
ASSEMBLY BILL NO. 421—ASSEMBLYMEN LA RUE HATCH,
ANDERSON; AND CARTER

MARCH 27, 2023

Referred to Committee on Revenue

SUMMARY—Establishes provisions governing the collection of the consumer data of Nevada consumers. (BDR 32-561)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: Yes.

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

AN ACT relating to taxation; providing for the imposition, administration and payment of an excise tax on the collection of the consumer data of individual Nevada consumers by a commercial data collector; requiring a person who owed the tax on the collection of the consumer data of individual Nevada consumers to register with the Department of Taxation; requiring the Department to maintain an Internet website containing certain information with respect to persons who register with the Department as commercial data collectors; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 **Section 14** of this bill imposes a tax on the collection of the consumer data of
2 individual Nevada consumers by a commercial data collector and provides for the
3 rate of the tax, which is based on the number of individual Nevada consumers on
4 which a commercial data collector collects consumer data in a month. **Section 14**
5 authorizes the Department of Taxation to enter into a written agreement with a
6 commercial data collector establishing a methodology for determining the number
7 of Nevada consumers on which the commercial data collector collects data. **Section**
8 **15** of this bill requires each commercial data collector to file a quarterly tax return
9 accompanied by the tax due for each month of the quarter.
10 **Section 16** of this bill requires each person who owed the tax on the collection
11 of the consumer data of individual Nevada consumers during a year to register with



12 the Department on or before January 31 of the immediately following year by
13 submitting to the Department a registration statement containing certain
14 information and a fee. **Section 16** imposes a civil penalty for the failure of a person
15 to submit the registration statement when required to do so. **Section 18** of this bill
16 requires the Department to establish and maintain an Internet website which makes
17 the information contained in the registration statements submitted to the
18 Department available to the public. **Section 17** of this bill creates the Commercial
19 Data Collector Registry Account into which the Department is required to deposit
20 all of the registration fees required by **section 16**. **Section 17** requires the money in
21 the Account to be expended only to maintain the Internet website required by
22 **section 18**.

23 **Sections 2-13 and 19-36** of this bill provide for the administration, collection
24 and enforcement of the excise tax on the collection of the consumer data of
25 individual Nevada consumers. **Sections 29 and 36** of this bill require the fees,
26 taxes, interest and penalties imposed and taxes required to be paid in connection
27 with the excise tax on the collection of data of individual Nevada consumers to be
28 deposited in the State Education Fund, minus a portion of the payments which the
29 Department is authorized to retain as compensation for the costs of collecting the
30 tax.

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

1 **Section 1.** Title 32 of NRS is hereby amended by adding
2 thereto a new chapter to consist of the provisions set forth as
3 sections 2 to 31, inclusive, of this act.

4 **Sec. 2.** *As used in this chapter, unless the context otherwise*
5 *requires, the words and terms defined in sections 3 to 10,*
6 *inclusive, of this act have the meanings ascribed to them in those*
7 *sections.*

8 **Sec. 3. 1.** *“Commercial data collector” means a person,*
9 *including any affiliate of a person, who:*

10 *(a) Collects, maintains, uses, processes, sells or shares*
11 *consumer data in support of its business activities; and*

12 *(b) Collects consumer data, other than consumer contact*
13 *information, on more than 150,000 individual Nevada consumers*
14 *in any month within a calendar year.*

15 **2.** *The term includes a controlled group of corporations that,*
16 *collectively, meet the definition set forth in subsection 1.*

17 **3.** *As used in this section:*

18 *(a) “Component member” has the meaning ascribed to it in*
19 *section 1563(b) of the Internal Revenue Code, 26 U.S.C. §*
20 *1563(b), and includes any entity that, notwithstanding its form of*
21 *organization, bears the same ownership relationship to the*
22 *commercial data collector as a corporation that would qualify as a*
23 *component member of the same controlled group of corporations*
24 *as the commercial data collector.*



1 (b) *“Controlled group of corporations” has the meaning*
2 *ascribed to it in section 1563(a) of the Internal Revenue Code, 26*
3 *U.S.C. § 1563(a), and includes any entity that, notwithstanding its*
4 *form of organization, bears the same ownership relationship to the*
5 *commercial data collector as a corporation that would qualify as a*
6 *component member of the same controlled group of corporations*
7 *as the commercial data collector.*

