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FIRST REPRINT

A.B. 453

ASSEMBLY BILL NO. 453—ASSEMBLYMEMBERS  
ANDERSON AND CONSIDINE

MARCH 17, 2025

JOINT SPONSOR: SENATOR NEAL

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to taxation.  
(BDR 32-895)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, collection and enforcement of a tax on certain digital products electronically transferred to a purchaser; prohibiting the issuance and use of certain transferable tax credits if money is transferred or allocated from the Account to Stabilize the Operation of the State Government; stating the intent of the Legislature to review the transferable tax credits which the State is authorized to issue under certain circumstance; providing penalties; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1     **Sections 24 and 33** of this bill impose a tax on a retail sale in this State of  
 2     specified digital products electronically transferred to a person and on the use of  
 3     specified digital products electronically transferred to a person in a transaction in  
 4     this State for which the tax was not collected at the time of sale. **Section 23** of this  
 5     bill establishes requirements for determining the place where a sale of specified  
 6     digital products takes place for the purpose of the tax. Under **sections 24 and 33**,  
 7     the rate of the tax is the same as the sales and use tax rate imposed in the county in  
 8     which the sale of the specified digital products takes place, as determined pursuant



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to **section 23**. Under **section 100** of this bill, the requirement to impose, collect and remit the tax is imposed on a retailer who does not maintain a place of business in this State if, in the immediately preceding calendar year or the current calendar year, the retailer had more than \$100,000 of gross revenue from certain transactions that took place in this State or 200 or more such transactions that took place in this State. **Sections 2-22, 25-32, 34-99 and 101-127** of this bill provide for the administration, collection and enforcement of the tax in the same manner as the sales and use tax.

**Section 94** requires a person who directly or indirectly facilitates retail sales of specified digital products to collect and remit the tax if, in the immediately preceding calendar year or the current calendar year, the facilitator had more than \$100,000 of gross receipts from certain transactions made to customers in this State or made or facilitated 200 or more transactions, on its own behalf or on behalf of a seller, unless the facilitator enters into an agreement with a seller whereby the seller agrees to assume responsibility for the collection and imposition of the tax. **Section 95** provides that such a facilitator is not liable for the payment of the tax under certain circumstances.

**Section 96** requires certain persons who receive a fee in exchange for listing or advertising a product for a seller but do not collect money or other consideration from a customer to impose, collect and remit the tax if 200 or more retail sales to customers in this State result from referrals made by the person or the cumulative gross receipts of sales resulting from such referrals exceed \$100,000, unless the person complies with certain notice requirements and makes a monthly report to the Department of Taxation.

Existing law creates the Account to Stabilize the Operation of State Government, also known as the Rainy Day Fund, and authorizes the Director of the Office of Finance in the Office of the Governor to request a transfer of money from the Account to the State General Fund if: (1) the total actual revenue of the State falls short by 5 percent or more of the total anticipated revenue for the biennium in which the transfer will be made, as determined by the Legislature or the Interim Finance Committee; or (2) the Legislature or Interim Finance Committee and the Governor declare that a fiscal emergency exists. The Legislature may also allocate money from the Account directly. (NRS 353.288) **Section 157.3** of this bill prohibits the issuance of transferable tax credits or the application of transferable tax credits to state or local taxes during any fiscal year in which a transfer or allocation is made from the Account by the Interim Finance Committee or during a fiscal emergency by the Legislature. **Section 157.3** limits this prohibition to transferable tax credits authorized by state legislation that is enacted on or after the effective date of **section 157.3**.

Existing law requires the Governor, on or before July 1 of each even-numbered year, to impanel an Economic Forum consisting of economic and financial experts appointed by the Governor to provide an estimate of the revenue that will be collected by the State for general, unrestricted uses during the subsequent biennium and make such projections for economic indicators as the Economic Forum deems necessary to ensure that this estimate is accurate. (NRS 353.226, 353.228) **Section 157.7** of this bill provides that, if the Economic Forum forecasts that such revenue in the subsequent biennium will be less than in the then-current biennium and that the reduction in revenue exceeds 7 percent, it is the intent of the Legislature to review any transferable tax credits which the State is authorized to issue and consider if the amount of such credits should be reduced.

**Section 160** of this bill establishes January 1, 2026, as the effective date of the provisions of this bill.



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 117, 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 22,*  
6 *inclusive, of this act have the meanings ascribed to them in those*  
7 *sections.*

8     **Sec. 3.** *“Business” includes any activity engaged in by any*  
9 *person or caused to be engaged in by any person with the object of*  
10 *gain, benefit or advantage, either direct or indirect.*

11     **Sec. 4.** *“Computer software” means a set of coded*  
12 *instructions designed to cause a computer or automatic data*  
13 *processing equipment to perform a task.*

14     **Sec. 5.** *“Digital audio works” means works that result from*  
15 *the fixation of a series of musical, spoken or other sounds,*  
16 *including, without limitation, ringtones.*

17     **Sec. 6.** *“Digital audio-visual works” means a series of*  
18 *related images which, when shown in succession, impart an*  
19 *impression of motion, together with accompanying sounds, if any.*

20     **Sec. 7.** *“Digital books” means works that are generally*  
21 *recognized in the ordinary and usual sense as “books.”*

22     **Sec. 8.** *“Electronically transferred” means obtained by the*  
23 *purchaser by means other than tangible storage media.*

24     **Sec. 9.** *“End user” means any person who receives a*  
25 *specified digital product, other than a person who receives by*  
26 *contract a specified digital product for further commercial*  
27 *broadcast, rebroadcast, transmission, retransmission, licensing,*  
28 *relicensing, distribution, redistribution or exhibition of the*  
29 *specified digital product, in whole or in part, to another person or*  
30 *persons.*

31     **Sec. 10. 1.** *“Gross receipts” means the total amount of the*  
32 *sales price or lease or rental price, as the case may be, of the retail*  
33 *sales of specified digital products of retailers of specified digital*  
34 *products, valued in money, whether received in money or*  
35 *otherwise, without any deduction on account of any of the*  
36 *following:*

37     *(a) The cost of the specified digital products sold, except that,*  
38 *in accordance with such rules and regulations as the Department*  
39 *may prescribe, a deduction may be taken if the retailer has*  
40 *purchased specified digital products for some other purpose than*  
41 *resale, has reimbursed the vendor of the specified digital products*  
42 *for tax which the vendor is required to pay to the State or has paid*



1 *the use tax with respect to the specified digital products, and has*  
2 *resold the specified digital products before making any use of the*  
3 *specified digital products other than the broadcast, rebroadcast,*  
4 *transmission, retransmission, licensing, relicensing, distribution,*  
5 *redistribution or exhibition in the regular course of business. If*  
6 *such a deduction is taken by the retailer, no refund or credit will*  
7 *be allowed to the vendor of the specified digital products with*  
8 *respect to the sale of the specified digital products.*

9 (b) *The cost of the materials used, labor or service cost,*  
10 *interest paid, losses or any other expense.*

11 2. *The total amount of the sales or lease or rental price*  
12 *includes all of the following:*

13 (a) *Any services that are a part of the sale.*

14 (b) *All receipts, cash, credits and property of any kind.*

15 (c) *Any amount for which credit is allowed by the seller to the*  
16 *purchaser.*

17 3. *"Gross receipts" does not include any of the following:*

18 (a) *Cash discounts allowed and taken on sales.*

19 (b) *The sales price of specified digital products returned by*  
20 *customers when the full sales price is refunded either in cash or*  
21 *credit, but this exclusion does not apply in any instance when the*  
22 *customer, in order to obtain the refund, is required to purchase*  
23 *other specified digital products at a price greater than the amount*  
24 *charged for the specified digital products that are returned.*

25 (c) *The price received for labor or services used in installing or*  
26 *applying the specified digital products sold.*

27 (d) *The amount of any tax imposed by the United States upon*  
28 *or with respect to retail sales, whether imposed upon the retailer or*  
29 *the end user.*

30 4. *For purposes of the tax imposed by section 24 of this act, if*  
31 *a retailer establishes to the satisfaction of the Department that the*  
32 *tax has been added to the total amount of the sales price and has*  
33 *not been absorbed by the retailer, the total amount of the sales*  
34 *price shall be deemed to be the amount received exclusive of the*  
35 *tax imposed.*

36 **Sec. 11.** *"In this State" or "in the State" means within the*  
37 *exterior limits of the State of Nevada and includes all territory*  
38 *within these limits owned by or ceded to the United States of*  
39 *America.*

40 **Sec. 12.** 1. *"Occasional sale" includes:*

41 (a) *A sale of specified digital products not held or used by a*  
42 *seller in the course of an activity for which the seller is required to*  
43 *hold a seller's permit, if the sale is not one of a series of sales*  
44 *sufficient in number, scope and character to constitute an activity*  
45 *requiring the holding of a seller's permit.*



(b) Any transfer of all or substantially all the specified digital products held or used by a person in the course of such an activity when after such transfer the real or ultimate ownership of such property is substantially similar to that which existed before such transfer.

2. For the purposes of this section, stockholders, bondholders, partners or other persons holding an interest in a corporation or other entity are regarded as having the “real or ultimate ownership” of the specified digital products of the corporation or other entity.

**Sec. 13. “Other digital products”:**

1. Means greeting cards, digital images, video or electronic games or news and prewritten computer software, as defined in NRS 360B.470.

2. Does not include:

(a) Computer software that is not prewritten computer software.

