

**LCB File No. R096-00**

**PROPOSED REGULATION OF THE DEPARTMENT  
OF MOTOR VEHICLES AND PUBLIC SAFETY  
NOTICE OF INTENT TO ACT UPON A REGULATION**

**NOTICE OF INTENT TO ACT UPON A REGULATION**

Notice of Hearing for the Amendment  
of Regulations of the  
Department of Motor Vehicles & Public Safety

The Department of Motor Vehicles and Public Safety will hold a public workshop at 10:00 a.m., on December 6, 2000, and the public hearing will start at 1:30 p.m., at the Nevada Highway Patrol Office, 2601 East Sahara Avenue, Las Vegas. The purpose of the workshop and hearing is to receive comments from all interested persons regarding the Amendment of regulations that pertain to chapter 366 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The purpose of the amendment is to include special fuel dealers and special fuel users in the current language, add language covering the instances when penalty and interest can be waived, lower the bonding amount for special fuel dealers, specify verification of postmarking and change the administrative fine language. The majority of the amendments result from legislation which changed the point of taxation for certain special fuels from the supplier level to the dealer or retail level. It is also the department's desire to be consistent with its application of regulations interdepartmentally and with other agencies.

The department does not anticipate any economic cost to the industry or the general public, nor does it anticipate any additional cost to the department to enforce the regulations.

The regulations do not increase or establish any additional fees.

Persons wishing to comment upon the proposed action of the Department of Motor Vehicles and Public Safety may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Department of Motor Vehicles and Public Safety. Written submissions must be received by the Department of Motor Vehicles and Public Safety on or before November 30, 2000. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Department of Motor Vehicles and Public Safety may proceed immediately to act upon any written submissions.

A copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulations to be adopted will be available at the Department of Motor Vehicles and Public Safety, 555 Wright Way, Carson City, NV 89711, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of workshop and hearing has been posted at the following locations:

ESMERALDA COUNTY  
GOLDFIELD PUBLIC LIBRARY  
PO BOX 430  
(FOURTH & CROOK STREET)  
GOLDFIELD NV 89013

EUREKA BRANCH LIBRARY  
PO BOX 293  
(10190 MONROE STREET)  
EUREKA, NV 89316

LANDER COUNTY  
BATTLE MOUNTAIN BRANCH LIBRARY  
625 BROAD STREET  
BATTLE MOUNTAIN, NV 89820

LINCOLN COUNTY LIBRARY  
PO BOX 330  
(93 MAIN STREET)  
PIOCHE NV 89043

MINERAL COUNTY LIBRARY  
PO BOX 1390  
(FIRST & A STREET)  
HAWTHORNE, NV 89415

PERSHING COUNTY LIBRARY  
PO BOX 781  
(1125 CENTRAL AVENUE)  
LOVELOCK, NV 89419

STOREY COUNTY LIBRARY  
PO BOX 14  
(95 SOUTH R STREET)  
VIRGINIA CITY NV 89440

NEVADA DMV & PS  
305 GALLETTI WAY  
RENO NV 89512

NEVADA DMV & PS  
8250 W. FLAMINGO  
LAS VEGAS NV 89147

NEVADA DMV & PS  
3920 EAST IDAHO STREET  
ELKO NV 89801

NEVADA DMV & PS  
PO BOX 248  
178 AVENUE F  
ELY NV 89301

NEVADA DMV & PS  
973 W WILLIAMS ST  
FALLON NV 89406

NEVADA DMV & PS  
4021 W CAREY  
NORTH LAS VEGAS NV 89030

NEVADA DMV & PS  
PO BOX 1912  
TONOPAH NV 89049

NEVADA DMV & PS  
3505 CONSTRUCTION WAY  
WINNEMUCCA NV 89445

NEVADA DMV & PS  
215 WEST BRIDGE STREET  
YERINGTON NV 89447

NEVADA DMV & PS  
1694 COUNTY ROAD  
MINDEN NV 89423

NEVADA DMV & PS  
555 WRIGHT WAY  
CARSON CITY NV 89711-0400

NEVADA STATE LIBRARY

401 NORTH CARSON  
CARSON CITY, NV 8971

## **NOTICE OF INTENT TO ACT UPON A REGULATION**

### Notice of Hearing for the Amendment of Regulations of the Department of Motor Vehicles & Public Safety

The Department of Motor Vehicles and Public Safety will hold a public workshop at 8:00 a.m., on July 19, 2000, and the public hearing immediately following, at the Nevada State Library, 100 North Stewart Street, Carson City. The purpose of the workshop and hearing is to receive comments from all interested persons regarding the Amendment of regulations that pertain to chapter 366 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.0603:

The purpose of the amendment is to include special fuel dealers and special fuel users in the current language, add language covering the instances when penalty and interest can be waived, lower the bonding amount for special fuel dealers, specify verification of postmarking and change the administrative fine language. The majority of the amendments result from legislation which changed the point of taxation for certain special fuels from the supplier level to the dealer or retail level. It is also the department's desire to be consistent with its application of regulations interdepartmentally and with other agencies.

