim for the recovery of the
41 whole or any part of the amount claimed as an overpayment.

42 2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited
43 toward any tax due from the plaintiff.

44 3. The balance of the judgment must be refunded to the plaintiff.

45 Sec. 57. In any judgment, interest must be allowed at the rate of 3 percent per annum upon the
46 amount found to have been illegally collected from the date of payment of the amount to the date of
47 allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant
48 by not more than 30 days. The date must be determined by the Department.

49 Sec. 58. A judgment may not be rendered in favor of the plaintiff in any action brought against
50 the Department to recover any amount paid when the action is brought by or in the name of an
51 assignee of the person paying the amount or by any person other than the person who paid the amount.

52 Sec. 59. 1. The Department may recover a refund or any part thereof which is erroneously
53 made and any credit or part thereof which is erroneously allowed in an action brought in a court of
54 competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.

55 2. The action must be tried in Carson City or Clark County unless the court, with the consent of
56 the Attorney General, orders a change of place of trial.

1 3. The Attorney General shall prosecute the action, and the provisions of the Nevada Revised
2 Statutes, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to
3 service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.

4 Sec. 60. 1. If any amount in excess of \$25 has been illegally determined, either by the
5 Department or by the person filing the return, the Department shall certify that fact to the State Board
6 of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the
7 Department.

8 2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by
9 the person filing the return, the Department, without certifying that fact to the State Board of
10 Examiners, shall authorize the cancellation of the amount upon the records of the Department.

11 Sec. 61. The remedies of the State provided for in this chapter are cumulative, and no action
12 taken by the Department or the Attorney General constitutes an election by the State to pursue any
13 remedy to the exclusion of any other remedy for which provision is made in this chapter.

14 ~~{Section 1}~~ Sec. 62. NRS 360.2937 is hereby amended to read as follows:

15 360.2937 1. Except as otherwise provided in this section and NRS 360.320 or any other specific
16 statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment
17 of any tax provided for in chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A or 377C of NRS, or
18 sections 2 to 61, inclusive, of this act, any fee provided for in NRS 444A.090 or 482.313, or any
19 assessment provided for in NRS 585.497, at the rate of 0.25 percent per month from the last day of the
20 calendar month following the period for which the overpayment was made.

21 2. No refund or credit may be made of any interest imposed on the person making the overpayment
22 with respect to the amount being refunded or credited.

23 3. The interest must be paid:

24 (a) In the case of a refund, to the last day of the calendar month following the date upon which the
25 person making the overpayment, if the person has not already filed a claim, is notified by the Department
26 that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners,
27 whichever is earlier.

28 (b) In the case of a credit, to the same date as that to which interest is computed on the tax or the
29 amount against which the credit is applied.

30 ~~{Sec. 2}~~ Sec. 63. NRS 360.300 is hereby amended to read as follows:

31 360.300 1. If a person fails to file a return or the Department is not satisfied with the return or
32 returns of any tax, contribution or premium or amount of tax, contribution or premium required to be paid
33 to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B,
34 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter
35 585 or 680B of NRS, sections 2 to 61, inclusive, of this act, as administered or audited by the
36 Department, it may compute and determine the amount required to be paid upon the basis of:

37 (a) The facts contained in the return;

38 (b) Any information within its possession or that may come into its possession; or

39 (c) Reasonable estimates of the amount.

40 2. One or more deficiency determinations may be made with respect to the amount due for one or for
41 more than one period.

42 3. In making its determination of the amount required to be paid, the Department shall impose
43 interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in
44 NRS 360.417, unless a different rate of interest is specifically provided by statute.

45 4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination
46 that is made in the case of the failure of a person to file a return with the Department.

47 5. When a business is discontinued, a determination may be made at any time thereafter within the
48 time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of whether the
49 determination is issued before the due date of the liability.

50 ~~{Sec. 3}~~ Sec. 64. NRS 360.417 is hereby amended to read as follows:

51 360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty
52 or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in
53 chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A, 377C, 444A or 585 of NRS, or sections 2 to 61,
54 inclusive, of this act, or any fee provided for in NRS 482.313, and any person or governmental entity that
55 fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall
56 pay a penalty of not more than 10 percent of
57 the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee,
58 plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month

1 following the period for which the amount or any portion of the amount should have been reported until
2 the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted
3 by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained
4 unpaid.

5 ~~[Sec. 4.]~~ **Sec. 65.** NRS 360.510 is hereby amended to read as follows:

6 360.510 1. If any person is delinquent in the payment of any tax or fee administered by the
7 Department or if a determination has been made against the person which remains unpaid, the Department
8 may:

9 (a) Not later than 3 years after the payment became delinquent or the determination became final; or

10 (b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate
11 constituting a lien for tax owed,

12 ↪ give a notice of the delinquency and a demand to transmit personally or by registered or certified mail
13 to any person, including, without limitation, any officer or department of this State or any political
14 subdivision or agency of this State, who has in his or her possession or under his or her control any credits
15 or other personal property belonging to the delinquent, or owing any debts to the delinquent or person
16 against whom a determination has been made which remains unpaid, or owing any debts to the delinquent
17 or that person. In the case of any state officer, department or agency, the notice must be given to the
18 officer, department or agency before the Department presents the claim of the delinquent taxpayer to the
19 State Controller.

20 2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it
21 by that person before it honors the notice of the Department.

22 3. After receiving the demand to transmit, the person notified by the demand may not transfer or
23 otherwise dispose of the credits, other personal property, or debts in his or her possession or under his or
24 her control at the time the person received the notice until the Department consents to a transfer or other
25 disposition.

26 4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to
27 transmit, inform the Department of and transmit to the Department all such credits, other personal
28 property or debts in his or her possession, under his or her control or owing by that person within the time
29 and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further
30 notice is required to be served to that person.

31 5. If the property of the delinquent taxpayer consists of a series of payments owed to him or her, the
32 person who owes or controls the payments shall transmit the payments to the Department until otherwise
33 notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the
34 Department issued the original demand to transmit, the Department shall issue another demand to
35 transmit to the person responsible for making the payments informing him or her to continue to transmit
36 payments to the Department or that his or her duty to transmit the payments to the Department has ceased.

37 6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a
38 bank or credit union or other credits or personal property in the possession or under the control of a bank,
39 credit union or other depository institution, the notice must be delivered or mailed to any branch or office
40 of the bank, credit union or other depository institution at which the deposit is carried or at which the
41 credits or personal property is held.

42 7. If any person notified by the notice of the delinquency makes any transfer or other disposition of
43 the property or debts required to be withheld or transmitted, to the extent of the value of the property or
44 the amount of the debts thus transferred or paid, that person is liable to the State for any indebtedness due
45 pursuant to this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or
46 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS or sections 2 to 61, inclusive, of this act,
47 from the person with respect to whose obligation the notice was given if solely by reason of the transfer
48 or other disposition the State is unable to recover the indebtedness of the person with respect to whose
49 obligation the notice was given.

50 ~~[Sec. 5. NRS 360.759 is hereby amended to read as follows:~~

51 ~~360.759 1. A producer of a qualified production that is produced in this State in whole or in part~~
52 ~~may, on or before December 31, 2017, apply to the Office of Economic Development for a certificate of~~
53 ~~eligibility for transferable tax credits for any qualified expenditures and production costs identified in~~
54 ~~NRS 360.7591. The transferable tax credits may be applied to:~~

55 ~~(a) Any tax imposed by [chapters 363A and] chapter 363B of NRS;~~

56 ~~(b) The gaming license fees imposed by the provisions of~~
57 ~~NRS 463.370;~~

58 ~~(c) Any tax imposed pursuant to chapter 680B of NRS; or~~

1 ~~—(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).~~
2 ~~—2. The Office shall approve an application for a certificate of eligibility for transferable tax credits if~~
3 ~~the Office finds that the producer of the qualified production qualifies for the transferable tax credits~~
4 ~~pursuant to subsection 3 and shall calculate the estimated amount of the transferable tax credits pursuant~~
5 ~~to NRS 360.7592, 360.7593 and 360.7594.~~
6 ~~—3. To be eligible for transferable tax credits pursuant to this section, a producer must:~~
7 ~~—(a) Submit an application that meets the requirements of subsection 4;~~
8 ~~—(b) Provide proof satisfactory to the Office that the qualified production is in the economic interest of~~
9 ~~the State;~~
10 ~~—(c) Provide proof satisfactory to the Office that 50 percent or more of the funding for the qualified~~
11 ~~production has been placed in an escrow account or trust account for the benefit of the qualified~~
12 ~~production;~~
13 ~~—(d) Provide proof satisfactory to the Office that at least 60 percent of the total qualified expenditures~~
14 ~~and production costs for the qualified production, including preproduction and postproduction, will be~~
15 ~~incurred in this State;~~
16 ~~—(e) At the completion of the qualified production, provide the Office with an audit of the qualified~~
17 ~~production that includes an itemized report of qualified expenditures and production costs which:~~
18 ~~—(1) Shows that the qualified production incurred qualified expenditures and production costs in~~
19 ~~this State of \$500,000 or more; and~~
20 ~~—(2) Is certified by an independent certified public accountant in this State who is approved by the~~
21 ~~Office;~~
22 ~~—(f) Pay the cost of the audit required by paragraph (e); and~~
23 ~~—(g) Meet any other requirements prescribed by regulation pursuant to this section.~~
24 ~~—4. An application submitted pursuant to subsection 3 must contain:~~
25 ~~—(a) A script, storyboard or synopsis of the qualified production;~~
26 ~~—(b) The names of the producer, director and proposed cast;~~
27 ~~—(c) An estimated timeline to complete the qualified production;~~
28 ~~—(d) A detailed budget for the entire production, including projected expenses incurred outside of~~
29 ~~Nevada;~~
30 ~~—(e) Details regarding the financing of the project, including, without limitation, any information~~
31 ~~relating to a binding financing commitment, loan application, commitment letter or investment letter;~~
32 ~~—(f) An insurance certificate, binder or quote for general liability insurance of \$1,000,000 or more;~~
33 ~~—(g) The business address of the producer, which must be an address in this State;~~
34 ~~—(h) Proof that the qualified production meets any applicable requirements relating to workers'~~
35 ~~compensation insurance;~~
36 ~~—(i) Proof that the producer has secured all licenses required to do business in each location in this~~
37 ~~State at which the qualified production will be produced; and~~
38 ~~—(j) Any other information required by regulations adopted by the Office pursuant to subsection 8.~~
39 ~~—5. If the Office approves an application for a certificate of eligibility for transferable tax credits~~
40 ~~pursuant to this section, the Office shall immediately forward a copy of the certificate of eligibility which~~
41 ~~identifies the estimated amount of the tax credits available pursuant to NRS 360.7592 to:~~
42 ~~—(a) The applicant;~~
43 ~~—(b) The Department; and~~
44 ~~—(c) The State Gaming Control Board.~~
45 ~~—6. Within 14 business days after receipt of an audit provided by the producer pursuant to paragraph~~
46 ~~(e) of subsection 3 and any other accountings or other information required by the Office, the Office shall~~
47 ~~determine whether to certify the audit and make a final determination of whether a certificate of~~
48 ~~transferable tax credits will be issued. If the Office certifies the audit and determines that all other~~
49 ~~requirements for the transferable tax credits have been met, the Office shall notify the producer that the~~
50 ~~transferable tax credits will be issued. Within 30 days after the receipt of the notice, the producer shall~~
51 ~~make an irrevocable declaration of the amount of transferable tax credits that will be applied to each fee~~
52 ~~or tax set forth in subsection 1, thereby accounting for all of the credits which will be issued. Upon receipt~~
53 ~~of the declaration, the Office shall issue to the eligible producer a certificate of transferable tax credits in~~
54 ~~the amount approved by the Office for the fees or taxes included in the declaration of the producer. The~~
55 ~~producer shall notify the Office upon transferring any of the transferable tax credits. The Office shall~~
56 ~~notify the Department and the State Gaming Control Board of all transferable tax credits issued,~~
57 ~~segregated by each fee or tax set forth in subsection 1, and the amount of any transferable tax credits~~
58 ~~transferred.~~

~~7. An applicant for transferable tax credits pursuant to this section shall, upon the request of the Executive Director of the Office, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 3.~~

~~8. The Office:~~

~~(a) Shall adopt regulations prescribing:~~

~~(1) Any additional requirements to receive transferable tax credits;~~

~~(2) Any additional qualified expenditures or production costs that may serve as the basis for transferable tax credits pursuant to NRS 360.7591;~~

~~(3) Any additional information that must be included with an application pursuant to subsection 4;~~

~~(4) The application review process;~~

~~(5) Any type of qualified production which, due to obscene or sexually explicit material, is not eligible for transferable tax credits; and~~

~~(6) The requirements for notice pursuant to NRS 360.7595; and~~

~~(b) May adopt any other regulations that are necessary to carry out the provisions of NRS 360.758 to 360.7598, inclusive.~~

~~9. The Nevada Tax Commission and the Nevada Gaming Commission:~~

~~(a) Shall adopt regulations prescribing the manner in which transferable tax credits will be administered.~~

~~(b) May adopt any other regulations that are necessary to carry out the provisions of NRS 360.758 to 360.7598, inclusive.~~

