

Amendment No. 1

Senate Amendment to Senate Bill No. 3	(BDR 32-10)
Proposed by: Senate Committee of the Whole	
Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

JFD/BJF



Date: 7/15/2020

S.B. No. 3—Revises provisions governing governmental financial administration.
(BDR 32-10)



SENATE BILL NO. 3—COMMITTEE OF THE WHOLE

JULY 9, 2020

Referred to Committee of the Whole

SUMMARY—Revises provisions governing governmental financial administration. (BDR 32-10)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to governmental financial administration; temporarily accelerating the collection of **a portion of** the tax upon the net proceeds of minerals; temporarily requiring persons who extract minerals to pay **a portion of** the tax on the net proceeds of the estimated royalties that will be paid for certain years; temporarily altering the allocation of a portion of the proceeds of the basic governmental services tax; requiring the Department of Taxation to allow for the payment of delinquent taxes, fees or assessments without a penalty for a limited period in certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the taxation of the net proceeds of minerals based upon the actual net proceeds from the preceding calendar year. (NRS 362.100-362.240) Existing law requires the person extracting any mineral in this State to file a statement which shows the estimated gross yield and estimated net proceeds from each operation for the current calendar year and an estimate of all royalties that will be paid during the current calendar year. (NRS 362.115) **Sections ~~1-5~~ 2 and 3** of this bill temporarily require advance payment of the **portion of the tax that is distributed to the State General Fund**, based upon the estimated net proceeds and royalties for the current calendar year. **Section 12** of this bill provides that the collection of the tax on net proceeds of minerals reverts back to the former method of collection on actual net proceeds beginning for calendar year 2024. However, because **a portion of** the tax on the net proceeds of minerals imposed for calendar year 2023 will be paid in advance during fiscal year 2023, **section 8** of this bill enacts transitory provisions governing the duties of the Department of Taxation for fiscal year 2024. ~~and the appropriation and apportionment of money to counties and other local governments during that year.~~

Existing law imposes a basic tax for governmental services for the privilege of operating any vehicle upon the public highways of this State, which is collected by the Department of Motor Vehicles. (NRS 371.030, 482.260) Existing law sets forth depreciation schedules for determining the valuation of a vehicle that is used to calculate the amount of governmental services taxes due each year for used vehicles. (NRS 371.060) Senate Bill No. 429 of the 2009 Legislative Session (S.B. 429) increased the amount of governmental services taxes due annually for used vehicles by reducing the amount of depreciation allowed and increasing the

23 minimum tax. Existing law allocates the revenue from this portion of the governmental
 24 services tax, with 25 percent of the proceeds allocated to the State General Fund and 75
 25 percent of the proceeds allocated to the State Highway Fund. (NRS 482.182) ~~[Section]~~
 26 ~~Sections 5.5 and 6~~ of this bill temporarily ~~requires~~ **require** the Department to direct that ~~[50~~
 27 ~~percent]~~ **the entire amount** of these proceeds be transferred to the State General Fund ~~, [and~~
 28 ~~50 percent to the State Highway Fund.]~~ **Sections 9 and 12** of this bill limit this change to
 29 governmental services taxes collected for a registration period beginning on or after July 1,
 30 2020, and ending on or before June 30, 2021.

31 **Section 10** of this bill requires the Department of Taxation to establish an amnesty
 32 program pursuant to which a person who is delinquent in the payment of a tax, fee or
 33 assessment may pay the amount due without any penalty or interest in certain circumstances.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** ~~[NRS 362.110 is hereby amended to read as follows:]~~

2 ~~362.110 1. Every person extracting any mineral in this State ; [or receiving~~
 3 ~~any royalty:]~~

4 ~~(a) Shall, on or before February 16 of each year, file with the Department a~~
 5 ~~statement showing the gross yield and claimed net proceeds from each~~
 6 ~~geographically separate operation where a mineral is extracted by that person~~
 7 ~~during the calendar year immediately preceding the year in which the statement is~~
 8 ~~filed.~~

9 ~~(b) May have up to 30 days after filing the statement required by paragraph (a)~~
 10 ~~to file an amended statement.~~

