
SENATE BILL NO. 193—SENATORS STONE, HANSEN, BUCK, TITUS,
GOICOCHEA; AND KRASNER

FEBRUARY 23, 2023

JOINT SPONSORS: ASSEMBLYMEN DICKMAN, GALLANT; GURR,
HIBBETTS AND O’NEILL

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions governing the commerce tax.
(BDR 32-584)

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 taxation; increasing the Nevada gross revenue
threshold at which certain business entities engaged in
business in this State are required to pay the commerce
tax; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law imposes an annual commerce tax on each business entity whose
2 Nevada gross revenue in a fiscal year exceeds \$4,000,000, with the rate of the
3 commerce tax based on the industry in which the business entity is primarily
4 engaged. (NRS 363C.200, 363C.300-363C.560) **Section 1** of this bill increases the
5 Nevada gross revenue threshold at which the commerce tax is imposed upon a
6 business entity from \$4,000,000 earned in a fiscal year to \$8,000,000 earned in a
7 fiscal year. **Sections 2-28** of this bill make conforming changes to reflect the
8 increase in the Nevada gross revenue threshold from \$4,000,000 to \$8,000,000 for
9 the purpose of calculating the rate of the commerce tax for certain industries in
10 which a business entity is primarily engaged.



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

1 **Section 1.** NRS 363C.200 is hereby amended to read as
2 follows:

3 363C.200 1. For the privilege of engaging in a business in
4 this State, a commerce tax is hereby imposed upon each business
5 entity whose Nevada gross revenue in a taxable year exceeds
6 ~~[\$4,000,000]~~ **\$8,000,000** in an amount determined pursuant to NRS
7 363C.300 to 363C.560, inclusive. The commerce tax is due and
8 payable as provided in this section.

9 2. Each business entity whose Nevada gross revenue in a
10 taxable year exceeds ~~[\$4,000,000]~~ **\$8,000,000** shall, on or before the
11 45th day immediately following the end of that taxable year, file
12 with the Department a return on a form prescribed by the
13 Department. The Department shall not require a business entity
14 whose Nevada gross revenue for a taxable year is ~~[\$4,000,000]~~
15 **\$8,000,000** or less to file a return for that taxable year. The return
16 required by this subsection must include such information as is
17 required by the Department.

18 3. For the purposes of determining the amount of the
19 commerce tax due pursuant to this chapter, the initial return filed by
20 a business entity with the Department pursuant to subsection 2 must
21 designate the business category in which the business entity is
22 primarily engaged. A business entity may not change the business
23 category designated for that business entity unless the person applies
24 to the Department to change such designation and the Department
25 determines that the business is no longer primarily engaged in the
26 designated business category.

27 4. A business entity shall remit with the return the amount of
28 commerce tax due pursuant to subsection 1. Upon written
29 application made before the date on which payment of the
30 commerce tax due pursuant to this chapter must be made, the
31 Department may for good cause extend by not more than 30 days
32 the time within which a business entity is required to pay the
33 commerce tax. If the commerce tax is paid during the period of
34 extension, no penalty or late charge may be imposed for failure to
35 pay the commerce tax at the time required, but the business entity
36 shall pay interest at the rate of 0.75 percent per month from the date
37 on which the amount would have been due without the extension
38 until the date of payment, unless otherwise provided in NRS
39 360.232 or 360.320.

40 **Sec. 2.** NRS 363C.300 is hereby amended to read as follows:

41 363C.300 Except as otherwise provided in this section, the
42 commerce tax required to be paid by a business entity engaging in a



1 business in this State is equal to the amount obtained by subtracting
2 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
3 business entity for the taxable year and multiplying that amount by
4 the rate set forth in NRS 363C.310 to 363C.550, inclusive, for the
5 business category in which the business entity is primarily engaged.
6 If the business entity cannot be categorized in a business category
7 set forth in NRS 363C.310 to 363C.550, inclusive, the commerce
8 tax required to be paid by that business entity is equal to the amount
9 obtained by subtracting ~~[\$4,000,000]~~ \$8,000,000 from the Nevada
10 gross revenue of the business entity for the taxable year and
11 multiplying that amount by the rate set forth in NRS 363C.560.