~~Sec. 6. NRS 360.910 is hereby amended to read as follows:~~

~~360.910 "Employer excise taxes" means the taxes imposed on the wages paid by an employer pursuant to chapter 363A or 363B of NRS.~~

~~Sec. 7. NRS 360.945 is hereby amended to read as follows:~~

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

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

~~(1) Any tax imposed by chapters 363A and [chapter] 363B of NRS;~~

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

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

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

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

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

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

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

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

~~(d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common purpose or business endeavor;~~

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

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

~~(g) Provide documentation satisfactory to the Office of the number of employees engaged or anticipated to be engaged in the construction of the project;~~

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

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

- 1 ~~—(j) Provide documentation satisfactory to the Office that each participant in the project provides a plan~~
- 2 ~~of health insurance and that each employee employed at the project by each participant is offered~~
- 3 ~~coverage under the plan of health insurance provided by his or her employer;~~
- 4 ~~—(k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged~~
- 5 ~~or anticipated to be engaged in construction of the project and 50 percent of the employees employed at~~
- 6 ~~the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof~~
- 7 ~~satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada~~
- 8 ~~residents available and qualified for such employment;~~
- 9 ~~—(l) Agree to provide the Office with a full compliance audit of the participants in the project at the end~~
- 10 ~~of each fiscal year which:~~
- 11 ~~— (1) Shows the amount of money invested in this State by each participant in the project;~~
- 12 ~~— (2) Shows the number of employees engaged in the construction of the project and the number of~~
- 13 ~~those employees who are residents of Nevada;~~
- 14 ~~— (3) Shows the number of employees employed at the project by each participant and the number of~~
- 15 ~~those employees who are residents of Nevada; and~~
- 16 ~~— (4) Is certified by an independent certified public accountant in this State who is approved by the~~
- 17 ~~Office;~~
- 18 ~~—(m) Pay the cost of the audit required by paragraph (l); and~~
- 19 ~~—(n) Meet any other requirements prescribed by the Office.~~
- 20 ~~— 3. An application submitted pursuant to subsection 2 must include:~~
- 21 ~~—(a) A detailed description of the project, including a description of the common purpose or business~~
- 22 ~~endeavor in which the participants in the project are engaged;~~
- 23 ~~—(b) A detailed description of the location of the project, including a precise description of the~~
- 24 ~~geographic boundaries of the project site;~~
- 25 ~~—(c) The name and business address of each participant in the project, which must be an address in this~~
- 26 ~~State;~~
- 27 ~~—(d) A detailed description of the plan by which the participants in the project intend to comply with~~
- 28 ~~the requirement that the participants collectively make a total new capital investment of at least \$3.5~~
- 29 ~~billion in this State in the 10-year period immediately following approval of the application;~~
- 30 ~~—(e) If the application includes one or more abatements, an agreement executed by the Office with the~~
- 31 ~~lead participant in the project which:~~
- 32 ~~— (1) Complies with the requirements of NRS 360.755;~~
- 33 ~~— (2) States that the project will, after the date on which a certificate of eligibility for the abatement~~
- 34 ~~is approved pursuant to NRS 360.965, continue in operation in this State for a period specified by the~~
- 35 ~~Office; and~~
- 36 ~~— (3) Binds successors in interest of the lead participant for the specified period; and~~
- 37 ~~—(f) Any other information required by the Office.~~
- 38 ~~— 4. For an employee to be considered a resident of Nevada for the purposes of this section, each~~
- 39 ~~participant in the project must maintain the following documents in the personnel file of the employee:~~
- 40 ~~—(a) A copy of the current and valid Nevada driver's license of the employee or a current and valid~~
- 41 ~~identification card for the employee issued by the Department of Motor Vehicles;~~
- 42 ~~—(b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the~~
- 43 ~~current motor vehicle registration of at least one of those vehicles;~~
- 44 ~~—(c) Proof that the employee is employed full-time and scheduled to work for an average minimum of~~
- 45 ~~30 hours per week; and~~
- 46 ~~—(d) Proof that the employee is offered coverage under a plan of health insurance provided by his or~~
- 47 ~~her employer.~~
- 48 ~~— 5. For the purpose of obtaining from the Executive Director of the Office any waiver of the~~
- 49 ~~requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to~~
- 50 ~~the Executive Director of the Office written documentation of the efforts to meet the requirement and~~
- 51 ~~documented proof that an insufficient number of Nevada residents is available and qualified for~~
- 52 ~~employment.~~
- 53 ~~— 6. The Executive Director of the Office shall make available to the public and post on the Internet~~
- 54 ~~website for the Office:~~
- 55 ~~—(a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and~~
- 56 ~~—(b) Any approval of such a request for a waiver that is granted by the Executive Director of the~~
- 57 ~~Office.~~

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

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

Sec. 66. 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:

~~11~~ **(a)** "Indian tribe" includes any entity described in subsection 10 of NRS 612.055.

~~12~~ **(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).

~~13~~ **(c)** "Political subdivision" means any entity described in subsection 9 of NRS 612.055.

Sec. 67. NRS 363A.130 is hereby amended to read as follows:

363A.130 1. There is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer.

2. The tax imposed by this section:

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

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

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

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

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

4. An employer is entitled to receive a credit against the tax imposed by this section in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act, for the preceding taxable year. The credit may only be used against an amount of the tax that the taxpayer is required to pay pursuant to this section for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount of tax due for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

Sec. 68. Chapter 363B of NRS is hereby amended by adding thereto a new section to read as follows:

1. On or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the tax imposed by this chapter, the tax imposed by chapter 363A of NRS and the commerce tax imposed by sections 2 to 61, inclusive, of this act, for the preceding fiscal year.

2. If the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal

year, the Department shall determine the rate at which the tax imposed pursuant to NRS 363B.110 would have generated a combined revenue of 4 percent more than the amount anticipated.

3. Effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rate determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, or 1.17 percent, whichever is greater, must thereafter be the rate of the tax imposed pursuant to NRS 363B.110, unless further adjusted in a subsequent fiscal year.

~~Sec. 8.~~ **Sec. 69.** 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~~ ~~to~~

2. The term does not include:

(a) A financial institution. ~~any~~;

(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 nonprofit organization ~~to~~;

(d) A political subdivision; or ~~any~~

(e) 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.

~~3.~~ ~~2.~~ (c) “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).

~~4.~~ ~~3.~~ (d) “Political subdivision” means any entity described in subsection 9 of NRS 612.055.

~~Sec. 9.~~ **Sec. 70.** NRS 363B.110 is hereby amended to read as follows:

363B.110 1. ~~There~~ Except as otherwise provided in section 68 of this act, there is hereby imposed an excise tax on each employer at the rate of ~~10.63~~ ~~1.56~~ 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer ~~is~~ exceeds \$50,000.

2. The tax imposed by this section:

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

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

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

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

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

4. An employer is entitled to receive a credit against the tax imposed by this section in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act, for the preceding taxable year. The credit may only be used against an amount of the tax that the taxpayer is required to pay pursuant to this section for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount of tax due for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

Sec. 71. NRS 371.060 is hereby amended to read as follows:

371.060 1. Except as otherwise provided in subsection 2 and subsection 2 of NRS 371.040, each vehicle must be depreciated by the Department for the purposes of the annual governmental services tax according to the following schedule:

	Percentage of
Age	Initial Value

1		
2	New	100 percent
3	1 year	95 85 percent
4	2 years.....	85 75 percent
5	3 years.....	75 65 percent
6	4 years.....	65 55 percent
7	5 years.....	55 45 percent
8	6 years.....	45 35 percent
9	7 years.....	35 25 percent
10	8 years.....	25 15 percent
11	9 years or more	15 5 percent

13 2. Except as otherwise provided in subsection 2 of NRS 371.040, each bus, truck or truck-tractor
 14 having a declared gross weight of 10,000 pounds or more and each trailer or semitrailer having an
 15 unladen weight of 4,000 pounds or more must be depreciated by the Department for the purposes of the
 16 annual governmental services tax according to the following schedule:

17			
18		Percentage of	
19	Age	Initial Value	
20			
21	New	100 percent	
22	1 year	85 75 percent	
23	2 years.....	69 59 percent	
24	3 years.....	57 47 percent	
25	4 years.....	47 37 percent	
26	5 years.....	38 28 percent	
27	6 years.....	33 23 percent	
28	7 years.....	30 20 percent	
29	8 years.....	27 17 percent	
30	9 years.....	25 15 percent	
31	10 years or more	23 13 percent	

33 3. Notwithstanding any other provision of this section, the minimum amount of the governmental
 34 services tax:

- 35 (a) On any trailer having an unladen weight of 1,000 pounds or less is \$3; and
- 36 (b) On any other vehicle is ~~16~~ \$6.

37 4. For the purposes of this section, a vehicle shall be deemed a “new” vehicle if the vehicle has never
 38 been registered with the Department and has never been registered with the appropriate agency of any
 39 other state, the District of Columbia, any territory or possession of the United States or any foreign state,
 40 province or country.

41 **Sec. 72. NRS 371.230 is hereby amended to read as follows:**

42 371.230 Except as otherwise provided in NRS 371.1035, 482.180 ~~1~~ and 482.181, ~~and 482.182,~~
 43 money collected by the Department for governmental services taxes and penalties pursuant to the
 44 provisions of this chapter must be deposited with the State Treasurer to the credit of the Motor Vehicle
 45 Fund.

46 ~~Sec. 10. Chapter 40 of NRS is hereby amended by adding thereto the provisions set forth as sections~~
 47 ~~11, 12 and 13 of this act. (Deleted by amendment.)~~

48 ~~Sec. 11. As used in NRS 40.451 to 40.463, inclusive, and sections 11, 12 and 13 of this act, unless~~
 49 ~~the context otherwise requires, the words and terms defined in NRS 40.451 and sections 12 and 13 of~~
 50 ~~this act have the meanings ascribed to them in those sections. (Deleted by amendment.)~~

51 ~~Sec. 12. “Business activity” means the performance of a service or engagement in a trade for~~
 52 ~~profit. (Deleted by amendment.)~~

53 ~~Sec. 13. 1. Except as otherwise provided in subsection 2, “financial institution” means:~~

54 ~~(a) An institution licensed, registered or otherwise authorized to do business in this State pursuant~~
 55 ~~to the provisions of title 55 or 56 of NRS or chapter 604A, 645B or 645E of NRS, or a similar~~
 56 ~~institution chartered or licensed pursuant to federal law;~~

57 ~~(b) A person licensed or registered or required to be licensed or registered pursuant to NRS 90.310,~~
 58 ~~90.330, 90.453, 686A.340 or 688C.190;~~

~~1 (c) A person holding or required to hold a solicitation permit or license pursuant to NRS 692B.040,
2 692B.190 or 692B.260;~~

~~3 (d) A person designated or registered or required to be designated or registered pursuant to the
4 Commodity Exchange Act, 7 U.S.C. §§ 1 et seq., the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a
5 et seq., the Public Utility Holding Company Act of 2005, 42 U.S.C. §§ 16451 et seq., the Investment
6 Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., or the Investment Advisers Act
7 of 1940, 15 U.S.C. §§ 806-1 et seq., as amended;~~

~~8 (e) A person licensed pursuant to 7 U.S.C. § 2009cc-3 to operate as a rural business investment
9 company;~~

~~10 (f) A person registered or required to be registered as a savings and loan holding company
11 pursuant to 12 U.S.C. § 1467a;~~

~~12 (g) A person registered or required to be registered as a bank holding company pursuant to 12
13 U.S.C. § 1844;~~

~~14 (h) An investment bank holding company supervised pursuant to 15 U.S.C. § 78q;~~

~~15 (i) A person electing to be treated as a business development company pursuant to 15 U.S.C. § 80a-
16 53;~~

~~17 (j) A person licensed pursuant to 15 U.S.C. § 681 to operate as a small business investment
18 company;~~

~~19 (k) A person granted final approval pursuant to 15 U.S.C. § 689c to operate as a New Markets
20 Venture Capital Company;~~

~~21 (l) A person qualifying as and electing to be considered a real estate investment trust pursuant to 26
22 U.S.C. § 856;~~

~~23 (m) A bank, as defined in 12 U.S.C. § 1813(a);~~

~~24 (n) A savings association, as defined in 12 U.S.C. § 1813(b);~~

~~25 (o) A savings bank, as defined in 12 U.S.C. § 1813(g);~~

~~26 (p) A thrift institution, as defined in 12 U.S.C. § 1841(i);~~

~~27 (q) A national banking association organized under the National Bank Act, 12 U.S.C. §§ 21 et seq.;~~

~~28 (r) An entity that is related to any of the entities described in paragraphs (a), (b), (d) to (k),
29 inclusive, and (m) to (q), inclusive, regardless of whether the entity described in any of those
30 paragraphs is doing business in this State; and~~

~~31 (s) An issuer or a service provider,
32 who is conducting a business activity in this State.~~

~~33 2. The term does not include:~~

~~34 (a) A credit union organized under the provisions of chapter 678 of NRS or the Federal Credit
35 Union Act, 12 U.S.C. §§ 1751 et seq.;~~

~~36 (b) A federal land credit association, farm credit bank, agricultural credit association or similar
37 institution organized under the provisions of the Farm Credit Act, 12 U.S.C. §§ 2001 et seq.; and~~

~~38 (c) Any person or other entity that this State is prohibited from taxing under the Constitution, laws
39 or treaties of the United States or the Nevada Constitution.~~