11 ~~2. The statement must:~~

12 ~~(a) Show the claimed deductions from the gross yield in the detail set forth in~~
 13 ~~NRS 362.120. The deductions are limited to the costs incurred during the calendar~~
 14 ~~year immediately preceding the year in which the statement is filed.~~

15 ~~(b) Be in the form prescribed by the Department.~~

16 ~~(c) Be verified by the manager, superintendent, secretary or treasurer of the~~
 17 ~~corporation, or by the owner of the operation, or, if the owner is a natural person,~~
 18 ~~by someone authorized in his or her behalf.~~

19 ~~[3. Each recipient of a royalty as described in subsection 1 shall annually file~~
 20 ~~with the Department a list showing each of the lessees responsible for taxes due in~~
 21 ~~connection with the operation or operations included in the statement filed pursuant~~
 22 ~~to subsections 1 and 2.] (Deleted by amendment.)~~

23 **Sec. 2.** NRS 362.115 is hereby amended to read as follows:

24 362.115 1. In addition to the statement required by subsection 1 of NRS
 25 362.110, each person extracting any mineral in this State ~~[shall,]~~ :

26 **(a) Shall,** on or before March 1 of each year, file with the Department a
 27 statement showing the estimated gross yield and estimated net proceeds from each
 28 such operation for the entire current calendar year and an estimate of all royalties
 29 that will be paid during the current calendar year ~~[+] and shall pay a portion of the~~
 30 ~~tax upon the net proceeds and upon the royalties so estimated [+]~~ **in an amount**
 31 **equal to the estimated net proceeds and royalties multiplied by a rate equal to the**
 32 **rate as determined pursuant to NRS 362.140 minus the combined rate of tax ad**
 33 **valorem for the county in which the operation is located, including any rate**
 34 **levied by the State of Nevada. The estimated payment may be reduced by the**
 35 **amount of any credit to which the taxpayer is entitled pursuant to NRS 362.130.**
 36 **The amount of the tax paid upon royalties must be deducted from the payment of**
 37 **the royalties.**

1 ***(b) May file with the Department a quarterly report stating an estimate for***
 2 ***the year and the actual quarterly amounts of production, gross yield and net***
 3 ***proceeds as of March 31, June 30, September 30 and December 31, and pay any***
 4 ***additional amount due. The additional estimated tax liability must be calculated***
 5 ***by determining the difference between the revised estimates of net proceeds based***
 6 ***on the recent production figures as indicated by the quarterly reports and the***
 7 ***original estimate supplied pursuant to paragraph (a). If the person chooses to***
 8 ***submit such reports, the reports must be submitted on a form prescribed by the***
 9 ***Department not later than the last day of the month following the end of the***
 10 ***calendar quarter and payment must be made within 30 days after filing any***
 11 ***quarterly report that indicates an additional estimated tax liability.***

12 2. The Department shall:

13 (a) Use the statement filed pursuant to subsection 1 ~~only~~ to prepare estimates
 14 for use by local governments in the preparation of their budgets; and

15 (b) Submit those estimates to the local governments on or before March 15 of
 16 each year.

17 **Sec. 3.** NRS 362.130 is hereby amended to read as follows:

18 362.130 1. When the Department determines from the annual statement
 19 filed pursuant to NRS 362.110 the net proceeds of any minerals extracted, it shall
 20 prepare its certificate of the amount of the net proceeds , ***the amount of the***
 21 ***estimated tax paid in the prior calendar year pursuant to paragraph (a) of***
 22 ***subsection 1 of NRS 362.115 and any additional payments made pursuant to***
 23 ***paragraph (b) of subsection 1 of that section, and the balance of the tax due , ~~if~~***
 24 ***~~any,~~ and send a copy of the certificate to the owner of the mine, ~~for~~ operator of***
 25 ***the mine ~~for~~ or recipient of the royalty, as the case may be.***

26 2. The certificate must be prepared and mailed not later than:

27 (a) April 20 immediately following the month of February during which the
 28 annual statement was filed; or

29 (b) April 30 immediately thereafter if an amended statement is filed in a timely
 30 manner.

31 3. The tax due as indicated in the certificate ***and any penalty*** must be paid on
 32 or before May 10 of the year in which the certificate is received.

