

Referendum Petition

REFERENDUM ON PROVISIONS RELATED TO THE COMMERCE TAX FROM

State of Nevada

SENATE BILL NO. 483 OF THE 2015 LEGISLATIVE SESSION

EXPLANATION – Matter in *bolded italics* and matter in brackets [omitted material] is the material from Senate Bill No. 483 to be considered for approval or disapproval in this referendum.

The People of the State of Nevada do enact as follows:

FULL TEXT OF THE PROPOSED MEASURE

FILED

MAY 23 2016 *klm*

SECRETARY OF STATE
ELECTIONS DIVISION

Section 1. Section 2 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 2 to 13, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 2. Section 3 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 3. “Business” means any activity engaged in or caused to be engaged in with the object of gain, benefit or advantage, either direct or indirect, to any person or governmental entity.

Sec. 3. Section 4 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 4. 1. Except as otherwise provided in subsection 2, “business entity” means a corporation, partnership, proprietorship, limited-liability company, business association, joint venture, limited-liability partnership, business trust, professional association, joint stock company, holding company and any other person engaged in a business.

2. “Business entity” does not include:

(a) Any person or other entity which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.

(b) A natural person, unless that person is engaging in a business and is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss from Business, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss from Farming, or its equivalent or successor form, for that business.

(c) A governmental entity.

(d) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(e) A business entity organized pursuant to chapter 82 or 84 of NRS.

(f) A credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act.

(g) A grantor trust as defined by section 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26 U.S.C. §§ 671 and 7701(a)(30)(E), all of the grantors and beneficiaries of which are natural persons or charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).

(h) An estate of a natural person as defined by section 7701(a)(30)(D) of the Internal Revenue Code, 26 U.S.C. § 7701(a)(30)(D), excluding an estate taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).

(i) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C. § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:

(1) A real estate investment trust with any amount of its assets in direct holdings of real estate, other than real estate it occupies for business purposes, as opposed to holding interests in limited partnerships or other

entities that directly hold the real estate, is a business entity pursuant to this section; and

(2) A limited partnership or other entity that directly holds the real estate as described in subparagraph (1) is a business entity pursuant to this section, without regard to whether a real estate investment trust holds an interest in it.

(j) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue Code, 26 U.S.C. § 860D.

(k) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).

(l) A passive entity.

(m) A person whose activities within this State are confined to the owning, maintenance and management of the person's intangible investments or of the intangible investments of persons or statutory trusts or business trusts registered as investment companies under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and the collection and distribution of the income from such investments or from tangible property physically located outside this State. For the purposes of this paragraph, “intangible investments” includes, without limitation, investments in stocks, bonds, notes and other debt obligations, including, without limitation, debt obligations of affiliated corporations, real estate investment trusts, patents, patent applications, trademarks, trade names and similar types of intangible assets or an entity that is registered as an investment company under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq.

(n) A person who takes part in an exhibition held in this State for a purpose related to the conduct of a business and is not required to obtain a state business license specifically for that event pursuant to NRS 360.780.

Sec. 4. Section 5 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 5. “Commerce tax” means the tax required to be paid pursuant to this chapter.

Sec. 5. Section 5.5 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 5.5. “Credit sales” means a sale of goods by a seller who accepts payments for the goods at a later time.

Sec. 6. Section 6 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 6. “Engaging in a business” means commencing, conducting or continuing a business, the exercise of corporate or franchise powers regarding a business, and the liquidation of a business which is or was engaging in a business when the liquidator holds itself out to the public as conducting that business.

Sec. 7. Section 7 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 7. “Governmental entity” means:

1. The United States and any of its unincorporated agencies and instrumentalities.

2. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.

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3. *The State of Nevada and any of its unincorporated agencies and instrumentalities.*

4. *Any county, city, district or other political subdivision of this State.*

Sec. 8. Section 8 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 8. 1. *Except as otherwise provided in subsection 3, "gross revenue" means the total amount realized by a business entity from engaging in a business in this State, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income, including, without limitation, the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.*

2. *Except as otherwise provided in subsection 3, the term includes, without limitation:*

(a) *Amounts realized from the sale, exchange or other disposition of a business entity's property;*

(b) *Amounts realized from the performance of services by a business entity;*

(c) *Amounts realized from another person's possession of the property or capital of a business entity; and*

(d) *Any combination of these amounts.*

3. *The term does not include:*

(a) *Amounts realized from the sale, exchange, disposition or other grant of the right to use trademarks, trade names, patents, copyrights and similar intellectual property;*

(b) *The value of cash discounts allowed by the business entity and taken by a customer;*

(c) *The value of goods or services provided to a customer on a complimentary basis;*

(d) *Amounts realized from a transaction subject to, described in, or equivalent to, section 118, 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031 or 1033 of the Internal Revenue Code, 26 U.S.C. § 118, 331, 332, 336, 338, 351, 355, 368, 721, 731, 1031 or 1033, regardless of the federal tax classification of the business entity under 26 C.F.R. § 301.7701-3;*

(e) *Amounts indirectly realized from a reduction of an expense or deduction;*

(f) *The value of property or services donated to a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), if the donation is tax deductible pursuant to the provisions of section 170(c) of the Internal Revenue Code, 26 U.S.C. § 170(c); and*

(g) *Amounts that are not considered revenue under generally accepted accounting principles.*

Sec. 9. Section 8.5 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 8.5. *"Loan" means any extension of credit or the purchase in whole or in part of an extension of credit from another person, including, without limitation, participations and syndications.*

Sec. 10. Section 9 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 9. *"Nevada gross revenue" means the gross revenue of a business entity from engaging in a business in this State, as adjusted pursuant to section 21 of this act and situated to this State pursuant to section 22 of this act.*

Sec. 11. Section 10 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 10. *"North American Industry Classification System" or "NAICS" means the 2012 North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce.*

Sec. 12. Section 10.5 of Senate Bill 483 of the 2015 Legislative Session:

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Sec. 10.5. *"Pass-through entity" means an entity that is disregarded as an entity for the purposes of federal income taxation or is treated as a partnership for the purposes of federal income taxation.*

Sec. 13. Section 11 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 11. 1. *"Pass-through revenue" means:*

(a) *Revenue received by a business entity that is required by law or fiduciary duty to be distributed to another person or governmental entity;*

(b) *Taxes collected from a third party by a business entity and remitted by the business entity to a taxing authority;*

(c) *Reimbursement for advances made by a business entity on behalf of a customer or client, other than with respect to services rendered or with respect to purchases of goods by the business entity in carrying out the business in which it engages;*

(d) *Revenue received by a business entity that is mandated by contract or subcontract to be distributed to another person or entity if the revenue constitutes:*

(1) *Sales commissions that are paid to a person who is not an employee of the business entity, including, without limitation, a split-fee real estate commission;*

(2) *The tax basis of securities underwritten by the business entity, as determined for the purposes of federal income taxation; or*

(3) *Subcontracting payments under a contract or subcontract entered into by a business entity to provide services, labor or materials in connection with the actual or proposed design, construction, remodeling, remediation or repair of improvements on real property or the location of the boundaries of real property;*

(e) *Revenue received by a business entity that provides legal services if the revenue received by the business entity is:*

(1) *Mandated by law, fiduciary duty or contract to be distributed to a claimant by the claimant's attorney or to another person or entity on behalf of a claimant by the claimant's attorney, including, without limitation, revenue received:*

(I) *For damages due to a client represented by the business entity;*

(II) *That is subject to a lien or other contractual obligation arising out of the representation provided by the business entity, other than fees owed to the business entity for the provision of legal services;*

(III) *That is subject to a subrogation interest or other third-party contractual claim; and*

(IV) *That is required to be paid to another attorney who provided legal services in a matter and who is not a member, partner, shareholder or employee of the business entity; and*

(2) *Reimbursement of the expenses incurred by the business entity in providing legal services to a claimant that are specific to the claimant's matter and that are not general operating expenses of the business entity; or*

(f) *Revenue received by a business entity that is part of an affiliated group from another member of the affiliated group.*

2. *As used in this section:*

(a) *"Affiliated group" means a group of two or more business entities, including, without limitation, a business entity described in subsection 2 of section 4 of this act, each of which is controlled by one or more common owners or by one or more members of the group.*

(b) *"Controlled by" means the direct or indirect ownership, control or possession of 50 percent or more of a business entity.*

(c) *"Sales commission" means:*

(1) *Any form of compensation paid to a person for engaging in an act for which a license is required pursuant to chapter 645 of NRS; or*

(2) *Compensation paid to a sales representative by a principal in an amount that is based on the amount or level of orders for or sales on*

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behalf of the principal and that the principal is required to report on Internal Revenue Service Form 1099-MISC, Miscellaneous Income.