~~40 3. For the purposes of this section:~~

~~41 (a) "Credit card" has the meaning ascribed to it in
42 NRS 97A.050.~~

~~43 (b) "Entity" includes, without limitation, any corporation, limited liability company, association,
44 organization, company, firm, partnership, joint venture, trust, business trust, receiver, trustee,
45 syndicate, cooperative or assignee, or any other group or combination acting as a unit.~~

~~46 (c) "Issuer" has the meaning ascribed to it in NRS 97A.100, except that the term does not include a
47 seller of goods or provider of services who issues a credit card for the purpose of providing or
48 extending credit only in connection with the goods he or she sells or the services he or she provides.~~

~~49 (d) Entities are "related" if at least 50 percent of the interest, either by vote or value, in each entity
50 is owned, either directly or indirectly, by the same entity, including either of those entities.~~

~~51 (e) "Service provider" has the meaning ascribed to it in NRS 97A.130, except that the term does not
52 include a service provider who acts in that capacity solely on behalf of a seller of goods or provider of
53 services who issues a credit card for the purpose of providing or extending credit only in connection
54 with the goods he or she sells or the services he or she provides. (Deleted by amendment.)~~

~~55 Sec. 14. NRS 40.451 is hereby amended to read as follows:~~

~~56 40.451 [As used in NRS 40.451 to 40.463, inclusive, "indebtedness"] "Indebtedness" means the
57 principal balance of the obligation secured by a mortgage or other lien on real property, together with all
58 interest accrued and unpaid prior to the time of foreclosure sale, all costs and fees of such a sale, all~~

1 ~~advances made with respect to the property by the beneficiary, and all other amounts secured by the~~
2 ~~mortgage or other lien on the real property in favor of the person seeking the deficiency judgment. Such~~
3 ~~amount constituting a lien is limited to the amount of the consideration paid by the lienholder. *(Deleted by*~~
4 ~~*amendment.)*~~

5 ~~Sec. 15. NRS 40.455 is hereby amended to read as follows:~~

6 ~~40.455 1. Except as otherwise provided in subsection 3, upon application of the judgment creditor~~
7 ~~or the beneficiary of the deed of trust within 6 months after the date of the foreclosure sale or the trustee's~~
8 ~~sale held pursuant to NRS 107.080, respectively, and after the required hearing, the court shall award a~~
9 ~~deficiency judgment to the judgment creditor or the beneficiary of the deed of trust if it appears from the~~
10 ~~sheriff's return or the recital of consideration in the trustee's deed that there is a deficiency of the~~
11 ~~proceeds of the sale and a balance remaining due to the judgment creditor or the beneficiary of the deed~~
12 ~~of trust, respectively.~~

13 ~~2. If the indebtedness is secured by more than one parcel of real property, more than one interest in~~
14 ~~the real property or more than one mortgage or deed of trust, the 6-month period begins to run after the~~
15 ~~date of the foreclosure sale or trustee's sale of the last parcel or other interest in the real property securing~~
16 ~~the indebtedness, but in no event may the application be filed more than 2 years after the initial~~
17 ~~foreclosure sale or trustee's sale.~~

18 ~~3. If the judgment creditor or the beneficiary of the deed of trust is a financial institution, the court~~
19 ~~may not award a deficiency judgment to the judgment creditor or the beneficiary of the deed of trust, even~~
20 ~~if there is a deficiency of the proceeds of the sale and a balance remaining due the judgment creditor or~~
21 ~~beneficiary of the deed of trust, if:~~

22 ~~(a) The real property is a single family dwelling and the debtor or grantor was the owner of the real~~
23 ~~property at the time of the foreclosure sale or trustee's sale;~~

24 ~~(b) The debtor or grantor used the amount for which the real property was secured by the mortgage or~~
25 ~~deed of trust to purchase the real property;~~

26 ~~(c) The debtor or grantor continuously occupied the real property as the debtor's or grantor's principal~~
27 ~~residence after securing the mortgage or deed of trust; and~~

28 ~~(d) The debtor or grantor did not refinance the mortgage or deed of trust after securing it.~~

29 ~~4. As used in this section, "financial institution" has the meaning ascribed to it in NRS 363A.050.]~~
30 ~~*(Deleted by amendment.)*~~

31 ~~Sec. 16. NRS 40.4638 is hereby amended to read as follows:~~

32 ~~40.4638 1. A person to whom an obligation secured by a junior mortgage or lien on real property is~~
33 ~~owed may not bring any action to enforce that obligation after a foreclosure sale of the real property~~
34 ~~which secured that obligation or a sale in lieu of a foreclosure sale if:~~

35 ~~(a) The person is a financial institution;~~

36 ~~(b) The real property which secured the obligation is a single family dwelling and the debtor or~~
37 ~~grantor was the owner of the real property at the time of the foreclosure sale or sale in lieu of a~~
38 ~~foreclosure sale;~~

39 ~~(c) The debtor or grantor used the amount of the obligation to purchase the real property;~~

40 ~~(d) The debtor or grantor continuously occupied the real property as the debtor's or grantor's principal~~
41 ~~residence after securing the obligation; and~~

42 ~~(e) The debtor or grantor did not refinance the obligation after securing it.~~

43 ~~2. As used in this section, "financial institution" has the meaning ascribed to it in [NRS 363A.050.]~~
44 ~~*section 13 of this act. (Deleted by amendment.)*~~

45 ~~Sec. 17. Chapter 76 of NRS is hereby amended by adding thereto a new section to read as follows:~~

46 ~~1. In addition to the information required to be included in an application for the issuance or~~
47 ~~renewal of a state business license submitted pursuant to NRS 76.100 or 76.130, respectively, each~~
48 ~~application for the issuance or renewal of a state business license must include the following~~
49 ~~information:~~

50 ~~(a) If the applicant was required to file a federal income tax return for the immediately preceding~~
51 ~~federal taxable year, the principal business activity code, if any, indicated on the federal income tax~~
52 ~~return of the applicant for the immediately preceding taxable year;~~

53 ~~(b) If the applicant was required to file a federal income tax return for the immediately preceding~~
54 ~~federal taxable year and was treated for the purposes of that return as a corporation, the amount~~
55 ~~reported on line 1a of Internal Revenue Service Form 1120 or 1120S, or the equivalent or successor of~~
56 ~~those forms, whichever is applicable, as gross receipts or sales for the immediately preceding federal~~
57 ~~taxable year;~~

~~1 (c) If the applicant was required to file a federal income tax return for the immediately preceding
2 federal taxable year and was treated for the purposes of that return as a partnership, the amount
3 reported on line 1a of Internal Revenue Service Form 1065, or its equivalent or successor form, as
4 gross receipts or sales for the immediately preceding federal taxable year;~~

~~5 (d) If the applicant was required to file a Schedule C (Form 1040), Profit or Loss From Business,
6 or its equivalent or successor form, for the immediately preceding federal taxable year, the amount
7 reported on line 1 of that Schedule, or its equivalent or successor form, as gross receipts or sales;~~

~~8 (e) If the applicant did not file any of the forms or schedules listed in paragraph (b), (c) or (d), the
9 amount of the gross receipts or sales of the applicant from conducting a business for the immediately
10 preceding calendar year; and~~

~~11 (f) If the applicant included in the application the information listed in paragraph (b), (c) or (d),
12 whether the amounts reported pursuant to those paragraphs were the result of business conducted
13 solely in this State or whether those amounts were the result of business conducted both within and
14 outside this State.~~

~~15 2. Upon request of the Fiscal Analysis Division of the Legislative Counsel Bureau, the Secretary
16 of State shall provide to the Fiscal Analysis Division the information collected for each applicant
17 pursuant to subsection 1.~~

~~18 3. Except as otherwise provided in:~~

~~19 (a) Subsection 2 or another specific statute, the Secretary of State shall not disclose any
20 information reported to the Secretary of State pursuant to this section.~~

~~21 (b) This paragraph or another specific statute, any information obtained by the Fiscal Analysis
22 Division pursuant to subsection 2 shall be deemed a work product that is confidential pursuant to NRS
23 218F.150. The Fiscal Analysis Division may analyze the information and issue written reports based
24 on that information but shall not disclose any proprietary or confidential information obtained from
25 the Secretary of State pursuant to subsection 2.~~

~~26 Sec. 18.] Sec. 73. NRS 76.100 is hereby amended to read as follows:~~

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

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

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

2. An application for a state business license must:

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

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

(c) Be accompanied by a fee in the amount of ~~[\$100;] \$300, except that if the applicant is a corporation organized pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation required to file an initial or annual list with the Secretary of State pursuant to chapter 80 of NRS, the application must be accompanied by a fee of \$500;~~ and

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

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

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

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

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

(c) A general partner of a limited partnership.

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

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

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

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

1 5. The state business license required to be obtained pursuant to this section is in addition to any
2 license to conduct business that must be obtained from the local jurisdiction in which the business is
3 being conducted.

4 6. For the purposes of this chapter, a person shall be deemed to conduct a business in this State if a
5 business for which the person is responsible:

6 (a) Is organized pursuant to this title, other than a business organized pursuant to:

7 (1) Chapter 82 or 84 of NRS; or

8 (2) Chapter 81 of NRS if the business is a nonprofit religious, charitable, fraternal or other
9 organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

10 (b) Has an office or other base of operations in this State;

11 (c) Has a registered agent in this State; or

12 (d) Pays wages or other remuneration to a natural person who performs in this State any of the duties
13 for which he or she is paid.

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

15 ~~Sec. 19.~~ **Sec. 74.** NRS 76.130 is hereby amended to read as follows:

16 76.130 1. ~~A~~ **Except as otherwise provided in subsection 2, a** person who applies for renewal of a
17 state business license shall submit a fee in the amount of ~~[\$100]~~ **\$300** to the Secretary of State:

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

21 (b) If the person is not an entity required to file an annual list with the Secretary of State pursuant to
22 this title, on the last day of the month in which the anniversary date of issuance of the state business
23 license occurs in each year, unless the person submits a written statement to the Secretary of State, at least
24 10 days before that date, indicating that the person will not be conducting a business in this State after that
25 date.

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

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

35 ~~3.~~ 4. If a person fails to submit the annual state business license fee required pursuant to this
36 section in a timely manner and the person is:

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

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

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

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

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

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

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

51 **Sec. 75. NRS 78.245 is hereby amended to read as follows:**

52 78.245 ~~No~~ 1. **Except as otherwise provided in subsection 2, no** stocks, bonds or other securities
53 issued by any corporation organized under this chapter, nor the income or profits therefrom, nor the
54 transfer thereof by assignment, descent, testamentary disposition or otherwise, shall be taxed by this State
55 when such stocks, bonds or other securities shall be owned by nonresidents of this State or by foreign
56 corporations.

57 2. **The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to sections 2**
58 **to 61, inclusive, of this act.**

~~Sec. 20.]~~ **Sec. 76.** NRS 90.420 is hereby amended to read as follows:

90.420 1. The Administrator by order may deny, suspend or revoke any license, fine any licensed person, limit the activities governed by this chapter that an applicant or licensed person may perform in this State, bar an applicant or licensed person from association with a licensed broker-dealer or investment adviser or bar from employment with a licensed broker-dealer or investment adviser a person who is a partner, officer, director, sales representative, investment adviser or representative of an investment adviser, or a person occupying a similar status or performing a similar function for an applicant or licensed person, if the Administrator finds that the order is in the public interest and that the applicant or licensed person or, in the case of a broker-dealer or investment adviser, any partner, officer, director, sales representative, investment adviser, representative of an investment adviser, or person occupying a similar status or performing similar functions or any person directly or indirectly controlling the broker-dealer or investment adviser, or any transfer agent or any person directly or indirectly controlling the transfer agent:

(a) Has filed an application for licensing with the Administrator which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in a material respect or contained a statement that was, in light of the circumstances under which it was made, false or misleading with respect to a material fact;

(b) Has violated or failed to comply with a provision of this chapter as now or formerly in effect or a regulation or order adopted or issued under this chapter;

(c) Is the subject of an adjudication or determination after notice and opportunity for hearing, within the last 5 years by a securities agency or administrator of another state or a court of competent jurisdiction that the person has violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act or the securities law of any other state, but only if the acts constituting the violation of that state's law would constitute a violation of this chapter had the acts taken place in this State;

(d) Has been convicted of a felony or, within the previous 10 years has been convicted of a misdemeanor, which the Administrator finds:

(1) Involves the purchase or sale of a security, taking a false oath, making a false report, bribery, perjury, burglary, robbery or conspiracy to commit any of the foregoing offenses;

(2) Arises out of the conduct of business as a broker-dealer, investment adviser, depository institution, insurance company or fiduciary;

(3) Involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion or misappropriation of money or securities or conspiracy to commit any of the foregoing offenses; or

(4) Involves moral turpitude;

(e) Is or has been permanently or temporarily enjoined by any court of competent jurisdiction, unless the order has been vacated, from acting as an investment adviser, representative of an investment adviser, underwriter, broker-dealer or as an affiliated person or employee of an investment company, depository institution or insurance company or from engaging in or continuing any conduct or practice in connection with any of the foregoing activities or in connection with the purchase or sale of a security;

(f) Is or has been the subject of an order of the Administrator, unless the order has been vacated, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(g) Is or has been the subject of any of the following orders which were issued within the last 5 years, unless the order has been vacated:

(1) An order by the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Commodity Futures Trading Commission, or by the Securities and Exchange Commission or a comparable regulatory agency of another country, entered after notice and opportunity for hearing, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(2) A suspension or expulsion from membership in or association with a member of a self-regulatory organization;

(3) An order by a self-regulatory organization that prohibits the person from serving, indefinitely or for a specified period, as a principal or in a supervisory capacity within a business or organization which is a member of a self-regulatory organization;

(4) An order of the United States Postal Service relating to fraud;

(5) An order to cease and desist entered after notice and opportunity for hearing by the Administrator, the securities agency or administrator of another state, jurisdiction, Canadian province or

1 territory, the Securities and Exchange Commission or a comparable regulatory agency of another country,
2 or the Commodity Futures Trading Commission; or

3 (6) An order by the Commodity Futures Trading Commission denying, suspending or revoking
4 registration under the Commodity Exchange Act;

5 (h) Has engaged in unethical or dishonest practices in the securities business;

6 (i) Is insolvent, either in the sense that liabilities exceed assets or in the sense that obligations cannot
7 be met as they mature, but the Administrator may not enter an order against a broker-dealer or investment
8 adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser;

9 (j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~ of NRS ~~41~~ or
10 sections 2 to 61, inclusive, of this act;

11 (k) Is determined by the Administrator in compliance with NRS 90.430 not to be qualified on the
12 basis of lack of training, experience and knowledge of the securities business; or

13 (l) Has failed reasonably to supervise a sales representative, employee or representative of an
14 investment adviser.