33 4. ***If the amount paid pursuant to paragraph (a) of subsection 1 of NRS***
 34 ***362.115 in the prior calendar year is less than 90 percent of the amount certified***
 35 ***pursuant to this section ~~for~~ as the net proceeds of any minerals extracted and***
 36 ***royalties paid during the prior calendar year multiplied by a rate equal to the rate***
 37 ***as determined pursuant to NRS 362.140 minus the combined rate of tax ad***
 38 ***valorem for the county in which the operation is located, including any rate***
 39 ***levied by the State of Nevada, the amount due must include a penalty of 10***
 40 ***percent of the amount by which that portion of the tax was underpaid unless:***

41 ***(a) The amount paid pursuant to paragraph (a) of subsection 1 of NRS***
 42 ***362.115 in the prior calendar year is equal to or greater than the ~~total~~ liability***
 43 ***of the operation for the preceding calendar year ~~for~~ for the portion of the tax that***
 44 ***is equal to the net proceeds of any minerals extracted and royalties paid during***
 45 ***that calendar year multiplied by a rate equal to the rate as determined pursuant to***
 46 ***NRS 362.140 minus the combined rate of tax ad valorem for the county in which***
 47 ***the operation is located, including any rate levied by the State of Nevada; or***

48 ***(b) The person files quarterly reports pursuant to paragraph (b) of***
 49 ***subsection 1 of NRS 362.115 in a timely manner for that year and the total of all***
 50 ***payments exceeds 90 percent of the amount certified ~~for~~ as the net proceeds of any***
 51 ***minerals extracted and royalties paid during the prior calendar year multiplied by***
 52 ***a rate equal to the rate as determined pursuant to NRS 362.140 minus the***

1 combined rate of tax ad valorem for the county in which the operation is located,
 2 including any rate levied by the State of Nevada.

3 5. If an overpayment was made ~~on~~ on the payment of the portion of the tax
 4 upon the net proceeds and royalties equal to the net proceeds and the royalties
 5 multiplied by a rate equal to the rate as determined pursuant to NRS 362.140
 6 minus the combined rate of tax ad valorem for the county in which the operation
 7 is located, including any rate levied by the State of Nevada, the overpayment must
 8 be credited toward the payment due on ~~May 10~~ March 1 of the next calendar
 9 year. If an overpayment was made on the portion of the tax upon the net proceeds
 10 and royalties equal to the net proceeds and the royalties multiplied by the
 11 combined rate of tax ad valorem for the county in which the operation is located,
 12 including any rate levied by the State of Nevada, the overpayment must be
 13 credited toward the payment due on May 10 of the next calendar year. If the
 14 certificate shows a net loss for the year covered by the certificate or an amount of
 15 tax due for that year which is less than an overpayment made for the preceding
 16 year, the amount or remaining amount of the overpayment must, after being
 17 credited against any amount then due from the taxpayer in accordance with NRS
 18 360.236, be refunded to the taxpayer within 30 days after the certification was sent
 19 to the taxpayer.

20 **Sec. 4.** ~~NRS 362.170 is hereby amended to read as follows:~~

21 ~~— 362.170 1. There is hereby appropriated to each county the total of the~~
 22 ~~amounts obtained by multiplying, for each extractive operation situated within the~~
 23 ~~county, the net proceeds of that operation and any royalties paid by that operation,~~
 24 ~~as estimated and paid pursuant to NRS 362.115, plus any amounts paid pursuant to~~
 25 ~~NRS 362.130, by the combined rate of tax ad valorem [.] for the fiscal year to~~
 26 ~~which the payments apply, excluding any rate levied by the State of Nevada, for~~
 27 ~~property at that site, plus a pro rata share of any penalties and interest collected by~~
 28 ~~the Department for the late payment of taxes distributed to the county. The~~
 29 ~~Department shall report to the State Controller on or before May 25 of each year~~
 30 ~~the amount appropriated to each county, as calculated for each operation from the~~
 31 ~~final statement made in February of that year for the preceding calendar year[.]~~
 32 ~~and the estimate provided pursuant to NRS 362.115 for the current calendar year.~~
 33 ~~The State Controller shall distribute all money due to a county on or before May 30~~
 34 ~~of each year. The Department shall report to the State Controller any additional~~
 35 ~~payments made pursuant to paragraph (b) of subsection 1 of NRS 362.115 within~~
 36 ~~15 days after the date on which the payment must be made pursuant to paragraph~~
 37 ~~(b) of subsection 1 of NRS 362.115, and the State Controller shall distribute the~~
 38 ~~money to the appropriate county within 5 days after receipt of the report from the~~
 39 ~~Department. For the purposes of this subsection, payments made pursuant to~~
 40 ~~paragraph (b) of subsection 1 of NRS 362.115 apply to the fiscal year in which~~
 41 ~~the statement of the estimated net proceeds is filed pursuant to paragraph (a) of~~
 42 ~~subsection 1 of NRS 362.115.~~