8 **Sec. 4.** *“Commission” means the Nevada Tax Commission.*

9 **Sec. 5.** 1. *“Consumer” means a natural person who*
10 *purchases goods or services from a commercial data collector or*
11 *uses the services of a commercial data collector, whether charged*
12 *for those services or not.*

13 2. *The term includes the single member of a single member*
14 *limited-liability company.*

15 **Sec. 6.** *“Consumer contact information” means:*

16 1. *The electronic mail address, telephone number, facsimile*
17 *number, home address or mailing address of a consumer; or*

18 2. *Credit card information necessary to engage in a sales*
19 *transaction.*

20 **Sec. 7.** *“Consumer data” means any information that*
21 *identifies, relates to, describes, is capable of being associated with,*
22 *or could reasonably be linked with a consumer, whether directly*
23 *submitted to the commercial data collector by the consumer or*
24 *derived from other sources.*

25 **Sec. 8.** *“Nevada consumer” means a consumer who is a*
26 *bona fide resident as that term is defined in NRS 361.015.*

27 **Sec. 9.** *“Taxable year” means the 12-month period*
28 *beginning on January 1 and ending on December 31 of a calendar*
29 *year.*

30 **Sec. 10.** *“Taxpayer” means any person liable for the tax*
31 *imposed by this chapter.*

32 **Sec. 11.** *The Department shall administer and enforce the*
33 *provisions of this chapter and may adopt such regulations as it*
34 *deems appropriate for those purposes.*

35 **Sec. 12.** 1. *Each person responsible for maintaining the*
36 *records of a taxpayer shall: (a) Keep such records as may be*
37 *necessary to determine the amount of the liability of the taxpayer*
38 *pursuant to the provisions of this chapter;*

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

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



1 2. *The Department may by regulation specify the types of*
2 *records which must be kept to determine the amount of the*
3 *liability of a taxpayer pursuant to the provisions of this chapter.*

4 3. *Any person who violates the provisions of subsection 1 is*
5 *guilty of a misdemeanor.*

6 **Sec. 13.** 1. *To verify the accuracy of any return filed or, if*
7 *no return is filed by a taxpayer, to determine the amount of the tax*
8 *required to be paid pursuant to this chapter, the Department, or*
9 *any person authorized in writing by the Department, may examine*
10 *the books, papers and records of any person who may be liable for*
11 *the tax imposed by this chapter.*

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

22 **Sec. 14.** 1. *There is hereby imposed an excise tax on the*
23 *collection of the consumer data of individual Nevada consumers*
24 *by a commercial data collector at the rate of:*

25 (a) *For any month in which a commercial data collector*
26 *collects consumer data on less than 150,001 Nevada consumers,*
27 *\$0.*

28 (b) *For any month in which a commercial data collector*
29 *collects consumer data on 150,001 or more but less than 300,001*
30 *Nevada consumers, 5 cents per Nevada consumer in excess of*
31 *150,000 on which the commercial data collector collects consumer*
32 *data during the month.*

33 (c) *For any month in which a commercial data collector*
34 *collects consumer data on 300,001 or more but less than 450,001*
35 *Nevada consumers, \$7,500 plus 10 cents per Nevada consumer in*
36 *excess of 300,000 on which the commercial data collector collects*
37 *consumer data during the month.*

38 (d) *For any month in which a commercial data collector*
39 *collects consumer data on 450,001 or more but less than 600,001*
40 *Nevada consumers, \$22,500 plus 15 cents per Nevada consumer in*
41 *excess of 450,000 on which the commercial data collector collects*
42 *consumer data during the month.*

43 (e) *For any month in which a commercial data collector*
44 *collects consumer data on 600,001 or more but less than 750,001*
45 *Nevada consumers, \$45,000 plus 20 cents per Nevada consumer in*



1 *excess of 600,000 on which the commercial data collector collects*
2 *consumer data during the month.*

3 *(f) For any month in which a commercial data collector*
4 *collects consumer data on 750,001 or more but less than 900,001*
5 *Nevada consumers, \$75,000 plus 25 cents per Nevada consumer in*
6 *excess of 750,000 on which the commercial data collector collects*
7 *consumer data during the month.*

