

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066**  
**Informational Statement**  
**LCB File No. R056-21**

**1. A clear and concise explanation of the need for the adopted regulation.**

Adopted permanent regulation (R056-21) establishes criteria for when live entertainment is provided by or entirely for the benefit of a governmental entity for the purposes of an exemption from the live entertainment tax administered by the Department of Taxation pursuant to NRS 368A.200, as amended by section 1.7 of Senate Bill No. 367, chapter 417, Statutes of Nevada 2021, at page 2708).

**2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.**

The Department of Taxation, as staff to the Nevada Tax Commission, solicited comment from the public by issuing a questionnaire to interested parties regarding any impact on small businesses and sending notice of workshops and hearings by electronic or regular mail as follows:

<u>Date of Notice</u>	<u>Workshop/ Hearing</u>	<u>Date of Workshop/Hearing</u>	<u>Number Notified</u>
07/27/22	Workshop	08/17/22	198
9/01/22	Adoption Hearing	10/03/22	198

The mailing list included the interested parties list maintained by the Department. Notices were also posted at the Nevada State Library; Legislative Counsel Bureau; various Department of Taxation locations throughout the State; and at the Main Public Libraries in counties where an office of the Department of Taxation is not located. Comments were also solicited by direct email.

See response to #5 for a summary of the public responses to the Regulation.

A copy of the recorded comments, the record of proceedings, and/or the Small Business Impact Statement may be obtained by calling the Nevada Department of Taxation at (775) 684-2059 or by writing to the Department of Taxation, 1550 College Pkwy. Ste 115, Carson City, Nevada 89706, or by e-mailing the Department at [sglazner@tax.state.nv.us](mailto:sglazner@tax.state.nv.us).

3. **The number of persons (other than Commissioners or Department staff) who:**
- (a) **Attended each hearing:**
  - (b) **Testified at each hearing:**
  - (c) **Submitted written comments:**

Workshop date: August 17, 2022

- (a) Number in attendance: 1
- (b) Number testifying: 0
- (c) Written statements submitted: 0

Adoption Hearing date: October 3, 2022

- (a) Number in attendance: 19
- (b) Number testifying: 0
- (c) Written statements submitted: 0

4. **For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**

Not applicable

5. **A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.**

See response to #2 for description of how comments were solicited from affected businesses and an explanation of how interested persons may obtain a copy of the summary.

**Summary of public responses:** Not applicable

**Summary of workshop discussion:** Not applicable

**Summary of Public Comment at Adoption Hearing:** Not applicable

6. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The Department received no public comment or testimony requesting any change to the proposed regulation, and the Department adopted the regulation without change and consistent with the 2021 legislative amendments enacted by Senate Bill No. 367, chapter 417, Statutes of Nevada 2021, at page 2708.

**7. The estimated economic effect of the regulation on the business which it is to regulate and on the public. This must include adverse, beneficial, immediate and long-term effects.**

**(a) Estimated economic effect on the businesses which they are to regulate.**

The adopted permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects on businesses. The exemption at issue in this regulation, as required by Senate Bill 367 (2021), is limited to applicable live entertainment taxes for live entertainment conducted by or entirely for the benefit of local government entities and therefor would either not be applicable to private businesses, or would have a beneficial effect on businesses which could use the exemption for providing live entertainment on behalf of governmental entities.

**(b) Estimated economic effect on the public which they are to regulate.**

The adopted permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects to the public. The regulation does not regulate the public and has no adverse effect on the public. Instead, the regulation provides clarity to the law enacted in 2021 to exempt application of live entertainment taxes for providing live entertainment on behalf of local governmental entities.

**8. The estimated cost to the agency for enforcement of the proposed regulation:**

Enforcement of the adopted regulation presents no significant foreseeable or anticipated cost or decrease in costs.

**9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

The adopted permanent regulation does not overlap or duplicate any regulation of other state or local governmental entities. Instead, this regulation clarifies the legislative exemption for providing live entertainment on behalf of local governmental entities.

**10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

The Department is not aware of any similar federal regulations of the same activity in which the state regulations are more stringent.

**11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

The adopted permanent regulation does not include new fees or increase an existing fee.