43 ~~— 2. The county treasurer shall apportion to each local government or other~~
 44 ~~local entity an amount calculated by:~~

45 ~~— (a) Determining the total of the amounts obtained by multiplying, for each~~
 46 ~~extractive operation situated within its jurisdiction, the net proceeds of that~~
 47 ~~operation and any royalty payments paid by that operation, by the rate levied on~~
 48 ~~behalf of that local government or other local entity;~~

49 ~~— (b) Adding to the amount determined pursuant to paragraph (a) a pro rata share~~
 50 ~~of any penalties and interest collected by the Department for the late payment of~~
 51 ~~taxes distributed to that local government or local entity; and~~

52 ~~— (c) Subtracting from the amount determined pursuant to paragraph (b) a~~
 53 ~~commission of 5 percent, of which 3 percent must be deposited in the county~~

1 ~~general fund and 2 percent must be accounted for separately in the account for the~~
2 ~~acquisition and improvement of technology in the office of the county assessor~~
3 ~~created pursuant to NRS 250.085.~~

4 ~~3. The amounts apportioned pursuant to subsection 2, including, without~~
5 ~~limitation, the amount retained by the county and excluding the percentage~~
6 ~~commission, must be applied to the uses for which each levy was authorized in the~~
7 ~~same proportion as the rate of each levy bears to the total rate.~~

8 ~~4. The Department shall report to the State Controller on or before May 25 of~~
9 ~~each year the amount received as tax upon the net proceeds of geothermal resources~~
10 ~~which equals the product of those net proceeds multiplied by the rate of tax levied~~
11 ~~ad valorem by the State of Nevada.] (Deleted by amendment.)~~

12 **Sec. 5.** ~~[NRS 362.170 is hereby amended to read as follows:~~

13 ~~362.170 1. There is hereby appropriated to each county the total of the~~
14 ~~amounts obtained by multiplying, for each extractive operation situated within the~~
15 ~~county, the net proceeds of that operation and any royalties paid by that operation,~~
16 ~~as estimated and paid pursuant to NRS 362.115, plus any amounts paid pursuant~~
17 ~~to NRS 362.130, by the combined rate of tax ad valorem [.] for the fiscal year to~~
18 ~~which the payments apply, excluding any rate levied by the State of Nevada, for~~
19 ~~property at that site, plus a pro rata share of any penalties and interest collected by~~
20 ~~the Department for the late payment of taxes distributed to the county. The~~
21 ~~Department shall report to the State Controller on or before May 25 of each year~~
22 ~~the amount appropriated to each county, as calculated for each operation from the~~
23 ~~[final statement made in February of that year] estimate provided pursuant to NRS~~
24 ~~362.115 for the current calendar year and any adjustments made pursuant to~~
25 ~~NRS 362.130 for the preceding calendar year. The State Controller shall distribute~~
26 ~~all money due to a county on or before May 30 of each year. The Department shall~~
27 ~~report to the State Controller any additional payments made pursuant to~~
28 ~~paragraph (b) of subsection 1 of NRS 362.115 within 15 days after the date on~~
29 ~~which the payment must be made pursuant to paragraph (b) of subsection 1 of~~
30 ~~NRS 362.115, and the State Controller shall distribute the money to the~~
31 ~~appropriate county within 5 days after receipt of the report from the Department.~~
32 ~~For the purposes of this subsection, payments made pursuant to paragraph (b) of~~
33 ~~subsection 1 of NRS 362.115 apply to the fiscal year in which the statement of the~~
34 ~~estimated net proceeds is filed pursuant to paragraph (a) of subsection 1 of NRS~~
35 ~~362.115.~~