8 *(g) For any month in which a commercial data collector*
9 *collects consumer data on 900,001 or more but less than 1,050,001*
10 *Nevada consumers, \$112,500 plus 30 cents per Nevada consumer*
11 *in excess of 900,000 on which the commercial data collector*
12 *collects consumer data during the month.*

13 *(h) For any month in which a commercial data collector*
14 *collects consumer data on 1,050,001 or more but less than*
15 *1,200,001 Nevada consumers, \$157,500 plus 35 cents per Nevada*
16 *consumer in excess of 1,050,000 on which the commercial data*
17 *collector collects consumer data during the month.*

18 *(i) For any month in which a commercial data collector*
19 *collects consumer data on 1,200,001 or more but less than*
20 *1,350,001 Nevada consumers, \$210,000 plus 40 cents per Nevada*
21 *consumer in excess of 1,200,000 on which the commercial data*
22 *collector collects consumer data during the month.*

23 *(j) For any month in which a commercial data collector*
24 *collects consumer data on 1,350,001 or more but less than*
25 *1,500,001 Nevada consumers, \$270,000 plus 45 cents per Nevada*
26 *consumer in excess of 1,350,000 on which the commercial data*
27 *collector collects consumer data during the month.*

28 *(k) For any month in which a commercial data collector*
29 *collects consumer data on 1,500,001 or more Nevada consumers,*
30 *\$337,500 plus 50 cents per Nevada consumer in excess of*
31 *1,500,000 on which the commercial data collector collects*
32 *consumer data during the month.*

33 *2. The excise tax imposed by this section shall apply*
34 *regardless of the format, electronic or otherwise, in which the*
35 *consumer data is collected by the commercial data collector.*

36 *3. Each commercial data collector shall count a Nevada*
37 *consumer only once in the calculation of the number of Nevada*
38 *consumers on which the commercial data collector collects*
39 *consumer data during the month.*

40 *4. The Department may enter into a written agreement with a*
41 *commercial data collector establishing a methodology for*
42 *determining the number of Nevada consumers on which the*
43 *commercial data collector collects data for the purposes of*
44 *calculating the excise tax imposed by this section. The*
45 *methodology established by an agreement pursuant to this*



1 subsection may be different from any methodology which is
2 established by the Department by regulation.

3 5. There is a rebuttable presumption that a consumer whose
4 information on record with or available to a commercial data
5 collector indicates a Nevada home address, a Nevada mailing
6 address or an Internet protocol address connected with a Nevada
7 location is a Nevada consumer. The presumption may be rebutted
8 by evidence that a consumer is not a bona fide resident of this
9 State.

10 6. The Department may allow a credit toward the amount of
11 the excise tax imposed by this section with respect to a Nevada
12 consumer if:

13 (a) Another state imposes an excise tax identical to the tax
14 imposed by this chapter with respect to the same consumer; and

15 (b) The taxpayer submits proof satisfactory to the Department
16 that the taxpayer paid the excise tax imposed by the other state
17 with respect to the consumer.

18 **Sec. 15.** On or before the last day of January, April, July and
19 October in each year, each commercial data collector shall file
20 with the Department a quarterly tax return for the preceding
21 quarter, regardless of the amount of excise tax due, on a form
22 prescribed by the Department. The commercial data collector shall
23 include with the tax return payment of any excise tax due
24 pursuant to this chapter for each month in the relevant quarter. If
25 the due date falls on a Saturday, Sunday or legal holiday, the next
26 business day is the final due date.

27 **Sec. 16.** 1. On or before January 31, each person who
28 owed the tax imposed pursuant to section 14 of this act during any
29 calendar quarter of the immediately preceding year shall register
30 with the Department as a commercial data collector by submitting
31 to the Department a registration statement on a form prescribed by
32 the Department which includes:

33 (a) The name of the person;

34 (b) The primary physical address of the person;

35 (c) The Internet website of the person;

36 (d) The electronic mail address of the person;

37 (e) Any additional information or explanation the person
38 chooses to provide concerning his or her data collection practices;
39 and

40 (f) Such other information as the Department may require.

41 2. The registration statement must be accompanied by a fee
42 in an amount prescribed by the Department, not to exceed \$400.