15 2. The Administrator may not institute a proceeding on the basis of a fact or transaction known to the
16 director when the license became effective unless the proceeding is instituted within 90 days after
17 issuance of the license.

18 3. If the Administrator finds that an applicant or licensed person is no longer in existence or has
19 ceased to do business as a broker-dealer, sales representative, investment adviser, representative of an
20 investment adviser or transfer agent or is adjudicated mentally incompetent or subjected to the control of
21 a committee, conservator or guardian or cannot be located after reasonable search, the Administrator may
22 by order deny the application or revoke the license.

23 ~~Sec. 21~~ **Sec. 77.** NRS 90.730 is hereby amended to read as follows:

24 90.730 1. Except as otherwise provided in subsection 2, information and records filed with or
25 obtained by the Administrator are public information and are available for public examination.

26 2. Except as otherwise provided in subsections 3 and 4 and NRS 239.0115, the following
27 information and records do not constitute public information under subsection 1 and are confidential:

28 (a) Information or records obtained by the Administrator in connection with an investigation
29 concerning possible violations of this chapter; and

30 (b) Information or records filed with the Administrator in connection with a registration statement
31 filed under this chapter or a report under NRS 90.390 which constitute trade secrets or commercial or
32 financial information of a person for which that person is entitled to and has asserted a claim of privilege
33 or confidentiality authorized by law.

34 3. The Administrator may submit any information or evidence obtained in connection with an
35 investigation to the:

36 (a) Attorney General or appropriate district attorney for the purpose of prosecuting a criminal action
37 under this chapter; and

38 (b) Department of Taxation for its use in carrying out the provisions of chapter 363A ~~363B~~ of NRS
39 41 and the chapter consisting of sections 2 to 61, inclusive, of this act.

40 4. The Administrator may disclose any information obtained in connection with an investigation
41 pursuant to NRS 90.620 to the agencies and administrators specified in subsection 1 of NRS 90.740 but
42 only if disclosure is provided for the purpose of a civil, administrative or criminal investigation or
43 proceeding, and the receiving agency or administrator represents in writing that under applicable law
44 protections exist to preserve the integrity, confidentiality and security of the information.

45 5. This chapter does not create any privilege or diminish any privilege existing at common law, by
46 statute, regulation or otherwise.

47 **Sec. 78. NRS 482.180 is hereby amended to read as follows:**

48 482.180 1. The Motor Vehicle Fund is hereby created as an agency fund. Except as otherwise
49 provided in subsection 4 or by a specific statute, all money received or collected by the Department must
50 be deposited in the State Treasury for credit to the Motor Vehicle Fund.

51 2. The interest and income on the money in the Motor Vehicle Fund, after deducting any applicable
52 charges, must be credited to the State Highway Fund.

53 3. Any check accepted by the Department in payment of the governmental services tax or any other
54 fee required to be collected pursuant to this chapter must, if it is dishonored upon presentation for
55 payment, be charged back against the Motor Vehicle Fund or the county to which the payment was
56 credited pursuant to this section or NRS 482.181, in the proper proportion.

1 4. Except as otherwise provided in subsection 6, all money received or collected by the Department
2 for the basic governmental services tax must be distributed in the manner set forth in NRS 482.181 ~~and~~
3 ~~482.182.~~

4 5. Money for the administration of the provisions of this chapter must be provided by direct
5 legislative appropriation from the State Highway Fund or other legislative authorization, upon the
6 presentation of budgets in the manner required by law. Out of the appropriation or authorization, the
7 Department shall pay every item of expense.

8 6. The Department shall withhold 6 percent from the amount of the governmental services tax
9 collected by the Department as a commission. From the amount of the governmental services tax
10 collected by a county assessor, the State Controller shall credit 1 percent to the Department as a
11 commission and remit 5 percent to the county for credit to its general fund as commission for the services
12 of the county assessor. All money withheld by or credited to the Department pursuant to this subsection
13 must be used only for the administration of this chapter as authorized by the Legislature pursuant to
14 subsection 5.

15 7. When the requirements of this section and NRS 482.181 ~~and 482.182~~ have been met, and when
16 directed by the Department, the State Controller shall transfer monthly to the State Highway Fund any
17 balance in the Motor Vehicle Fund.

18 8. If a statute requires that any money in the Motor Vehicle Fund be transferred to another fund or
19 account, the Department shall direct the State Controller to transfer the money in accordance with the
20 statute.

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Sec. 79. NRS 482.181 is hereby amended to read as follows:

482.181 1. Except as otherwise provided in subsection 5, after deducting the amount withheld by
the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180, ~~and~~
~~the amount transferred to the State Highway Fund pursuant to NRS 482.182,~~ the Department shall certify
monthly to the State Board of Examiners the amount of the basic and supplemental governmental services
taxes collected for each county by the Department and its agents during the preceding month, and that
money must be distributed monthly as provided in this section.

2. Any supplemental governmental services tax collected for a county must be distributed only to the
county, to be used as provided in NRS 371.043, 371.045 and 371.047.

3. The distribution of the basic governmental services tax received or collected for each county must
be made to the county school district within each county before any distribution is made to a local
government, special district or enterprise district. For the purpose of calculating the amount of the basic
governmental services tax to be distributed to the county school district, the taxes levied by each local
government, special district and enterprise district are the product of its certified valuation, determined
pursuant to subsection 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.455 for the
fiscal year beginning on July 1, 1980, except that the tax rate for school districts, including the rate
attributable to a district's debt service, is the rate established pursuant to NRS 361.455 for the fiscal year
beginning on July 1, 1978, but if the rate attributable to a district's debt service in any fiscal year is
greater than its rate for the fiscal year beginning on July 1, 1978, the higher rate must be used to
determine the amount attributable to debt service.

4. After making the distributions set forth in subsection 3, the remaining money received or collected
for each county must be deposited in the Local Government Tax Distribution Account created by NRS
360.660 for distribution to local governments, special districts and enterprise districts within each county
pursuant to the provisions of NRS 360.680 and 360.690.

5. An amount equal to any basic governmental services tax distributed to a redevelopment agency in
the Fiscal Year 1987-1988 must continue to be distributed to that agency as long as it exists but must not
be increased.

6. The Department shall make distributions of the basic governmental services tax directly to county
school districts.

7. As used in this section:

- (a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.
- (b) "Local government" has the meaning ascribed to it in NRS 360.640.
- (c) "Received or collected for each county" means:

(1) For the basic governmental services tax collected on vehicles subject to the provisions of
chapter 706 of NRS, the amount determined for each county based on the following percentages:

- Carson City 1.07 percent Lincoln 3.12 percent
- Churchill 5.21 percent Lyon 2.90 percent

- 1 Clark 22.54 percent Mineral 2.40 percent
- 2 Douglas 2.52 percent Nye 4.09 percent
- 3 Elko 13.31 percent Pershing 7.00 percent
- 4 Esmeralda 2.52 percent Storey 0.19 percent
- 5 Eureka 3.10 percent Washoe 12.24 percent
- 6 Humboldt 8.25 percent White Pine 5.66 percent
- 7 Lander 3.88 percent

8
 9 (2) For all other basic and supplemental governmental services tax received or collected by the
 10 Department, the amount attributable to each county based on the county of registration of the vehicle for
 11 which the tax was paid.

12 (d) "Special district" has the meaning ascribed to it in NRS 360.650.

13 **Sec. 80. NRS 482.260 is hereby amended to read as follows:**

14 482.260 1. When registering a vehicle, the Department and its agents or a registered dealer shall:

- 15 (a) Collect the fees for license plates and registration as provided for in this chapter.
- 16 (b) Collect the governmental services tax on the vehicle, as agent ~~for the State and~~ for the county
 17 where the applicant intends to base the vehicle for the period of registration, unless the vehicle is deemed
 18 to have no base.
- 19 (c) Collect the applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.
- 20 (d) Issue a certificate of registration.
- 21 (e) If the registration is performed by the Department, issue the regular license plate or plates.
- 22 (f) If the registration is performed by a registered dealer, provide information to the owner regarding
 23 the manner in which the regular license plate or plates will be made available to the owner.

24 2. Upon proof of ownership satisfactory to the Director, the Director shall cause to be issued a
 25 certificate of title as provided in this chapter.

26 3. Except as otherwise provided in NRS 371.070 and subsections 6 and 7, every vehicle being
 27 registered for the first time in Nevada must be taxed for the purposes of the governmental services tax for
 28 a 12-month period.

29 4. The Department shall deduct and withhold 2 percent of the taxes collected pursuant to paragraph
 30 (c) of subsection 1 and remit the remainder to the Department of Taxation.

31 5. A registered dealer shall forward all fees and taxes collected for the registration of vehicles to the
 32 Department.

33 6. A trailer being registered pursuant to NRS 482.2065 must be taxed for the purposes of the
 34 governmental services tax for a 3-year period.

35 7. A full trailer or semitrailer being registered pursuant to subsection 3 of NRS 482.483 must be
 36 taxed for the purposes of the governmental services tax in the amount of \$86. The governmental services
 37 tax paid pursuant to this subsection is nontransferable and nonrefundable.

38 **Sec. 81. NRS 482.280 is hereby amended to read as follows:**

39 482.280 1. The registration of every vehicle expires at midnight on the day specified on the receipt
 40 of registration, unless the day specified falls on a Saturday, Sunday or legal holiday. If the day specified
 41 on the receipt of registration is a Saturday, Sunday or legal holiday, the registration of the vehicle expires
 42 at midnight on the next judicial day. The Department shall mail to each holder of a certificate of
 43 registration a notification for renewal of registration for the following period of registration. The
 44 notifications must be mailed by the Department in sufficient time to allow all applicants to mail the
 45 notifications to the Department or to renew the certificate of registration at a kiosk or authorized
 46 inspection station or via the Internet or an interactive response system and to receive new certificates of
 47 registration and license plates, stickers, tabs or other suitable devices by mail before the expiration of their
 48 registrations. An applicant may present or submit the notification to any agent or office of the
 49 Department.

50 2. A notification:

- 51 (a) Mailed or presented to the Department or to a county assessor pursuant to the provisions of this
 52 section;
- 53 (b) Submitted to the Department pursuant to NRS 482.294; or
- 54 (c) Presented to an authorized inspection station or authorized station pursuant to the provisions of
 55 NRS 482.281,

56 ↪ must include, if required, evidence of compliance with standards for the control of emissions.

57 3. The Department shall include with each notification mailed pursuant to subsection 1:

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1 (a) The amount of the governmental services tax to be collected for the county pursuant to the
2 provisions of NRS 482.260.

3 (b) The amount set forth in a notice of nonpayment filed with the Department by a local authority
4 pursuant to NRS 484B.527.

5 (c) A statement which informs the applicant:

6 (1) That, pursuant to NRS 485.185, the applicant is legally required to maintain insurance during
7 the period in which the motor vehicle is registered which must be provided by an insurance company
8 licensed by the Division of Insurance of the Department of Business and Industry and approved to do
9 business in this State; and

10 (2) Of any other applicable requirements set forth in chapter 485 of NRS and any regulations
11 adopted pursuant thereto.

12 (d) A statement which informs the applicant that, if the applicant renews a certificate of registration at
13 a kiosk or via the Internet, he or she may make a nonrefundable monetary contribution of \$2 for each
14 vehicle registration renewed for the Complete Streets Program, if any, created pursuant to NRS 244.2643,
15 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of
16 subsection 3 of NRS 482.215. The notification must state in a clear and conspicuous manner that a
17 contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees
18 required for registration.

19 4. An application for renewal of a certificate of registration submitted at a kiosk or via the Internet
20 must include a statement which informs the applicant that he or she may make a nonrefundable monetary
21 contribution of \$2, for each vehicle registration which is renewed at a kiosk or via the Internet, for the
22 Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as
23 applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The
24 application must state in a clear and conspicuous manner that a contribution for a Complete Streets
25 Program is nonrefundable and voluntary and is in addition to any fees required for registration, and must
26 include a method by which the applicant must indicate his or her intention to opt in or opt out of making
27 such a contribution.