36 ~~2. The county treasurer shall apportion to each local government or other~~
37 ~~local entity an amount calculated by:~~

38 ~~(a) Determining the total of the amounts obtained by multiplying, for each~~
39 ~~extractive operation situated within its jurisdiction, the net proceeds of that~~
40 ~~operation and any royalty payments paid by that operation, by the rate levied on~~
41 ~~behalf of that local government or other local entity;~~

42 ~~(b) Adding to the amount determined pursuant to paragraph (a) a pro rata share~~
43 ~~of any penalties and interest collected by the Department for the late payment of~~
44 ~~taxes distributed to that local government or local entity; and~~

45 ~~(c) Subtracting from the amount determined pursuant to paragraph (b) a~~
46 ~~commission of 5 percent, of which 3 percent must be deposited in the county~~
47 ~~general fund and 2 percent must be accounted for separately in the account for the~~
48 ~~acquisition and improvement of technology in the office of the county assessor~~
49 ~~created pursuant to NRS 250.085.~~

50 ~~3. The amounts apportioned pursuant to subsection 2, including, without~~
51 ~~limitation, the amount retained by the county and excluding the percentage~~
52 ~~commission, must be applied to the uses for which each levy was authorized in the~~
53 ~~same proportion as the rate of each levy bears to the total rate.~~

~~4. Any amount apportioned pursuant to subsection 2 for a county school district for any purpose other than capital projects or debt service for the county school district must be paid over to the State Treasurer to be deposited to the credit of the State Education Fund.~~

~~5. The Department shall report to the State Controller on or before May 25 of each year the amount received as tax upon the net proceeds of geothermal resources which equals the product of those net proceeds multiplied by the rate of tax levied ad valorem by the State of Nevada.] (Deleted by amendment.)~~

Sec. 5.5. NRS 482.181 is hereby amended to read as follows:

482.181 1. Except as otherwise provided in subsection 5, after deducting the amount withheld by the Department and the amount credited to the Department pursuant to subsection 6 of NRS 482.180, and the amount transferred to the State General Fund ~~and the State Highway Fund]~~ pursuant to NRS 482.182, the Department shall certify monthly to the State Board of Examiners the amount of the basic and supplemental governmental services taxes collected for each county by the Department and its agents during the preceding month, and that money must be distributed monthly as provided in this section.

2. Any supplemental governmental services tax collected for a county must be distributed only to the county, to be used as provided in NRS 371.043, 371.045 and 371.047.

3. The distribution of the basic governmental services tax received or collected for each county must be made to the county school district within each county before any distribution is made to a local government, special district or enterprise district. For the purpose of calculating the amount of the basic governmental services tax to be distributed to the county school district, the taxes levied by each local government, special district and enterprise district are the product of its certified valuation, determined pursuant to subsection 2 of NRS 361.405, and its tax rate, established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1980, except that the tax rate for school districts, including the rate attributable to a district's debt service, is the rate established pursuant to NRS 361.455 for the fiscal year beginning on July 1, 1978, but if the rate attributable to a district's debt service in any fiscal year is greater than its rate for the fiscal year beginning on July 1, 1978, the higher rate must be used to determine the amount attributable to debt service.

4. After making the distributions set forth in subsection 3, the remaining money received or collected for each county must be deposited in the Local Government Tax Distribution Account created by NRS 360.660 for distribution to local governments, special districts and enterprise districts within each county pursuant to the provisions of NRS 360.680 and 360.690.

5. An amount equal to any basic governmental services tax distributed to a redevelopment agency in the Fiscal Year 1987-1988 must continue to be distributed to that agency as long as it exists but must not be increased.