12 **Sec. 3.** NRS 363C.310 is hereby amended to read as follows:

13 363C.310 1. The agriculture, forestry, fishing and hunting
14 business category (NAICS 11) includes all business entities
15 primarily engaged in agricultural production or agricultural support
16 activities, or both, including, without limitation, growing crops,
17 raising animals, harvesting timber and harvesting fish and other
18 animals from a farm, ranch or their natural habitats.

19 2. Examples of business entities in this category include,
20 without limitation, farms, ranches, dairies, greenhouses, nurseries,
21 orchards and hatcheries.

22 3. This category does not include business entities primarily
23 engaged in agricultural research or administering programs for
24 regulating and conserving land, minerals, wildlife or forest use.

25 4. The amount of the commerce tax for a business entity
26 included in this category is the amount obtained by subtracting
27 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
28 business entity for the taxable year and multiplying that amount by
29 0.063 percent.

30 **Sec. 4.** NRS 363C.320 is hereby amended to read as follows:

31 363C.320 1. The mining, quarrying and oil and gas
32 extraction business category (NAICS 21) includes all business
33 entities primarily engaged in mining operations and mining support
34 activities, including, without limitation, extracting:

- 35 (a) Naturally occurring mineral solids, such as coal and ores;
- 36 (b) Liquid minerals, such as crude petroleum; and
- 37 (c) Gases, such as natural gas.

38 2. Examples of business entities in this category include,
39 without limitation:

40 (a) Business entities operating mines, quarries or oil and gas
41 wells on their own account or for others on a contract or fee basis.

42 (b) Mining support activities, including business entities that
43 perform exploration or other mining services, or both, on a contract
44 or fee basis, except geophysical surveying, mine site preparation and
45 the construction of oil and gas pipelines.



1 3. As used in subsections 1 and 2, the term “mining” includes
2 quarrying, well operations and beneficiating, including, without
3 limitation, crushing, screening, washing, flotation and other
4 preparation customarily performed at a mine site or as a part of
5 mining activity.

6 4. The amount of the commerce tax for a business entity
7 included in this category is the amount obtained by subtracting
8 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
9 business entity for the taxable year and multiplying that amount by
10 0.051 percent.

11 **Sec. 5.** NRS 363C.330 is hereby amended to read as follows:

12 363C.330 1. The utilities and telecommunications business
13 category (NAICS 22 and 517, respectively) includes:

14 (a) All business entities primarily engaged in providing utility
15 services, including, without limitation, electric power, natural gas,
16 steam supply, water supply and sewage removal; and

17 (b) All business entities primarily engaged in providing
18 telecommunications and the services related to that activity,
19 including, without limitation, telephony, cable and satellite
20 distribution services, Internet access and telecommunications
21 reselling services.

22 2. This category does not include business entities primarily
23 engaged in waste management and remediation services that are
24 described in NRS 363C.490.

25 3. The amount of the commerce tax for a business entity
26 included in this category is the amount obtained by subtracting
27 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
28 business entity for the taxable year and multiplying that amount by
29 0.136 percent.

30 **Sec. 6.** NRS 363C.340 is hereby amended to read as follows:

31 363C.340 1. The construction business category (NAICS 23)
32 includes all business entities primarily engaged in the construction
33 of buildings or engineering projects, such as highways and utility
34 systems. Business entities engaged in the preparation of sites for
35 new construction and business entities primarily engaged in
36 subdividing land for sale as building sites also are included in this
37 category.

38 2. Examples of business entities in this category include,
39 without limitation, general contractors, design-builders, construction
40 managers, turnkey contractors, joint-venture contractors, specialty
41 trade contractors, for-sale builders, speculative builders and
42 merchant builders.

43 3. The amount of the commerce tax for a business entity
44 included in this category is the amount obtained by subtracting
45 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the



1 business entity for the taxable year and multiplying that amount by
2 0.083 percent.

3 **Sec. 7.** NRS 363C.350 is hereby amended to read as follows:

4 363C.350 1. The manufacturing business category (NAICS
5 31, 32 and 33) includes all business entities primarily engaged in the
6 mechanical, physical or chemical transformation of materials,
7 substances or components into new products.