28 5. An owner who has made proper application for renewal of registration before the expiration of the
29 current registration but who has not received the license plate or plates or card of registration for the
30 ensuing period of registration is entitled to operate or permit the operation of that vehicle upon the
31 highways upon displaying thereon the license plate or plates issued for the preceding period of
32 registration for such a time as may be prescribed by the Department as it may find necessary for the
33 issuance of the new plate or plates or card of registration.

34 ~~Sec. 22.~~ **Sec. 82.** NRS 604A.820 is hereby amended to read as follows:

35 604A.820 1. If the Commissioner has reason to believe that grounds for revocation or suspension
36 of a license exist, the Commissioner shall give 20 days' written notice to the licensee stating the
37 contemplated action and, in general, the grounds therefor and set a date for a hearing.

38 2. At the conclusion of a hearing, the Commissioner shall:

39 (a) Enter a written order either dismissing the charges, revoking the license or suspending the license
40 for a period of not more than 60 days, which period must include any prior temporary suspension. The
41 Commissioner shall send a copy of the order to the licensee by registered or certified mail.

42 (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the
43 licensee of any provision of this chapter or any regulation adopted pursuant thereto.

44 (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of
45 the proceeding, including investigative costs and attorney's fees of the Commissioner.

46 3. The grounds for revocation or suspension of a license are that:

47 (a) The licensee has failed to pay the annual license fee;

48 (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any
49 provision of this chapter or any lawful regulation adopted pursuant thereto;

50 (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter ~~363A~~ ~~363B~~
51 of NRS ~~44~~ **or sections 2 to 61, inclusive, of this act;**

52 (d) Any fact or condition exists which would have justified the Commissioner in denying the
53 licensee's original application for a license pursuant to the provisions of this chapter; or

54 (e) The licensee:

55 (1) Failed to open an office for the conduct of the business authorized by his or her license within
56 180 days after the date the license was issued; or

57 (2) Has failed to remain open for the conduct of the business for a period of 180 days without good
58 cause therefor.

1 4. Any revocation or suspension applies only to the license granted to a person for the particular
2 office for which grounds for revocation or suspension exist.

3 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the
4 order specifies otherwise or a stay is granted.

5 ~~[Sec. 23.]~~ **Sec. 83.** NRS 612.265 is hereby amended to read as follows:

6 612.265 1. Except as otherwise provided in this section and NRS 239.0115 and 612.642,
7 information obtained from any employing unit or person pursuant to the administration of this chapter and
8 any determination as to the benefit rights of any person is confidential and may not be disclosed or be
9 open to public inspection in any manner which would reveal the person's or employing unit's identity.

10 2. Any claimant or a legal representative of a claimant is entitled to information from the records of
11 the Division, to the extent necessary for the proper presentation of the claimant's claim in any proceeding
12 pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of
13 the Division for any other purpose.

14 3. Subject to such restrictions as the Administrator may by regulation prescribe, the information
15 obtained by the Division may be made available to:

16 (a) Any agency of this or any other state or any federal agency charged with the administration or
17 enforcement of laws relating to unemployment compensation, public assistance, workers' compensation
18 or labor and industrial relations, or the maintenance of a system of public employment offices;

19 (b) Any state or local agency for the enforcement of child support;

20 (c) The Internal Revenue Service of the Department of the Treasury;

21 (d) The Department of Taxation; and

22 (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter
23 624 of NRS.

24 ↪ Information obtained in connection with the administration of the Division may be made available to
25 persons or agencies for purposes appropriate to the operation of a public employment service or a public
26 assistance program.

27 4. Upon written request made by a public officer of a local government, the Administrator shall
28 furnish from the records of the Division the name, address and place of employment of any person listed
29 in the records of employment of the Division. The request must set forth the social security number of the
30 person about whom the request is made and contain a statement signed by the proper authority of the local
31 government certifying that the request is made to allow the proper authority to enforce a law to recover a
32 debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the
33 information obtained by the local government is confidential and may not be used or disclosed for any
34 purpose other than the collection of a debt or obligation owed to that local government. The
35 Administrator may charge a reasonable fee for the cost of providing the requested information.

36 5. The Administrator may publish or otherwise provide information on the names of employers, their
37 addresses, their type or class of business or industry, and the approximate number of employees employed
38 by each such employer, if the information released will assist unemployed persons to obtain employment
39 or will be generally useful in developing and diversifying the economic interests of this State. Upon
40 request by a state agency which is able to demonstrate that its intended use of the information will benefit
41 the residents of this State, the Administrator may, in addition to the information listed in this subsection,
42 disclose the number of employees employed by each employer and the total wages paid by each
43 employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses
44 relating to the disclosure of this information to a state agency. The Administrator may require the state
45 agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality
46 of the information and prevent its unauthorized disclosure.

47 6. Upon request therefor, the Administrator shall furnish to any agency of the United States charged
48 with the administration of public works or assistance through public employment, and may furnish to any
49 state agency similarly charged, the name, address, ordinary occupation and employment status of each
50 recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.

51 7. To further a current criminal investigation, the chief executive officer of any law enforcement
52 agency of this State may submit a written request to the Administrator that the Administrator furnish,
53 from the records of the Division, the name, address and place of employment of any person listed in the
54 records of employment of the Division. The request must set forth the social security number of the
55 person about whom the request is made and contain a statement signed by the chief executive officer
56 certifying that the request is made to further a criminal investigation currently being conducted by the
57 agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The
58 Administrator may charge a fee to cover the actual costs of any related administrative expenses.

1 8. In addition to the provisions of subsection 5, the Administrator shall provide lists containing the
2 names and addresses of employers, and information regarding the wages paid by each employer to the
3 Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to
4 chapters 363A and ~~chapter~~ 363B of NRS ~~§~~ and the chapter consisting of sections 2 to 61, inclusive,
5 of this act. The Administrator may charge a fee to cover the actual costs of any related administrative
6 expenses.

7 9. A private carrier that provides industrial insurance in this State shall submit to the Administrator a
8 list containing the name of each person who received benefits pursuant to chapters 616A to 616D,
9 inclusive, or chapter 617 of NRS during the preceding month and request that the Administrator compare
10 the information so provided with the records of the Division regarding persons claiming benefits pursuant
11 to this chapter for the same period. The information submitted by the private carrier must be in a form
12 determined by the Administrator and must contain the social security number of each such person. Upon
13 receipt of the request, the Administrator shall make such a comparison and, if it appears from the
14 information submitted that a person is simultaneously claiming benefits under this chapter and under
15 chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney
16 General or any other appropriate law enforcement agency. The Administrator shall charge a fee to cover
17 the actual costs of any related administrative expenses.

18 10. The Administrator may request the Comptroller of the Currency of the United States to cause an
19 examination of the correctness of any return or report of any national banking association rendered
20 pursuant to the provisions of this chapter, and may in connection with the request transmit any such report
21 or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the
22 Internal Revenue Code of 1954.

23 11. If any employee or member of the Board of Review, the Administrator or any employee of the
24 Administrator, in violation of the provisions of this section, discloses information obtained from any
25 employing unit or person in the administration of this chapter, or if any person who has obtained a list of
26 applicants for work, or of claimants or recipients of benefits pursuant to this chapter uses or permits the
27 use of the list for any political purpose, he or she is guilty of a gross misdemeanor.

28 12. All letters, reports or communications of any kind, oral or written, from the employer or
29 employee to each other or to the Division or any of its agents, representatives or employees are privileged
30 and must not be the subject matter or basis for any lawsuit if the letter, report or communication is
31 written, sent, delivered or prepared pursuant to the requirements of this chapter.

32 ~~§~~ ~~Sec. 24.~~ **Sec. 84.** NRS 616B.012 is hereby amended to read as follows:

33 616B.012 1. Except as otherwise provided in this section and NRS 239.0115, 616B.015, 616B.021
34 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not
35 be disclosed or be open to public inspection in any manner which would reveal the person's identity.

36 2. Any claimant or legal representative of the claimant is entitled to information from the records of
37 the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters
38 616A to 616D, inclusive, or chapter 617 of NRS.

39 3. The Division and Administrator are entitled to information from the records of the insurer which
40 is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the
41 manner in which otherwise confidential information may be made available to:

42 (a) Any agency of this or any other state charged with the administration or enforcement of laws
43 relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial
44 relations;

45 (b) Any state or local agency for the enforcement of child support;

46 (c) The Internal Revenue Service of the Department of the Treasury;

47 (d) The Department of Taxation; and

48 (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter
49 624 of NRS.

50 ↪ Information obtained in connection with the administration of a program of industrial insurance may
51 be made available to persons or agencies for purposes appropriate to the operation of a program of
52 industrial insurance.

53 4. Upon written request made by a public officer of a local government, an insurer shall furnish from
54 its records the name, address and place of employment of any person listed in its records. The request
55 must set forth the social security number of the person about whom the request is made and contain a
56 statement signed by proper authority of the local government certifying that the request is made to allow
57 the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except
58 as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential

1 and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to
2 the local government. The insurer may charge a reasonable fee for the cost of providing the requested
3 information.

4 5. To further a current criminal investigation, the chief executive officer of any law enforcement
5 agency of this State may submit to the Administrator a written request for the name, address and place of
6 employment of any person listed in the records of an insurer. The request must set forth the social security
7 number of the person about whom the request is made and contain a statement signed by the chief
8 executive officer certifying that the request is made to further a criminal investigation currently being
9 conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish
10 the information requested. Upon receipt of such an instruction, the insurer shall furnish the information
11 requested. The insurer may charge a reasonable fee to cover any related administrative expenses.

12 6. Upon request by the Department of Taxation, the Administrator shall provide:

13 (a) Lists containing the names and addresses of employers; and

14 (b) Other information concerning employers collected and maintained by the Administrator or the
15 Division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS,
16 to the Department for its use in verifying returns for the taxes imposed pursuant to chapters 363A and
17 ~~chapter~~ 363B of NRS ~~and~~ and the chapter consisting of sections 2 to 61, inclusive, of this act. The
18 Administrator may charge a reasonable fee to cover any related administrative expenses.

19 7. Any person who, in violation of this section, discloses information obtained from files of
20 claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D,
21 inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty
22 of a gross misdemeanor.

23 8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its
24 agents, representatives or employees are privileged and must not be the subject matter or basis for any
25 lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the
26 requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.

27 9. The provisions of this section do not prohibit the Administrator or the Division from disclosing
28 any nonproprietary information relating to an uninsured employer or proof of industrial insurance.

29 ~~[Sec. 25.]~~ **Sec. 85.** NRS 645B.060 is hereby amended to read as follows:

30 645B.060 1. Subject to the administrative control of the Director of the Department of Business
31 and Industry, the Commissioner shall exercise general supervision and control over mortgage brokers and
32 mortgage agents doing business in this State.

33 2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:

34 (a) Adopt regulations:

35 (1) Setting forth the requirements for an investor to acquire ownership of or a beneficial interest in
36 a loan secured by a lien on real property. The regulations must include, without limitation, the minimum
37 financial conditions that the investor must comply with before becoming an investor.

38 (2) Establishing reasonable limitations and guidelines on loans made by a mortgage broker to a
39 director, officer, mortgage agent or employee of the mortgage broker.

40 (b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as
41 to loan brokerage fees.

42 (c) Conduct such investigations as may be necessary to determine whether any person has violated
43 any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the
44 Commissioner.

45 (d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage
46 broker doing business in this State. The annual examination must include, without limitation, a formal
47 exit review with the mortgage broker. The Commissioner shall adopt regulations prescribing:

48 (1) Standards for determining the rating of each mortgage broker based upon the results of the
49 annual examination; and

50 (2) Procedures for resolving any objections made by the mortgage broker to the results of the
51 annual examination. The results of the annual examination may not be opened to public inspection
52 pursuant to NRS 645B.090 until after a period of time set by the Commissioner to determine any
53 objections made by the mortgage broker.

54 (e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be
55 necessary for the efficient administration of the laws of this State regarding mortgage brokers and
56 mortgage agents. The Commissioner shall adopt regulations specifying the general guidelines that will be
57 followed when a periodic or special audit of a mortgage broker is conducted pursuant to this chapter.

1 (f) Classify as confidential certain records and information obtained by the Division when those
2 matters are obtained from a governmental agency upon the express condition that they remain
3 confidential. This paragraph does not limit examination by:

4 (1) The Legislative Auditor; or

5 (2) The Department of Taxation if necessary to carry out the provisions of chapter ~~363B~~ 363A of
6 NRS ~~or sections 2 to 61, inclusive, of this act.~~

7 (g) Conduct such examinations and investigations as are necessary to ensure that mortgage brokers
8 and mortgage agents meet the requirements of this chapter for obtaining a license, both at the time of the
9 application for a license and thereafter on a continuing basis.

10 3. For each special audit, investigation or examination, a mortgage broker or mortgage agent shall
11 pay a fee based on the rate established pursuant to NRS 645F.280.