Sec. 14. Section 11.5 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 11.5. "Securities" means United States Treasury securities, obligations of United States governmental agencies and corporations, obligations of a state or political subdivision, corporate stock, bonds, participations in securities backed by mortgages held by United States or state governmental agencies, loan-backed securities, money market instruments, federal funds, securities purchased and sold under agreements to resell or repurchase, commercial paper, banker's acceptances, purchased certificates of deposit, options, futures contracts, forward contracts, notional principal contracts, including, without limitation, swaps, and other similar securities and instruments.

Sec. 15. Section 12 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 12. "Taxable year" means the 12-month period beginning on July 1 and ending on June 30 of the following year.

Sec. 16. Section 13 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 13. "Wages" means any remuneration paid for personal services, including, without limitation, commissions and bonuses, and remuneration payable in any medium other than cash.

Sec. 17. Section 13.5 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 13.5. For the purposes of this chapter, unless otherwise indicated, section references are to the Internal Revenue Code of 1986, as amended, and include future amendments to such sections and corresponding provisions of future federal internal revenue laws.

Sec. 18. Section 14 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 14. 1. For the purposes of this chapter, a business is a "passive entity" only if:

(a) The business is a limited-liability company, general partnership, limited-liability partnership, limited partnership or limited-liability limited partnership, or a trust, other than a business trust;

(b) During the period for which the gross revenue of the business entity is reported pursuant to section 20 of this act, at least 90 percent of the business entity's federal gross income consists of the following income:

(1) Dividends, interest, foreign currency exchange gains, periodic and nonperiodic payments with respect to notional principal contracts, option premiums, cash settlements or termination payments with respect to a financial instrument, and income from a limited-liability company;

(2) Capital gains from the sale of real property, gains from the sale of commodities traded on a commodities exchange and gains from the sale of securities; and

(3) Royalties, bonuses or delay rental income from mineral properties and income from other nonoperating mineral interests; and

(c) The business entity does not receive more than 10 percent of its federal gross income from conducting an active trade or business.

2. As used in paragraph (b) of subsection 1, the term "income" does not include any:

(a) Rent; or

(b) Income received by a nonoperator from mineral properties under a joint operating agreement if the nonoperator is a member of an affiliated group and another member of that group is the operator under that joint operating agreement.

3. For the purposes of paragraph (c) of subsection 1:

(a) Except as otherwise provided in this subsection, a business entity is "conducting an active trade or business" if:

(1) The activities being carried on by the business entity include one or more active operations that form a part of the process of earning

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income or profit, and the business entity performs active management and operating functions; or

(2) Any assets, including, without limitation, royalties, patents, trademarks and other intangible assets, held by the business entity are used in the active trade or business of one or more related business entities.

(b) The ownership of a royalty interest or a nonoperating working interest in mineral rights does not constitute the conduct of an active trade or business.

(c) The payment of compensation to employees or independent contractors for financial or legal services reasonably necessary for the operation of a business does not constitute the conduct of an active trade or business.

(d) Holding a seat on the board of directors of a business entity does not by itself constitute the conduct of an active trade or business.

(e) Activities performed by a business entity include activities performed by persons outside the business entity, including independent contractors, to the extent that those persons perform services on behalf of the business entity and those services constitute all or any part of the business entity's trade or business.

Sec. 19. Section 15 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 15. For the purposes of this chapter, if a business entity engaging in a business in this State is engaged in business in more than one business category set forth in sections 24 to 49, inclusive, of this act, the business entity shall be deemed to be primarily engaged in the business category in which the highest percentage of its Nevada gross revenue is generated.

Sec. 20. Section 16 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 16. The Department shall:

1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for that purpose.

2. Deposit all fees, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

Sec. 21. Section 17 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 17. 1. Each person responsible for maintaining the records of a business entity shall:

(a) Keep such records as may be necessary to determine the amount of the liability of the business entity pursuant to the provisions of this chapter;

(b) Preserve those records for 4 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and

(c) Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.

2. The Department may by regulation specify the types of records which must be kept to determine the amount of the liability of a business entity pursuant to the provisions of this chapter. The regulations adopted by the Department pursuant to this subsection must specify the type of information that a business entity engaging in a business in this State must keep in the normal course of its financial recordkeeping for the purpose of determining the amount of the commerce tax owed by the business entity.

Sec. 22. Section 18 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 18. 1. To verify the accuracy of any return filed or, if no return is filed by a business entity, to determine the amount of the commerce tax required to be paid pursuant to this chapter, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the commerce tax.

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2. Any person who may be liable for the commerce tax and who keeps outside of this State any books, papers or records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of the State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he or she is absent from his or her regular place of employment to examine those documents.

Sec. 23. Section 19 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 19. The Executive Director may request from any other governmental agency or officer such information as the Executive Director deems necessary to carry out the provisions of this chapter. If the Executive Director obtains any confidential information pursuant to such a request, he or she shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.

Sec. 24. Section 20 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 20. 1. For the privilege of engaging in a business in this State, a commerce tax is hereby imposed upon each business entity whose Nevada gross revenue in a taxable year exceeds \$4,000,000 in an amount determined pursuant to sections 23 to 49, inclusive, of this act. The commerce tax is due and payable as provided in this section.

2. Each business entity engaging in a business in this State during a taxable year shall, on or before the 45th day immediately following the end of that taxable year, file with the Department a report on a form prescribed by the Department. The report required by this subsection must include such information as is required by the Department. A business entity shall remit with the return the amount of commerce tax due pursuant to subsection 1.

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

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

Sec. 25. Section 21 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 21. 1. In computing the commerce tax owed by a business entity pursuant to this chapter, the business entity is entitled to deduct from its gross revenue the following amounts, to the extent such amounts are included in gross revenue of the business entity:

(a) Any gross revenue which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.

(b) Any gross revenue of the business entity attributable to dividends and interest upon any bonds or securities of the Federal Government, the State of Nevada or a political subdivision of this State.

(c) If a business entity is required to pay a license fee pursuant to NRS 463.370, the amount of its gross receipts used to determine the amount of that fee.

(d) If the business entity is required to pay a tax on the net proceeds from mineral extraction and royalties subject to the excise tax pursuant to the provisions of NRS 362.100 to 362.240, inclusive, the amount of the gross proceeds used to determine the amount of that tax.

(e) If the business entity is required to pay the tax imposed by chapter 369 of NRS, an amount equal to the amount of the excise tax paid pursuant to that chapter by the business entity.

(f) If the business entity is required to pay the tax imposed pursuant to chapter 680B of NRS:

(1) The amount of the total income derived from direct premiums written and all other considerations for insurance, bail or annuity contracts used to determine the amount of the tax imposed pursuant to chapter 680B of NRS;

(2) Any amounts excluded from total income derived from direct premiums pursuant to NRS 680B.025; and

(3) Gross premiums upon policies on risks located in this State received by a factory mutual and amounts deducted from such gross premiums to determine the amount of the tax imposed by NRS 680B.027 upon the factory mutual pursuant to NRS 680B.033.

(g) If the business entity is required to pay the tax imposed pursuant to NRS 694C.450, the amount of the net direct premiums, as defined in that section, used to determine the amount of that tax.

(h) If the business entity is required to pay the tax imposed pursuant to NRS 685A.180, the amount of the premiums, as defined in that section, used to determine the amount of that tax.

(i) Except as otherwise provided by paragraph (j), the total amount of payments received by a health care provider:

(1) From Medicaid, Medicare, the Children's Health Insurance Program, the Fund for Hospital Care to Indigent Persons created pursuant to NRS 428.175 or TRICARE;

(2) For professional services provided in relation to a workers' compensation claim; and

(3) For the actual cost to the health care provider for any uncompensated care provided by the health care provider, except that if the health care provider later receives payment for all or part of that care, the health care provider must include the amount of the payment in his or her gross receipts for the calendar quarter in which the payment is received.

(j) If the business entity is engaging in a business in this State as a health care provider that is a health care institution, an amount equal to 50 percent of the amounts described in paragraph (i) that are received by the health care institution.

(k) If the business entity is engaging in business in this State as an employee leasing company, the amount of any payments received from a client company for wages, payroll taxes on those wages, employee benefits and workers' compensation benefits for employees leased to the client company.

(l) The amount of any pass-through revenue of the business entity.

(m) The tax basis of securities and loans sold by the business entity, as determined for the purposes of federal income taxation.

(n) The amount of revenue received by the business entity that is directly derived from the operation of a facility that is:

(1) Located on property owned or leased by the Federal Government; and

(2) Managed or operated primarily to house members of the Armed Forces of the United States.