(b) The storage, management and dissemination of data and information on a cloud network, server or other digital storage medium.

(c) The provision of maintenance services for computer software, provided that, if the purchase of the maintenance services occurs at the same time as the purchase of the software, the maintenance services are optional and are separately stated on any invoice, billing or other document given to a purchaser.

(d) Internet service.

(e) Payment processing services, including, without limitation, services for processing payments from retail sales and peer-to-peer money transfers.

(f) Accounting, bookkeeping and check preparation services.

(g) Internet broadcasts of live entertainment or educational or informational presentations.

(h) Website hosting, storage or backup.

(i) The transmission of educational or instructional programming, including, without limitation, the transmission of courses by an elementary or secondary school, vocational or technical school or institution of higher education or the transmission of courses of professional development.

(j) The services of a travel agent.

(k) Cryptocurrency or digital currency, not including simulated currencies or in-game currencies which are not intended to be convertible to legal tender.

(l) Gift cards.



1     **Sec. 14.** *“Purchase” means any transfer, exchange or barter,*  
2 *conditional or otherwise, in any manner or by any means*  
3 *whatsoever, of specified digital products for a consideration.*

4     **Sec. 15.** *“Retail sale” or “sale at retail” means a sale for any*  
5 *purpose other than resale in the regular course of business of*  
6 *specified digital products.*

7     **Sec. 16.** 1. *“Retailer” includes:*

8     (a) *Every seller who makes any retail sale or sales of specified*  
9 *digital products.*

10    (b) *Every person engaged in the business of making sales of*  
11 *specified digital products for use.*

12    (c) *Every person making more than two retail sales of specified*  
13 *digital products during any 12-month period, including sales made*  
14 *in the capacity of assignee for the benefit of creditors or a receiver*  
15 *or trustee in bankruptcy.*

16    2. *When the Nevada Tax Commission determines that it is*  
17 *necessary for the efficient administration of this chapter to regard*  
18 *any salespersons, representatives, peddlers or canvassers as the*  
19 *agents of the dealers, distributors, supervisors or employers under*  
20 *whom they operate or from whom they obtain the specified digital*  
21 *products sold by them, irrespective of whether they are making*  
22 *sales on their own behalf or on behalf of such dealers,*  
23 *distributors, supervisors or employers, the Nevada Tax*  
24 *Commission may so regard them and may regard the dealers,*  
25 *distributors, supervisors or employers as retailers for purposes of*  
26 *this chapter.*

27    **Sec. 17.** *“Ringtones” means digitized sound files that are*  
28 *downloaded onto a device and that may be used to alert the*  
29 *customer with respect to a communication.*

30    **Sec. 18.** *“Sale” means and includes any transfer of title or*  
31 *possession, exchange, barter, lease or rental, conditional or*  
32 *otherwise, in any manner or by any means whatsoever, of*  
33 *specified digital products for a consideration, including, without*  
34 *limitation, any such transfer, exchange or barter on a subscription*  
35 *basis.*

36    **Sec. 19.** 1. *“Sales price” means the total amount for which*  
37 *specified digital products are sold, valued in money, whether paid*  
38 *in money or otherwise, without any deduction on account of any*  
39 *of the following:*

40    (a) *The cost of the specified digital products sold.*

41    (b) *The cost of materials used, labor or service cost, interest*  
42 *charged, losses or any other expenses.*

43    (c) *The cost of transmitting the specified digital products*  
44 *before purchase.*



2. The total amount for which specified digital products are sold includes all of the following:

(a) Any services that are a part of the sale.

(b) Any amount for which credit is given to the purchaser by the seller.

3. "Sales price" does not include any of the following:

(a) Cash discounts allowed and taken on sales.

(b) The amount charged for specified digital products returned by customers when the entire amount charged therefor is refunded either in cash or credit, except that this exclusion does not apply in any instance when the customer, in order to obtain the refund, is required to purchase other specified digital products at a price greater than the amount charged for the specified digital products that are returned.

(c) The amount charged for labor or services rendered in installing or applying the specified digital products sold.

(d) The amount of any tax, not including any manufacturers' or importers' excise tax, imposed by the United States upon or with respect to retail sales, whether imposed upon the retailer or the consumer.

**Sec. 20.** "Seller" includes every person engaged in the business of selling specified digital products of a kind, the gross receipts from the retail sale of which are required to be included in the measure of the tax imposed by section 24 of this act.

**Sec. 21.** 1. "Specified digital products" means electronically transferred:

(a) Digital audio works;

(b) Digital audio-visual works;

(c) Digital books;

(d) Digital codes; and

(e) Other digital products.

2. The term does not include:

(a) Direct-to-home satellite services, as defined in 47 U.S.C. § 303(v).

(b) Video service, as defined in NRS 711.141.

3. As used in this section, "digital code":

(a) Means a method that permits a purchaser to obtain or access at a later date specified digital products.

(b) Does not include public or private keys when used in a transaction conducted on a blockchain. As used in this paragraph:

(1) "Blockchain" has the meaning ascribed to it in NRS 719.045.

(2) "Private key" has the meaning ascribed to it in NRS 720.100.



(3) “Public key” has the meaning ascribed to it in NRS 720.110.

**Sec. 22.** “Subscription” means any arrangement in which a person has the right or ability to access, receive, use, obtain, purchase or otherwise acquire specified digital products on a permanent or less than permanent basis, regardless of whether the person actually accesses, receives, uses, obtains, purchases or otherwise acquires such specified digital products.

**Sec. 23.** For the purposes of this chapter, a retail sale of specified digital products shall be deemed to take place:

1. If the specified digital products are received by the purchaser at a place of business of the seller, at that place of business.

2. If the specified digital products are not received by the purchaser at a place of business of the seller:

(a) At the location indicated to the seller pursuant to any instructions provided for the delivery of the specified digital products to the purchaser or to another recipient who is designated by the purchaser as his or her donee; or

(b) If no such instructions are provided and if known by the seller, at the location where the purchaser or another recipient who is designated by the purchaser as his or her donee, receives the specified digital products.

3. If subsections 1 and 2 do not apply, at the address of the purchaser indicated in the business records of the seller that are maintained in the ordinary course of the seller’s business, unless the use of that address would constitute bad faith.

4. If subsections 1, 2 and 3 do not apply, at the address of the purchaser obtained during the consummation of the sale, including, if no other address is available, the address of the purchaser’s instrument of payment, unless the use of an address pursuant to this subsection would constitute bad faith.

5. In all other circumstances, at the address from which the specified digital products were shipped.

**Sec. 24.** 1. An excise tax is hereby imposed upon the retail sale of specified digital products to an end user in this State, in an amount equal to the sum of the rates of all taxes imposed upon sales at retail of tangible personal property in the county in which the retail sale of the specified digital goods takes place, as determined pursuant to section 23 of this act, multiplied by the gross receipts of the retailer of the specified digital products.

2. The tax imposed by subsection 1 applies whether the purchaser obtains permanent use or less than permanent use of the specified digital product, whether the sale is conditioned or not conditioned upon continued payment from the purchaser and





whether the sale is on a subscription basis or is not on a subscription basis.

**Sec. 25.** The tax imposed by section 24 of this act must be collected by the retailer from the end user insofar as it can be done.

**Sec. 26. 1.** It is unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the retailer or that it will not be added to the selling price of the specified digital products sold or that, if added, it or any part thereof will be refunded.

**2.** Any person violating any provision of this section is guilty of a misdemeanor.

**Sec. 27. 1.** A person shall not engage in or conduct business as a seller in this State unless the person has:

(a) Registered with the Department pursuant to NRS 360B.200; or

(b) Obtained a permit issued by the Department.

**2.** Every application for a permit must:

(a) Be made upon a form prescribed by the Department.

(b) Set forth the name under which the applicant transacts or intends to transact business and the location of the applicant's place or places of business.

(c) Set forth any other information which the Department may require.

(d) Be accompanied by a fee of \$5.

(e) Be signed by:

(1) The owner if he or she is a natural person;

(2) A member or partner if the seller is an association or partnership; or

(3) An executive officer or some person specifically authorized to sign the application if the seller is a corporation. Written evidence of the signer's authority must be attached to the application.

**Sec. 28. 1.** If the holder of a permit issued pursuant to this chapter fails to comply with any provision of this chapter or any regulations adopted pursuant thereto, the Department may revoke or suspend any one or more of the permits held by the person. Before doing so, the Department must hold a hearing after giving 10 days' written notice to the holder of the permit. The notice must specify the time and place of the hearing and require the holder of the permit to show cause why the permit should not be suspended or revoked.

**2.** If a permit is suspended or revoked, the Department must give written notice of the action to the holder of the permit.



3. The notices required by this section may be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.

4. The Department shall not issue a new permit after the revocation of a permit unless the Department is satisfied that the former holder of the permit will comply with the provisions of this chapter and the regulations of the Department adopted pursuant thereto.

5. A retailer whose permit has been suspended or revoked must pay the Department a fee of \$5 for the reinstatement of the permit or the issuance of a new permit.

