

LCB File No. R143-03

**PROPOSED REGULATION OF THE DEPARTMENT
OF MOTOR VEHICLES**

Authority: NRS 365.110

Section 1. Chapter 365 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 13, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 11, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Export” means to obtain motor vehicle fuel or other petroleum products in this state for sale and distribution outside this state. To be considered “export” and qualify for exemption from any applicable fuel taxes, the export of fuel must be physically off-loaded in the destination state, province or foreign country.*

Sec. 4. *“Other Petroleum Products” means any petroleum-based substance other than Motor Vehicle Fuel or Special fuel that is used in the propulsion of motor vehicles, motorboats or aircraft, including fuel for jet or turbine-powered aircraft.*

Sec. 5. *“Exporter” has the meaning ascribed to it in NRS 365.031.*

Sec. 6. *In order to qualify and obtain a license as an exporter for purposes of NRS 365, every person shall submit a completed exporter application to the department for approval prior to conducting any export activity. An applicant shall submit their application on forms prescribed and furnished by the department.*

a. An applicant requesting a license as an exporter must list on his application each state, province or foreign jurisdiction to which the applicant intends to export.

b. An applicant must be licensed or registered to legally engage in transactions concerning motor vehicle fuel or other petroleum products, including for purposes of taxation, in the destination state, province or foreign jurisdiction, prior to conducting any export activity. Proof of licensing or registration must be provided to the department prior to issuance of an exporter license.

c. Upon approval by the department, a Nevada exporter license will be issued.

d. Prior to engaging in export activity in a destination state, province or foreign jurisdiction not identified on the exporter application, the licensee must file an amendment to his current application with the department stating the effective date of the added state, province, or foreign jurisdiction. Upon verification of licensure in the added jurisdiction(s), the department will notify the exporter that operations in the added jurisdiction(s) may commence.

Sec. 7. *For the purposes of export, the definition does not include delivery to federally recognized Indian reservations located within the borders of this state.*

Sec. 8. *Every exporter shall maintain such records, receipts, invoices and other pertinent papers with respect thereto as the department requires supporting the disposition of motor vehicle fuel and other petroleum products claimed as exported from Nevada. At a minimum, the records must include, but need not be limited to, the following:*

- a. Bills of lading; or*
- b. Highway Transportation Receipts; and*
- c. Delivery tickets; and*
- d. Invoices; and*
- e. Other destination jurisdiction reports and/or returns identifying specific import activity, which must agree with the monthly exporter return filed with the department.*

Sec. 9. *Every supplier shall require proof of licensure by the department prior to selling motor vehicle fuel or other petroleum products without collecting the tax imposed pursuant to NRS 365.172 to 365.192, inclusive.*

Sec. 10. *Grounds for cancellation, revocation or suspension of a license issued pursuant to NRS 365.110. The department may cancel, revoke, or immediately suspend a license issued by the department for any person who:*

- 1. Provided false, misleading, or otherwise inaccurate information on the license application; or*
- 2. Held a license or registration that was canceled, revoked, or suspended in any state, district, territory or possession of the United States, or any foreign country after the initial license was issued by the department; or*
- 3. Applies as a subterfuge for the real party in interest whose license described in subsection 2 has been canceled, revoked, or suspended; or*
- 4. Who neglects or refuses to maintain a bond as required by NRS 365.290; or*
- 5. Who becomes delinquent in the payment of a tax on motor vehicle fuel, fuel for jet or turbine-powered aircraft, or any other petroleum products in this state, any other state, the District of Columbia, the United States, a territory or possession of the United States, or any foreign country.*

Sec. 11. *In order to qualify and obtain a license as a transporter for purposes of NRS 365, every person shall submit a completed transporter application to the department for approval prior to conducting any transport activity. An applicant shall submit their application on forms prescribed and furnished by the department.*

- a. An applicant requesting a license as a transporter must list on his application each state, province or foreign jurisdiction to which the applicant intends to transport; and*
- b. Proof of current vehicle registration, base plated, permitted, or apportioned for travel in this state, for all vehicles engaged in the transportation of fuel in this state.*

Sec. 12. *Every transporter shall maintain such records, receipts, invoices and other pertinent papers with respect thereto as the department requires supporting the disposition of motor vehicle fuel, fuel for jet or turbine-powered aircraft, and other petroleum products claimed as transported. At a minimum, the records must include, but need not be limited to, the following:*

- a. Bills of lading; or*
- b. Highway Transportation Receipts; and*
- c. Delivery tickets; and*
- d. Invoices.*

Sec. 13. *In order for the payment due pursuant to NRS 365.330 to be considered timely, the payment must be made payable and mailed or delivered directly to the department on or before the due date.*

Sec. 14. NAC 365.165 is hereby repealed.

~~365.165 Grounds for refusal to issue license. (NRS 365.110, 365.280) The department may refuse to issue a license pursuant to NRS 365.280 to a person who:~~

- ~~—1. Fails to provide complete and accurate information on the application as required by the department;~~
- ~~—2. Makes a material misstatement on the application;~~
- ~~—3. Before applying for the license, was issued a license as a dealer that was canceled, suspended or revoked for cause in any state, district, territory or possession of the United States or a foreign country; 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.~~