(o) Interest income other than interest on credit sales.

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- (p) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity.
- (q) Receipts from the sale, exchange or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, 26 U.S.C. § 1221 or 1231, without regard to the length of time the business entity held the asset.
- (r) Receipts from a hedging transaction, as defined in section 1221 of the Internal Revenue Code, 26 U.S.C. § 1221, or a transaction accorded hedge accounting treatment under Statement No. 133 of the Financial Accounting Standards Board, Accounting for Derivative Instruments and Hedging Activities, to the extent the transaction is entered into primarily to protect a financial position, including, without limitation, managing the risk of exposure to foreign currency fluctuations that affect assets, liabilities, profits, losses, equity or investments in foreign operations, to interest rate fluctuations or to commodity price fluctuations. For the purposes of this paragraph, receipts from the actual transfer of title of real or tangible personal property to another business entity are not receipts from a hedging transaction or a transaction accorded hedge accounting treatment.
- (s) Proceeds received by a business entity that are attributable to the repayment, maturity or redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable instrument.
- (t) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan.
- (u) Proceeds received from the issuance of the business entity's own stock, options, warrants, puts or calls, from the sale of the business entity's treasury stock or as contributions to the capital of the business entity.
- (v) Proceeds received on account of payments from insurance policies, except those proceeds received for the loss of business revenue.
- (w) Damages received as a result of litigation in excess of amounts that, if received without litigation, would not have been included in the gross receipts of the business entity pursuant to this section.
- (x) Bad debts expensed for the purposes of federal income taxation.
- (y) Returns and refunds to customers.
- (z) Amounts realized from the sale of an account receivable to the extent the receipts from the underlying transaction were included in the gross receipts of the business entity.
- (aa) If the business entity owns an interest in a passive entity, the business entity's share of the net income of the passive entity, but only to the extent the net income of the passive entity was generated by the gross revenue of another business entity.
2. As used in this section:
- (a) "Children's Health Insurance Program" means the program established pursuant to 42 U.S.C. §§ 1397aa to 1397jj, inclusive, to provide health insurance for uninsured children from low-income families in this State.
- (b) "Client company" has the meaning ascribed to it in NRS 616B.670.
- (c) "Employee leasing company" has the meaning ascribed to it in NRS 616B.670.
- (d) "Health care institution" means:
- (1) A medical facility as defined in NRS 449.0151; and
 - (2) A pharmacy as defined in NRS 639.012.
- (e) "Health care provider" means a business that receives any payments listed in paragraph (i) of subsection 1 as a provider of health care services, including, without limitation, mental health care services.
- (f) "Medicaid" means the program established pursuant to Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., to provide assistance

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- for part or all of the cost of medical care rendered on behalf of indigent persons.
- (g) "Medicare" means the program of health insurance for aged persons and persons with disabilities established pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq.
- Sec. 26. Section 22 of Senate Bill 483 of the 2015 Legislative Session:
- Sec. 22. 1. In computing the commerce tax owed by a business entity, the gross revenue of the business entity, as adjusted pursuant to section 21 of this act, must be situated to this State in accordance with the following rules:
- (a) Gross rents and royalties from real property are situated to this State if the real property is located in this State.
- (b) Gross revenue from the sale of real property are situated to this State if the real property is located in this State.
- (c) Gross rents and royalties from tangible personal property is situated to this State to the extent the tangible personal property is located or used in this State.
- (d) Gross revenue from the sale of tangible personal property is situated to this State if the property is delivered or shipped to a buyer in this State, regardless of the F.O.B. point or any other condition of sale.
- (e) Gross revenue from the sale of transportation services is situated to this State if both the origin and the destination point of the transportation are located in this State.
- (f) Gross revenue from the sale of any services not otherwise described in this section is situated to this State in the proportion that the purchaser's benefit in this State, with respect to what was purchased, bears to the purchaser's benefit everywhere with respect to what was purchased. For the purposes of this paragraph, the physical location at which the purchaser of a service ultimately uses or receives the benefit of the service that was purchased is paramount in determining the proportion of the benefit in this State to the benefit everywhere. If the records of a business entity do not allow the taxpayer to determine that location, the business entity may use an alternative method to situs gross revenue pursuant to this section if the alternative method is reasonable, is consistently and uniformly applied and is supported by the taxpayer's records as those records exist when the service is provided or within a reasonable period of time thereafter.
- (g) Gross revenue not otherwise described in this section is situated to this State if the gross receipts are from business conducted in this State. For the purposes of this paragraph, the physical location of the purchaser is paramount in determining if business is done in this State. If the records of a business entity do not allow the business entity to determine the location of the purchaser, the gross revenue must not be considered to be from business conducted in this State.
2. If the application of the provisions of subsection 1 does not fairly represent the extent of the business conducted in this State by a business entity, the Department may authorize the business entity to the use of an alternative method of situsing gross revenue to this State.
- Sec. 27. Section 23 of Senate Bill 483 of the 2015 Legislative Session:
- Sec. 23. Except as otherwise provided in this section, the commerce tax required to be paid by a business entity engaging in a business in this State is equal to the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by the rate set forth in sections 24 to 48, inclusive, of this act for the business category in which the business entity is primarily engaged. If the business entity cannot be categorized in a business category set forth in sections 24 to 48, inclusive, of this act, the commerce tax required to be paid by that business entity is equal to the amount obtained by subtracting \$4,000,000 from the Nevada gross

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revenue of the business entity for the taxable year and multiplying that amount by the rate set forth in section 49 of this act.

Sec. 28. Section 24 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 24. 1. The agriculture, forestry, fishing and hunting business category (NAICS 11) includes all business entities primarily engaged in agricultural production or agricultural support activities, or both, including, without limitation, growing crops, raising animals, harvesting timber and harvesting fish and other animals from a farm, ranch or their natural habitats.

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

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

4. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.063 percent.

Sec. 29. Section 25 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 25. 1. The mining, quarrying and oil and gas extraction business category (NAICS 21) includes all business entities primarily engaged in mining operations and mining support activities, including, without limitation, extracting:

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

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

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

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

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

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

Sec. 30. Section 26 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 26. 1. The utilities and telecommunications business category (NAICS 22 and 517, respectively) includes:

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

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

2. This category does not include business entities primarily engaged in waste management and remediation services that are described in section 42 of this act.

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

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Sec. 31. Section 27 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 27. 1. The construction business category (NAICS 23) includes all business entities primarily engaged in the construction of buildings or engineering projects, such as highways and utility systems. Business entities engaged in the preparation of sites for new construction and business entities primarily engaged in subdividing land for sale as building sites also are included in this category.

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

3. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.083 percent.

Sec. 32. Section 28 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 28. 1. The manufacturing business category (NAICS 31, 32 and 33) includes all business entities primarily engaged in the mechanical, physical or chemical transformation of materials, substances or components into new products.

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

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

Sec. 33. Section 29 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 29. 1. The wholesale trade business category (NAICS 42) includes all business entities primarily engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

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

Sec. 34. Section 30 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 30. 1. The retail trade business category (NAICS 44 and 45) includes all businesses primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

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

Sec. 35. Section 31 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 31. 1. The air transportation business category (NAICS 481) includes all business entities primarily engaged in providing air transportation of passengers or cargo, or both, using aircraft, such as an airplane and helicopter.

2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the

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Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.058 percent.

Sec. 36. Section 32 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 32. 1. *The truck transportation business category (NAICS 484) includes all business entities primarily engaged in providing over-the-road transportation of cargo using motor vehicles, such as a truck and tractor trailer.*

2. *The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.202 percent.*

Sec. 37. Section 33 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 33. 1. *The rail transportation business category (NAICS 482) includes all business entities primarily engaged in providing rail transportation of passengers or cargo, or both, using railroad rolling stock.*

2. *The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.331 percent.*

Sec. 38. Section 34 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 34. 1. *The other transportation business category (NAICS 483, 485, 486, 487, 488, 491 and 492) includes all business entities primarily engaged in:*

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

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

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

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

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

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

(g) *Courier and messenger services, including, without limitation, the provision of intercity, local or international delivery of parcels and documents without operating under a universal service obligation.*

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

Sec. 39. Section 35 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 35. 1. *The warehousing and storage business category (NAICS 493) includes all business entities primarily engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods and other warehouse products.*

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

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Sec. 40. Section 36 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 36. 1. *The publishing, software and data processing business category (NAICS 511, 512, 515 and 518) includes all business entities primarily engaged in:*

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

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

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

(d) *Data processing, hosting and related services, including, without limitation, the provision of infrastructure for hosting and 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.253 percent.*

Sec. 41. Section 37 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 37. 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.111 percent.*

Sec. 42. Section 38 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 38. 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.25 percent.*

Sec. 43. Section 39 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 39. 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.181 percent.*

Sec. 44. Section 40 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 40. 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 or organizational planning and decision-making role of the company or enterprise.*

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

Sec. 45. Section 41 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 41. 1. The administrative and support services business category (NAICS 561) includes all business entities primarily engaged in activities that support the day-to-day operations of other organizations.