**Sec. 29.** For the purpose of the proper administration of this chapter and to prevent evasion of the tax imposed by section 24 of this act, it is presumed that all gross receipts are subject to the tax until the contrary is established. The burden of proving that a sale of specified digital products is not a sale at retail is upon the person who makes the sale unless the person takes from the purchaser a certificate to the effect that the specified digital products were purchased by an end user and the purchaser:

1. Is engaged in the business of commercial broadcasting, rebroadcasting, transmitting, retransmitting, licensing, relicensing, distributing, redistributing or exhibiting specified digital products, in whole or in part, to another person or persons;

2. Is registered pursuant to NRS 360B.200 or holds a permit issued pursuant to section 27 of this act, if required; and

3. At the time of purchasing the specified digital product, intends to broadcast, rebroadcast, transmit, retransmit, license, relicense, distribute, redistribute or exhibit the specified digital product in the regular course of business or is unable to ascertain at the time of purchase whether the specified digital product will be used for such a purpose or will be used for some other purpose.

**Sec. 30.** A resale certificate must:

1. Be substantially in such form and include such information as the Department may prescribe; and

2. Unless submitted in electronic form, be signed by the purchaser.

**Sec. 31.** 1. If a purchaser who gives a resale certificate makes any use of specified digital products other than the commercial broadcasting, rebroadcasting, transmitting, retransmitting, licensing, relicensing, distributing, redistributing or exhibiting of the specified digital products, in whole or in part, to another person or persons in the regular course of business:

(a) The use is taxable to the purchaser as of the time one of the specified digital products is first so used by the purchaser, and



1 *the sales price of the specified digital products to the purchaser is*  
2 *the measure of the tax.*

3 *(b) The seller is liable for the tax with respect to the sale of the*  
4 *specified digital products to the purchaser only if:*

5 *(1) There is an unsatisfied use tax liability pursuant to*  
6 *paragraph (a); and*

7 *(2) The seller fraudulently failed to collect the tax or*  
8 *solicited the purchaser to provide the resale certificate unlawfully.*

9 *2. As used in this section, "seller" includes a certified service*  
10 *provider, as that term is defined in NRS 360B.060, acting on*  
11 *behalf of a seller who is registered pursuant to NRS 360B.200.*

12 **Sec. 32.** *Any person who gives a resale certificate for*  
13 *specified digital products which the person knows at the time of*  
14 *purchase is not to be further broadcast, rebroadcast, transmitted,*  
15 *retransmitted, licensed, relicensed, distributed, redistributed or*  
16 *exhibited by the person in the regular course of business for the*  
17 *purpose of evading payment to the seller of the amount of the tax*  
18 *applicable to the transaction is guilty of a misdemeanor.*

19 **Sec. 33.** *1. An excise tax is hereby imposed on the use in*  
20 *this State of specified digital products purchased and*  
21 *electronically transferred from any retailer on or after January 1,*  
22 *2026, for use in this State at a rate equal to the sum of the rates of*  
23 *all taxes imposed upon the storage, use or other consumption of*  
24 *tangible personal property in the county in which the use of the*  
25 *specified digital products occurs.*

26 *2. The tax imposed by subsection 1 applies whether the*  
27 *purchaser obtains permanent use or less than permanent use of*  
28 *the specified digital product, whether the sale is conditioned or not*  
29 *conditioned upon continued payment from the purchaser and*  
30 *whether the sale is on a subscription basis or is not on a*  
31 *subscription basis.*

32 *3. The tax is imposed with respect to all specified digital*  
33 *products which were electronically transferred in a transaction*  
34 *that is taxable pursuant to this chapter but for which the tax*  
35 *imposed by section 24 of this act was not collected.*

36 **Sec. 34.** *Every person storing, using or otherwise consuming*  
37 *in this State specified digital products purchased from a retailer is*  
38 *liable for the tax. The liability of a person pursuant to this section*  
39 *is not extinguished until the tax has been paid to this State, except*  
40 *that a receipt from a retailer given to the purchaser pursuant to*  
41 *section 35 of this act is sufficient to relieve the purchaser from*  
42 *further liability for the tax to which the receipt refers.*

43 **Sec. 35.** *Every retailer maintaining a place of business in*  
44 *this State and making sales of specified digital products for use in*  
45 *this State, not exempted by this chapter, shall, at the time of*



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1 *making the sales or, if the use of the specified digital products is*  
2 *not then taxable hereunder, at the time the use becomes taxable,*  
3 *collect the tax from the purchaser and give to the purchaser a*  
4 *receipt therefor in the manner and form prescribed by the Nevada*  
5 *Tax Commission.*

6 **Sec. 36.** *The tax required to be collected by the retailer*  
7 *constitutes a debt owed by the retailer to this State.*

8 **Sec. 37.** *It is unlawful for any retailer to advertise or hold*  
9 *out or state to the public or to any customer, directly or indirectly,*  
10 *that the tax or any part thereof will be assumed or absorbed by the*  
11 *retailer or that it will not be added to the selling price of the*  
12 *specified digital products sold or that, if added, it or any part*  
13 *thereof will be refunded.*

14 **Sec. 38.** *The tax required pursuant to this chapter to be*  
15 *collected by the retailer from the purchaser must be displayed*  
16 *separately from the list price, the price advertised in the premises,*  
17 *the marked price, or any other price on the sales check or other*  
18 *proof of sale.*

19 **Sec. 39.** *Any person who violates section 35, 37 or 38 of this*  
20 *act is guilty of a misdemeanor.*

21 **Sec. 40.** *1. Every retailer who sells specified digital*  
22 *products for use in this State shall register with the Department*  
23 *and give:*

24 *(a) The name and address of all agents operating in this State.*

25 *(b) The location of all offices or other places of business in*  
26 *this State.*

27 *(c) Such other information as the Department may require.*

28 *2. Every business that purchases specified digital products for*  
29 *use in this State shall, at the time the business obtains a state*  
30 *business license pursuant to chapter 76 of NRS, register with the*  
31 *Department on a form prescribed by the Department. As used in*  
32 *this subsection, "business" has the meaning ascribed to it in*  
33 *NRS 76.020.*

34 **Sec. 41.** *For the purpose of the proper administration of this*  
35 *chapter and to prevent evasion of the use tax and the duty to*  
36 *collect the use tax, it is presumed that specified digital products*  
37 *sold by any person for delivery in this State are sold for use in this*  
38 *State until the contrary is established. The burden of proving that*  
39 *a sale of specified digital products is not a sale at retail is upon the*  
40 *person who makes the sale unless the person takes from the*  
41 *purchaser a certificate to the effect that the specified digital*  
42 *products were purchased by an end user and the purchaser:*

43 *1. Is engaged in the business of commercial broadcasting,*  
44 *rebroadcasting, transmitting, retransmitting, licensing,*



1 *relicensing, distributing, redistributing or exhibiting specified*  
2 *digital products, in whole or in part, to another person or persons;*

3 2. *Is registered pursuant to NRS 360B.200 or holds a permit*  
4 *issued pursuant to section 27 of this act, if required; and*

5 3. *At the time of purchasing the specified digital products,*  
6 *intends to broadcast, rebroadcast, transmit, retransmit, license,*  
7 *relicense, distribute, redistribute or exhibit the specified digital*  
8 *products in the regular course of business or is unable to ascertain*  
9 *at the time of purchase whether the specified digital products will*  
10 *be used for such a purpose or will be used for some other purpose.*

11 **Sec. 42.** *A resale certificate must:*

12 1. *Be substantially in such form and include such*  
13 *information as the Department may prescribe; and*

14 2. *Unless submitted in electronic form, be signed by the*  
15 *purchaser.*

16 **Sec. 43.** *If a purchaser who gives a resale certificate makes*  
17 *any use of the specified digital products other than the commercial*  
18 *broadcasting, rebroadcasting, transmitting, retransmitting,*  
19 *licensing, relicensing, distributing, redistributing or exhibiting of*  
20 *the specified digital products, in whole or in part, to another*  
21 *person or persons in the regular course of business, the use is*  
22 *taxable as of the time any of the specified digital products is first*  
23 *so stored or used.*

24 **Sec. 44.** *As used in sections 44 to 56, inclusive, of this act,*  
25 *“exempted from the taxes imposed by this chapter” means*  
26 *exempted from the computation of the amount of taxes imposed.*

27 **Sec. 45.** *There are exempted from the taxes imposed by this*  
28 *chapter the gross receipts from the sale of, and the use in this*  
29 *State of, specified digital products the gross receipts from the sale*  
30 *of which, or the use of which, this State is prohibited from taxing*  
31 *under the Constitution or laws of the United States or under the*  
32 *Constitution of this State.*

33 **Sec. 46.** *There are exempted from the taxes imposed by this*  
34 *chapter the gross receipts from the sale of specified digital*  
35 *products that are textbooks sold within the Nevada System of*  
36 *Higher Education.*

37 **Sec. 47.** *There are exempted from the taxes imposed by this*  
38 *chapter the gross receipts from the sale of, and the use in this*  
39 *State of, specified digital products which is a newspaper regularly*  
40 *issued at average intervals not exceeding 1 week and any such*  
41 *newspaper.*

42 **Sec. 48.** *There are exempted from the taxes imposed by this*  
43 *chapter the gross receipts from occasional sales of specified digital*  
44 *products and the use in this State of specified digital products, the*  
45 *transfer of which to the purchaser is an occasional sale.*



**Sec. 49.** *There are exempted from the taxes imposed by this chapter the gross receipts from the sale of any specified digital products to:*

*1. The United States, 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.*

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

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

**Sec. 50.** *There are exempted from the taxes imposed by this chapter the gross receipts from the sale of, and the use in this State of, any specified digital products sold by or to a nonprofit organization created for religious, charitable or educational purposes. The Legislature shall establish:*

*1. Standards for determining whether an organization is created for religious, charitable or educational purposes.*

*2. Procedures for administering the provisions of this section.*

**Sec. 51.** *1. For the purposes of section 50 of this act, an organization is created for religious, charitable or educational purposes if it complies with the provisions of this section.*

*2. An organization is created for religious purposes if:*

*(a) It complies with the requirements set forth in subsection 5; and*

*(b) The sole or primary purpose of the organization is the operation of a church, synagogue or other place of religious worship at which nonprofit religious services and activities are regularly conducted. Such an organization includes, without limitation, an integrated auxiliary or affiliate of the organization, men's, women's or youth groups established by the organization, a school or mission society operated by the organization, an organization of local units of a church and a convention or association of churches.*

*3. An organization is created for charitable purposes if:*

*(a) It complies with the requirements set forth in subsection 5;*

*(b) The sole or primary purpose of the organization is to:*

*(1) Advance a public purpose, donate or render gratuitously or at a reduced rate a substantial portion of its services to the persons who are the subjects of its charitable services, and benefit a substantial and indefinite class of persons who are the legitimate subjects of charity;*



(2) Provide services that are otherwise required to be provided by a local government, this State or the Federal Government; or

(3) Operate a hospital or medical facility licensed pursuant to chapter 449 or 450 of NRS; and

(c) The organization is operating in this State.