The department does not anticipate any economic cost to the industry or the general public, nor does it anticipate any additional cost to the department to enforce the regulations.

The regulations do not increase or establish any additional fees.

Persons wishing to comment upon the proposed action of the Department of Motor Vehicles and Public Safety may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Department of Motor Vehicles and Public Safety. Written submissions must be received by the Department of Motor Vehicles and Public Safety on or before July 19, 2000. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Department of Motor Vehicles and Public Safety may proceed immediately to act upon any written submissions.

A copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulations to be adopted will be available at the Department of Motor Vehicles and Public Safety, 555 Wright Way, Carson City, NV 89711, and in all counties in which an office of the agency is not maintained, at the main public library, for

inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of workshop and hearing has been posted at the following locations:

ESMERALDA COUNTY  
GOLDFIELD PUBLIC LIBRARY  
PO BOX 430  
(FOURTH & CROOK STREET)  
GOLDFIELD NV 89013

EUREKA BRANCH LIBRARY  
PO BOX 293  
(10190 MONROE STREET)  
EUREKA, NV 89316

LANDER COUNTY  
BATTLE MOUNTAIN BRANCH LIBRARY  
625 BROAD STREET  
BATTLE MOUNTAIN, NV 89820

LINCOLN COUNTY LIBRARY  
PO BOX 330  
(93 MAIN STREET)  
PIOCHE NV 89043

MINERAL COUNTY LIBRARY  
PO BOX 1390  
(FIRST & A STREET)  
HAWTHORNE, NV 89415

PERSHING COUNTY LIBRARY  
PO BOX 781  
(1125 CENTRAL AVENUE)  
LOVELOCK, NV 89419

STOREY COUNTY LIBRARY  
PO BOX 14  
(95 SOUTH R STREET)  
VIRGINIA CITY NV 89440

NEVADA DMV & PS  
305 GALLETTI WAY  
RENO NV 89512

NEVADA DMV & PS  
8250 W. FLAMINGO  
LAS VEGAS NV 89147

NEVADA DMV & PS  
3920 EAST IDAHO STREET  
ELKO NV 89801

NEVADA DMV & PS  
PO BOX 248  
178 AVENUE F  
ELY NV 89301

NEVADA DMV & PS  
973 W WILLIAMS ST  
FALLON NV 89406

NEVADA DMV & PS  
4021 W CAREY  
NORTH LAS VEGAS NV 89030

NEVADA DMV & PS  
PO BOX 1912  
TONOPAH NV 89049

NEVADA DMV & PS  
3505 CONSTRUCTION WAY  
WINNEMUCCA NV 89445

NEVADA DMV & PS  
215 WEST BRIDGE STREET  
YERINGTON NV 89447

NEVADA DMV & PS  
1694 COUNTY ROAD  
MINDEN NV 89423

NEVADA DMV & PS  
555 WRIGHT WAY  
CARSON CITY NV 89711-0400

NEVADA STATE LIBRARY  
401 NORTH CARSON  
CARSON CITY, NV 8971

**LCB File No. R096-00**

**PROPOSED REGULATION OF THE DEPARTMENT  
OF MOTOR VEHICLES AND PUBLIC SAFETY**

AUTHORITY: NRS 366.110, 366.207, 366.220, 366.397 and 366.740.

**Section 1.** Chapter 366 of NAC is hereby amended by adding thereto the provisions set forth as sections 1, 2 and 3 of this regulation.