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

Sec. 46. Section 42 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 42. 1. The waste management and remediation services business category (NAICS 562) includes all business entities primarily engaged in the collection, treatment and disposal of waste materials.

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

Sec. 47. Section 43 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 43. 1. The educational services business category (NAICS 61) includes all businesses primarily engaged in providing instruction and training in a wide variety of subjects.

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

Sec. 48. Section 44 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 44. 1. The health care and social assistance business category (NAICS 62) includes all business entities primarily engaged in providing health care and social assistance for natural persons.

2. The amount of the commerce tax for a business entity included in this category is the amount obtained by subtracting \$4,000,000 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.190 percent.

Sec. 49. Section 45 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 45. 1. The arts, entertainment and recreation business category (NAICS 71) includes all business entities primarily engaged in operating facilities or providing services to meet varied cultural, entertainment and recreational interests of their patrons.

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

Sec. 50. Section 46 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 46. 1. The accommodation business category (NAICS 721) includes all business entities primarily engaged in providing lodging or short-term accommodations for travelers, vacationers and 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.2 percent.

Sec. 51. Section 47 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 47. 1. The food services and drinking places business category (NAICS 722) includes all business entities primarily engaged in preparing meals, snacks and beverages to customer order for immediate on-premises and off-premises consumption.

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

Sec. 52. Section 48 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 48. 1. The other services business category (NAICS 81) includes all business entities primarily engaged in providing services not included in any of the business categories described in sections 24 to 47, inclusive, of this act. Business entities in this category are primarily engaged in activities such as repairing equipment and machinery, promoting or administering religious activities, grantmaking, advocacy, and providing dry cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services and dating 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 from the Nevada gross revenue of the business entity for the taxable year and multiplying that amount by 0.142 percent.

Sec. 53. Section 49 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 49. 1. The unclassified business category includes any business entity not included in any of the business categories established by sections 24 to 48, inclusive, of this act.

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

Sec. 54. Section 50 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 50. A business entity's method of accounting for gross revenue for a taxable year for the purposes of determining the amount of the commerce tax owed by the business entity must be the same as the business's method of accounting for federal income tax purposes for the business's federal taxable year which includes that calendar quarter. If a business entity's method of accounting for federal income tax purposes changes, its method of accounting for gross revenue pursuant to this chapter must be changed accordingly.

Sec. 55. Section 51 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 51. If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after being credited against any amount then due from the person in accordance with NRS 360.236, be refunded to the person or his or her successors in interest.

Sec. 56. Section 52 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 52. 1. Except as otherwise provided in NRS 360.235 and 360.395:

(a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the last month of the taxable year for which the overpayment was made.

(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.

2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.

3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.

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4. *Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.*

Sec. 57. Section 53 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 53. 1. *Except as otherwise provided in this section and NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of the commerce tax at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.*

2. *If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.*

Sec. 58. Section 54 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 54. 1. *No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of this State to prevent or enjoin the collection under this chapter of the commerce tax or any amount of tax, penalty or interest required to be collected.*

2. *No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.*

Sec. 59. Section 55 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 55. 1. *Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State where the claimant resides or maintains his or her principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.*

2. *Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.*

Sec. 60. Section 56 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 56. 1. *If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.*

2. *If judgment is rendered for the plaintiff, the amount of the judgment must first be credited toward any tax due from the plaintiff.*

3. *The balance of the judgment must be refunded to the plaintiff.*

Sec. 61. Section 57 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 57. *In any judgment, interest must be allowed at the rate of 3 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.*

Sec. 62. Section 58 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 58. *A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.*

Sec. 63. Section 59 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 59. 1. *The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which*

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is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.

2. *The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.*

3. *The Attorney General shall prosecute the action, and the provisions of the Nevada Revised Statutes, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.*

Sec. 64. Section 60 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 60. 1. *If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify that fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.*

2. *If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the return, the Department, without certifying that fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.*

Sec. 65. Section 61 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 61. *The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.*

Sec. 66. Section 62 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 62. Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by sections 2 to 61, inclusive, of this act for the preceding fiscal year.*

2. *Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by sections 2 to 61, inclusive, of this act, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.*

3. *Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.*

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4. If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:

(a) The Department is no longer required to make the determinations required by subsections 1 and 2; and

(b) The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 3.

Sec. 67. Section 63 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 63. NRS 360.2937 is hereby amended to read as follows:

360.2937 1. Except as otherwise provided in this section and NRS 360.320 or any other specific statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment of any tax provided for in chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A or 377C of NRS, or sections 2 to 61, inclusive, of this act, any fee provided for in NRS 444A.090 or 482.313, or any assessment provided for in NRS 585.497, at the rate of 0.25 percent per month from the last day of the calendar month following the period for which the overpayment was made.

2. No refund or credit may be made of any interest imposed on the person making the overpayment with respect to the amount being refunded or credited.

3. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if the person has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

Sec. 68. Section 64 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 64. NRS 360.300 is hereby amended to read as follows:

360.300 1. If a person fails to file a return or the Department is not satisfied with the return or returns of any tax, contribution or premium or amount of tax, contribution or premium required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, or sections 2 to 61, inclusive, of this act, as administered or audited by the Department, it may compute and determine the amount required to be paid upon the basis of:

(a) The facts contained in the return;

(b) Any information within its possession or that may come into its possession; or

(c) Reasonable estimates of the amount.

2. One or more deficiency determinations may be made with respect to the amount due for one or for more than one period.

3. In making its determination of the amount required to be paid, the Department shall impose interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in NRS 360.417, unless a different rate of interest is specifically provided by statute.

4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination that is made in the case of the failure of a person to file a return with the Department.

5. When a business is discontinued, a determination may be made at any time thereafter within the time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of whether the determination is issued before the due date of the liability.

Sec. 69. Section 65 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 65. NRS 360.417 is hereby amended to read as follows:

360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty or rate of interest is specifically provided by

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statute, any person who fails to pay any tax provided for in chapter 362, 363A, 363B, 369, 370, 372, 374, 377, 377A, 377C, 444A or 585 of NRS, or sections 2 to 61, inclusive, of this act, or any fee provided for in NRS 482.313, and any person or governmental entity that fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 70. Section 66 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 66. NRS 360.510 is hereby amended to read as follows:

360.510 1. If any person is delinquent in the payment of any tax or fee administered by the Department or if a determination has been made against the person which remains unpaid, the Department may:

(a) Not later than 3 years after the payment became delinquent or the determination became final; or

(b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate constituting a lien for tax owed,

give a notice of the delinquency and a demand to transmit personally or by registered or certified mail to any person, including, without limitation, any officer or department of this State or any political subdivision or agency of this State, who has in his or her possession or under his or her control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or that person. In the case of any state officer, department or agency, the notice must be given to the officer, department or agency before the Department presents the claim of the delinquent taxpayer to the State Controller.

2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it by that person before it honors the notice of the Department.

3. After receiving the demand to transmit, the person notified by the demand may not transfer or otherwise dispose of the credits, other personal property, or debts in his or her possession or under his or her control at the time the person received the notice until the Department consents to a transfer or other disposition.

4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to transmit, inform the Department of and transmit to the Department all such credits, other personal property or debts in his or her possession, under his or her control or owing by that person within the time and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further notice is required to be served to that person.

5. If the property of the delinquent taxpayer consists of a series of payments owed to him or her, the person who owes or controls the payments shall transmit the payments to the Department until otherwise notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the Department issued the original demand to transmit, the Department shall issue another demand to transmit to the person responsible for making the payments informing him or her to continue to transmit payments to the Department or that his or her duty to transmit the payments to the Department has ceased.

6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a bank or credit union or other credits or

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personal property in the possession or under the control of a bank, credit union or other depository institution, the notice must be delivered or mailed to any branch or office of the bank, credit union or other depository institution at which the deposit is carried or at which the credits or personal property is held.