4. An organization is created for educational purposes if:

(a) It complies with the requirements set forth in subsection 5; and

(b) The sole or primary purpose of the organization is to:

(1) Provide athletic, cultural or social activities for children;

(2) Provide displays or performances of the visual or performing arts to members of the general public;

(3) Provide instruction and disseminate information on subjects beneficial to the community;

(4) Operate a school, college or university located in this State that conducts regular classes and provides courses of study required for accreditation or licensing by the State Board of Education or the Commission on Postsecondary Education, or for membership in the Northwest Accreditation Commission or accreditation by the Northwest Commission on Colleges and Universities;

(5) Serve as a local or state apprenticeship committee to advance programs of apprenticeship in this State; or

(6) Sponsor programs of apprenticeship in this State through a trust created pursuant to 29 U.S.C. § 186.

5. In addition to the requirements set forth in subsection 2, 3 or 4, as applicable, an organization is created for religious, charitable or educational purposes if:

(a) No part of the net earnings of any such organization inures to the benefit of a private shareholder, individual or entity;

(b) The business of the organization is not conducted for profit;

(c) No substantial part of the business of the organization is devoted to the advocacy of any political principle or the defeat or passage of any state or federal legislation;

(d) The organization does not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; and

(e) Any property sold to the organization for which an exemption is claimed is used by the organization in this State in furtherance of the religious, charitable or educational purposes of the organization.





**Sec. 52.** *There are exempted from the taxes imposed by this chapter on the use of specified digital products any such products loaned or donated to:*

*1. The United States, 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.*

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

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

*5. Any organization created for religious, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual.*

**Sec. 53.** *The use in this State of specified digital products, the gross receipts from the sale of which are required to be included in the measure of the tax imposed by section 24 of this act, is exempted from the tax imposed by section 33 of this act.*

**Sec. 54.** *1. If a purchaser wishes to claim an exemption from the taxes imposed by this chapter, the retailer shall obtain such information from the purchaser as is required by the Department.*

*2. The Department shall, to the extent feasible, establish an electronic system for submitting a request for an exemption. A purchaser is not required to provide a signature to claim an exemption if the request is submitted electronically.*

*3. The Department may establish a system whereby a purchaser who is exempt from the payment of the taxes imposed by this chapter is issued an identification number that can be presented to the retailer at the time of sale.*

*4. A retailer shall maintain such records of exempt transactions as are required by the Department and provide those records to the Department upon request.*

*5. Except as otherwise provided in this subsection, a retailer who complies with the provisions of this section is not liable for the payment of any tax imposed by this chapter if the purchaser improperly claims an exemption. If the purchaser improperly claims an exemption, the purchaser is liable for the payment of the tax. The provisions of this subsection do not apply if the retailer:*

*(a) Fraudulently fails to collect the tax;*

*(b) Solicits a purchaser to participate in an unlawful claim of an exemption; or*





(c) *Accepts a certificate of exemption from a purchaser who claims an entity-based exemption, the subject of the transaction sought to be covered by the certificate is actually received by the purchaser at a location operated by the seller, and the Department provides, and posts on a website or other Internet site that is operated or administered by or on behalf of the Department, a certificate of exemption which clearly and affirmatively indicates that the claimed exemption is not available.*

6. *As used in this section:*

(a) *"Entity-based exemption" means an exemption based on who purchases the product or who sells the product, and which is not available to all.*

(b) *"Retailer" includes a certified service provider, as that term is defined in NRS 360B.060, acting on behalf of a retailer who is registered pursuant to NRS 360B.200.*

**Sec. 55.** *1. Any nonprofit organization created for religious, charitable or educational purposes that wishes to claim an exemption pursuant to section 50 of this act, must file an application with the Department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the Department.*

*2. If the Department determines that the organization is created for religious, charitable or educational purposes, it shall issue a letter of exemption to the organization. The letter of exemption expires 5 years after the date on which it is issued by the Department. At least 90 days before the expiration of the letter of exemption, the Department shall notify the organization to whom the letter was issued of the date on which the letter will expire. The organization may renew its letter of exemption for an additional 5 years by filing an application for renewal with the Department. The application for renewal must be on a form and contain such information as is required by the Department.*

*3. To claim an exemption pursuant to section 50 of this act for the sale of specified digital products to such an organization:*

(a) *The organization must give a copy of its letter of exemption to the retailer from whom the organization purchases the product; and*

(b) *The retailer must retain and present upon request a copy of the letter of exemption.*

*4. The Department shall adopt such regulations as are necessary to carry out the provisions of this section.*

**Sec. 56.** *If a purchaser certifies in writing to a seller that the specified digital products purchased will be used in a manner or for a purpose entitling the seller to regard the gross receipts from the sale as exempted by this chapter from the computation of the*



1 amount of the taxes imposed by this chapter, and uses the  
2 specified digital products in some other manner or for some other  
3 purpose, the purchaser shall be liable for payment of the tax as if  
4 the purchaser were a retailer making a retail sale of the specified  
5 digital products at the time of such use, and the cost of the  
6 specified digital products to the purchaser shall be deemed the  
7 gross receipts from such retail sale.

8 **Sec. 57.** A retailer shall hold the amount of all taxes  
9 collected pursuant to this chapter in a separate account in trust for  
10 the State.

11 **Sec. 58.** Except as otherwise provided in section 65 of this act  
12 or required by the Department pursuant to NRS 360B.200, the  
13 taxes imposed by this chapter are due and payable to the  
14 Department monthly on or before the last day of the month next  
15 succeeding each month.

16 **Sec. 59.** Except as otherwise required by the Department  
17 pursuant to NRS 360B.200:

18 1. On or before the last day of the month following each  
19 reporting period, a return for the preceding period must be filed  
20 with the Department in such form and manner as the Department  
21 may prescribe. Any return required to be filed by this section must  
22 be combined with any return required to be filed pursuant to the  
23 provisions of chapters 372 and 374 of NRS.

24 2. For purposes of:

25 (a) The tax imposed by section 24 of this act, a return must be  
26 filed by each seller.

27 (b) The tax imposed by section 33 of this act, a return must be  
28 filed by each retailer maintaining a place of business in the State  
29 and by each person purchasing specified digital products, the use  
30 of which is subject to the use tax, who has not paid the use tax  
31 due.

32 3. Unless filed electronically, returns must be signed by the  
33 person required to file the return or by his or her authorized agent  
34 but need not be verified by oath.

35 **Sec. 60.** 1. Except as otherwise required by the Department  
36 pursuant to NRS 360B.200:

37 (a) For the purposes of the tax imposed by section 24 of this  
38 act:

39 (1) The return must show the gross receipts of the seller  
40 during the preceding reporting period.

41 (2) The gross receipts must be segregated and reported  
42 separately for each county to which a sale of specified digital  
43 products pertains.



(3) A sale pertains to the county in this State in which the retail sale of specified digital products takes place as determined pursuant to section 23 of this act.

(b) For purposes of the tax imposed by section 33 of this act:

(1) In the case of a return filed by a retailer, the return must show the total sales price of the specified digital products purchased by the retailer, the use of which specified digital products became subject to the use tax during the preceding reporting period.

(2) The sales price must be segregated and reported separately for each county to which a purchase of specified digital products pertains.

(3) If the specified digital products were:

(I) Brought into this State by the purchaser or his or her agent or designee, the sale pertains to the county in this State in which the property is or will be first used, stored or otherwise consumed.

(II) Not brought into this State by the purchaser or his or her agent or designee, the sale pertains to the county in this State in which the property was delivered to the purchaser or his or her agent or designee.

2. In the case of a return filed by a purchaser, the return must show the total sales price of the specified digital products purchased by the purchaser, the use of which became subject to the tax imposed by section 24 of this act during the preceding reporting period and indicate the county in this State in which the specified digital products were first used, stored or consumed.

3. The return must also show the amount of the taxes for the period covered by the return and such other information as the Department deems necessary for the proper administration of this chapter.

4. Except as otherwise provided in subsection 5, upon determining that a retailer has filed a return which contains one or more violations of the provisions of this section, the Department shall:

(a) For the first return of any retailer which contains one or more violations, issue a letter of warning to the retailer which provides an explanation of the violation or violations contained in the return.