*1. If the return, report or statement is not filed together with a remittance for the amount of the tax due, on or before the end of each calendar month, the discount provided by NRS 366.390 will not be allowed.*

**Sec. 2. 1.** *A receipt for material sent by certified or registered mail, if different than the post office cancellation mark, will prevail if the date on the receipt is earlier than the cancellation date.*

*2. A record authenticated by the post office that the cancellation date on certain batches of mail was erroneous is proof satisfactory to the department that the mailing was made on a date other than the post office cancellation date.*

*3. If it is known that the postal service was inoperative at a certain time due to strikes, riots, warfare, acts of God or other reasons, the department will consider the circumstances, and if there is other evidence of timely mailing, will accept the evidence and deem the return or payment timely.*

*4. The cancellation date affixed by a postage meter in the possession of the taxpayer or other person will be disregarded as proof of the date of mailing whenever it is contradicted by an official post office cancellation mark stamped upon the envelope containing it.*

*5. Statements by a taxpayer or his employees, alone, will not be sufficient to refute the post office cancellation date as the date of mailing.*

**Sec. 3. 1.** *The department may waive or reduce the penalty or interest for a delinquent payment of tax which was imposed pursuant to NRS 366.395 if it finds that the proximate cause of the delinquent payment was:*

*(a) Circumstances completely beyond the control of the business that was required to make the payment, or its agents;*

*(b) Justifiable negligence or inadvertence, and that the business making the payment has no history of habitually delinquent payments; or*

*(c) For good cause shown.*

*2. Any application for waiver or reduction of the penalty or interest for a delinquent payment must be filed in writing with the department within 60 days after the date the tax is paid setting forth the circumstances which caused the delinquent payment.*

*3. In determining whether or not the circumstances which caused the delinquent payment in any particular case were completely beyond the control of the business required to make the payment, the department will consider only evidence which shows that the delinquent payment was proximately caused by fire, earthquake, flood or other acts of God, theft, or similar causes not directly related to the actions of the business that was required to make the payment, whether intentional or negligent.*

*4. If the department finds that a delinquent payment was caused by circumstances completely beyond the control of the business required to make the payment, or its agents, and that the tax was paid as soon as reasonably possible thereafter, the penalty imposed for the delinquent payment will be reduced to a total of not more than 1 percent of the tax or the amount of the tax and the interest will be reduced at a rate equal to the reduction in penalty.*

*5. If the department finds that the cause of the delinquent payment was justifiable negligence or inadvertence, that the business making the delinquent payment has not submitted more than one other delinquent payment in the preceding 12 months and that the payment was made as soon as reasonably possible thereafter:*

*(a) The penalty for the delinquent payment will be:*

*(1) Not more than 2 percent of the tax or the amount of the tax if the payment is not more than 2 days late.*

*(2) Not more than 4 percent of the tax or the amount of the tax if the payment is not more than 5 days late.*

*(3) Not more than 6 percent of the tax or the amount of the tax if the payment is not more than 10 days late.*

*(4) Not more than 8 percent of the tax or the amount of the tax if the payment is not more than 15 days late.*

*(5) Not more than 10 percent of the tax or the amount of the tax if the payment is more*



*than 15 days late.*

*(b) The interest on the delinquent payment will be reduced by an amount equal to the rate of reduction of the penalty applied by the department pursuant to paragraph (a).*

*If the total penalty and interest after any reduction equals \$5 or less, the penalty and interest will be waived.*

*6. In determining whether the proximate cause of the delinquent payment was for good cause shown, the department will require the taxpayer to submit, without limitation, evidence that:*

*(a) The assessment of penalties and interest constitutes an extreme financial hardship;*

*(b) The assessment of interest and penalties is equal to or greater than two-thirds of the amount of the tax which is due; or*

*(c) The assessment of penalties and interest is extremely unfair or inequitable under the circumstances.*

*7. The department will not consider an application to waive or reduce penalties or interest, or both, imposed on a taxpayer if the assessment of tax is accompanied by the assessment of a penalty based upon negligence, fraud or intent to evade the tax which has become final.*

*8. For the purposes of this section, "extreme financial hardship" means that the person who owes the tax has the present ability to pay the tax, but payment of the penalties and interest will render the person insolvent and unable to continue in business.*

**Sec. 4.** NAC 366.005 is hereby amended to read as follows:

366.005 Definitions. As used in this chapter, unless the context otherwise requires:

1. "Department" means the department of motor vehicles and public safety.

2. "Habitually delinquent" means the commission by a special fuel supplier, *special fuel dealer or special fuel user* of any of the following violations at least twice within 1 year or any two of the following violations at least once within 1 year:

(a) The failure to file a **[monthly]** tax return during the period prescribed in NRS 366.383, *366.386 or 366.380*, unless the department finds that:

(1) The failure was caused by circumstances beyond the control of the special fuel supplier, *special fuel dealer or special fuel user* and occurred notwithstanding the exercise of ordinary care; and

(2) The special fuel supplier, *special fuel dealer or special fuel user* has paid all penalties and interest imposed by the department because of his failure to file the tax return during the prescribed period.