8 2. Examples of business entities in this category include,
9 without limitation, milk bottling and pasteurizing, water bottling and
10 processing, fresh fish packaging, apparel jobbing, contracting on
11 materials owned by others, printing and related activities, ready-
12 mixed concrete production, leather converting, grinding of lenses to
13 prescription, wood preserving, electroplating, plating, metal heat,
14 treating and polishing for the trade, lapidary work for the trade,
15 fabricating signs and advertising displays, rebuilding or
16 remanufacturing machinery, ship repair and renovation, machine
17 shops and tire retreading.

18 3. The amount of the commerce tax for a business entity
19 included in this category is the amount obtained by subtracting
20 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
21 business entity for the taxable year and multiplying that amount by
22 0.091 percent.

23 **Sec. 8.** NRS 363C.360 is hereby amended to read as follows:

24 363C.360 1. The wholesale trade business category (NAICS
25 42) includes all business entities primarily engaged in wholesaling
26 merchandise, generally without transformation, and rendering
27 services incidental to the sale of merchandise.

28 2. The amount of the commerce tax for a business entity
29 included in this category is the amount obtained by subtracting
30 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
31 business entity for the taxable year and multiplying that amount by
32 0.101 percent.

33 **Sec. 9.** NRS 363C.370 is hereby amended to read as follows:

34 363C.370 1. The retail trade business category (NAICS 44
35 and 45) includes all businesses primarily engaged in retailing
36 merchandise, generally without transformation, and rendering
37 services incidental to the sale of merchandise.

38 2. The amount of the commerce tax for a business entity
39 included in this category is the amount obtained by subtracting
40 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
41 business entity for the taxable year and multiplying that amount by
42 0.111 percent.

43 **Sec. 10.** NRS 363C.380 is hereby amended to read as follows:

44 363C.380 1. The air transportation business category
45 (NAICS 481) includes all business entities primarily engaged in



1 providing air transportation of passengers or cargo, or both, using
2 aircraft, such as an airplane and helicopter.

3 2. The amount of the commerce tax for a business entity
4 included in this category is the amount obtained by subtracting
5 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
6 business entity for the taxable year and multiplying that amount by
7 0.058 percent.

8 **Sec. 11.** NRS 363C.390 is hereby amended to read as follows:

9 363C.390 1. The rail transportation business category
10 (NAICS 482) includes all business entities primarily engaged in
11 providing rail transportation of passengers or cargo, or both, using
12 railroad rolling stock.

13 2. The amount of the commerce tax for a business entity
14 included in this category is the amount obtained by subtracting
15 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
16 business entity for the taxable year and multiplying that amount by
17 0.331 percent.

18 **Sec. 12.** NRS 363C.400 is hereby amended to read as follows:

19 363C.400 1. The other transportation business category
20 (NAICS 483, 485, 486, 487, 488, 491 and 492) includes all business
21 entities primarily engaged in:

22 (a) Water transportation, including, without limitation, the
23 transportation of passengers and cargo using watercraft;

24 (b) Transit and ground passenger transportation, including,
25 without limitation, charter buses, school buses, interurban bus
26 transportation, taxis and limousine services, street railroads,
27 commuter rail and rapid transit;

28 (c) Pipeline transportation, including, without limitation, using
29 transmission pipelines to transport products, such as crude oil,
30 natural gas, refined petroleum products and slurry;

31 (d) Scenic and sightseeing transportation, including, without
32 limitation, on land or the water, or in the air;

33 (e) Support activities for transportation, including, without
34 limitation, air traffic control services, marine cargo handling, motor
35 vehicle towing, railroad switching and terminals, and ship repair and
36 maintenance not done in a shipyard, such as floating drydock
37 services in a harbor;

38 (f) Postal services, including, without limitation, the activities of
39 the United States Postal Service and its subcontractors operating
40 under a universal service obligation to provide mail services, deliver
41 letters and small parcels, and rural post offices on contract to the
42 United States Postal Service; and

43 (g) Courier and messenger services, including, without
44 limitation, the provision of intercity, local or international delivery



1 of parcels and documents without operating under a universal
2 service obligation.