43 3. If a person required to submit a registration statement with
44 the Department pursuant to this section fails or neglects to do so,
45 he or she is liable to the Department for a civil penalty of \$100 for



1 *each day that the person fails to submit the registration statement.*
2 *Any civil penalty recovered pursuant to this section must be*
3 *deposited into a separate account in the State General Fund to be*
4 *used for the enforcement of the provisions of this chapter.*

5 **Sec. 17.** *1. The Commercial Data Collector Registry*
6 *Account is hereby created within the State General Fund. The*
7 *Department shall deposit in the Account all fees collected by the*
8 *Department pursuant to subsection 2 of section 16 of this act into*
9 *the Account. The Executive Director shall administer the Account.*

10 *2. Money in the Account may be expended only for the*
11 *purpose of establishing and maintaining the Internet website*
12 *described in section 18 of this act.*

13 **Sec. 18.** *The Department shall establish and maintain an*
14 *Internet website where the information in each registration*
15 *statement submitted pursuant to section 16 of this act is accessible*
16 *to the public.*

17 **Sec. 19.** *If the Department determines that any tax, penalty*
18 *or interest has been paid more than once or has been erroneously*
19 *or illegally collected or computed, the Department shall set forth*
20 *that fact in the records of the Department and certify to the State*
21 *Board of Examiners the amount collected in excess of the amount*
22 *legally due and the person from whom it was collected or by whom*
23 *it was paid. If approved by the State Board of Examiners, the*
24 *excess amount collected or paid must, after being credited against*
25 *any amount then due from the person in accordance with NRS*
26 *360.236, be refunded to the person or his or her successors in*
27 *interest.*

28 **Sec. 20.** *1. Except as otherwise provided in NRS 360.235*
29 *and 360.395:*

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

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

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

38 *3. The failure to file a claim within the time prescribed in this*
39 *chapter constitutes a waiver of any demand against the State on*
40 *account of any overpayment.*

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



1 **Sec. 21.** *1. Except as otherwise provided in this section,*
2 *NRS 360.320 or any other specific statute, interest must be paid*
3 *upon any overpayment of any amount of the tax imposed by this*
4 *chapter at the rate set forth in, and in accordance with the*
5 *provisions of, NRS 360.2937.*

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

9 **Sec. 22.** *1. No injunction, writ of mandate or other legal or*
10 *equitable process may issue in any suit, action or proceeding in*
11 *any court against this State or against any officer of the State to*
12 *prevent or enjoin the collection under this chapter of the tax*
13 *imposed by this chapter or any amount of tax, penalty or interest*
14 *required to be collected.*

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

19 **Sec. 23.** *1. Within 90 days after a final decision upon a*
20 *claim filed pursuant to this chapter is rendered by the*
21 *Commission, the claimant may bring an action against the*
22 *Department on the grounds set forth in the claim in a court of*
23 *competent jurisdiction in Carson City, the county of this State*
24 *where the claimant resides or maintains his or her principal place*
25 *of business or a county in which any relevant proceedings were*
26 *conducted by the Department, for the recovery of the whole or any*
27 *part of the amount with respect to which the claim has been*
28 *disallowed.*

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

32 **Sec. 24.** *1. If the Department fails to mail notice of action*
33 *on a claim within 6 months after the claim is filed, the claimant*
34 *may consider the claim disallowed and file an appeal with the*
35 *Commission within 30 days after the last day of the 6-month*
36 *period. If the claimant is aggrieved by the decision of the*
37 *Commission rendered on appeal, the claimant may, within 90 days*
38 *after the decision is rendered, bring an action against the*
39 *Department on the grounds set forth in the claim for the recovery*
40 *of the whole or any part of the amount claimed as an*
41 *overpayment.*

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



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

3 **Sec. 25.** *In any judgment, interest must be allowed at the rate*
4 *of 3 percent per annum upon the amount found to have been*
5 *illegally collected from the date of payment of the amount to the*
6 *date of allowance of credit on account of the judgment, or to a*
7 *date preceding the date of the refund warrant by not more than 30*
8 *days. The date must be determined by the Department.*

