

**PROPOSED REGULATION OF THE  
COMMISSION ON ECONOMIC DEVELOPMENT**

**LCB File No. R015-00**

February 14, 2000

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 360.750.

**Section 1.** NAC 361.096 is hereby amended to read as follows:

361.096 The commission will approve an application for a partial abatement if:

1. The goals of the business are consistent with the goals of the commission concerning industrial development and diversification ~~;~~;
- ~~—2.— The average hourly wage paid by the business to its employees in this state is at least 125 percent of the average statewide industrial hourly wage as established by the employment security division of the department of employment, training and rehabilitation on July 1 of each fiscal year;~~
- ~~—3.— The business provides a health insurance plan for all employees that includes, without limitation, an option for health insurance coverage for dependents of employees;~~
- ~~—4.— The business is registered pursuant to the laws of this state or the applicant commits to obtain a valid business license and any other permit required by the county, city or town in which the business operates;~~
- ~~—5.— The cost to the business for the benefits the business provides to its employees in this state will meet the minimum requirements for benefits established by the commission;~~
- ~~—6.— For a business that is new and primarily will be located in a county whose population:~~

~~—(a) Is 100,000 or more, the capital investment in personal property in this state is at least \$50,000,000 and the business will create at least 100 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation; or~~

~~—(b) Is less than 100,000, the capital investment in personal property in this state is at least \$20,000,000 and the business will create at least 35 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation;~~

~~—7.— For an expansion of a business that primarily will be located in a county whose population:~~

~~—(a) Is 100,000 or more, the capital investment in personal property in this state for the expansion is at least \$10,000,000, the business has at least 100 employees in this state at the time of application and the expansion creates at least 20 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation; or~~

~~—(b) Is less than 100,000, the capital investment in personal property in this state for the expansion is at least \$4,000,000, the business has at least 35 employees in this state at the time of application and the expansion creates at least 10 new, permanent jobs in this state by the last day of the fourth quarter that it is in operation;~~

~~—8.— For a business located in a county:~~

~~—(a) Whose population is 100,000 or more, the business has obtained a written statement from the governing body of the city in which the business is located, or if the business is not located in a city, from the governing body of the county where the personal property is located, which states that the governing body approves of the partial abatement; or~~

~~—(b) Whose population is less than 100,000, the business has obtained the written statement described in paragraph (a) and a written statement from the board of trustees of the school~~

~~district in which the personal property is located which states that the board of trustees approves of the partial abatement; and~~

~~—9. The business has executed an agreement with the commission that grants the commission the right to review any document which the commission determines is necessary to verify the eligibility of the business for the partial abatement.] , including, without limitation:~~

*(a) Diversification from the industries of gaming and hospitality;*

*(b) The attraction of basic industries, including, without limitation, manufacturing, warehousing and distribution, and back-office operations;*

*(c) The attraction of business facilities and services, including, without limitation, corporate headquarters, research and development, and producer services; and*

*(d) The expansion of existing businesses and industries that are consistent with the goals described in paragraphs (a), (b) and (c);*

*2. The business complies with the requirements of NRS 360.750;*

*3. The partial abatement is a significant factor in the decision of the business to locate or expand in this state;*

*4. The business commits to maintaining the business in this state for at least 10 years after the date that the business first pays taxes to the department of taxation;*

*5. To satisfy the requirement for a capital investment in this state pursuant to NRS 360.750 for a new business in a county or city whose population:*

*(a) Is 50,000 or more:*

*(1) For a business that is not technology-oriented, establishing the business will require the business to make a capital investment of at least \$50,000,000 in this state; or*

*(2) For a business that is technology-oriented, establishing the business will require the business to make a capital investment of at least \$5,000,000 in this state; or*

*(b) Is less than 50,000:*

*(1) For a business that is not technology-oriented, establishing the business will require the business to make a capital investment of at least \$5,000,000 in this state; or*

*(2) For a business that is technology-oriented, establishing the business will require the business to make a capital investment of at least \$500,000 in this state;*

*6. The business agrees in writing to supply to the executive director of the commission, upon the request of the executive director, any record necessary for the commission to verify that the business meets all requirements of the partial abatement;*

*7. The business has obtained a statement from the local development authority which states that the local development authority is in favor of the partial abatement; and*

*8. The business registers with the department of taxation on a form provided by the department of taxation.*

**Sec. 2.** NAC 361.099 is hereby amended to read as follows:

361.099 1. If the commission grants a partial abatement to a business pursuant to NAC 361.096:

(a) Between July 1 and December 31, the partial abatement applies retroactively from that July 1 if the governing body of the local government whose tax revenue will be affected by the exemption provides written authorization, and if no such authorization is provided, the exemption applies from the date agreed upon by the applicant and the governing body that is noted in the authorization; and

(b) Between January 1 and June 30, the exemption must be applied beginning on the following July 1, unless the applicant and the governing body of the local government whose tax revenue will be affected by the exemption agree upon another date and the governing body provides written authorization.

2. If the commission grants a partial abatement pursuant to NAC 361.096, the commission ~~[shall]~~ *will* immediately forward a certificate of eligibility for the partial abatement that states the percentage of the property that is exempt to:

- (a) The department of taxation; and
- (b) The county assessor of each county in which personal property used in connection with the business will be located.

*3. If the commission grants a partial abatement pursuant to NAC 361.096, the commission will immediately forward to the department of taxation any materials submitted to the commission by the business that applied for the exemption.*