3 2. The amount of the commerce tax for a business entity
4 included in this category is the amount obtained by subtracting
5 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
6 business entity for the taxable year and multiplying that amount by
7 0.129 percent.

8 **Sec. 13.** NRS 363C.410 is hereby amended to read as follows:

9 363C.410 1. The truck transportation business category
10 (NAICS 484) includes all business entities primarily engaged in
11 providing over-the-road transportation of cargo using motor
12 vehicles, such as a truck and tractor trailer.

13 2. The amount of the commerce tax for a business entity
14 included in this category is the amount obtained by subtracting
15 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
16 business entity for the taxable year and multiplying that amount by
17 0.202 percent.

18 **Sec. 14.** NRS 363C.420 is hereby amended to read as follows:

19 363C.420 1. The warehousing and storage business category
20 (NAICS 493) includes all business entities primarily engaged in
21 operating warehousing and storage facilities for general
22 merchandise, refrigerated goods and other warehouse products.

23 2. The amount of the commerce tax for a business entity
24 included in this category is the amount obtained by subtracting
25 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
26 business entity for the taxable year and multiplying that amount by
27 0.128 percent.

28 **Sec. 15.** NRS 363C.430 is hereby amended to read as follows:

29 363C.430 1. The publishing, software and data processing
30 business category (NAICS 511, 512, 515 and 518) includes all
31 business entities primarily engaged in:

32 (a) Publishing, except on the Internet, including, without
33 limitation, the publishing of newspapers, magazines, other
34 periodicals and books, as well as directory and mailing list and
35 software publishing;

36 (b) Motion picture and sound recording, including, without
37 limitation, the production and distribution of motion pictures and
38 sound recordings;

39 (c) Broadcasting, except on the Internet, including, without
40 limitation, creating content or acquiring the right to distribute
41 content and subsequently broadcast the content; and

42 (d) Data processing, hosting and related services, including,
43 without limitation, the provision of infrastructure for hosting and
44 data processing services.



2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.253 percent.

Sec. 16. NRS 363C.440 is hereby amended to read as follows:

363C.440 1. The finance and insurance business category (NAICS 52) includes all business entities primarily engaged in financial transactions or in facilitating financial transactions.

2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.111 percent.

Sec. 17. NRS 363C.450 is hereby amended to read as follows:

363C.450 1. The real estate and rental and leasing business category (NAICS 53) includes all business entities primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets, providing related services, managing real estate for others, selling, renting or buying real estate for others, and appraising real estate.

2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.25 percent.

Sec. 18. NRS 363C.460 is hereby amended to read as follows:

363C.460 1. The professional, scientific and technical services business category (NAICS 54) includes all business entities primarily engaged in performing professional, scientific and technical activities for others.

2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.181 percent.

Sec. 19. NRS 363C.470 is hereby amended to read as follows:

363C.470 1. The management of companies and enterprises business category (NAICS 55) includes all business entities primarily engaged in:

(a) Holding the securities of, or other equity interests in, companies and enterprises for the purpose of owning a controlling interest or influencing management decisions; or

(b) Administering, overseeing and managing establishments of the company or enterprise and that normally undertake the strategic



1 or organizational planning and decision-making role of the company
2 or enterprise.

3 2. The amount of the commerce tax for a business entity
4 included in this category is the amount obtained by subtracting
5 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
6 business entity for the taxable year and multiplying that amount by
7 0.137 percent.

8 **Sec. 20.** NRS 363C.480 is hereby amended to read as follows:

9 363C.480 1. The administrative and support services
10 business category (NAICS 561) includes all business entities
11 primarily engaged in activities that support the day-to-day
12 operations of other organizations.

13 2. The amount of the commerce tax for a business entity
14 included in this category is the amount obtained by subtracting
15 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
16 business entity for the taxable year and multiplying that amount by
17 0.154 percent.

18 **Sec. 21.** NRS 363C.490 is hereby amended to read as follows:

19 363C.490 1. The waste management and remediation
20 services business category (NAICS 562) includes all business
21 entities primarily engaged in the collection, treatment and disposal
22 of waste materials.