9 **Sec. 26.** *A judgment may not be rendered in favor of the*
10 *plaintiff in any action brought against the Department to recover*
11 *any amount paid when the action is brought by or in the name of*
12 *an assignee of the person paying the amount or by any person*
13 *other than the person who paid the amount.*

14 **Sec. 27. 1.** *The Department may recover a refund or any*
15 *part thereof which is erroneously made and any credit or part*
16 *thereof which is erroneously allowed in an action brought in a*
17 *court of competent jurisdiction in Carson City or Clark County in*
18 *the name of the State of Nevada.*

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

22 3. *The Attorney General shall prosecute the action, and the*
23 *provisions of NRS, the Nevada Rules of Civil Procedure and the*
24 *Nevada Rules of Appellate Procedure relating to service of*
25 *summons, pleadings, proofs, trials and appeals are applicable to*
26 *the proceedings.*

27 **Sec. 28. 1.** *If any amount in excess of \$25 has been*
28 *illegally determined, either by the Department or by the person*
29 *filing the return, the Department shall certify this fact to the State*
30 *Board of Examiners, and the latter shall authorize the*
31 *cancellation of the amount upon the records of the Department.*

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

37 **Sec. 29. 1.** *All fees, taxes, interest and penalties imposed*
38 *and all amounts of tax required to be paid to the State under this*
39 *chapter must be paid to the Department in the form of remittances*
40 *payable to the Department.*

41 2. *Except as otherwise provided in sections 16 and 17 of this*
42 *act, upon receipt, the Department shall:*

43 (a) *As compensation to the State for the costs of collecting the*
44 *tax, transmit the sum the Legislature specifies from the*
45 *remittances made to the Department pursuant to subsection 1 to*



1 *the State Treasurer for deposit to the credit of the Department.*
2 *The deposited money must be expended by the Department in*
3 *accordance with its work program.*

4 *(b) Transmit the payments, less the amount transmitted*
5 *pursuant to paragraph (a), to the State Treasurer for credit to the*
6 *State Education Fund.*

7 **Sec. 30. 1. A person shall not:**

8 *(a) Make, cause to be made or permit to be made any false or*
9 *fraudulent return or declaration or false statement in any return*
10 *or declaration with intent to defraud the State or to evade payment*
11 *of the tax or any part of the tax imposed by this chapter.*

12 *(b) Make, cause to be made or permit to be made any false*
13 *entry in books, records or accounts with intent to defraud the State*
14 *or to evade the payment of the tax or any part of the tax imposed*
15 *by this chapter.*

16 *(c) Keep, cause to be kept or permit to be kept more than one*
17 *set of books, records or accounts with intent to defraud the State*
18 *or to evade the payment of the tax or any part of the tax imposed*
19 *by this chapter.*

20 **2. Any person who violates the provisions of subsection 1 is**
21 **guilty of a gross misdemeanor.**

22 **Sec. 31. The remedies of the State provided for in this**
23 **chapter are cumulative, and no action taken by the Department or**
24 **the Attorney General constitutes an election by the State to pursue**
25 **any remedy to the exclusion of any other remedy for which**
26 **provision is made in this chapter.**

27 **Sec. 32. NRS 360.2937 is hereby amended to read as follows:**

28 360.2937 1. Except as otherwise provided in this section,
29 NRS 360.320 or any other specific statute, and notwithstanding the
30 provisions of NRS 360.2935, interest must be paid upon an
31 overpayment of any tax provided for in chapter 362, 363A, 363B,
32 363C, 363D, 369, 370, 372, 372B, 374, 377, 377A, 377C or 377D
33 of NRS, **or sections 2 to 31, inclusive, of this act**, any of the taxes
34 provided for in NRS 372A.290, any fee provided for in NRS
35 444A.090, 482.313, 482C.230 or 482C.240, or any assessment
36 provided for in NRS 585.497, at the rate of 0.25 percent per month
37 from the last day of the calendar month following the period for
38 which the overpayment was made.

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

42 3. The interest must be paid:

43 (a) In the case of a refund, to the last day of the calendar month
44 following the date upon which the person making the overpayment,
45 if the person has not already filed a claim, is notified by the



1 Department that a claim may be filed or the date upon which the
2 claim is certified to the State Board of Examiners, whichever is
3 earlier.