12 4. The Commissioner may conduct examinations of a mortgage broker, as described in paragraph (d)
13 of subsection 2, on a biennial instead of an annual basis if the mortgage broker:

14 (a) Received a rating in the last annual examination that meets a threshold determined by the
15 Commissioner;

16 (b) Has not had any adverse change in financial condition since the last annual examination, as shown
17 by financial statements of the mortgage broker;

18 (c) Has not had any complaints received by the Division that resulted in any administrative action by
19 the Division; and

20 (d) Does not maintain any trust accounts pursuant to NRS 645B.170 or 645B.175 or arrange loans
21 funded by private investors.

22 ~~Sec. 26.~~ **Sec. 86.** NRS 645B.670 is hereby amended to read as follows:

23 645B.670 1. Except as otherwise provided in NRS 645B.690:

24 (a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether
25 or not the applicant is issued a license, the Commissioner may impose upon the applicant an
26 administrative fine of not more than \$25,000 if the applicant:

27 (1) Has knowingly made or caused to be made to the Commissioner any false representation of
28 material fact;

29 (2) Has suppressed or withheld from the Commissioner any information which the applicant
30 possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be
31 licensed pursuant to the provisions of this chapter; or

32 (3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an
33 order of the Commissioner in completing and filing his or her application for a license or during the
34 course of the investigation of his or her application for a license.

35 (b) For each violation committed by a mortgage broker, the Commissioner may impose upon the
36 mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place
37 conditions upon the mortgage broker's license, or may do both, if the mortgage broker, whether or not
38 acting as such:

39 (1) Is insolvent;

40 (2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is
41 required to be licensed pursuant to the provisions of this chapter;

42 (3) Does not conduct his or her business in accordance with law or has violated any provision of
43 this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

44 (4) Is in such financial condition that the mortgage broker cannot continue in business with safety
45 to his or her customers;

46 (5) Has made a material misrepresentation in connection with any transaction governed by this
47 chapter;

48 (6) Has suppressed or withheld from a client any material facts, data or other information relating
49 to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the
50 exercise of reasonable diligence, should have known;

51 (7) Has knowingly made or caused to be made to the Commissioner any false representation of
52 material fact or has suppressed or withheld from the Commissioner any information which the mortgage
53 broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage
54 broker ineligible to be licensed pursuant to the provisions of this chapter;

55 (8) Has failed to account to persons interested for all money received for a trust account;

56 (9) Has refused to permit an examination by the Commissioner of his or her books and affairs or
57 has refused or failed, within a reasonable time, to furnish any information or make any report that may be

- 1 required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant
2 to this chapter;
- 3 (10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a
4 felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the
5 application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral
6 turpitude or money laundering;
- 7 (11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or
8 expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted
9 pursuant to this chapter;
- 10 (12) Has failed to satisfy a claim made by a client which has been reduced to judgment;
- 11 (13) Has failed to account for or to remit any money of a client within a reasonable time after a
12 request for an accounting or remittal;
- 13 (14) Has commingled the money or other property of a client with his or her own or has converted
14 the money or property of others to his or her own use;
- 15 (15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business
16 practice;
- 17 (16) Has repeatedly violated the policies and procedures of the mortgage broker;
- 18 (17) Has failed to exercise reasonable supervision and control over the activities of a mortgage
19 agent as required by
20 NRS 645B.460;
- 21 (18) Has instructed a mortgage agent to commit an act that would be cause for the revocation of
22 the license of the mortgage broker, whether or not the mortgage agent commits the act;
- 23 (19) Has employed a person as a mortgage agent or authorized a person to be associated with the
24 mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the
25 surrounding facts and circumstances, reasonably should have known that the person:
- 26 (I) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a
27 felony in a domestic, foreign or military court within the 7 years immediately preceding the date of
28 application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral
29 turpitude or money laundering; or
- 30 (II) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or
31 residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial
32 services license or registration revoked within the immediately preceding 10 years;
- 33 (20) Has violated NRS 645C.557;
- 34 (21) Has failed to pay a tax as required pursuant to the provisions of chapter ~~363B~~ 363A of NRS
35 ~~or sections 2 to 61, inclusive, of this act;~~ or
- 36 (22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as
37 remuneration for the services of a mortgage agent to a person other than a mortgage agent who:
- 38 (I) Is an employee of or associated with the mortgage broker; or
- 39 (II) If the mortgage agent is required to register with the Registry, is an employee of and whose
40 sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of
41 NRS 645B.450.
- 42 (c) For each violation committed by a mortgage agent, the Commissioner may impose upon the
43 mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions
44 upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:
- 45 (1) Is grossly negligent or incompetent in performing any act for which the mortgage agent is
46 required to be licensed pursuant to the provisions of this chapter;
- 47 (2) Has made a material misrepresentation in connection with any transaction governed by this
48 chapter;
- 49 (3) Has suppressed or withheld from a client any material facts, data or other information relating
50 to any transaction governed by the provisions of this chapter which the mortgage agent knew or, by the
51 exercise of reasonable diligence, should have known;
- 52 (4) Has knowingly made or caused to be made to the Commissioner any false representation of
53 material fact or has suppressed or withheld from the Commissioner any information which the mortgage
54 agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent
55 ineligible to be licensed pursuant to the provisions of this chapter;
- 56 (5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a
57 felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the

1 application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral
2 turpitude or money laundering;

3 (6) Has failed to account for or to remit any money of a client within a reasonable time after a
4 request for an accounting or remittal;

5 (7) Has commingled the money or other property of a client with his or her own or has converted
6 the money or property of others to his or her own use;

7 (8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business
8 practice;

9 (9) Has violated NRS 645C.557;

10 (10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the
11 mortgage agent is associated or by whom he or she is employed;

12 (11) Has, directly or indirectly, received any commission, fees, points or any other compensation
13 as remuneration for his or her services as a mortgage agent:

14 (I) From a person other than the mortgage broker with whom the mortgage agent is associated
15 or by whom he or she is employed; or

16 (II) If the mortgage agent is required to be registered with the Registry, from a person other
17 than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was
18 entered as required by subsection 2 of NRS 645B.450; or

19 (12) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an
20 order of the Commissioner or has assisted or offered to assist another person to commit such a violation.

21 2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of
22 two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of
23 this chapter.

24 ~~[Sec. 27.]~~ *Sec. 87.* NRS 645E.300 is hereby amended to read as follows:

25 645E.300 1. Subject to the administrative control of the Director of the Department of Business
26 and Industry, the Commissioner shall exercise general supervision and control over mortgage bankers
27 doing business in this State.

28 2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:

29 (a) Adopt regulations establishing reasonable limitations and guidelines on loans made by a mortgage
30 banker to a director, officer or employee of the mortgage banker.

31 (b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as
32 to loan fees.

33 (c) Conduct such investigations as may be necessary to determine whether any person has violated
34 any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the
35 Commissioner.

36 (d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage
37 banker doing business in this State.

38 (e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be
39 necessary for the efficient administration of the laws of this State regarding mortgage bankers.

40 (f) Classify as confidential certain records and information obtained by the Division when those
41 matters are obtained from a governmental agency upon the express condition that they remain
42 confidential. This paragraph does not limit examination by:

43 (1) The Legislative Auditor; or

44 (2) The Department of Taxation if necessary to carry out the provisions of chapter ~~363A~~ ~~[363B]~~ of
45 NRS ~~or sections 2 to 61, inclusive, of this act.~~

46 (g) Conduct such examinations and investigations as are necessary to ensure that mortgage bankers
47 meet the requirements of this chapter for obtaining a license, both at the time of the application for a
48 license and thereafter on a continuing basis.

49 3. For each special audit, investigation or examination, a mortgage banker shall pay a fee based on
50 the rate established pursuant to NRS 645F.280.

51 4. The Commissioner may conduct biennial examinations of a mortgage banker instead of annual
52 examinations, as described in paragraph (d) of subsection 2, if the mortgage banker:

53 (a) Received a rating in the last annual examination that meets a threshold determined by the
54 Commissioner;

55 (b) Has not had any adverse change in financial condition since the last annual examination, as shown
56 by financial statements of the mortgage banker; and

57 (c) Has not had any complaints received by the Division that resulted in any administrative action by
58 the Division.

~~[Sec. 28.]~~ **Sec. 88.** NRS 645E.670 is hereby amended to read as follows:

645E.670 1. For each violation committed by an applicant, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which the licensee is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that the licensee cannot continue in business with safety to his or her customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by the licensee, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered or agreed to enter a plea of nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~[363B]~~ of NRS ~~[4]~~ or sections 2 to 61, inclusive, of this act;

(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(o) Has violated NRS 645C.557;

(p) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use; or

(q) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.

3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

~~[Sec. 29.]~~ **Sec. 89.** NRS 658.151 is hereby amended to read as follows:

1 658.151 1. The Commissioner may forthwith take possession of the business and property of any
2 depository institution to which this title or title 56 of NRS applies when it appears that the depository
3 institution:

- 4 (a) Has violated its charter or any laws applicable thereto.
- 5 (b) Is conducting its business in an unauthorized or unsafe manner.
- 6 (c) Is in an unsafe or unsound condition to transact its business.
- 7 (d) Has an impairment of its stockholders' or members' equity.
- 8 (e) Has refused to pay its depositors in accordance with the terms on which such deposits were
9 received, or has refused to pay its holders of certificates of indebtedness or investment in accordance with
10 the terms upon which those certificates of indebtedness or investment were sold.
- 11 (f) Has become or is in imminent danger of becoming otherwise insolvent.
- 12 (g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
- 13 (h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and
14 examination of an appointed or authorized examiner of the Commissioner.
- 15 (i) Has made a voluntary assignment of its assets to trustees.
- 16 (j) Has failed to pay a tax as required pursuant to the provisions of chapter ~~363A~~ ~~363B~~ of NRS ~~4~~ or
17 sections 2 to 61, inclusive, of this act.

18 2. The Commissioner also may forthwith take possession of the business and property of any
19 depository institution to which this title or title 56 of NRS applies when it appears that the officers of the
20 depository institution have refused to be examined upon oath regarding its affairs.

21 ~~Sec. 30~~ **Sec. 90.** NRS 665.133 is hereby amended to read as follows:

22 665.133 1. The records and information described in NRS 665.130 may be disclosed to:

- 23 (a) An agency of the Federal Government or of another state which regulates the financial institution
24 which is the subject of the records or information;
- 25 (b) The Director of the Department of Business and Industry for the Director's confidential use;
- 26 (c) The State Board of Finance for its confidential use, if the report or other information is necessary
27 for the State Board of Finance to perform its duties under this title;
- 28 (d) The Department of Taxation for its use in carrying out the provisions of chapter ~~363A~~ ~~363B~~ of
29 NRS ~~4~~ and the chapter consisting of sections 2 to 61, inclusive, of this act;
- 30 (e) An entity which insures or guarantees deposits;
- 31 (f) A public officer authorized to investigate criminal charges in connection with the affairs of the
32 depository institution;
- 33 (g) A person preparing a proposal for merging with or acquiring an institution or holding company,
34 but only after notice of the disclosure has been given to the institution or holding company;
- 35 (h) Any person to whom the subject of the report has authorized the disclosure;
- 36 (i) Any other person if the Commissioner determines, after notice and opportunity for hearing, that
37 disclosure is in the public interest and outweighs any potential harm to the depository institution and its
38 stockholders, members, depositors and creditors; and
- 39 (j) Any court in a proceeding initiated by the Commissioner concerning the financial institution.

40 2. All the reports made available pursuant to this section remain the property of the Division of
41 Financial Institutions, and no person, agency or authority to whom the reports are made available, or any
42 officer, director or employee thereof, may disclose any of the reports or any information contained
43 therein, except in published statistical material that does not disclose the affairs of any natural person or
44 corporation.

45 **Sec. 91. NRS 669.275 is hereby amended to read as follows:**

46 669.275 1. The Commissioner may require a licensee to provide an audited financial statement
47 prepared by an independent certified public accountant licensed to do business in this State.

48 2. On the fourth Monday in January of each year, each licensee shall submit to the Commissioner a
49 list of stockholders required to be maintained pursuant to paragraph (c) of subsection 1 of NRS 78.105 or
50 the list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241,
51 verified by the president or a manager, as appropriate.

52 3. The list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS
53 86.241 must include the percentage of each member's interest in the company, in addition to the
54 requirements set forth in that section.

55 4. Except as otherwise provided in NRS 239.0115, any document submitted pursuant to this section
56 is confidential. This subsection does not limit the examination of any document by the Department of
57 Taxation if necessary to carry out the provisions of sections 2 to 61, inclusive, of this act.

58 ~~Sec. 31~~ **Sec. 92.** NRS 669.2825 is hereby amended to read as follows:

1 669.2825 1. The Commissioner may institute disciplinary action or forthwith initiate proceedings
2 to take possession of the business and property of any retail trust company when it appears that the retail
3 trust company:

- 4 (a) Has violated its charter or any state or federal laws applicable to the business of a trust company.
- 5 (b) Is conducting its business in an unauthorized or unsafe manner.
- 6 (c) Is in an unsafe or unsound condition to transact its business.
- 7 (d) Has an impairment of its stockholders' equity.
- 8 (e) Has refused to pay or transfer account assets to its account holders as required by the terms of the
9 accounts' governing instruments.
- 10 (f) Has become insolvent.
- 11 (g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
- 12 (h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and
13 examination of an appointed or authorized examiner of the Commissioner.
- 14 (i) Has made a voluntary assignment of its assets to receivers, conservators, trustees or creditors
15 without complying with
16 NRS 669.230.