23 2. The amount of the commerce tax for a business entity
24 included in this category is the amount obtained by subtracting
25 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
26 business entity for the taxable year and multiplying that amount by
27 0.261 percent.

28 **Sec. 22.** NRS 363C.500 is hereby amended to read as follows:

29 363C.500 1. The educational services business category
30 (NAICS 61) includes all businesses primarily engaged in providing
31 instruction and training in a wide variety of subjects.

32 2. The amount of the commerce tax for a business entity
33 included in this category is the amount obtained by subtracting
34 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
35 business entity for the taxable year and multiplying that amount by
36 0.281 percent.

37 **Sec. 23.** NRS 363C.510 is hereby amended to read as follows:

38 363C.510 1. The health care and social assistance business
39 category (NAICS 62) includes all business entities primarily
40 engaged in providing health care and social assistance for natural
41 persons.

42 2. The amount of the commerce tax for a business entity
43 included in this category is the amount obtained by subtracting
44 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the



1 business entity for the taxable year and multiplying that amount by
2 0.190 percent.

3 **Sec. 24.** NRS 363C.520 is hereby amended to read as follows:

4 363C.520 1. The arts, entertainment and recreation business
5 category (NAICS 71) includes all business entities primarily
6 engaged in operating facilities or providing services to meet varied
7 cultural, entertainment and recreational interests of their patrons.

8 2. The amount of the commerce tax for a business entity
9 included in this category is the amount obtained by subtracting
10 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
11 business entity for the taxable year and multiplying that amount by
12 0.24 percent.

13 **Sec. 25.** NRS 363C.530 is hereby amended to read as follows:

14 363C.530 1. The accommodation business category (NAICS
15 721) includes all business entities primarily engaged in providing
16 lodging or short-term accommodations for travelers, vacationers and
17 others.

18 2. The amount of the commerce tax for a business entity
19 included in this category is the amount obtained by subtracting
20 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
21 business entity for the taxable year and multiplying that amount by
22 0.2 percent.

23 **Sec. 26.** NRS 363C.540 is hereby amended to read as follows:

24 363C.540 1. The food services and drinking places business
25 category (NAICS 722) includes all business entities primarily
26 engaged in preparing meals, snacks and beverages to customer order
27 for immediate on-premises and off-premises consumption.

28 2. The amount of the commerce tax for a business entity
29 included in this category is the amount obtained by subtracting
30 ~~[\$4,000,000]~~ \$8,000,000 from the Nevada gross revenue of the
31 business entity for the taxable year and multiplying that amount by
32 0.194 percent.

33 **Sec. 27.** NRS 363C.550 is hereby amended to read as follows:

34 363C.550 1. The other services business category (NAICS
35 81) includes all business entities primarily engaged in providing
36 services not included in any of the business categories described in
37 NRS 363C.310 to 363C.540, inclusive. Business entities in this
38 category are primarily engaged in activities such as repairing
39 equipment and machinery, promoting or administering religious
40 activities, grantmaking, advocacy, and providing dry cleaning and
41 laundry services, personal care services, death care services, pet care
42 services, photofinishing services, temporary parking services and
43 dating services.

44 2. The amount of the commerce tax for a business entity
45 included in this category is the amount obtained by subtracting



1 ~~[\$4,000,000]~~ **\$8,000,000** from the Nevada gross revenue of the
2 business entity for the taxable year and multiplying that amount by
3 0.142 percent.

4 **Sec. 28.** NRS 363C.560 is hereby amended to read as follows:

5 363C.560 1. The unclassified business category includes any
6 business entity not included in any of the business categories
7 established by NRS 363C.310 to 363C.550, inclusive.

8 2. The amount of the commerce tax for a business entity
9 included in this category is the amount obtained by subtracting
10 ~~[\$4,000,000]~~ **\$8,000,000** from the Nevada gross revenue of the
11 business entity for the taxable year and multiplying that amount by
12 0.128 percent.

13 **Sec. 29.** This act becomes effective on July 1, 2023.