6. The Department shall make distributions of the basic governmental services tax directly to county school districts.

7. As used in this section:

- (a) "Enterprise district" has the meaning ascribed to it in NRS 360.620.
- (b) "Local government" has the meaning ascribed to it in NRS 360.640.
- (c) "Received or collected for each county" means:

(1) For the basic governmental services tax collected on vehicles subject to the provisions of chapter 706 of NRS, the amount determined for each county based on the following percentages:

Carson City	1.07 percent	Lincoln	3.12 percent
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1	Churchill	5.21 percent	Lyon	2.90 percent
2	Clark	22.54 percent	Mineral	2.40 percent
3	Douglas	2.52 percent	Nye	4.09 percent
4	Elko	13.31 percent	Pershing	7.00 percent
5	Esmeralda	2.52 percent	Storey	0.19 percent
6	Eureka	3.10 percent	Washoe	12.24 percent
7	Humboldt	8.25 percent	White Pine	5.66 percent
8	Lander	3.88 percent		

9
10 (2) For all other basic and supplemental governmental services tax
11 received or collected by the Department, the amount attributable to each county
12 based on the county of registration of the vehicle for which the tax was paid.

13 (d) "Special district" has the meaning ascribed to it in NRS 360.650.

14 **Sec. 6.** NRS 482.182 is hereby amended to read as follows:

15 482.182 1. After deducting the amount withheld by the Department and the
16 amount credited to the Department pursuant to subsection 6 of NRS 482.180 and
17 before carrying out the provisions of NRS 482.181 each month, the Department
18 shall direct the State Controller to transfer to the ~~f~~

19 ~~(a) State General Fund from the proceeds of the basic governmental services~~
20 ~~tax collected by the Department and its agents during the preceding month, 25.50~~
21 ~~percent of] the amounts indicated pursuant to this section.~~

22 ~~[(b) State Highway Fund from the proceeds of the basic governmental services~~
23 ~~tax collected by the Department and its agents during the preceding month, 75.50~~
24 ~~percent of the amounts indicated pursuant to this section.]~~

25 2. Except as otherwise provided in subsection 3, the amount required to be
26 transferred pursuant to subsection 1 from the proceeds of the basic governmental
27 services tax imposed on vehicles depreciated in accordance with:

28 (a) Subsection 1 of NRS 371.060 based upon an age of:

- 29 (1) One year, is a sum equal to 11 percent of those proceeds;
- 30 (2) Two years, is a sum equal to 12 percent of those proceeds;
- 31 (3) Three years, is a sum equal to 13 percent of those proceeds;
- 32 (4) Four years, is a sum equal to 15 percent of those proceeds;
- 33 (5) Five years, is a sum equal to 18 percent of those proceeds;
- 34 (6) Six years, is a sum equal to 22 percent of those proceeds;
- 35 (7) Seven years, is a sum equal to 29 percent of those proceeds;
- 36 (8) Eight years, is a sum equal to 40 percent of those proceeds; and
- 37 (9) Nine years or more, is a sum equal to 67 percent of those proceeds; and

38 (b) Subsection 2 of NRS 371.060 based upon an age of:

- 39 (1) One year, is a sum equal to 12 percent of those proceeds;
- 40 (2) Two years, is a sum equal to 14 percent of those proceeds;
- 41 (3) Three years, is a sum equal to 18 percent of those proceeds;
- 42 (4) Four years, is a sum equal to 21 percent of those proceeds;
- 43 (5) Five years, is a sum equal to 26 percent of those proceeds;
- 44 (6) Six years, is a sum equal to 30 percent of those proceeds;
- 45 (7) Seven years, is a sum equal to 33 percent of those proceeds;
- 46 (8) Eight years, is a sum equal to 37 percent of those proceeds;
- 47 (9) Nine years, is a sum equal to 40 percent of those proceeds; and
- 48 (10) Ten years or more, is a sum equal to 43 percent of those proceeds.

49 3. The amount required to be transferred pursuant to subsection 1 from the
50 proceeds of the basic governmental services tax imposed on vehicles to which the
51 minimum amount of that tax applies pursuant to paragraph (b) of subsection 3 of
52 NRS 371.060 is a sum equal to 63 percent of those proceeds.

1 **Sec. 7.** ~~[[~~ Each person required to pay the tax on the net proceeds of
2 minerals shall pay:

3 ~~[(a)]~~ 1. The tax determined pursuant to NRS 362.130, as that section reads
4 prior to amendment by section 3 of this act, for the calendar year 2020; and

5 ~~[(b)]~~ 2. The estimated tax for the calendar year 2021 pursuant to NRS
6 362.115, as amended by section 2 of this act.