(b) For the first or second return, other than a return described in paragraph (a), in any calendar year which contains one or more violations, assess a penalty equal to the amount of the tax which was not reported or was reported for the wrong county or \$1,000, whichever is less.



(c) For the third and each subsequent return in any calendar year which contains one or more violations, assess a penalty of three times the amount of the tax which was not reported or was reported for the wrong county or \$3,000, whichever is less.

5. For the purposes of subsection 4, if the first violation of this section by any retailer was determined by the Department through an audit which covered more than one return of the retailer, the Department shall treat all returns which were determined through the same audit to contain a violation or violations in the manner provided in paragraph (a) of subsection 4.

**Sec. 61.** In determining the amount of taxes due pursuant to this chapter:

1. The amount due must be computed to the third decimal place and rounded to a whole cent using a method that rounds up to the next cent if the numeral in the third decimal place is greater than 4.

2. A retailer may compute the amount due on a transaction on the basis of each item involved in the transaction or a single invoice for the entire transaction.

**Sec. 62.** 1. If a retailer is unable to collect all or part of the sales price of a sale, the retailer is entitled to receive a deduction from his or her taxable sales for that bad debt.

2. Any deduction that is claimed pursuant to this section may not include interest.

3. The amount of any deduction claimed must equal the amount of a deduction that may be claimed pursuant to section 166 of the Internal Revenue Code, 26 U.S.C. § 166, for that sale minus:

(a) Any finance charge or interest charged as part of the sale;  
(b) Any tax imposed by this chapter charged on the sales price;  
(c) Any amount not paid on the sales price because the specified digital product that was sold was not delivered until the full sales price is paid; and

(d) Any expense incurred in attempting to collect the bad debt.

4. A bad debt may be claimed as a deduction on the return that covers the period during which the bad debt is written off in the business records of the retailer that are maintained in the ordinary course of the retailer's business and is eligible to be claimed as a deduction pursuant to section 166 of the Internal Revenue Code, 26 U.S.C. § 166, or if the retailer is not required to file a federal income tax return, would be eligible to be claimed as a deduction pursuant to section 166 of the Internal Revenue Code, 26 U.S.C. § 166.



\* A B 4 5 3 R 1 \*

5. If a bad debt for which a deduction has been claimed is subsequently collected in whole or in part, the tax on the amount so collected must be reported on the return that covers the period in which the collection is made.

6. If the amount of the bad debt is greater than the amount of the taxable sales reported for the period during which the bad debt is claimed as a deduction, a claim for a refund may be filed pursuant to sections 69 to 87, inclusive, of this act except that the time within which the claim may be filed begins on the date on which the return that included the deduction was filed.

7. If the retailer has contracted with a certified service provider for the remittance of the tax due under this chapter, the service provider may, on behalf of the retailer, claim any deduction to which the retailer is entitled pursuant to this section. The service provider shall credit or refund the full amount of any deduction or refund received pursuant to this section to the retailer.

8. For the purposes of reporting a payment received on a bad debt for which a deduction has been claimed, the payment must first be applied to the sales price of the specified digital products sold and the tax due thereon, and then to any interest, service charge or other charge that was charged as part of the sale.

9. If the records of a retailer indicate that a bad debt may be allocated among other states that are members of the Streamlined Sales and Use Tax Agreement, the retailer may allocate the bad debt among those states.

10. A retailer who assigns a debt to an entity which is part of an affiliated group that includes the retailer may claim any deduction or refund to which the retailer would otherwise be entitled pursuant to this section, notwithstanding:

(a) The assignment of the debt to the entity;

(b) That the debt is written off as a bad debt in the business records of the entity which are maintained in the ordinary course of the entity's business; and

(c) That the bad debt is or would be eligible to be claimed by the entity as a deduction pursuant to section 166 of the Internal Revenue Code, 26 U.S.C. § 166.

11. Except as otherwise provided in subsection 12, upon determining that a retailer has filed a return which contains one or more violations of the provisions of this section, the Department shall:

(a) For the first return of any retailer which contains one or more violations, issue a letter of warning to the retailer which provides an explanation of the violation or violations contained in the return.



(b) For the first or second return, other than a return described in paragraph (a), in any calendar year which contains one or more violations, assess a penalty equal to the amount of the deduction claimed or \$1,000, whichever is less.

(c) For the third and each subsequent return in any calendar year which contains one or more violations, assess a penalty of three times the amount of the deduction claimed or \$3,000, whichever is less.

12. For the purposes of subsection 11, if the first violation of this section by any retailer was determined by the Department through an audit which covered more than one return of the retailer, the Department shall treat all returns which were determined through the same audit to contain a violation or violations in the manner provided in paragraph (a) of subsection 11.

13. As used in this section:

(a) "Affiliated group" means:

(1) An affiliated group as defined in section 1504(a) of the Internal Revenue Code, 26 U.S.C. § 1504(a); or

(2) A controlled group of corporations as described in section 1563(a)(2) of the Internal Revenue Code, 26 U.S.C. § 1563(a)(2).

(b) "Bad debt" means a debt that may be deducted pursuant to section 166 of the Internal Revenue Code, 26 U.S.C. § 166.

(c) "Certified service provider" has the meaning ascribed to it in NRS 360B.060.

**Sec. 63.** 1. Except as otherwise provided in subsection 2, if the taxes imposed by this chapter are paid in accordance with section 58 of this act, a taxpayer may deduct and withhold from the taxes otherwise due from the taxpayer 0.25 percent of those taxes as reimbursement for the cost of collecting the tax.

2. The regulations adopted by the Nevada Tax Commission pursuant to NRS 360B.110 may authorize the deduction and withholding from the taxes otherwise due from a taxpayer such other amounts as are required to carry out the Streamlined Sales and Use Tax Agreement.

**Sec. 64.** 1. Except as otherwise authorized or required by the Department, the person required to file a return shall deliver the return together with a remittance of the amount of the tax due to the Department.

2. The Department shall provide for the acceptance of credit cards, debit cards or electronic transfers of money for the payment of the tax due in the manner prescribed pursuant to NRS 360.092.



**Sec. 65. 1.** *Except as otherwise provided in this section or required by the Department pursuant to NRS 360B.200, the reporting and payment period of:*

*(a) A taxpayer whose taxable sales do not exceed \$10,000 per month is a calendar quarter.*

*(b) A taxpayer who files reports on a quarterly basis in accordance with paragraph (a) and:*

*(1) From whom no tax is due pursuant to this chapter for the immediately preceding three quarterly reporting periods; or*

*(2) Whose taxable sales do not exceed a total amount of \$1,500 for the immediately preceding four quarterly reporting periods,*

*is 12 calendar months, unless the taxable sales of the taxpayer exceed a total amount of \$1,500 for such a 12-month reporting and payment period or \$10,000 for a calendar month.*

**2.** *The Department, if it deems this action necessary to ensure payment to or facilitate the collection by the State of the amount of taxes, may require returns and payment of the amount of taxes for periods other than calendar months or quarters, depending upon the principal place of business of the seller, retailer or purchaser, as the case may be, or for other than monthly, quarterly or annual periods.*

**Sec. 66.** *For the purposes of the tax imposed by section 24 of this act, gross receipts from rentals or leases of specified digital products must be reported and the tax paid in accordance with such regulations as the Department may prescribe.*

**Sec. 67.** *The Department for good cause may extend for not to exceed 1 month the time for making any return or paying any amount required to be paid under this chapter.*

**Sec. 68. 1.** *The Department, whenever it deems it necessary to ensure compliance with this chapter, may require any person subject to the chapter to place with it such security as the Department may determine. The Department shall fix the amount of the security which, except as otherwise provided in subsection 2, may not be greater than twice the estimated average tax due quarterly of persons filing returns for quarterly periods, three times the estimated average tax due monthly of persons filing returns for monthly periods or four times the estimated average tax due annually of persons filing returns for annual periods, determined in such a manner as the Department deems proper.*

**2.** *In the case of persons who are habitually delinquent in their obligations under this chapter, the amount of the security may not be greater than three times the average actual tax due quarterly of persons filing returns for quarterly periods, five times the average actual tax due monthly of persons filing returns for*





1 *monthly periods or seven times the average actual tax due*  
2 *annually of persons filing returns for annual periods.*

3 *3. The limitations provided in this section apply regardless of*  
4 *the type of security placed with the Department.*

5 *4. The amount of the security may be increased or decreased*  
6 *by the Department subject to the limitations provided in this*  
7 *section.*

8 *5. The Department may sell the security at public auction if it*  
9 *becomes necessary to recover any tax or any amount required to*  
10 *be collected, or interest or penalty due. Notice of the sale may be*  
11 *served upon the person who placed the security personally or by*  
12 *mail. If the notice is served by mail, service must be made in the*  
13 *manner prescribed for service of a notice of a deficiency*  
14 *determination and must be addressed to the person at his or her*  
15 *address as it appears in the records of the Department. Security in*  
16 *the form of a bearer bond issued by the United States or the State*  
17 *of Nevada which has a prevailing market price may be sold by the*  
18 *Department at a private sale at a price not lower than the*  
19 *prevailing market price.*

20 *6. Upon any sale any surplus above the amounts due must be*  
21 *returned to the person who placed the security.*

22 **Sec. 69.** *1. If the Department determines that any amount,*  
23 *penalty or interest has been paid more than once or has been*  
24 *erroneously or illegally collected or computed, the Department*  
25 *shall set forth that fact in the records of the Department and*  
26 *certify to the State Board of Examiners the amount collected in*  
27 *excess of the amount legally due and the person from whom it was*  
28 *collected or by whom paid. If approved by the State Board of*  
29 *Examiners, the excess amount collected or paid must, after being*  
30 *credited against any amount then due from the person in*  
31 *accordance with NRS 360.236, be refunded to the person, or his or*  
32 *her successors, administrators or executors.*

33 *2. Any overpayment of the tax imposed by section 33 of this*  
34 *act by a purchaser to a retailer who is required to collect the tax*  
35 *and who gives the purchaser a receipt therefor pursuant to*  
36 *sections 33 to 43, inclusive, of this act must be credited or*  
37 *refunded by the State to the purchaser, subject to the requirements*  
38 *of NRS 360.236.*

39 **Sec. 70.** *Except as otherwise provided in NRS 360.235 and*  
40 *360.395 and section 62 of this act:*

41 *1. No refund may be allowed unless a claim for it is filed with*  
42 *the Department within 3 years after the last day of the month*  
43 *following the close of the period for which the overpayment was*  
44 *made.*





2. 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, or unless the credit relates to a period for which a waiver is given pursuant to NRS 360.355.