7. If any person notified by the notice of the delinquency makes any transfer or other disposition of the property or debts required to be withheld or transmitted, to the extent of the value of the property or the amount of the debts thus transferred or paid, that person is liable to the State for any indebtedness due pursuant to this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS *or sections 2 to 61, inclusive, of this act* from the person with respect to whose obligation the notice was given if solely by reason of the transfer or other disposition the State is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

Sec. 71. Section 68 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 68. NRS 363A.130 is hereby amended to read as follows:

363A.130 1. ~~{There}~~ *Except as otherwise provided in section 62 of this act, there* is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer.

2. The tax imposed by this section:

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this section for that calendar quarter.

4. *In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.*

Sec. 72. Section 70 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 70. NRS 363B.110 is hereby amended to read as follows:

363B.110 1. ~~{There}~~ *Except as otherwise provided in section 62 of this act, there* is hereby imposed an excise tax on each employer at the rate of 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer exceeds \$50,000.

2. The tax imposed by this section:

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(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

4. *In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to sections 2 to 61, inclusive, of this act for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.*

Sec. 73. Section 76 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 76. NRS 78.245 is hereby amended to read as follows:

78.245 ~~{No}~~

1. *Except as otherwise provided in subsection 2, no* stocks, bonds or other securities issued by any corporation organized under this chapter, nor the income or profits therefrom, nor the transfer thereof by assignment, descent, testamentary disposition or otherwise, shall be taxed by this State when such stocks, bonds or other securities shall be owned by nonresidents of this State or by foreign corporations.

2. *The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to sections 2 to 61, inclusive, of this act.*

Sec. 74. Section 77 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 77. NRS 90.420 is hereby amended to read as follows:

90.420 1. The Administrator by order may deny, suspend or revoke any license, fine any licensed person, limit the activities governed by this chapter that an applicant or licensed person may perform in this State, bar an applicant or licensed person from association with a licensed broker-dealer or investment adviser or bar from employment with a licensed broker-dealer or investment adviser a person who is a partner, officer, director, sales representative, investment adviser or representative of an investment adviser, or a person occupying a similar status or performing a similar function for an applicant or licensed person, if the Administrator finds that the order is in the public interest and that the applicant or licensed person or, in the case of a broker-dealer or investment adviser, any partner, officer, director, sales representative, investment adviser, representative of an investment adviser, or person occupying a similar status or performing similar functions or any person directly or indirectly controlling the broker-dealer or investment adviser, or any transfer agent or any person directly or indirectly controlling the transfer agent:

(a) Has filed an application for licensing with the Administrator which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in a material respect or contained a statement that was, in light of the circumstances under which it was made, false or misleading with respect to a material fact;

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(b) Has violated or failed to comply with a provision of this chapter as now or formerly in effect or a regulation or order adopted or issued under this chapter;

(c) Is the subject of an adjudication or determination after notice and opportunity for hearing, within the last 5 years by a securities agency or administrator of another state or a court of competent jurisdiction that the person has violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act or the securities law of any other state, but only if the acts constituting the violation of that state's law would constitute a violation of this chapter had the acts taken place in this State;

(d) Has been convicted of a felony or, within the previous 10 years has been convicted of a misdemeanor, which the Administrator finds:

(1) Involves the purchase or sale of a security, taking a false oath, making a false report, bribery, perjury, burglary, robbery or conspiracy to commit any of the foregoing offenses;

(2) Arises out of the conduct of business as a broker-dealer, investment adviser, depository institution, insurance company or fiduciary;

(3) Involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion or misappropriation of money or securities or conspiracy to commit any of the foregoing offenses; or

(4) Involves moral turpitude;

(e) Is or has been permanently or temporarily enjoined by any court of competent jurisdiction, unless the order has been vacated, from acting as an investment adviser, representative of an investment adviser, underwriter, broker-dealer or as an affiliated person or employee of an investment company, depository institution or insurance company or from engaging in or continuing any conduct or practice in connection with any of the foregoing activities or in connection with the purchase or sale of a security;

(f) Is or has been the subject of an order of the Administrator, unless the order has been vacated, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(g) Is or has been the subject of any of the following orders which were issued within the last 5 years, unless the order has been vacated:

(1) An order by the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Commodity Futures Trading Commission, or by the Securities and Exchange Commission or a comparable regulatory agency of another country, entered after notice and opportunity for hearing, denying, suspending or revoking the person's license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(2) A suspension or expulsion from membership in or association with a member of a self-regulatory organization;

(3) An order by a self-regulatory organization that prohibits the person from serving, indefinitely or for a specified period, as a principal or in a supervisory capacity within a business or organization which is a member of a self-regulatory organization;

(4) An order of the United States Postal Service relating to fraud;

(5) An order to cease and desist entered after notice and opportunity for hearing by the Administrator, the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Securities and Exchange Commission or a comparable regulatory agency of another country, or the Commodity Futures Trading Commission; or

(6) An order by the Commodity Futures Trading Commission denying, suspending or revoking registration under the Commodity Exchange Act;

(h) Has engaged in unethical or dishonest practices in the securities business;

(i) Is insolvent, either in the sense that liabilities exceed assets or in the sense that obligations cannot be met as they mature, but the Administrator may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser;

(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~{} or sections 2 to 61, inclusive, of this act;~~

(k) Is determined by the Administrator in compliance with NRS 90.430 not to be qualified on the basis of lack of training, experience and knowledge of the securities business; or

(l) Has failed reasonably to supervise a sales representative, employee or representative of an investment adviser.

2. The Administrator may not institute a proceeding on the basis of a fact or transaction known to the director when the license became effective unless the proceeding is instituted within 90 days after issuance of the license.

3. If the Administrator finds that an applicant or licensed person is no longer in existence or has ceased to do business as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent or is adjudicated mentally incompetent or subjected to the control of a committee, conservator or guardian or cannot be located after reasonable search, the Administrator may by order deny the application or revoke the license.

Sec. 75. Section 78 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 78. NRS 90.730 is hereby amended to read as follows:

90.730 1. Except as otherwise provided in subsection 2, information and records filed with or obtained by the Administrator are public information and are available for public examination.

2. Except as otherwise provided in subsections 3 and 4 and NRS 239.0115, the following information and records do not constitute public information under subsection 1 and are confidential:

(a) Information or records obtained by the Administrator in connection with an investigation concerning possible violations of this chapter; and

(b) Information or records filed with the Administrator in connection with a registration statement filed under this chapter or a report under NRS 90.390 which constitute trade secrets or commercial or financial information of a person for which that person is entitled to and has asserted a claim of privilege or confidentiality authorized by law.

3. The Administrator may submit any information or evidence obtained in connection with an investigation to the:

(a) Attorney General or appropriate district attorney for the purpose of prosecuting a criminal action under this chapter; and

(b) Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS ~~{} and the chapter consisting of sections 2 to 61, inclusive, of this act.~~

4. The Administrator may disclose any information obtained in connection with an investigation pursuant to NRS 90.620 to the agencies and administrators specified in subsection 1 of NRS 90.740 but only if disclosure is provided for the purpose of a civil, administrative or criminal investigation or proceeding, and the receiving agency or administrator represents in writing that under applicable law protections exist to preserve the integrity, confidentiality and security of the information.

5. This chapter does not create any privilege or diminish any privilege existing at common law, by statute, regulation or otherwise.

Sec. 76. Section 79 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 79. NRS 604A.820 is hereby amended to read as follows:

604A.820 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall

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give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order either dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.

(b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including investigative costs and attorney's fees of the Commissioner.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted pursuant thereto;

(c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~and~~ *or sections 2 to 61, inclusive, of this act*;

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter; or

(e) The licensee:

(1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or

(2) Has failed to remain open for the conduct of the business for a period of 180 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 77. Section 80 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 80. NRS 612.265 is hereby amended to read as follows:

612.265 1. Except as otherwise provided in this section and NRS 239.0115 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's or employing unit's identity.

2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the proper presentation of the claimant's claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.

3. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:

(a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices;

(b) Any state or local agency for the enforcement of child support;

(c) The Internal Revenue Service of the Department of the Treasury;

(d) The Department of Taxation; and

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(e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.

4. Upon written request made by a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.

5. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

6. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.

7. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

8. In addition to the provisions of subsection 5, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS ~~and~~ *and the chapter consisting of sections 2 to 61, inclusive, of this act*. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

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9. A private carrier that provides industrial insurance in this State shall submit to the Administrator a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS during the preceding month and request that the Administrator compare the information so provided with the records of the Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the private carrier must be in a form determined by the Administrator and must contain the social security number of each such person. Upon receipt of the request, the Administrator shall make such a comparison and, if it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency. The Administrator shall charge a fee to cover the actual costs of any related administrative expenses.

10. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.