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

7 **Sec. 33.** NRS 360.300 is hereby amended to read as follows:

8 360.300 1. If a person fails to file a return or the Department
9 is not satisfied with the return or returns of any tax, contribution or
10 premium or amount of tax, contribution or premium required to be
11 paid to the State by any person, in accordance with the applicable
12 provisions of this chapter, chapter 360B, 362, 363A, 363B, 363C,
13 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or
14 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585
15 or 680B of NRS, *or sections 2 to 31, inclusive, of this act*, as
16 administered or audited by the Department, it may compute and
17 determine the amount required to be paid upon the basis of:

18 (a) The facts contained in the return;

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

21 (c) Reasonable estimates of the amount.

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

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

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

32 5. When a business is discontinued, a determination may be
33 made at any time thereafter within the time prescribed in NRS
34 360.355 as to liability arising out of that business, irrespective of
35 whether the determination is issued before the due date of the
36 liability.

37 **Sec. 34.** NRS 360.417 is hereby amended to read as follows:

38 360.417 Except as otherwise provided in NRS 360.232 and
39 360.320, and unless a different penalty or rate of interest is
40 specifically provided by statute, any person who fails to pay any tax
41 provided for in chapter 362, 363A, 363B, 363C, 363D, 369, 370,
42 372, 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS, *or*
43 *sections 2 to 31, inclusive, of this act*, any of the taxes provided for
44 in NRS 372A.290, or any fee provided for in NRS 482.313,
45 482C.230 or 482C.240, and any person or governmental entity that



1 fails to pay any fee provided for in NRS 360.787, to the State or a
2 county within the time required, shall pay a penalty of not more than
3 10 percent of the amount of the tax or fee which is owed, as
4 determined by the Department, in addition to the tax or fee, plus
5 interest at the rate of 0.75 percent per month, or fraction of a month,
6 from the last day of the month following the period for which the
7 amount or any portion of the amount should have been reported
8 until the date of payment. The amount of any penalty imposed must
9 be based on a graduated schedule adopted by the Nevada Tax
10 Commission which takes into consideration the length of time the
11 tax or fee remained unpaid.

12 **Sec. 35.** NRS 360.510 is hereby amended to read as follows:

13 360.510 1. If any person is delinquent in the payment of any
14 tax or fee administered by the Department or if a determination has
15 been made against the person which remains unpaid, the
16 Department may:

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

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

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

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

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

41 4. Every person notified by a demand to transmit shall, within
42 10 days after receipt of the demand to transmit, inform the
43 Department of and transmit to the Department all such credits, other
44 personal property or debts in his or her possession, under his or her
45 control or owing by that person within the time and in the manner



1 requested by the Department. Except as otherwise provided in
2 subsection 5, no further notice is required to be served to that
3 person.

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

14 6. If the notice of the delinquency seeks to prevent the transfer
15 or other disposition of a deposit in a bank or credit union or other
16 credits or personal property in the possession or under the control of
17 a bank, credit union or other depository institution, the notice must
18 be delivered or mailed to any branch or office of the bank, credit
19 union or other depository institution at which the deposit is carried
20 or at which the credits or personal property is held.

21 7. If any person notified by the notice of the delinquency
22 makes any transfer or other disposition of the property or debts
23 required to be withheld or transmitted, to the extent of the value of
24 the property or the amount of the debts thus transferred or paid, that
25 person is liable to the State for any indebtedness due pursuant to this
26 chapter, chapter 360B, 362, 363A, 363B, 363C, 363D, 369, 370,
27 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS,
28 NRS 482.313, 482C.230 or 482C.240, or chapter 585 or 680B of
29 NRS *or sections 2 to 31, inclusive, of this act* from the person with
30 respect to whose obligation the notice was given if solely by reason
31 of the transfer or other disposition the State is unable to recover the
32 indebtedness of the person with respect to whose obligation the
33 notice was given.

34 **Sec. 36.** NRS 387.1212 is hereby amended to read as follows:

35 387.1212 1. The State Education Fund is hereby created as a
36 special revenue fund to be administered by the Superintendent of
37 Public Instruction for the purpose of supporting the operation of the
38 public schools in this State. The interest and income earned on the
39 money in the Fund, excluding the direct legislative appropriation
40 from the State General Fund required by subsection 3, must, after
41 deducting any applicable charges, be credited to the Fund.