**Sec. 71.** No credit or refund of any amount paid pursuant to sections 33 to 43, inclusive, of this act may be allowed on the ground that the use of the specified digital products is exempted pursuant to section 53 of this act, unless the person who paid the amount reimburses the vendor of the specified digital products for the amount of the tax imposed by section 24 of this act upon the vendor of the specified digital products with respect to the sale of the specified digital products and paid by the vendor to the State.

**Sec. 72.** Every claim must be in writing and state the specific grounds upon which the claim is founded.

**Sec. 73.** Failure to file a claim within the time prescribed in section 70 of this act constitutes a waiver of any demand against the State on account of overpayment.

**Sec. 74.** Within 30 days after disallowing 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. 75.** Except as otherwise provided in NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of tax at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.

**Sec. 76.** If the Department determines that any overpayment has been made intentionally or by reason of carelessness, it shall not allow any interest thereon.

**Sec. 77.** No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State, a county or any officer thereof to prevent or enjoin the collection under this chapter of any tax or any amount of tax required to be collected.

**Sec. 78.** No suit or proceeding shall 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 duly filed.

**Sec. 79. 1.** Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Nevada Tax 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



1 *conducted by the Department, for the recovery of the whole or any*  
2 *part of the amount with respect to which the claim has been*  
3 *disallowed.*

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

7 **Sec. 80.** *If the Department fails to mail notice of action on a*  
8 *claim within 6 months after the claim is filed, the claimant may*  
9 *consider the claim disallowed and file an appeal with a hearing*  
10 *officer within 45 days after the last day of the 6-month period. If*  
11 *the claimant is aggrieved by the decision of the hearing officer on*  
12 *appeal, the claimant may, pursuant to the provisions of NRS*  
13 *360.245, appeal the decision to the Nevada Tax Commission. If*  
14 *the claimant is aggrieved by the decision of the Commission on*  
15 *appeal, the claimant may, within 45 days after the decision is*  
16 *rendered, bring an action against the Department on the grounds*  
17 *set forth in the claim for the recovery of the whole or any part of*  
18 *the amount claimed as an overpayment.*

19 **Sec. 81.** *1. If judgment is rendered for the plaintiff, the*  
20 *amount of the judgment must first be credited as follows:*

21 *(a) If the judgment is for a refund of tax imposed by section 24*  
22 *of this act, it must be credited on any amount of tax due from the*  
23 *plaintiff pursuant to this chapter.*

24 *(b) If the judgment is for a refund of the tax imposed by*  
25 *section 33 of this act, it must be credited on any amount of that tax*  
26 *due from the plaintiff pursuant to this chapter.*

27 *2. The balance of the judgment must be refunded to the*  
28 *plaintiff.*

29 **Sec. 82.** *In any judgment, interest shall be allowed at the rate*  
30 *of 3 percent per annum upon the amount found to have been*  
31 *illegally collected from the date of payment of the amount to the*  
32 *date of allowance of credit on account of the judgment, or to a*  
33 *date preceding the date of the refund warrant by not more than 30*  
34 *days, the date to be determined by the Department.*

35 **Sec. 83.** *A judgment shall not be rendered in favor of the*  
36 *plaintiff in any action brought against the Department to recover*  
37 *any amount paid when the action is brought by or in the name of*  
38 *an assignee of the person paying the amount or by any person*  
39 *other than the person who paid the amount.*

40 **Sec. 84.** *The Department may recover any refund or part of it*  
41 *which is erroneously made and any credit or part of it which is*  
42 *erroneously allowed in an action brought in a court of competent*  
43 *jurisdiction in Carson City or Clark County in the name of the*  
44 *State of Nevada.*



1     **Sec. 85.** *The action must be tried in Carson City or Clark*  
2 *County unless the court, with the consent of the Attorney General,*  
3 *orders a change of place of trial.*

4     **Sec. 86.** *The Attorney General shall prosecute the action,*  
5 *and the provisions of NRS, the Nevada Rules of Civil Procedure*  
6 *and the Nevada Rules of Appellate Procedure relating to service of*  
7 *summons, pleadings, proofs, trials and appeals are applicable to*  
8 *the proceedings.*

9     **Sec. 87. 1.** *If any amount in excess of \$25 has been*  
10 *illegally determined, either by the person filing the return or by the*  
11 *Department, the Department shall certify this fact to the State*  
12 *Board of Examiners, and the latter shall authorize the*  
13 *cancellation of the amount upon the records of the Department.*

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

19     **Sec. 88.** *This chapter must be administered in accordance*  
20 *with the provisions of chapter 360B of NRS.*

21     **Sec. 89. 1.** *The provisions of this chapter relating to:*

22     **(a)** *The imposition, collection and remittance of the tax*  
23 *imposed by section 24 of this act apply to every retailer whose*  
24 *activities have a sufficient nexus with this State to satisfy the*  
25 *requirements of the United States Constitution.*

26     **(b)** *The collection and remittance of the tax imposed by section*  
27 *33 of this act apply to every retailer whose activities have a*  
28 *sufficient nexus with this State to satisfy the requirements of the*  
29 *United States Constitution.*

30     **2.** *In administering the provisions of this chapter, the*  
31 *Department shall construe the terms "seller," "retailer" and*  
32 *"retailer maintaining a place of business in this State" in*  
33 *accordance with the provisions of subsection 1.*

34     **Sec. 90.** *As used in sections 90 to 97, inclusive, of this act,*  
35 *unless the context otherwise requires, the words and terms defined*  
36 *in sections 91, 92 and 93 of this act have the meanings ascribed to*  
37 *them in those sections.*

38     **Sec. 91.** *"Affiliate" means a person who directly or indirectly*  
39 *owns or controls, is owned or controlled by, or is under common*  
40 *ownership or control with, another person. For the purposes of*  
41 *this section, control shall be presumed to exist if any person*  
42 *directly or indirectly owns, controls, holds with the power to vote*  
43 *or holds proxies representing 10 percent or more of the voting*  
44 *securities of any other person. This presumption may be rebutted*  
45 *by a showing that control does not exist in fact.*



**Sec. 92. 1. “Marketplace facilitator” means a person, including any affiliate of the person, who:**

**(a) Directly or indirectly, does one or more of the following to facilitate a retail sale:**

**(1) Lists, makes available or advertises specified digital products for sale by a marketplace seller in a marketplace owned, operated or controlled by the person;**

**(2) Facilitates the sale of a marketplace seller’s product through a marketplace by transmitting or otherwise communicating an offer or acceptance of a retail sale of specified digital products between a marketplace seller and a purchaser in a forum including a shop, store, booth, catalog, Internet site or similar forum;**

**(3) Owns, rents, licenses, makes available or operates any electronic or physical infrastructure or any property, process, method, copyright, trademark or patent that connects marketplace sellers to purchasers for the purpose of making retail sales of specified digital products;**

**(4) Provides a marketplace for making retail sales of specified digital products, or otherwise facilitates retail sales of specified digital products, regardless of ownership or control of the specified digital products that are the subject of the retail sale;**

**(5) Provides software development or research and development activities related to any activity described in this subsection, if such software development or research and development activities are directly related to the physical or electronic marketplace provided by a marketplace provider;**

**(6) Provides or offers fulfillment or storage services for a marketplace seller;**

**(7) Sets prices for the sale of specified digital products by a marketplace seller;**

**(8) Provides or offers customer service to a marketplace seller or the customers of a marketplace seller, or accepts or assists with taking orders, returns or exchanges of specified digital products sold by a marketplace seller; or**

**(9) Brands or otherwise identifies sales as those of the marketplace facilitator; and**

**(b) Directly or indirectly, does one or more of the following to facilitate a retail sale:**

**(1) Collects the sales price or purchase price of a retail sale of specified digital products;**

**(2) Provides payment processing services for a retail sale of specified digital products;**



(3) Charges, collects or otherwise receives selling fees, listing fees, referral fees, closing fees, fees for inserting or making available specified digital products on a marketplace or other consideration from the facilitation of a retail sale of specified digital products, regardless of ownership or control of the specified digital products that are the subject of the retail sale;

(4) Through terms and conditions, agreements or arrangements with a third party, collects payment in connection with a retail sale of specified digital products from a purchaser and transmits that payment to the marketplace seller, regardless of whether the person collecting and transmitting such payment receives compensation or other consideration in exchange for the service; or

(5) Provides a virtual currency that purchasers are allowed or required to use to purchase specified digital products.