11. If any employee or member of the Board of Review, the Administrator or any employee of the Administrator, in violation of the provisions of this section, discloses information obtained from any employing unit or person in the administration of this chapter, or if any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter uses or permits the use of the list for any political purpose, he or she is guilty of a gross misdemeanor.

12. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

Sec. 78. Section 81 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 81. NRS 616B.012 is hereby amended to read as follows:

616B.012 1. Except as otherwise provided in this section and NRS 239.0115, 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's identity.

2. Any claimant or legal representative of the claimant is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, or chapter 617 of NRS.

3. The Division and Administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:

- (a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;
- (b) Any state or local agency for the enforcement of child support;
- (c) The Internal Revenue Service of the Department of the Treasury;
- (d) The Department of Taxation; and
- (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or

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agencies for purposes appropriate to the operation of a program of industrial insurance.

4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to the local government. The insurer may charge a reasonable fee for the cost of providing the requested information.

5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit to the Administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.

6. Upon request by the Department of Taxation, the Administrator shall provide:

- (a) Lists containing the names and addresses of employers; and
- (b) Other information concerning employers collected and maintained by the Administrator or the Division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS, to the Department for its use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS ~~and the chapter consisting of sections 2 to 61, inclusive, of this act~~. The Administrator may charge a reasonable fee to cover any related administrative expenses.

7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.

8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.

9. The provisions of this section do not prohibit the Administrator or the Division from disclosing any nonproprietary information relating to an uninsured employer or proof of industrial insurance.

Sec. 79. Section 82 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 82. NRS 645B.060 is hereby amended to read as follows:

645B.060 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage brokers and mortgage agents doing business in this State.

2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:

- (a) Adopt regulations:

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(1) Setting forth the requirements for an investor to acquire ownership of or a beneficial interest in a loan secured by a lien on real property. The regulations must include, without limitation, the minimum financial conditions that the investor must comply with before becoming an investor.

(2) Establishing reasonable limitations and guidelines on loans made by a mortgage broker to a director, officer, mortgage agent or employee of the mortgage broker.

(b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan brokerage fees.

(c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage broker doing business in this State. The annual examination must include, without limitation, a formal exit review with the mortgage broker. The Commissioner shall adopt regulations prescribing:

(1) Standards for determining the rating of each mortgage broker based upon the results of the annual examination; and

(2) Procedures for resolving any objections made by the mortgage broker to the results of the annual examination. The results of the annual examination may not be opened to public inspection pursuant to NRS 645B.090 until after a period of time set by the Commissioner to determine any objections made by the mortgage broker.

(e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage brokers and mortgage agents. The Commissioner shall adopt regulations specifying the general guidelines that will be followed when a periodic or special audit of a mortgage broker is conducted pursuant to this chapter.

(f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:

(1) The Legislative Auditor; or

(2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS ~~1-1~~ and sections 2 to 61, inclusive, of this act.

(g) Conduct such examinations and investigations as are necessary to ensure that mortgage brokers and mortgage agents meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

3. For each special audit, investigation or examination, a mortgage broker or mortgage agent shall pay a fee based on the rate established pursuant to NRS 645F.280.

4. The Commissioner may conduct examinations of a mortgage broker, as described in paragraph (d) of subsection 2, on a biennial instead of an annual basis if the mortgage broker:

(a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;

(b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage broker;

(c) Has not had any complaints received by the Division that resulted in any administrative action by the Division; and

(d) Does not maintain any trust accounts pursuant to NRS 645B.170 or 645B.175 or arrange loans funded by private investors.

Sec. 80. Section 83 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 83. NRS 645B.670 is hereby amended to read as follows:

645B.670 1. Except as otherwise provided in NRS 645B.690:

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(a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:

(1) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(2) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

(b) For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage broker's license, or may do both, if the mortgage broker, whether or not acting as such:

(1) Is insolvent;

(2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;

(3) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(4) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;

(5) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(6) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the exercise of reasonable diligence, should have known;

(7) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;

(8) Has failed to account to persons interested for all money received for a trust account;

(9) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(12) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(13) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

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(14) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(16) Has repeatedly violated the policies and procedures of the mortgage broker;

(17) Has failed to exercise reasonable supervision and control over the activities of a mortgage agent as required by NRS 645B.460;

(18) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;

(19) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

(I) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering; or

(II) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license or registration revoked within the immediately preceding 10 years;

(20) Has violated NRS 645C.557;

(21) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~§~~ or sections 2 to 61, inclusive, of this act; or

(22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as remuneration for the services of a mortgage agent to a person other than a mortgage agent who:

(I) Is an employee of or associated with the mortgage broker; or

(II) If the mortgage agent is required to register with the Registry, is an employee of and whose sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of NRS 645B.450.

(c) For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:

(1) Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;

(2) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(3) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage agent knew or, by the exercise of reasonable diligence, should have known;

(4) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;

(5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at

any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(6) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(7) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(9) Has violated NRS 645C.557;

(10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed;

(11) Has, directly or indirectly, received any commission, fees, points or any other compensation as remuneration for his or her services as a mortgage agent:

(I) From a person other than the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or

(II) If the mortgage agent is required to be registered with the Registry, from a person other than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was entered as required by subsection 2 of NRS 645B.450; or

(12) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.

2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of this chapter.

Sec. 81. Section 84 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 84. NRS 645E.300 is hereby amended to read as follows:

645E.300 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage bankers doing business in this State.

2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:

(a) Adopt regulations establishing reasonable limitations and guidelines on loans made by a mortgage banker to a director, officer or employee of the mortgage banker.

(b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan fees.

(c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage banker doing business in this State.

(e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage bankers.

(f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:

(1) The Legislative Auditor; or

(2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS ~~§~~ and sections 2 to 61, inclusive, of this act.

(g) Conduct such examinations and investigations as are necessary to ensure that mortgage bankers meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

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3. For each special audit, investigation or examination, a mortgage banker shall pay a fee based on the rate established pursuant to NRS 645F.280.

4. The Commissioner may conduct biennial examinations of a mortgage banker instead of annual examinations, as described in paragraph (d) of subsection 2, if the mortgage banker:

(a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;

(b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage banker; and

(c) Has not had any complaints received by the Division that resulted in any administrative action by the Division.

Sec. 82. Section 85 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 85. NRS 645E.670 is hereby amended to read as follows:

645E.670 1. For each violation committed by an applicant, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than \$25,000 if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such:

(a) Is insolvent;

(b) Is grossly negligent or incompetent in performing any act for which the licensee is required to be licensed pursuant to the provisions of this chapter;

(c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that the licensee cannot continue in business with safety to his or her customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by the licensee, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

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(j) Has been convicted of, or entered or agreed to enter a plea of nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act~~;

(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(o) Has violated NRS 645C.557;

(p) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use; or

(q) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.

3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 83. Section 86 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 86. NRS 658.151 is hereby amended to read as follows:

658.151 1. The Commissioner may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the depository institution:

(a) Has violated its charter or any laws applicable thereto.

(b) Is conducting its business in an unauthorized or unsafe manner.

(c) Is in an unsafe or unsound condition to transact its business.

(d) Has an impairment of its stockholders' or members' equity.

(e) Has refused to pay its depositors in accordance with the terms on which such deposits were received, or has refused to pay its holders of certificates of indebtedness or investment in accordance with the terms upon which those certificates of indebtedness or investment were sold.

(f) Has become or is in imminent danger of becoming otherwise insolvent.

(g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.

(h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.

(i) Has made a voluntary assignment of its assets to trustees.

(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act~~.

2. The Commissioner also may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the officers of the depository institution have refused to be examined upon oath regarding its affairs.

Sec. 84. Section 87 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 87. NRS 665.133 is hereby amended to read as follows:

665.133 1. The records and information described in NRS 665.130 may be disclosed to:

(a) An agency of the Federal Government or of another state which regulates the financial institution which is the subject of the records or information;

(b) The Director of the Department of Business and Industry for the Director's confidential use;

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(c) The State Board of Finance for its confidential use, if the report or other information is necessary for the State Board of Finance to perform its duties under this title;

(d) The Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS ~~that~~ *and the chapter consisting of sections 2 to 61, inclusive, of this act*;

(e) An entity which insures or guarantees deposits;

(f) A public officer authorized to investigate criminal charges in connection with the affairs of the depository institution;

(g) A person preparing a proposal for merging with or acquiring an institution or holding company, but only after notice of the disclosure has been given to the institution or holding company;

(h) Any person to whom the subject of the report has authorized the disclosure;

(i) Any other person if the Commissioner determines, after notice and opportunity for hearing, that disclosure is in the public interest and outweighs any potential harm to the depository institution and its stockholders, members, depositors and creditors; and

(j) Any court in a proceeding initiated by the Commissioner concerning the financial institution.