42 2. Money which must be deposited for credit to the State
43 Education Fund includes, without limitation:

44 (a) All money derived from interest on the State Permanent
45 School Fund, as provided in NRS 387.030;



1 (b) The proceeds of the tax imposed pursuant to NRS 244.33561
2 and any applicable penalty or interest, less any amount retained by
3 the county treasurer for the actual cost of collecting and
4 administering the tax;

5 (c) The proceeds of the tax imposed pursuant to subsection 1 of
6 NRS 387.195;

7 (d) The money identified in subsection 8 of NRS 120A.610;

8 (e) The portion of the money in each special account created
9 pursuant to subsection 1 of NRS 179.1187 which is identified in
10 paragraph (d) of subsection 2 of NRS 179.1187;

11 (f) The money identified in paragraph (d) of subsection 6 of
12 NRS 278C.250;

13 (g) The money identified in subsection 1 of NRS 328.450;

14 (h) The money identified in subsection 1 of NRS 328.460;

15 (i) The money identified in paragraph (a) of subsection 2 of
16 NRS 360.850;

17 (j) The money identified in paragraph (a) of subsection 2 of
18 NRS 360.855;

19 (k) The money required to be transferred to the State Education
20 Fund pursuant to NRS 362.100;

21 (l) The money required to be paid over to the State Treasurer for
22 deposit to the credit of the State Education Fund pursuant to
23 subsection 4 of NRS 362.170;

24 (m) The portion of the proceeds of the tax imposed pursuant to
25 subsection 1 of NRS 372A.290 identified in paragraph (b) of
26 subsection 4 of NRS 372A.290;

27 (n) The proceeds of the tax imposed pursuant to subsection 3 of
28 NRS 372A.290;

29 (o) The proceeds of the fees, taxes, interest and penalties
30 imposed pursuant to chapter 374 of NRS, as transferred pursuant to
31 subsection 3 of NRS 374.785;

32 (p) The money identified in subsection 5 of NRS 445B.640;

33 (q) The money identified in paragraph (b) of subsection 4 of
34 NRS 678B.390;

35 (r) The portion of the proceeds of the excise tax imposed
36 pursuant to subsection 1 of NRS 463.385 identified in paragraph (c)
37 of subsection 5 of NRS 463.385;

38 (s) The money required to be distributed to the State Education
39 Fund pursuant to subsection 3 of NRS 482.181;

40 (t) The portion of the proceeds of the fee imposed pursuant to
41 NRS 488.075 identified in subsection 2 of NRS 488.075;

42 (u) The portion of the net profits of the grantee of a franchise,
43 right or privilege identified in NRS 709.110;

44 (v) The portion of the net profits of the grantee of a franchise
45 identified in NRS 709.230;



1 (w) The portion of the net profits of the grantee of a franchise
2 identified in NRS 709.270;

3 (x) The money required to be distributed to the State Education
4 Fund pursuant to NRS 363D.290; ~~and~~

5 (y) *The portion of the proceeds of the fees, taxes, interest and*
6 *penalties imposed pursuant to sections 2 to 31, inclusive, of this*
7 *act identified in paragraph (b) of subsection 2 of section 29 of this*
8 *act; and*

9 (z) The direct legislative appropriation from the State General
10 Fund required by subsection 3.

11 3. In addition to money from any other source provided by law,
12 support for the State Education Fund must be provided by direct
13 legislative appropriation from the State General Fund in an amount
14 determined by the Legislature to be sufficient to fund the operation
15 of the public schools in this State for kindergarten through grade 12
16 for the next ensuing biennium for the population reasonably
17 estimated for that biennium. Money in the State Education Fund
18 does not revert to the State General Fund at the end of a fiscal year,
19 and the balance in the State Education Fund must be carried forward
20 to the next fiscal year.

21 4. Money in the Fund must be paid out on claims as other
22 claims against the State are paid.

23 **Sec. 37.** 1. This section becomes effective upon passage and
24 approval.

25 2. Section 1 to 36, inclusive, of this act become effective upon
26 passage and approval for the purpose of adopting regulations and
27 performing preparatory administrative tasks, and on October 1,
28 2023, for all other purposes.