2. The term does not include a person who provides Internet advertising services, including, without limitation, the listing of products for sale, if the person does not directly or indirectly or through an affiliate:

(a) Transmit or otherwise communicate an offer or acceptance of a retail sale of specified digital products between a marketplace seller and a purchaser; and

(b) Do one or more of the activities listed in paragraph (b) of subsection 1.

3. The term includes a provider of direct broadcast satellite services as defined in 47 U.S.C. § 335(b)(5)(A) or a cable operator as defined in 47 U.S.C. § 522(5) who meets the definition of “marketplace facilitator” provided in subsection 1, including, without limitation, by facilitating the retail sale of a software application of a marketplace seller which may be accessed through the digital platform owned, operated or controlled by the provider of direct broadcast satellite services or cable operator. A provider of direct broadcast satellite services or cable operator is not a marketplace facilitator with respect to a software application of a marketplace seller which may be accessed through the digital platform owned, operated or controlled by the provider of direct broadcast satellite services or cable operator for no additional charge.

**Sec. 93. “Marketplace seller” means:**

1. A seller who makes retail sales through any physical or electronic marketplace owned, operated or controlled by a marketplace facilitator, even if such seller would not have been required to collect and remit the sales tax or use tax had the sale not been made through such marketplace; or



2. A seller who makes retail sales resulting from a referral by a referrer, even if such seller would not have been required to collect and remit the sales tax or use tax had the sale not been made through such referrer.

**Sec. 94.** 1. Except as otherwise provided in this section and section 95 of this act, the provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act, and the collection and remittance of the tax imposed by section 33 of this act, apply to a marketplace facilitator during a calendar year in which or during a calendar year immediately following any calendar year in which:

(a) The cumulative gross receipts from retail sales of tangible personal property and specified digital products made or facilitated by the marketplace facilitator on its own behalf or for one or more marketplace sellers to customers in this State exceed \$100,000; or

(b) The marketplace facilitator makes or facilitates 200 or more separate retail sales transactions of tangible personal property or specified digital products on his or her own behalf or for one or more marketplace sellers to customers in this State.

2. The provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act and the collection and remittance of the tax imposed by section 33 of this act do not apply to a marketplace facilitator described in subsection 1 if:

(a) The marketplace facilitator and the marketplace seller have entered into a written agreement whereby the marketplace seller assumes responsibility for the collection and remittance of the tax imposed by section 24 of this act, and the collection and remittance of the tax imposed by section 33 of this act, for retail sales made by the marketplace seller through the marketplace facilitator; and

(b) The marketplace seller has obtained a permit pursuant to section 27 of this act or registered pursuant to NRS 360B.200.

➡ Upon request of the Department, a marketplace facilitator shall provide to the Department a report containing the name of each marketplace seller with whom the marketplace facilitator has entered into an agreement pursuant to this subsection and such other information as the Department determines is necessary to ensure that each marketplace seller with whom the marketplace facilitator has entered into an agreement pursuant to this subsection has obtained a permit pursuant to section 27 of this act or registered pursuant to NRS 360B.200.



3. Except as otherwise provided in this section and section 95 of this act, the provisions of subsection 1 apply regardless of whether:

(a) The marketplace seller for whom a marketplace facilitator makes or facilitates a retail sale would not have been required to collect and remit the sales tax or the use tax had the retail sale not been facilitated by the marketplace facilitator;

(b) The marketplace seller for whom a marketplace facilitator makes or facilitates a retail sale was required to register with the Department pursuant to NRS 360B.200 or obtain a permit pursuant to section 27 of this act; or

(c) The amount of the sales price of a retail sale will ultimately accrue to or benefit the marketplace facilitator, the marketplace seller or any other person.

4. In administering the provisions of this chapter, the Department shall construe the terms "seller," "retailer" and "retailer maintaining a place of business in this State" in accordance with the provisions of this section.

**Sec. 95. 1.** In administering the provisions of this chapter, the Department shall not hold a marketplace facilitator liable for the payment of any tax imposed by this chapter which is attributable to a retail sale made or facilitated on behalf of a marketplace seller who is not an affiliate of the marketplace facilitator if:

(a) The marketplace facilitator provides proof satisfactory to the Department that the marketplace facilitator has made a reasonable effort to obtain accurate information from the marketplace seller about the retail sale; and

(b) The failure to collect and remit the correct tax on the retail sale was due to incorrect information provided to the marketplace facilitator by the marketplace seller.

2. Except as otherwise provided in subsection 3, in administering the provisions of this chapter, the Department shall not hold a marketplace facilitator liable for the payment of any tax imposed by this chapter which is attributable to a retail sale made or facilitated on behalf of a marketplace seller who is not an affiliate of the marketplace facilitator if the marketplace facilitator provides proof satisfactory to the Department that:

(a) The retail sale was made before January 1, 2026;

(b) The retail sale was made through a marketplace of the marketplace facilitator; and

(c) The failure to collect the tax imposed by section 24 of this act and the tax imposed by section 33 of this act was due to an error other than an error in sourcing the retail sale.





3. The relief from liability provided pursuant to subsection 2 for the 2026 and 2027 calendar years, respectively, must not exceed 5 percent of the total tax imposed by sections 24 and 33 of this act owed for the calendar year on the cumulative gross receipts of the marketplace facilitator from retail sales made or facilitated by the marketplace facilitator for one or more marketplace sellers to customers in this State.

4. If a marketplace facilitator is relieved of liability for the collection and remittance of any amount of the tax imposed by section 24 of this act or the tax imposed by section 33 of this act pursuant to subsection 1, the marketplace seller or purchaser, as applicable, is liable for the payment of such uncollected, unpaid or unremitted tax.

5. To the extent that a marketplace facilitator is relieved of liability for the collection and remittance of any tax pursuant to subsections 2 and 3, the marketplace seller for whom the marketplace facilitator made or facilitated the retail sale giving rise to the tax is also relieved of such liability.

6. Nothing in this section shall be construed to relieve any person of liability for collecting but failing to remit to the Department any tax imposed by this chapter.

**Sec. 96. 1.** The Department may provide by regulation that, except as otherwise provided in this section, the provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act and the collection and remittance of the tax imposed by section 33 of this act apply to a referrer during a calendar year in which, or during a calendar year immediately following any calendar year in which:

(a) The cumulative gross receipts from retail sales of tangible personal property and specified digital products to customers in this State resulting from referrals from a platform of the referrer are in excess of \$100,000; or

(b) There are 200 or more separate retail sales transactions involving sales of tangible personal property or specified digital products to customers in this State resulting from referrals from a platform of the referrer.

2. Any regulations adopted by the Department pursuant to subsection 1 must provide that the provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act, and the collection and remittance of the tax imposed by section 33 of this act do not apply to a referrer described in subsection 1 if the referrer:

(a) Posts a conspicuous notice on each platform of the referrer that includes all of the following:





(1) A statement that tax imposed by sections 24 and 33 of this act is due on certain purchases;

(2) A statement that the marketplace seller from whom the person is purchasing on the platform may or may not collect and remit the tax imposed by sections 24 and 33 of this act on a purchase;

(3) A statement that Nevada requires the purchaser to pay the tax imposed by sections 24 and 33 of this act and file a return for such taxes if the tax imposed by sections 24 and 33 of this act is not collected at the time of the sale by the marketplace seller;

(4) Information informing the purchaser that the notice is provided under the requirements of this section; and

(5) Instructions for obtaining additional information from the Department regarding whether and how to remit the tax imposed by sections 24 and 33 of this act;

(b) The referrer provides a monthly notice to each marketplace seller to whom the referrer made a referral of a potential customer located in this State during the previous calendar year, which monthly notice shall contain all of the following:

(1) A statement that Nevada imposes the tax imposed by sections 24 and 33 of this act on retail sales in this State;

(2) A statement that a marketplace facilitator or other retailer making retail sales in this State must collect and remit the tax imposed by sections 24 and 33 of this act; and

(3) Instructions for obtaining additional information from the Department regarding the collection and remittance of the tax imposed by sections 24 and 33 of this act; and

(c) The referrer provides the Department with periodic reports in an electronic format and in the manner prescribed by the Department, which reports contain all of the following:

(1) A list of marketplace sellers who received a notice from the referrer pursuant to paragraph (b);

(2) A list of marketplace sellers that collect and remit the tax imposed by sections 24 and 33 of this act and that list or advertise the marketplace seller's products for sale on a platform of the referrer; and

(3) An affidavit signed under penalty of perjury from an officer of the referrer affirming that the referrer made reasonable efforts to comply with the applicable notice and reporting requirements of this subsection.

3. Any regulations adopted by the Department pursuant to subsection 1 must provide that in administering the provisions of this chapter, the Department shall construe the terms "seller," "retailer" and "retailer maintaining a place of business in this State" in accordance with the provisions of this section.



4. Any regulations adopted by the Department pursuant to subsection 1 must apply only to referrals by a referrer and shall not preclude the applicability of other provisions of this chapter to a person who is a referrer and is also a retailer, a marketplace facilitator or a marketplace seller.

5. As used in this section:

(a) “Platform” means an electronic or physical medium, including, without limitation, an Internet site or catalog, that is owned, operated or controlled by a referrer.

(b) “Referral” means the transfer through telephone, Internet link or other means by a referrer of a potential customer to a retailer or seller who advertises or lists specified digital products for sale on a platform of the referrer.