7 ~~[2. For the calendar year 2021, the amount appropriated to each county
8 pursuant to NRS 362.170 must be determined based upon the sum of:~~

9 ~~— (a) The amount paid pursuant to NRS 362.130, as that section reads before
10 amendment by section 3 of this act, based upon the tax paid for the calendar year
11 2020; and~~

12 ~~— (b) The estimated tax for the calendar year 2021 paid pursuant to NRS
13 362.115, as amended by section 2 of this act.]~~

14 **Sec. 8.** 1. When preparing its certificate of the tax due from a taxpayer
15 pursuant to NRS 362.130 during the calendar year 2024, the Department of
16 Taxation shall reduce the amount of the tax due from the taxpayer by the amount
17 of:

18 (a) Any estimated payments of the tax made by or on behalf of the taxpayer
19 during the calendar year 2023 pursuant to NRS 362.115, as that section read on
20 January 1, 2023; and

21 (b) Any unused credit to which the taxpayer may be entitled as a result of any
22 previous overpayment of the tax.

23 2. Notwithstanding any other provision of ~~[NRS 362.170 to the contrary:~~

24 ~~— (a) The amount appropriated to each county pursuant to that section for
25 distribution to the county during the calendar year 2024 must be reduced by the
26 amount appropriated to the county pursuant to that section for distribution to the
27 county during the calendar year 2023, excluding any portion of the amount
28 appropriated to the county pursuant to that section for distribution to the county
29 during the calendar year 2023 which is attributable to a pro rata share of any
30 penalties and interest collected by the Department of Taxation for the late payment
31 of taxes distributed to the county.~~

32 ~~— (b) In calculating the amount required to be apportioned to each local
33 government or other local entity pursuant to subsection 2 of that section for the
34 calendar year 2024, the county treasurer shall reduce the amount required to be
35 determined pursuant to paragraph (a) of that subsection for that calendar year by the
36 amount determined pursuant to that paragraph for the calendar year 2023.] law, for
37 the calendar year 2023, each person extracting any mineral in this State may
38 file with the Department a quarterly report stating an estimate for the year
39 and the actual quarterly amounts of production, gross yield and net proceeds
40 as of March 31, June 30, September 30 and December 31 of that year, and pay
41 any additional amount of the portion of the tax due pursuant to paragraph (a)
42 of subsection 1 of NRS 362.115, as that section read on January 1, 2023. The
43 additional estimated tax liability must be calculated by determining the
44 difference between the revised estimates of net proceeds based on the recent
45 production figures as indicated by the quarterly reports and the original
46 estimate supplied pursuant to paragraph (a) of subsection 1 of NRS 362.115, as
47 that section read on January 1, 2023. If the person chooses to submit such
48 reports, the reports must be submitted on a form prescribed by the
49 Department not later than the last day of the month following the end of the
50 calendar quarter and payment must be made within 30 days after filing any
51 quarterly report that indicates an additional estimated tax liability.~~

52 3. Notwithstanding any other provision of law, for calendar year 2023, if
53 the amount paid pursuant to paragraph (a) of subsection 1 of NRS 362.115, as

1 that section read on January 1, 2023, is less than 90 percent of the amount
2 certified pursuant to NRS 362.130 as the net proceeds of any minerals
3 extracted and royalties paid during calendar year 2023 multiplied by a rate
4 equal to the rate as determined pursuant to NRS 362.140 minus the combined
5 rate of tax ad valorem for the county in which the operation is located,
6 including any rate levied by the State of Nevada, the certificate prepared by
7 the Department pursuant to this section must include a penalty of 10 percent
8 of the amount by which that portion of the tax was underpaid unless:

9 (a) The amount paid pursuant to paragraph (a) of subsection 1 of NRS
10 362.115, as that section read on January 1, 2023, in calendar year 2023 is equal
11 to or greater than the liability of the operation for the calendar year 2022 for
12 the portion of the tax that is equal to the net proceeds of any minerals
13 extracted and royalties paid during that calendar year multiplied by a rate
14 equal to the rate as determined pursuant to NRS 362.140 minus the combined
15 rate of tax ad valorem for the county in which the operation is located,
16 including any rate levied by the State of Nevada; or

17 (b) The person files quarterly reports pursuant to subsection 2 in a timely
18 manner and the total of all payments exceeds 90 percent of the amount
19 certified as the net proceeds of any minerals extracted and royalties paid
20 during the calendar year 2023 multiplied by a rate equal to the rate as
21 determined pursuant to NRS 362.140 minus the combined rate of tax ad
22 valorem for the county in which the operation is located, including any rate
23 levied by the State of Nevada.