17 (j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~ of NRS ~~41~~ or
18 sections 2 to 61, inclusive, of this act.

- 19 (k) Has materially and willfully breached its fiduciary duties to its customers.
- 20 (l) Has failed to properly disclose all fees, interest and other charges to its customers.
- 21 (m) Has willfully engaged in material conflicts of interest regarding a customer's account.
- 22 (n) Has made intentional material misrepresentations regarding any aspect of the services performed
23 or proposed to be performed by the retail trust company.

24 2. The Commissioner also may forthwith initiate proceedings to take possession of the business and
25 property of any trust company when it appears that the officers of the trust company have refused to be
26 examined upon oath regarding its affairs.

27 ~~Sec. 32~~ **Sec. 93.** NRS 669.2847 is hereby amended to read as follows:

28 669.2847 1. If the Commissioner has reason to believe that grounds for revocation or suspension
29 of a license exist, the Commissioner shall give at least 20 days' written notice to the licensee stating the
30 contemplated action and, in general, the grounds therefor and set a date for a hearing.

31 2. At the conclusion of a hearing, the Commissioner shall:

- 32 (a) Enter a written order dismissing the charges, revoking the license or suspending the license for a
33 period of not more than 60 days, which period must include any prior temporary suspension. The
34 Commissioner shall send a copy of the order to the licensee by registered or certified mail.
- 35 (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the
36 licensee of any provision of this chapter or any regulation adopted pursuant thereto.
- 37 (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of
38 the proceeding, including his or her investigative costs and attorney's fees.

39 3. The grounds for revocation or suspension of a license are that:

- 40 (a) The licensee has failed to pay the annual license fee;
- 41 (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any
42 provision of this chapter or any regulation adopted pursuant thereto or any lawful order of the Division of
43 Financial Institutions;
- 44 (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~
45 of NRS ~~41~~ or sections 2 to 61, inclusive, of this act;
- 46 (d) Any fact or condition exists which would have justified the Commissioner in denying the
47 licensee's original application for a license pursuant to the provisions of this chapter; or
- 48 (e) The licensee:

- 49 (1) Failed to open an office for the conduct of the business authorized by his or her license within
50 180 days after the date the license was issued; or
- 51 (2) Has failed to remain open for the conduct of the business for a period of 30 days without good
52 cause therefor.

53 4. An order suspending or revoking a license becomes effective 5 days after being entered unless the
54 order specifies otherwise or a stay is granted.

55 **Sec. 94.** NRS 669.285 is hereby amended to read as follows:

56 669.285 Except as otherwise provided in NRS 239.0115, any application and personal or financial
57 records submitted by a person pursuant to the provisions of this chapter and any personal or financial

1 records or other documents obtained by the Division of Financial Institutions pursuant to an examination
2 or audit conducted by the Division are confidential and may be disclosed only to:

3 1. The Division, any authorized employee of the Division and any state or federal agency
4 investigating the activities covered under the provisions of this chapter; ~~and~~

5 2. The Department of Taxation for its use in carrying out the provisions of sections 2 to 61,
6 inclusive, of this act; and

7 3. Any person when the Commissioner, in the Commissioner’s discretion, determines that the
8 interests of the public that would be protected by disclosure outweigh the interest of any person in the
9 confidential information not being disclosed.

10 **Sec. 95. NRS 669A.310 is hereby amended to read as follows:**

11 669A.310 1. Except as otherwise provided in this section, any application and personal or financial
12 records submitted by a person pursuant to the provisions of this chapter, any personal or financial records
13 or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit
14 conducted by the Division pursuant to this chapter and any other private information relating to a family
15 trust company are confidential and may be disclosed only to:

16 (a) The Division, any authorized employee of the Division and a state or federal agency investigating
17 activities regulated pursuant to this chapter; ~~and~~

18 (b) The Department of Taxation for its use in carrying out the provisions of sections 2 to 61,
19 inclusive, of this act; and

20 (c) Any other person if the Commissioner, in the Commissioner’s discretion, determines that the
21 interests of the public in disclosing the information outweigh the interests of the person about whom the
22 information pertains in not disclosing the information.

23 2. The Commissioner shall give to the family trust company to which the information relates 10-
24 days’ prior written notice of intent to disclose confidential information directly or indirectly to a person
25 pursuant to paragraph ~~(b)~~ (c) of subsection 1. Any family trust company which receives such a notice
26 may object to the disclosure of the confidential information and will be afforded the right to a hearing in
27 accordance with the provisions of chapter 233B of NRS. If a family trust company requests a hearing, the
28 Commissioner may not reveal confidential information prior to the conclusion of the hearing and a ruling.
29 Prior to dissemination of any confidential information, the Commissioner shall require a written
30 agreement not to reveal the confidential information by the party receiving the confidential information.
31 In no event shall the Commissioner disclose confidential information to the general public, any
32 competitor or any potential competitor of a family trust company.

33 3. Nothing in this chapter is intended to preclude a law enforcement officer from gaining access to
34 otherwise confidential records by subpoena, court order, search warrant or other lawful means.
35 Notwithstanding any other provision of this chapter, the Commissioner shall have the ability to share
36 information with other out of state or federal regulators with whom the Department of Business and
37 Industry has an agreement regarding the sharing of information. Nothing in this chapter is intended to
38 preclude any agency of this State from gaining access to otherwise confidential records in accordance
39 with any applicable law.

40 ~~Sec. 33.~~ **Sec. 96. NRS 673.484 is hereby amended to read as follows:**

41 673.484 The Commissioner may after notice and hearing suspend or revoke the charter of any
42 association for:

43 1. Repeated failure to abide by the provisions of this chapter or the regulations adopted thereunder.

44 2. Failure to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~ of NRS ~~or~~
45 sections 2 to 61, inclusive, of this act.

46 ~~Sec. 34.~~ **Sec. 97. NRS 675.440 is hereby amended to read as follows:**

47 675.440 1. If the Commissioner has reason to believe that grounds for revocation or suspension of
48 a license exist, he or she shall give 20 days’ written notice to the licensee stating the contemplated action
49 and, in general, the grounds therefor and set a date for a hearing.

50 2. At the conclusion of a hearing, the Commissioner shall:

51 (a) Enter a written order either dismissing the charges, revoking the license, or suspending the license
52 for a period of not more than 60 days, which period must include any prior temporary suspension. A copy
53 of the order must be sent by registered or certified mail to the licensee.

54 (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the
55 licensee of any provision of this chapter or any lawful regulation adopted under it.

56 (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of
57 the proceeding, including his or her investigative costs and attorney’s fees.

58 3. The grounds for revocation or suspension of a license are that:

- 1 (a) The licensee has failed to pay the annual license fee;
- 2 (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any
- 3 provision of this chapter or any lawful regulation adopted under it;
- 4 (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~
- 5 of NRS ~~363B~~ or sections 2 to 61, inclusive, of this act;
- 6 (d) Any fact or condition exists which would have justified the Commissioner in denying the
- 7 licensee's original application for a license hereunder; or
- 8 (e) The applicant failed to open an office for the conduct of the business authorized under this chapter
- 9 within 120 days after the date the license was issued, or has failed to remain open for the conduct of the
- 10 business for a period of 120 days without good cause therefor.

11 4. Any revocation or suspension applies only to the license granted to a person for the particular

12 office for which grounds for revocation or suspension exist.

13 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the

14 order specifies otherwise or a stay is granted.

15 ~~Sec. 98.~~ **Sec. 98.** NRS 677.510 is hereby amended to read as follows:

16 677.510 1. If the Commissioner has reason to believe that grounds for revocation or suspension of

17 a license exist, he or she shall give 20 days' written notice to the licensee stating the contemplated action

18 and, in general, the grounds therefor and set a date for a hearing.

19 2. At the conclusion of a hearing, the Commissioner shall:

20 (a) Enter a written order either dismissing the charges, or revoking the license, or suspending the

21 license for a period of not more than 60 days, which period must include any prior temporary suspension.

22 A copy of the order must be sent by registered or certified mail to the licensee.

23 (b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the

24 licensee of any provision of this chapter or any lawful regulation adopted pursuant thereto.

25 (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of

26 the proceeding, including his or her investigative costs and attorney's fees.

27 3. The grounds for revocation or suspension of a license are that:

- 28 (a) The licensee has failed to pay the annual license fee;
- 29 (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any
- 30 provision of this chapter, or any lawful regulation adopted pursuant thereto;

31 (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~

32 of NRS ~~363B~~ or sections 2 to 61, inclusive, of this act;

33 (d) Any fact or condition exists which would have justified the Commissioner in denying the

34 licensee's original application for a license hereunder; or

35 (e) The applicant failed to open an office for the conduct of the business authorized under this chapter

36 within 120 days after the date the license was issued, or has failed to remain open for the conduct of the

37 business for a period of 120 days without good cause therefor.

38 4. Any revocation or suspension applies only to the license granted to a person for the particular

39 office for which grounds for revocation or suspension exist.

40 5. An order suspending or revoking a license becomes effective 5 days after being entered unless the

41 order specifies otherwise or a stay is granted.

42 **Sec. 99. NRS 680B.037 is hereby amended to read as follows:**

43 680B.037 ~~Payment~~

44 1. Except as otherwise provided in subsection 2, payment by an insurer of the tax imposed by NRS

45 680B.027 is in lieu of all taxes imposed by the State or any city, town or county upon premiums or upon

46 income of insurers and of franchise, privilege or other taxes measured by income of the insurer.

47 2. The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to the

48 provisions of sections 2 to 61, inclusive, of this act.

49 ~~Sec. 100.~~ **Sec. 100.** NRS 683A.451 is hereby amended to read as follows:

50 683A.451 The Commissioner may refuse to issue a license or certificate pursuant to this chapter or

51 may place any person to whom a license or certificate is issued pursuant to this chapter on probation,

52 suspend the person for not more than 12 months, or revoke or refuse to renew his or her license or

53 certificate, or may impose an administrative fine or take any combination of the foregoing actions, for one

54 or more of the following causes:

55 1. Providing incorrect, misleading, incomplete or partially untrue information in his or her

56 application for a license.

57 2. Violating a law regulating insurance, or violating a regulation, order or subpoena of the

58 Commissioner or an equivalent officer of another state.

- 1 3. Obtaining or attempting to obtain a license through misrepresentation or fraud.
- 2 4. Misappropriating, converting or improperly withholding money or property received in the course
- 3 of the business of insurance.
- 4 5. Intentionally misrepresenting the terms of an actual or proposed contract of or application for
- 5 insurance.
- 6 6. Conviction of a felony.
- 7 7. Admitting or being found to have committed an unfair trade practice or fraud.
- 8 8. Using fraudulent, coercive or dishonest practices, or demonstrated incompetence,
- 9 untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.
- 10 9. Denial, suspension or revocation of a license as a producer of insurance, or its equivalent, in any
- 11 other state, territory or province.
- 12 10. Forging another's name to an application for insurance or any other document relating to the
- 13 transaction of insurance.
- 14 11. Improperly using notes or other reference material to complete an examination for a license
- 15 related to insurance.
- 16 12. Knowingly accepting business related to insurance from an unlicensed person.
- 17 13. Failing to comply with an administrative or judicial order imposing an obligation of child
- 18 support.
- 19 14. Failing to pay a tax as required pursuant to the provisions of chapter 363A ~~363B~~ of NRS ~~or~~
- 20 sections 2 to 61, inclusive, of this act.

21 **Sec. 101. NRS 686C.360 is hereby amended to read as follows:**

22 686C.360 The Association is exempt from payment of all fees and all taxes levied by this state or

23 any of its political subdivisions, except taxes on property ~~and~~ and the commerce tax imposed pursuant to

24 sections 2 to 61, inclusive, of this act.

25 ~~Sec. 37~~ **Sec. 102. NRS 687A.130 is hereby amended to read as follows:**

26 687A.130 The Association is exempt from payment of all fees and all taxes levied by this State or

27 any of its subdivisions, except taxes:

- 28 1. Levied on real or personal property; or
- 29 2. Imposed pursuant to the provisions of chapter 363A or 363B of NRS ~~or~~ sections 2 to 61,
- 30 inclusive, of this act.

31 ~~Sec. 38~~ **Sec. 103. NRS 688C.210 is hereby amended to read as follows:**

32 688C.210 1. After notice, and after a hearing if requested, the Commissioner may suspend, revoke,

33 refuse to issue or refuse to renew a license under this chapter if the Commissioner finds that:

- 34 (a) There was material misrepresentation in the application for the license;
- 35 (b) The licensee or an officer, partner, member or significant managerial employee has been convicted
- 36 of fraudulent or dishonest practices, is subject to a final administrative action for disqualification, or is
- 37 otherwise shown to be untrustworthy or incompetent;
- 38 (c) A provider of viatical settlements has engaged in a pattern of unreasonable payments to viators;
- 39 (d) The applicant or licensee has been found guilty or guilty but mentally ill of, or pleaded guilty,
- 40 guilty but mentally ill or nolo contendere to, a felony or a misdemeanor involving fraud, forgery,
- 41 embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any
- 42 crime involving moral turpitude, whether or not a judgment of conviction has been entered by the court;
- 43 (e) A provider of viatical settlements has entered into a viatical settlement in a form not approved
- 44 pursuant to NRS 688C.220;
- 45 (f) A provider of viatical settlements has failed to honor obligations of a viatical settlement or an
- 46 agreement to purchase a viatical settlement;
- 47 (g) The licensee no longer meets a requirement for initial licensure;
- 48 (h) A provider of viatical settlements has assigned, transferred or pledged a viaticated policy to a
- 49 person other than another provider licensed under this chapter, a purchaser of the viatical settlement or a
- 50 special organization;
- 51 (i) The applicant or licensee has provided materially untrue information to an insurer that issued a
- 52 policy that is the subject of a viatical settlement;
- 53 (j) The applicant or licensee has failed to pay a tax as required pursuant to the provisions of chapter
- 54 363A ~~363B~~ of NRS ~~or~~ sections 2 to 61, inclusive, of this act;
- 55 (k) The applicant or licensee has violated a provision of this chapter or other applicable provisions; or
- 56 (l) The applicant or licensee has acted in bad faith with regard to a viator.