(b) The failure to submit to the department payment of the tax on special fuel collected pursuant to NRS 366.540 during the period prescribed in that section.

(C) The failure to submit to the department the payment of any additional or estimated assessments imposed by the department pursuant to NRS 366.405 during the period prescribed in that section.

3. *“Special fuel user” has the meaning ascribed to in in NRS 366.080.*

4. *“Special fuel dealer” has the meaning ascribed to in in NRS 366.062.*

5. *“Special fuel supplier” has the meaning ascribed to in in NRS 366.070.*

**Sec. 5.** NAC 366.007 is hereby amended to read as follows:

366.007 Grounds for *revocation or for* refusal to issue special fuel supplier’s, *special fuel dealer’s or special fuel user’s* license. In addition to the persons described in NRS 366.240, the department may *revoke or* refuse to issue a special fuel supplier’s, *special fuel dealer’s or special fuel user’s* license to a person who:

1. Fails to provide the information requested on his application for the license or to indicate that the information requested is not applicable to his business;

2. Submits an application *or tax return* which contains inaccurate information;

3. *Fails to provide the information requested on a tax return or to indicate that the information requested is not applicable to his business;*

~~[3. Formerly held a license as a special fuel dealer, wholesale distributor, exporter or importer in this or any other state, the District of Columbia, the United States, its territories or possessions, or any foreign country which, before the time of filing the application, has been canceled, suspended or revoked for cause;] or~~

~~[4. Applies as a subterfuge for the real party in interest whose license described in subsection 3 has been canceled, suspended or revoked for cause.]~~

4. *Owes the department fees or taxes under Chapter 371, 482 or 706 of NRS.*

**Sec. 6.** NAC 366.009 is hereby amended to read as follows:

366.009 Sales of special fuel to certain suppliers *or dealers* prohibited. A special fuel supplier *or special fuel dealer* who has been informed by the department that another special

fuel supplier *or special fuel dealer* is not licensed pursuant to chapter 366 of NRS shall not sell special fuel to that unlicensed special fuel supplier *or special fuel dealer* without collecting the tax imposed by NRS 366.190.

**Sec. 7.** NAC 366.010 is hereby amended to read as follows:

366.010 Amount required for initial 2 years of operation.

1. Except as otherwise provided in NAC 366.030 and 366.040, the department will fix the amount of security required pursuant to NRS 366.550 for an applicant for, or the holder of, a special fuel supplier's *or special fuel dealer's* license at three times the estimated maximum monthly tax, but not less than \$1,000 *or \$100, whichever is applicable*.

2. During the initial 2 years that a special fuel supplier *or special fuel dealer* operates his business, the department will review his monthly tax returns filed pursuant to NRS 366.383 *and 366.386* every 6 months to determine whether the estimated maximum monthly tax is accurate. If the department determines that the estimated maximum monthly tax is not accurate, the department will revise the amount of security required in accordance with its review. If the department increases the amount of security required, the special fuel supplier *or special fuel dealer* shall increase his security as required by the department within 60 days after notification of the increase.

**Sec. 8.** NAC 366.020 is hereby amended to read as follows:

366.020 Amount required for years following initial 2 years of operation. The department will review annually the estimated maximum monthly tax for each special fuel supplier *or special fuel dealer* business for at least 2 years before the review is conducted. The department will review the monthly tax returns of the special fuel supplier *or special fuel dealer* for the 24 months immediately preceding the review to determine whether the estimated monthly tax is sufficient. If the department determines that the estimated monthly tax is not sufficient, the department will increase the amount of security required for that special fuel supplier *or special fuel dealer* in accordance with its review. Except as otherwise provided in NAC 366.030 and 366.040, the increased amount of security must equal at least three times the increased estimated maximum monthly tax, but not less than \$1,000 *or \$100, whichever is applicable*.

**Sec. 9.** NAC 366.030 is hereby amended to read as follows:

366.030 Request for reduction in amount required.

1. A special fuel supplier *or special fuel dealer* who complies with the requirements

set forth in subsection 2 or 3 may submit a written request to the department for a reduction in the amount of security required from him if the required amount would otherwise be more than \$5,000. Upon receipt of such a request, the department may reduce the required amount to an amount which is:

(a) Not less than the amount of the maximum monthly tax the supplier *or special fuel dealer* reported to the department during the 2 years immediately preceding his request for a reduction; or

(b) Equal to \$5,000,  
whichever is greater.