24 **Sec. 9.** The amendatory provisions of ~~[section]~~ sections 5.5 and 6 of this act
25 apply to any proceeds of the basic governmental services tax collected by the
26 Department of Motor Vehicles and its agents which is attributable to any period of
27 registration of a vehicle that begins on or after July 1, 2020, and ends on or before
28 June 30, 2021.

29 **Sec. 10.** 1. Except as otherwise provided in this section and
30 notwithstanding any other provision of law, the Department of Taxation shall
31 establish and conduct a program that complies with the requirements of this section
32 and requires the Department to relieve a person who has not paid a tax, fee or
33 assessment required to be paid to the Department of all the monetary penalties and
34 interest imposed with regard to the unpaid tax, fee or assessment. Upon the
35 establishment of a program pursuant to this section, the Department of Taxation
36 shall provide notice of the program, including, without limitation, the dates during
37 which the program will be conducted and the manner in which a person may
38 request relief pursuant to the program, on the Internet website maintained by the
39 Department.

40 2. The Department of Taxation shall conduct a program established and
41 conducted pursuant to subsection 1 only for a period of not more than 90 calendar
42 days and only during a period beginning on or after the effective date of this ~~[act]~~
43 section and ending not later than June 30, 2021.

44 3. The Department of Taxation shall relieve a person who has not paid a tax,
45 fee or assessment required to be paid to the Department of all the monetary
46 penalties and interest imposed with regard to the unpaid tax, fee or assessment if,
47 on or after the date on which the Department begins conducting the program
48 established and conducted pursuant to subsection 1 and before the ending date of
49 the program, the person:

50 (a) Requests relief from the Department by the form or method required by the
51 Department; and

52 (b) Except as otherwise provided in subsection 4, pays the amount of the
53 unpaid tax, fee or assessment in full to the Department.

1 4. If a person has not paid a tax, fee or assessment required to be paid to the
2 Department of Taxation for multiple periods, files with the Department a request
3 for relief pursuant to paragraph (a) of subsection 3 and pays the amount of the
4 unpaid tax, fee or assessment for less than all of the periods for which the person
5 has not paid the tax, fee or assessment, the Department may grant relief to the
6 person for each period for which the person pays the amount of the tax, fee or
7 assessment in full to the Department.

8 5. A program established and conducted by the Department of Taxation
9 pursuant to subsection 1:

10 (a) Must apply only to taxes, fees and assessments that are due and payable
11 before the effective date of this section;

12 (b) Must not apply to any person who:

13 (1) Has entered into a compromise or settlement agreement with the
14 Department regarding the unpaid tax, fee or assessment;

15 (2) Has entered into a compromise with the Nevada Tax Commission
16 regarding the unpaid tax, fee or assessment pursuant to NRS 360.263; or

17 (3) Is being audited by the Department and has not been issued a final
18 notice of deficiency determination by the Department.

19 6. A person who requests or receives relief pursuant to this section may be
20 selected for an audit and audited by the Department of Taxation in the same manner
21 as a person who does not request or receive relief pursuant to this section.

22 **Sec. 11.** Notwithstanding the provisions of NRS 218D.430, a committee may
23 vote on this act before the expiration of the period prescribed for the return of a
24 fiscal note in NRS 218D.475. This section applies retroactively from and after July
25 8, 2020.

26 **Sec. 12.** 1. This section and sections 2 ~~[, 4, 6]~~ and ~~[7]~~ 5.5 to ~~[10,]~~ 11,
27 inclusive, of this act become effective upon passage and approval.

28 2. Sections ~~[4]~~ 5.5 and 6 of this act expire by limitation on June 30, 2021.

29 3. ~~[Sections 1,]~~ Section 3 ~~[and 5]~~ of this act ~~[become]~~ becomes effective on
30 July 1, 2021.

31 4. Sections ~~[1,]~~ 2 ~~[,]~~ and 3 ~~[and 5]~~ of this act expire by limitation on June 30,
32 2023.