2. All the reports made available pursuant to this section remain the property of the Division of Financial Institutions, and no person, agency or authority to whom the reports are made available, or any officer, director or employee thereof, may disclose any of the reports or any information contained therein, except in published statistical material that does not disclose the affairs of any natural person or corporation.

Sec. 85. Section 88 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 88. NRS 669.275 is hereby amended to read as follows:

669.275 1. The Commissioner may require a licensee to provide an audited financial statement prepared by an independent certified public accountant licensed to do business in this State.

2. On the fourth Monday in January of each year, each licensee shall submit to the Commissioner a list of stockholders required to be maintained pursuant to paragraph (c) of subsection 1 of NRS 78.105 or the list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241, verified by the president or a manager, as appropriate.

3. The list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241 must include the percentage of each member's interest in the company, in addition to the requirements set forth in that section.

4. Except as otherwise provided in NRS 239.0115, any document submitted pursuant to this section is confidential. *This subsection does not limit the examination of any document by the Department of Taxation if necessary to carry out the provisions of sections 2 to 61, inclusive, of this act.*

Sec. 86. Section 89 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 89. NRS 669.2825 is hereby amended to read as follows:

669.2825 1. The Commissioner may institute disciplinary action or forthwith initiate proceedings to take possession of the business and property of any retail trust company when it appears that the retail trust company:

(a) Has violated its charter or any state or federal laws applicable to the business of a trust company.

(b) Is conducting its business in an unauthorized or unsafe manner.

(c) Is in an unsafe or unsound condition to transact its business.

(d) Has an impairment of its stockholders' equity.

(e) Has refused to pay or transfer account assets to its account holders as required by the terms of the accounts' governing instruments.

(f) Has become insolvent.

(g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.

(h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.

(i) Has made a voluntary assignment of its assets to receivers, conservators, trustees or creditors without complying with NRS 669.230.

(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~that~~ *or sections 2 to 61, inclusive, of this act.*

(k) Has materially and willfully breached its fiduciary duties to its customers.

(l) Has failed to properly disclose all fees, interest and other charges to its customers.

(m) Has willfully engaged in material conflicts of interest regarding a customer's account.

(n) Has made intentional material misrepresentations regarding any aspect of the services performed or proposed to be performed by the retail trust company.

2. The Commissioner also may forthwith initiate proceedings to take possession of the business and property of any trust company when it appears that the officers of the trust company have refused to be examined upon oath regarding its affairs.

Sec. 87. Section 90 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 90. NRS 669.2847 is hereby amended to read as follows:

669.2847 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give at least 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.

(b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any regulation adopted pursuant thereto or any lawful order of the Division of Financial Institutions;

(c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~that~~ *or sections 2 to 61, inclusive, of this act*;

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter; or

(e) The licensee:

(1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or

(2) Has failed to remain open for the conduct of the business for a period of 30 days without good cause therefor.

4. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 88. Section 91 of Senate Bill 483 of the 2015 Legislative Session:

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Sec. 91. NRS 669.285 is hereby amended to read as follows:

669.285 Except as otherwise provided in NRS 239.0115, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter and any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division are confidential and may be disclosed only to:

1. The Division, any authorized employee of the Division and any state or federal agency investigating the activities covered under the provisions of this chapter; ~~and~~

2. *The Department of Taxation for its use in carrying out the provisions of sections 2 to 61, inclusive, of this act; and*

3. Any person when the Commissioner, in the Commissioner's discretion, determines that the interests of the public that would be protected by disclosure outweigh the interest of any person in the confidential information not being disclosed.

Sec. 89. Section 92 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 92. NRS 669A.310 is hereby amended to read as follows:

669A.310 1. Except as otherwise provided in this section, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter, any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division pursuant to this chapter and any other private information relating to a family trust company are confidential and may be disclosed only to:

(a) The Division, any authorized employee of the Division and a state or federal agency investigating activities regulated pursuant to this chapter; ~~and~~

(b) *The Department of Taxation for its use in carrying out the provisions of sections 2 to 61, inclusive, of this act; and*

(c) Any other person if the Commissioner, in the Commissioner's discretion, determines that the interests of the public in disclosing the information outweigh the interests of the person about whom the information pertains in not disclosing the information.

2. The Commissioner shall give to the family trust company to which the information relates 10-days' prior written notice of intent to disclose confidential information directly or indirectly to a person pursuant to paragraph ~~{(b)}~~ (c) of subsection 1. Any family trust company which receives such a notice may object to the disclosure of the confidential information and will be afforded the right to a hearing in accordance with the provisions of chapter 233B of NRS. If a family trust company requests a hearing, the Commissioner may not reveal confidential information prior to the conclusion of the hearing and a ruling. Prior to dissemination of any confidential information, the Commissioner shall require a written agreement not to reveal the confidential information by the party receiving the confidential information. In no event shall the Commissioner disclose confidential information to the general public, any competitor or any potential competitor of a family trust company.

3. Nothing in this chapter is intended to preclude a law enforcement officer from gaining access to otherwise confidential records by subpoena, court order, search warrant or other lawful means. Notwithstanding any other provision of this chapter, the Commissioner shall have the ability to share information with other out of state or federal regulators with whom the Department of Business and Industry has an agreement regarding the sharing of information. Nothing in this chapter is intended to preclude any agency of this State from gaining access to otherwise confidential records in accordance with any applicable law.

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Sec. 90. Section 93 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 93. NRS 673.484 is hereby amended to read as follows:

673.484 The Commissioner may after notice and hearing suspend or revoke the charter of any association for:

1. Repeated failure to abide by the provisions of this chapter or the regulations adopted thereunder.

2. Failure to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act.~~

Sec. 91. Section 94 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 94. NRS 675.440 is hereby amended to read as follows:

675.440 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order either dismissing the charges, revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.

(b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted under it.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted under it;

(c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act;~~

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or

(e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 92. Section 95 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 95. NRS 677.510 is hereby amended to read as follows:

677.510 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:

(a) Enter a written order either dismissing the charges, or revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.

(b) Impose upon the licensee an administrative fine of not more than \$10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted pursuant thereto.

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(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney's fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter, or any lawful regulation adopted pursuant thereto;

(c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act~~;

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license hereunder; or

(e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 93. Section 96 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 96. NRS 680B.037 is hereby amended to read as follows:

680B.037 ~~{Payment}~~

1. *Except as otherwise provided in subsection 2, payment* by an insurer of the tax imposed by NRS 680B.027 is in lieu of all taxes imposed by the State or any city, town or county upon premiums or upon income of insurers and of franchise, privilege or other taxes measured by income of the insurer.

2. *The provisions of subsection 1 do not apply to the commerce tax imposed pursuant to the provisions of sections 2 to 61, inclusive, of this act.*

Sec. 94. Section 97 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 97. NRS 683A.451 is hereby amended to read as follows:

683A.451 The Commissioner may refuse to issue a license or certificate pursuant to this chapter or may place any person to whom a license or certificate is issued pursuant to this chapter on probation, suspend the person for not more than 12 months, or revoke or refuse to renew his or her license or certificate, or may impose an administrative fine or take any combination of the foregoing actions, for one or more of the following causes:

1. Providing incorrect, misleading, incomplete or partially untrue information in his or her application for a license.

2. Violating a law regulating insurance, or violating a regulation, order or subpoena of the Commissioner or an equivalent officer of another state.

3. Obtaining or attempting to obtain a license through misrepresentation or fraud.

4. Misappropriating, converting or improperly withholding money or property received in the course of the business of insurance.

5. Intentionally misrepresenting the terms of an actual or proposed contract of or application for insurance.

6. Conviction of a felony.

7. Admitting or being found to have committed an unfair trade practice or fraud.

8. Using fraudulent, coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.

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9. Denial, suspension or revocation of a license as a producer of insurance, or its equivalent, in any other state, territory or province.

10. Forging another's name to an application for insurance or any other document relating to the transaction of insurance.

11. Improperly using notes or other reference material to complete an examination for a license related to insurance.

12. Knowingly accepting business related to insurance from an unlicensed person.

13. Failing to comply with an administrative or judicial order imposing an obligation of child support.

14. Failing to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act~~.

Sec. 95. Section 98 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 98. NRS 686C.360 is hereby amended to read as follows:

686C.360 The Association is exempt from payment of all fees and all taxes levied by this state or any of its political subdivisions, except taxes on property ~~and the commerce tax imposed pursuant to sections 2 to 61, inclusive, of this act~~.