2. To qualify to submit a request pursuant to subsection 1, a special fuel supplier *or special fuel dealer* who has filed tax returns with the department pursuant to chapter 366 of NRS for less than 3 calendar years must submit to the department a letter from the department of taxation which verifies that the special fuel supplier *or special fuel dealer* has, in his capacity as a dealer licensed pursuant to chapter 365 of NRS, paid punctually the taxes required pursuant to chapters 365 and 373 of NRS during the 3 calendar years preceding his request.

3. A special fuel supplier *or special fuel dealer* who has filed tax returns with the department pursuant to chapter 366 of NRS for 3 or more calendar years may submit a request pursuant to subsection 1 if he:

(a) Has filed punctually the tax returns required by NRS 366.383 *or 366.386* for the 3 preceding calendar years;

(b) Has paid punctually all taxes and assessments due the State of Nevada for the 3 preceding calendar years;

(c) Has not been deemed habitually delinquent within the 3 preceding calendar years;  
and

(d) Has been audited by the department within the 2 preceding calendar years.

4. For the purposes of subsection 3, a special fuel supplier *or special fuel dealer*  
who:

(a) Through clerical error, underpaid taxes by not more than 5 percent; and

(b) Within 30 days after being notified by the department of the underpayment, paid the taxes owed and any penalty and interest imposed by the department,  
shall be deemed to have paid those taxes punctually.

**Sec. 10.** NAC 366.040 is hereby amended to read as follows:

366.040 Amount required for habitually delinquent supplier *or special fuel dealer*.

1. If the department determines that a special fuel supplier *or special fuel dealer* is habitually delinquent, the department will increase the amount of security required from that special fuel supplier or dealer to five times the estimated maximum monthly tax.

2. If the department increases the amount of security required, the special fuel supplier *or special fuel dealer* shall increase his security as required by the department within 60 days after notification of the increase.

**Sec. 11.** NAC 366.050 is hereby amended to read as follows:

366.050 Amount required after cancellation of surety bond.

1. If the department is notified that a surety bond of a special fuel supplier *or special fuel dealer* has been or may be canceled, the department will review the monthly tax returns of that special fuel supplier *or dealer*:

(a) For the 24 months immediately preceding the review; or

(b) If he has been in business less than 24 months, for the period he has operated his business,  
to determine the amount of security he will be required to provide.

2. Within 15 days after the department receives notice that the bond has been or may be canceled, the department will notify the special fuel supplier *or special fuel dealer* of the amount of security required to retain his license. If the special fuel supplier *or special fuel dealer* does not provide the security required by the department within 15 days after he receives notice of the amount of security required, the department will revoke his fuel supplier's *or special fuel dealer's license*.

**Sec. 12.** NAC 366.100 is hereby amended to read as follows:

366.100 Tax return; delivery of payment.

1. If the last day of the month *or quarter* falls upon a Saturday, Sunday or legal holiday, the tax return required to be filed with the department by a special fuel supplier, *special fuel dealer or special fuel user* pursuant to NRS 366.383, *366.386 or 366.380* must be filed not later than the next business day after the last day of the month *or quarter*.

2. A payment by a special fuel supplier, *special fuel dealer or special fuel user* of the tax imposed by NRS 366.190 shall be deemed received:

(a) If delivered by mail, on the date shown by the cancellation mark stamped by the United States Postal Service or the postal service of any other country upon an envelope containing payment properly addressed to the department; or

(b) If delivered by a private postal service, on the business day preceding the date of actual delivery.

**Sec. 13.** NAC 366.200 is hereby amended to read as follows:

366.200 Submission of receipt. A person who wishes to obtain, pursuant to subsection 5 of NRS 366.207, a refund of the tax paid on special fuel which was used for an exempt purpose must submit with his application a *spreadsheet or copies of receipts* ~~[receipt]~~ from the person from whom the special fuel was purchased. The *spreadsheet or copies of receipts* ~~[receipt]~~ must include:

1. *The date the fuel was purchased;*

2. The number of gallons of special fuel purchased for an exempt purpose; ~~[and]~~

~~[2]~~3. A statement that the tax imposed by NRS 366.190 was paid to the person from whom the special fuel was purchased~~[,]~~; *and*

4. *Reason why clear fuel was purchased and used instead of dyed fuel.*

**Sec. 14.** NAC 366.220 is hereby amended to read as follows:

366.220 Fuel consumed by vehicle with auxiliary equipment.

1. Except as otherwise provided in subsection 2, if a motor vehicle with auxiliary equipment consumes special fuel and there is no auxiliary motor or separate fuel tank for the auxiliary motor, the operator of the vehicle must, for the purposes of obtaining a refund pursuant to subsection 5 of NRS 366.207, provide to the department documentation adequate to establish to the satisfaction of the department the amount of special fuel which was used to operate the auxiliary equipment.