57 2. A suspension imposed for grounds set forth in paragraph (k) or (l) of subsection 1 must not exceed

58 a period of 12 months.

1 3. If the Commissioner takes action as described in subsection 1, the applicant or licensee may apply
2 in writing for a hearing before the Commissioner to determine the reasonableness of the action taken by
3 the Commissioner, pursuant to the provisions of NRS 679B.310 to 679B.370, inclusive.

4 ~~[Sec. 39.]~~ **Sec. 104.** NRS 694C.450 is hereby amended to read as follows:

5 694C.450 1. Except as otherwise provided in this section, a captive insurer shall pay to the
6 Division, not later than March 1 of each year, a tax at the rate of:

- 7 (a) Two-fifths of 1 percent on the first \$20,000,000 of its net direct premiums;
- 8 (b) One-fifth of 1 percent on the next \$20,000,000 of its net direct premiums; and
- 9 (c) Seventy-five thousandths of 1 percent on each additional dollar of its net direct premiums.

10 2. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later
11 than March 1 of each year, a tax at a rate of:

12 (a) Two hundred twenty-five thousandths of 1 percent on the first \$20,000,000 of revenue from
13 assumed reinsurance premiums;

14 (b) One hundred fifty thousandths of 1 percent on the next \$20,000,000 of revenue from assumed
15 reinsurance premiums; and

16 (c) Twenty-five thousandths of 1 percent on each additional dollar of revenue from assumed
17 reinsurance premiums.

18 ↪ The tax on reinsurance premiums pursuant to this subsection must not be levied on premiums for risks
19 or portions of risks which are subject to taxation on a direct basis pursuant to subsection 1. A captive
20 insurer is not required to pay any reinsurance premium tax pursuant to this subsection on revenue related
21 to the receipt of assets by the captive insurer in exchange for the assumption of loss reserves and other
22 liabilities of another insurer that is under common ownership and control with the captive insurer, if the
23 transaction is part of a plan to discontinue the operation of the other insurer and the intent of the parties to
24 the transaction is to renew or maintain such business with the captive insurer.

25 3. If the sum of the taxes to be paid by a captive insurer calculated pursuant to subsections 1 and 2 is
26 less than \$5,000 in any given year, the captive insurer shall pay a tax of \$5,000 for that year. The
27 maximum aggregate tax for any year must not exceed \$175,000. The maximum aggregate tax to be paid
28 by a sponsored captive insurer applies only to each protected cell and does not apply to the sponsored
29 captive insurer as a whole.

30 4. Two or more captive insurers under common ownership and control must be taxed as if they were
31 a single captive insurer.

32 5. Notwithstanding any specific statute to the contrary and except as otherwise provided in this
33 subsection, the tax provided for by this section constitutes all the taxes collectible pursuant to the laws of
34 this State from a captive insurer, and no occupation tax or other taxes may be levied or collected from a
35 captive insurer by this State or by any county, city or municipality within this State, except for taxes
36 imposed pursuant to chapter [363A](#) or 363B of NRS or sections 2 to 61, inclusive, of this act and ad
37 valorem taxes on real or personal property located in this State used in the production of income by the
38 captive insurer.

39 6. Twenty-five percent of the revenues collected from the tax imposed pursuant to this section must
40 be deposited with the State Treasurer for credit to the Account for the Regulation and Supervision of
41 Captive Insurers created pursuant to NRS 694C.460. The remaining 75 percent of the revenues collected
42 must be deposited with the State Treasurer for credit to the State General Fund.

43 7. A captive insurer that is issued a license pursuant to this chapter after July 1, 2003, is entitled to
44 receive a nonrefundable credit of \$5,000 applied against the aggregate taxes owed by the captive insurer
45 for the first year in which the captive insurer incurs any liability for the payment of taxes pursuant to this
46 section. A captive insurer is entitled to a nonrefundable credit pursuant to this section not more than once
47 after the captive insurer is initially licensed pursuant to this chapter.

48 8. As used in this section, unless the context otherwise requires:

49 (a) "Common ownership and control" means:

50 (1) In the case of a stock insurer, the direct or indirect ownership of 80 percent or more of the
51 outstanding voting stock of two or more corporations by the same member or members.

52 (2) In the case of a mutual insurer, the direct or indirect ownership of 80 percent or more of the
53 surplus and the voting power of two or more corporations by the same member or members.

54 (b) "Net direct premiums" means the direct premiums collected or contracted for on policies or
55 contracts of insurance written by a captive insurer during the preceding calendar year, less the amounts
56 paid to policyholders as return premiums, including dividends on unabsorbed premiums or premium
57 deposits returned or credited to policyholders.

58 **Sec. 105.** NRS 695A.550 is hereby amended to read as follows:

1 695A.550 Every society organized or licensed under this chapter is hereby declared to be a
2 charitable and benevolent institution, and is exempt from every state, county, district, municipal and
3 school tax other than the tax imposed pursuant to sections 2 to 61, inclusive, of this act and taxes on real
4 property and office equipment.

5 ~~{Sec. 40. If a person to whom transferable tax credits that have been issued pursuant to the~~
6 ~~provisions of NRS 360B.759 or 360.945, as those provisions existed before July 1, 2015, has made a~~
7 ~~declaration to apply the transferable tax credits to the tax imposed by chapter 363A of NRS but the credits~~
8 ~~have not been applied to that tax on or before July 1, 2015, the Department of Taxation shall allow the~~
9 ~~transferable tax credits to be applied to the tax imposed by chapter 363B of NRS, as amended by sections~~
10 ~~8 and 9 of this act.~~

11 ~~Sec. 41.}~~ Sec. 106. 1. The ~~[amendatory]~~ provisions of sections ~~[1 to 4, inclusive, 8, 9, 20 to 39,~~
12 ~~inclusive, and 42]~~ 2 to 61, inclusive, of this act apply to taxable years that begin on or after July 1,
13 2015.

14 2. The amendatory provisions of sections 66, 67, 69 and 70 of this act do not apply to any taxes
15 due for any period ending on or before June 30, 2015.

16 3. Any rate of the tax imposed by NRS 363B.130 determined pursuant to section 68 of this act
17 does not apply to any taxes due for any period ending on or before June 30 of the year in which the
18 rate becomes effective.

19 4. The amendatory provisions of sections 71, 72 and 78 to 81, inclusive, of this act apply only to
20 governmental services taxes imposed for any period of registration of a vehicle that begins on or
21 after July 1, 2016.

22 5. As used in this section, "taxable year" has the meaning ascribed to it in section 12 of this act.

23 ~~{Sec. 42.}~~ Sec. 107. NRS ~~[363A.010, 363A.015, 363A.020, 363A.030, 363A.040, 363A.050,~~
24 ~~363A.060, 363A.070, 363A.080, 363A.090, 363A.120, 363A.130, 363A.135, 363A.140, 363A.150,~~
25 ~~363A.160, 363A.170, 363A.180, 363A.190, 363A.200, 363A.210, 363A.220, 363A.230, 363A.240,~~
26 ~~363A.250, 363A.260 and 363B. 115 are]~~ 482.182 is hereby repealed.

27 ~~{Sec. 43.}~~ Sec. 108. 1. This section and sections 1 to ~~[16,]~~ 70, inclusive, ~~[and 18 to 42,]~~ 73 to
28 77, inclusive, and 82 to 106, inclusive, of this act ~~[become]~~ becomes effective ~~[on]:~~

29 (a) Upon passage and approval for the purpose of performing any preparatory administrative
30 tasks that are necessary to carry out the provisions of this act; and

31 (b) On July 1, 2015;

32 ~~2. Section 17 of this act becomes effective on November 1, 2015, and expires by limitation on~~
33 ~~October 31, 2021.~~

34 ~~3. Section 5 of this act expires by limitation on June 30, 2023.~~

35 ~~4. Sections 6 and 7 of this act expire by limitation on June 30, 2036.] , for all other purposes.~~

36 2. Sections 71, 72, 78 to 81, inclusive, and 107 of this act:

37 (a) Become effective on July 1, 2016; and

38 (b) Expire by limitation on November 1, 2016, if the actual ending fund balance of the State
39 General Fund at the end of the 2015-2016 fiscal year, as determined by the Fiscal Analysis Division
40 of the Legislative Counsel Bureau, is less than the amount approved by the Legislature.

~~{LEADLINES}~~ TEXT OF REPEALED ~~{SECTIONS}~~ SECTION

~~[363A.010 Definitions:~~

~~363A.015 "Business activity" defined.~~

~~363A.020 "Commission" defined.~~

~~363A.030 "Employer" defined.~~

~~363A.040 "Employment" defined.~~

~~363A.050 "Financial institution" defined.~~

~~363A.060 "Taxpayer" defined.~~

~~363A.070 Duties of Department.~~

~~363A.080 Maintenance and availability of records of taxpayer; penalty.~~

~~363A.090 Examination of records by Department; payment of expenses of Department for
examination of records outside State.~~

~~363A.120 Excise tax on banks: Imposition, amount and payment; filing of return.~~

~~363A.130 Payroll tax: Imposition, amount and payment; filing of return.~~

~~363A.135 Payroll tax: Deduction of certain amounts paid for health insurance or health benefit plan for employees.~~
~~363A.140 Extension of time for payment; payment of interest during period of extension.~~
~~363A.150 Certification of excess amount collected; credit and refund.~~
~~363A.160 Limitations on claims for refund or credit; form and contents of claim; failure to file claim constitutes waiver; service of notice of rejection of claim.~~
~~363A.170 Interest on overpayments; disallowance of interest.~~
~~363A.180 Injunction or other process to prevent collection of tax prohibited; filing of claim is condition precedent to maintaining action for refund.~~
~~363A.190 Action for refund: Period for commencement; venue; waiver.~~
~~363A.200 Rights of claimant upon failure of Department to mail notice of action on claim; allocation of judgment for claimant.~~
~~363A.210 Allowance of interest in judgment for amount illegally collected.~~
~~363A.220 Standing to recover.~~
~~363A.230 Action for recovery of erroneous refund: Jurisdiction; venue; prosecution.~~
~~363A.240 Cancellation of illegal determination.~~
~~363A.250 Prohibited acts; penalty.~~
~~363A.260 Remedies of State are cumulative.~~
~~363B.115 Deduction of certain amounts paid for health insurance or health benefit plan for employees.}~~

482.182 Governmental services taxes: Transfer of certain amount from proceeds to State Highway Fund. [Effective July 1, 2015.]

1. After deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180 and before carrying out the provisions of NRS 482.181 each month, the Department shall direct the State Controller to transfer to the State Highway Fund from the proceeds of the basic governmental services tax collected by the Department and its agents during the preceding month the amounts indicated pursuant to this section.

2. Except as otherwise provided in subsection 3, the amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles depreciated in accordance with:

(a) Subsection 1 of NRS 371.060 based upon an age of:

- (1) One year, is a sum equal to 11 percent of those proceeds;
- (2) Two years, is a sum equal to 12 percent of those proceeds;
- (3) Three years, is a sum equal to 13 percent of those proceeds;
- (4) Four years, is a sum equal to 15 percent of those proceeds;
- (5) Five years, is a sum equal to 18 percent of those proceeds;
- (6) Six years, is a sum equal to 22 percent of those proceeds;
- (7) Seven years, is a sum equal to 29 percent of those proceeds;
- (8) Eight years, is a sum equal to 40 percent of those proceeds; and
- (9) Nine years or more, is a sum equal to 67 percent of those proceeds; and

(b) Subsection 2 of NRS 371.060 based upon an age of:

- (1) One year, is a sum equal to 12 percent of those proceeds;
- (2) Two years, is a sum equal to 14 percent of those proceeds;
- (3) Three years, is a sum equal to 18 percent of those proceeds;
- (4) Four years, is a sum equal to 21 percent of those proceeds;
- (5) Five years, is a sum equal to 26 percent of those proceeds;
- (6) Six years, is a sum equal to 30 percent of those proceeds;
- (7) Seven years, is a sum equal to 33 percent of those proceeds;
- (8) Eight years, is a sum equal to 37 percent of those proceeds;
- (9) Nine years, is a sum equal to 40 percent of those proceeds; and
- (10) Ten years or more, is a sum equal to 43 percent of those proceeds.

3. The amount required to be transferred pursuant to subsection 1 from the proceeds of the basic governmental services tax imposed on vehicles to which the minimum amount of that tax applies pursuant to paragraph (b) of subsection 3 of NRS 371.060 is a sum equal to 63 percent of those proceeds.

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