Sec. 96. Section 99 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 99. NRS 687A.130 is hereby amended to read as follows:

687A.130 The Association is exempt from payment of all fees and all taxes levied by this State or any of its subdivisions, except taxes:

1. Levied on real or personal property; or

2. Imposed pursuant to the provisions of chapter 363A or 363B of NRS ~~or sections 2 to 61, inclusive, of this act~~.

Sec. 97. Section 100 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 100. NRS 688C.210 is hereby amended to read as follows:

688C.210 1. After notice, and after a hearing if requested, the Commissioner may suspend, revoke, refuse to issue or refuse to renew a license under this chapter if the Commissioner finds that:

(a) There was material misrepresentation in the application for the license;

(b) The licensee or an officer, partner, member or significant managerial employee has been convicted of fraudulent or dishonest practices, is subject to a final administrative action for disqualification, or is otherwise shown to be untrustworthy or incompetent;

(c) A provider of viatical settlements has engaged in a pattern of unreasonable payments to viators;

(d) The applicant or licensee has been found guilty or guilty but mentally ill of, or pleaded guilty, guilty but mentally ill or nolo contendere to, a felony or a misdemeanor involving fraud, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any crime involving moral turpitude, whether or not a judgment of conviction has been entered by the court;

(e) A provider of viatical settlements has entered into a viatical settlement in a form not approved pursuant to NRS 688C.220;

(f) A provider of viatical settlements has failed to honor obligations of a viatical settlement or an agreement to purchase a viatical settlement;

(g) The licensee no longer meets a requirement for initial licensure;

(h) A provider of viatical settlements has assigned, transferred or pledged a viaticated policy to a person other than another provider licensed under this chapter, a purchaser of the viatical settlement or a special organization;

(i) The applicant or licensee has provided materially untrue information to an insurer that issued a policy that is the subject of a viatical settlement;

(j) The applicant or licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~or sections 2 to 61, inclusive, of this act~~;

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(k) The applicant or licensee has violated a provision of this chapter or other applicable provisions; or

(l) The applicant or licensee has acted in bad faith with regard to a viator.

2. A suspension imposed for grounds set forth in paragraph (k) or (l) of subsection 1 must not exceed a period of 12 months.

3. If the Commissioner takes action as described in subsection 1, the applicant or licensee may apply in writing for a hearing before the Commissioner to determine the reasonableness of the action taken by the Commissioner, pursuant to the provisions of NRS 679B.310 to 679B.370, inclusive.

Sec. 98. Section 101 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 101. NRS 694C.450 is hereby amended to read as follows:

694C.450 1. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at the rate of:

(a) Two-fifths of 1 percent on the first \$20,000,000 of its net direct premiums;

(b) One-fifth of 1 percent on the next \$20,000,000 of its net direct premiums; and

(c) Seventy-five thousandths of 1 percent on each additional dollar of its net direct premiums.

2. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at a rate of:

(a) Two hundred twenty-five thousandths of 1 percent on the first \$20,000,000 of revenue from assumed reinsurance premiums;

(b) One hundred fifty thousandths of 1 percent on the next \$20,000,000 of revenue from assumed reinsurance premiums; and

(c) Twenty-five thousandths of 1 percent on each additional dollar of revenue from assumed reinsurance premiums.

↪ The tax on reinsurance premiums pursuant to this subsection must not be levied on premiums for risks or portions of risks which are subject to taxation on a direct basis pursuant to subsection 1. A captive insurer is not required to pay any reinsurance premium tax pursuant to this subsection on revenue related to the receipt of assets by the captive insurer in exchange for the assumption of loss reserves and other liabilities of another insurer that is under common ownership and control with the captive insurer, if the transaction is part of a plan to discontinue the operation of the other insurer and the intent of the parties to the transaction is to renew or maintain such business with the captive insurer.

3. If the sum of the taxes to be paid by a captive insurer calculated pursuant to subsections 1 and 2 is less than \$5,000 in any given year, the captive insurer shall pay a tax of \$5,000 for that year. The maximum aggregate tax for any year must not exceed \$175,000. The maximum aggregate tax to be paid by a sponsored captive insurer applies only to each protected cell and does not apply to the sponsored captive insurer as a whole.

4. Two or more captive insurers under common ownership and control must be taxed as if they were a single captive insurer.

5. Notwithstanding any specific statute to the contrary and except as otherwise provided in this subsection, the tax provided for by this section constitutes all the taxes collectible pursuant to the laws of this State from a captive insurer, and no occupation tax or other taxes may be levied or collected from a captive insurer by this State or by any county, city or municipality within this State, except for taxes imposed pursuant to chapter 363A or 363B of NRS or sections 2 to 61, inclusive, of this act and ad valorem taxes on real or personal property located in this State used in the production of income by the captive insurer.

State of Nevada

6. Twenty-five percent of the revenues collected from the tax imposed pursuant to this section must be deposited with the State Treasurer for credit to the Account for the Regulation and Supervision of Captive Insurers created pursuant to NRS 694C.460. The remaining 75 percent of the revenues collected must be deposited with the State Treasurer for credit to the State General Fund.

7. A captive insurer that is issued a license pursuant to this chapter after July 1, 2003, is entitled to receive a nonrefundable credit of \$5,000 applied against the aggregate taxes owed by the captive insurer for the first year in which the captive insurer incurs any liability for the payment of taxes pursuant to this section. A captive insurer is entitled to a nonrefundable credit pursuant to this section not more than once after the captive insurer is initially licensed pursuant to this chapter.

8. As used in this section, unless the context otherwise requires:

(a) "Common ownership and control" means:

(1) In the case of a stock insurer, the direct or indirect ownership of 80 percent or more of the outstanding voting stock of two or more corporations by the same member or members.

(2) In the case of a mutual insurer, the direct or indirect ownership of 80 percent or more of the surplus and the voting power of two or more corporations by the same member or members.

(b) "Net direct premiums" means the direct premiums collected or contracted for on policies or contracts of insurance written by a captive insurer during the preceding calendar year, less the amounts paid to policyholders as return premiums, including dividends on unabsorbed premiums or premium deposits returned or credited to policyholders.

Sec. 99. Section 102 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 102. NRS 695A.550 is hereby amended to read as follows:

695A.550 Every society organized or licensed under this chapter is hereby declared to be a charitable and benevolent institution, and is exempt from every state, county, district, municipal and school tax other than *the commerce tax imposed pursuant to sections 2 to 61, inclusive, of this act* and taxes on real property and office equipment.

Sec. 100. Section 111 of Senate Bill 483 of the 2015 Legislative Session:

Sec. 111. *Any rate of the tax imposed by NRS 363A.130 or 363B.110 determined pursuant to section 62 of this act does not apply to any taxes due for any period ending on or before June 30 of the year in which the rate becomes effective.*

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DESCRIPTION OF EFFECT

This referendum asks voters to approve or disapprove the provisions of Senate Bill 483 (SB483) related to the commerce tax. The Legislature enacted the commerce tax in 2015 to comply with the balanced-budget requirement of the Nevada Constitution. The tax is imposed on business entities doing business in Nevada whose Nevada gross revenue exceeds \$4,000,000 in a taxable year.

If voters approve this referendum, SB 483 commerce tax provisions cannot be amended, annulled, repealed, set aside, suspended or in any way made inoperative except by direct vote of the people.

If voters disapprove this referendum the commerce tax will be eliminated. If it is eliminated the Legislative Counsel Bureau's Fiscal Analysis Division estimates a net loss to the state general fund of \$74,900,000 in fiscal year 2016/17, and \$59,900,000 in fiscal years thereafter. The income losses to the general fund will unsettle the balanced budget for fiscal years 2015/16 and 2016/17 making it necessary for the Legislature to raise other taxes, reduce expenditures, or both, to meet the balanced-budget requirement, and this will cause financial uncertainty for the State and its citizens.

Disapproval of SB 483 commerce tax provisions doesn't prohibit the Legislature from enacting a future commerce tax.

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Office Use Only

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AFFIDAVIT OF CIRCULATOR

(TO BE SIGNED BY CIRCULATOR IN THE PRESENCE OF A NOTARY PUBLIC)

STATE OF NEVADA)
COUNTY OF _____)

I, _____, (print name), being first duly sworn under penalty of perjury, depose and say: (1) that I reside at _____ (print street, city and state); (2) that I am 18 years of age or older; (3) that I personally circulated this document; (4) that all signatures were affixed in my presence; (5) that the number of signatures affixed thereon is _____; and (6) that each person who signed had an opportunity before signing to read the full text of the act or resolution on which the initiative or referendum is demanded.

Signature of Circulator

Subscribed and sworn to or affirmed before me this
_____ day of _____, _____.

Notary public or other person licensed to administer an oath