

Digest for Adopted Regulation R_136-13

Existing law exempts a nonprofit organization which qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c) and which provides legal services to persons free of charge from certain requirements applicable to document preparation services. (NRS 240A.030)

Section 2 of this regulation: clarifies (1) that an independent contractor or person rendering professional services to an employer on a fee, retainer or contract basis is not an “employee,” as the term is used in the definition of “document preparation service,” and (2) when a nonprofit organization is deemed to be a nonprofit organization which qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

Existing law requires a document preparation service registered with the Secretary of State to display conspicuously in his or her place of business a copy of his or her certificate of registration and state business license. (NRS 240A.160, 240A.170) **Section 3** of this regulation clarifies when a copy of a certificate of registration or business license is deemed to be displayed conspicuously.

Existing law requires a person who wishes to engage in the business of a document preparation service to be registered by the Secretary of State. (NRS 240A.100) **Section 4** of this regulation prescribes the requirements for the contents of an application for a certificate of registration as a document preparation service. **Section 4** also authorizes the Secretary of State to request any additional information necessary to determine whether the applicant meets the requirements for registration as a document preparation service. Finally, **section 4** authorizes the Secretary of State to reject an application under certain conditions. **Section 5** of this regulation requires a person who is registered as a document preparation service to notify the Secretary of State if the information contained in an application for a certificate of registration changes after a

certificate is granted. **Section 6** of this regulation requires a certificate of registration to be renewed 30 days before the date of expiration of the certificate and prescribes the requirements for the contents of an application for renewal. **Section 8** of this regulation prescribes the procedure for making and resolving a complaint about a registrant or a violation of statutory provisions governing document preparation services. (Chapter 240A of NRS)

Existing law requires a registrant to file a cash bond or surety bond with the Secretary of State and authorizes the Secretary of State to retain such a cash bond for 3 years after the date the registrant ceases to do business or 3 years after the date of the expiration or revocation of the registration. (NRS 240A.120) **Section 7** of this regulation prescribes the procedure for a registrant to request the release of a cash bond.

Existing law requires certain advertisements for the services of a registrant to contain a clear and conspicuous statement that the registrant is not an attorney authorized to practice in this State and is prohibited from providing legal advice or legal representation. (NRS 240A.150) **Section 9** of this regulation prescribes the manner in which this statement must be conveyed.