2. A special fuel user may obtain a refund pursuant to subsection 5 of NRS 366.207 without providing the documentation required by subsection 1 if the motor vehicle with auxiliary equipment is a truck which mixes concrete, *or* a garbage truck with a trash compactor ~~[or a vehicle with a pump, conveyor or other device for loading or unloading the vehicle]~~. The operator of such a vehicle may obtain a refund of:

(a) Twenty percent of the tax paid on the special fuel consumed if the auxiliary equipment is a concrete mixer or trash compactor;

~~[(b) The tax paid on three-fourths of a gallon of special fuel for every 1,000 gallons of liquid loaded or unloaded if the auxiliary equipment is a pump; or~~

~~(c) The tax paid on three-fourths of a gallon of special fuel for every 6,000 pounds of commodities loaded or unloaded if the auxiliary equipment is a conveyor or other device for the loading or unloading of materials other than liquids.]~~

*3. Except as otherwise provided in NAC 366.230, refrigeration or air conditioning units are not allowed refunds under this section.*

**Sec. 15.** NAC 366.230 is hereby amended to read as follows:

366.230 Undyed fuel used to operate certain vehicles with refrigeration *and air conditioning* units. A special fuel user who uses undyed special fuel to operate a vehicle with a refrigeration *or air conditioning* unit which is equipped with an auxiliary motor and separate fuel tank may obtain a refund of the tax paid pursuant to NRS 366.190 for the special fuel used to operate the refrigeration *or air conditioning* unit only if the special fuel user provides to the department a copy of the receipt obtained from the person from whom the special fuel was purchased which states that the fuel was placed in the fuel supply tank for the auxiliary motor and which indicates that the tax was paid.

**Sec. 16.** NAC 366.400 is hereby amended to read as follows:

366.400 Imposition of administrative fines.

~~1. [An administrative fine of not more than \$500 for each violation may be imposed by the department against a person who fails to:~~

~~(a) File timely a report or tax return required by chapter 366 of NRS or this chapter;~~

~~(b) Prepare a record required by chapter 366 of NRS or this chapter; or~~

~~(c) Maintain a record, document or report required by chapter 366 of NRS or this chapter.]~~

*Except as otherwise provided in subsection 2, if the department imposes administrative fines pursuant to the provisions of NRS 366.740, it will impose such fines for violations occurring within the 3-year period immediately preceding the most recent offense according to the following schedule:*

*(a) For a first offense, a fine of not less than \$100 nor more than \$500.*

*(b) For a second offense, a fine of not less than \$500 nor more than \$1,000.*

*(c) For a third offense, a fine of not less than \$1,000 nor more than \$1,500.*

*(d) For a fourth or subsequent offense, a fine of not less than \$1,500 nor more than \$2,500.*

~~2. [An administrative fine of not more than \$2,500 for each violation may be imposed by the department against:~~

~~(a) A special fuel exporter who sells or distributes special fuel in this state or any other person who engages in business in this state as a special fuel supplier without a special fuel supplier's license;~~

~~(b) A special fuel supplier who, after being informed by the department that a special fuel supplier is not licensed pursuant to chapter 366 of NRS, sells special fuel to the unlicensed special fuel supplier without collecting the tax imposed by NRS 366.190; or~~

~~(c) A special fuel supplier, special fuel exporter or carrier of special fuel who does not make available to the department upon request the records, invoices and other pertinent papers required to be maintained pursuant to NRS 366.140.]~~

*The department may impose a fine of not less than \$1,500 nor more than \$2,500 for any violation of subsection 3 of NRS 366.140, 366.207, 366.220 or subsection 3 of 366.395.*

*3. Any person who has been fined pursuant to the provisions of NRS 366.740 shall make payment to the department not later than the date specified in the notice of the violation, unless he has requested a hearing pursuant to subsection 1 of that section.*

*4. Upon the failure of a person to pay a fine imposed pursuant to the provisions of this section when it becomes due, the director may suspend, revoke or refuse to issue any license obtained pursuant to the provisions of this chapter.*