(c) “Referrer”:

(I) Means a person who does all of the following:

(I) Contracts or otherwise agrees with a retailer, seller or marketplace facilitator to list or advertise for sale specified digital products of the retailer, seller or marketplace facilitator on a platform, provided such listing or advertisement identifies whether or not the retailer, seller or marketplace facilitator collects the tax imposed by sections 24 and 33 of this act;

(II) Receives a commission, fee or other consideration from the retailer, seller or marketplace facilitator for the listing or advertisement;

(III) Provides referrals to a retailer, seller or marketplace facilitator, or an affiliate of a retailer, seller or marketplace facilitator; and

(IV) Does not collect money or other consideration from the customer for the transaction.

(2) Does not include:

(I) A person primarily engaged in the business of printing or publishing a newspaper; or

(II) A person who does not provide the retailer’s, seller’s or marketplace facilitator’s shipping terms and who does not advertise whether a retailer, seller or marketplace facilitator collects the tax imposed by sections 24 and 33 of this act.

**Sec. 97.** 1. Nothing in sections 90 to 97, inclusive, of this act shall be construed to create any remedy or private right of action against a marketplace facilitator.

2. A marketplace facilitator that is required to collect taxes imposed by this chapter is immune from civil liability for claims arising from or related to the overpayment of taxes imposed by this chapter if the marketplace facilitator acted in good faith and without malicious intent.

3. Nothing in this section applies to or otherwise limits:



(a) Any claim, action, mandate, power, remedy or discretion of the Department, or an agent or designee of the Department.

(b) The right of a taxpayer to seek a refund pursuant to sections 69 to 87, inclusive, of this act.

**Sec. 98.** 1. Except as otherwise provided in this section, it is presumed that the provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act, and the collection and remittance of the tax imposed by section 33 of this act, apply to a retailer if:

(a) The retailer is part of a controlled group of corporations that has a component member, other than a common carrier acting in its capacity as such, that has physical presence in this State; and

(b) The component member with physical presence in this State:

(1) Sells a similar line of products or services as the retailer and does so under a business name that is the same or similar to that of the retailer;

(2) Maintains an office, distribution facility, warehouse or storage place or similar place of business in this State to facilitate the delivery of products or services sold by the retailer to the retailer's customers;

(3) Uses trademarks, service marks or trade names in this State that are the same or substantially similar to those used by the retailer;

(4) Delivers, installs, assembles or performs maintenance services for the retailer's customers within this State;

(5) Facilitates the retailer's delivery of products or services to customers in this State by allowing the retailer's customers to pick up or receive products or services sold by the retailer at an office, distribution facility, warehouse, storage place or similar place of business maintained by the component member in this State; or

(6) Conducts any other activities in this State that are significantly associated with the retailer's ability to establish and maintain a market in this State for the retailer's products or services.

2. A retailer may rebut the presumption set forth in subsection 1 by providing proof satisfactory to the Department that, during the calendar year in question, the activities of the component member with physical presence in this State are not significantly associated with the retailer's ability to establish or maintain a market in this State for the retailer's products or services.



3. In administering the provisions of this chapter, the Department shall construe the terms “seller,” “retailer” and “retailer maintaining a place of business in this State” in accordance with the provisions of this section.

4. As used in this section:

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

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

**Sec. 99. 1.** Except as otherwise provided in this section, it is presumed that the provisions of this chapter relating to:

(a) The imposition, collection and remittance of the tax imposed by section 24 of this act; and

(b) The collection and remittance of the tax imposed by section 33 of this act,

↪ apply to every retailer who enters into an agreement with a resident of this State under which the resident, for a commission or other consideration based upon the sale of specified digital products by the retailer, directly or indirectly refers potential customers, whether by a link on an Internet website or otherwise, to the retailer, if the cumulative gross receipts from sales by the retailer to customers in this State who are referred to the retailer by all residents with this type of an agreement with the retailer is in excess of \$10,000 during the preceding four quarterly periods ending on the last day of March, June, September and December.

2. A retailer may rebut the presumption set forth in subsection 1 by providing proof satisfactory to the Department that each resident with whom the retailer has an agreement did not engage in any activity in this State that was significantly associated with the retailer’s ability to establish or maintain a market in this State for the retailer’s products or services during the preceding four quarterly periods ending on the last day of March, June, September and December. Such proof may consist of the sworn written statements of each resident with whom the retailer has an agreement stating that the resident did not engage in any solicitation in this State on behalf of the retailer during the



preceding four quarterly periods ending on the last day of March, June, September and December, if the statements were obtained from each resident and provided to the Department in good faith.

3. In administering the provisions of this chapter, the Department shall construe the terms "seller," "retailer" and "retailer maintaining a place of business in this State" in accordance with the provisions of this section.

**Sec. 100.** 1. The provisions of this chapter relating to the imposition, collection and remittance of the tax imposed by section 24 of this act, and the collection and remittance of the tax imposed by section 33 of this act apply to a retailer who does not maintain a place of business in this State if, in the immediately preceding calendar year or the current calendar year:

(a) The gross revenue of the retailer from the retail sale of tangible personal property or specified digital products, or the total gross revenue of the retailer from the retail sale of tangible personal property and specified digital products, in transactions that took place in this State, as determined pursuant to NRS 360B.350 to 360B.375, inclusive, or section 23 of this act, as applicable, is greater than \$100,000.

(b) The retailer had 200 or more transactions that took place in this State, as determined pursuant to NRS 360B.350 to 360B.375, inclusive, or section 23 of this act, as applicable, in which tangible personal property or specified digital products were sold at retail.

2. In administering the provisions of this chapter, the Department shall construe the terms "seller," "retailer" and "retailer maintaining a place of business in this State" in accordance with the provisions of subsection 1.

**Sec. 101.** 1. The Department shall enforce the provisions of this chapter and may adopt regulations relating to the administration and enforcement of this chapter.

2. The Department may prescribe the extent to which any regulation may be applied without retroactive effect.

**Sec. 102.** In administering the provisions of section 49 of this act, the Department shall apply the exemption for the sale of specified digital products to the State of Nevada, its unincorporated agencies and instrumentalities to include all specified digital products that are sold to:

1. A member of the Nevada National Guard who is engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and has been called into active service.

2. A relative of a member of the Nevada National Guard eligible for the exemption pursuant to subsection 1 who:



(a) *Resides in the same home or dwelling in this State as the member; and*

(b) *Is related by blood, adoption or marriage within the first degree of consanguinity or affinity to the member.*

3. *A relative of a deceased member of the Nevada National Guard who was engaged in full-time National Guard duty, as defined in 10 U.S.C. § 101(d)(5), and who was killed while performing his or her duties as a member of the Nevada National Guard during a period when the member was called into active service. To be eligible under this subsection, the relative must be a person who:*

(a) *Resided in the same house or dwelling in this State as the deceased member; and*

(b) *Was related by blood, adoption or marriage within the first degree of consanguinity or affinity to the deceased member.*

**Sec. 103.** 1. *A person who wishes to claim an exemption pursuant to section 102 of this act must file an application with the Department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the Department.*

2. *If the Department determines that a person is eligible for the exemption provided pursuant to section 102 of this act, the Department shall issue a letter of exemption to the person. A letter of exemption issued to a member of the Nevada National Guard described in subsection 1 of section 102 of this act or a relative of a member described in subsection 2 of section 102 of this act expires on the date on which the person no longer meets the qualifications for eligibility. A letter of exemption issued to a relative of a deceased member of the Nevada National Guard described in subsection 3 of section 102 of this act expires on the date 3 years after the date of the death of the member.*

3. *To claim an exemption pursuant to section 102 of this act for the sale of specified digital products to such a person:*

(a) *The person must provide a copy of the letter of exemption to the retailer from whom the person purchases the specified digital products; and*

(b) *The retailer must retain and present upon request a copy of the letter of exemption to the Department.*

4. *The Department shall adopt such regulations as are necessary to carry out the provisions of this section.*

**Sec. 104.** *The Department may employ accountants, auditors, investigators, assistants and clerks necessary for the efficient administration of this chapter, and may delegate authority to its representatives to conduct hearings, adopt regulations or perform any other duties imposed by this chapter.*



**Sec. 105.** *1. Notwithstanding any other provision of law, any broadcaster, printer, outdoor advertising firm, advertising distributor or publisher which broadcasts, publishes, displays or distributes paid commercial advertising in this State which is intended to be disseminated primarily to persons located in this State and is only secondarily disseminated to bordering jurisdictions, including advertising appearing exclusively in a Nevada edition or section of a national publication, must be regarded, for the purposes set forth in subsection 2 only, as the agent of the person or entity placing the advertisement, and as a retailer maintaining a place of business in this State.*

*2. The agency created by this section is solely for the purpose of the proper administration of this chapter, to prevent evasion of the tax imposed by section 33 of this act and the duty to collect that tax, and to provide a presence in Nevada for the collection of the tax imposed by section 33 of this act by and from advertisers and sellers who do not otherwise maintain a place of business in this State. The agent has no responsibility to report, or liability to pay, any tax imposed under this chapter and is not restricted by the provisions of this chapter from accepting advertisements from advertisers or sellers who do not otherwise maintain a place of business in this State.*

**Sec. 106.** *1. Every seller, every retailer and every person storing, using or otherwise consuming in this State specified digital products purchased from a retailer shall keep records, receipts, invoices and other pertinent papers in such form as the Department may require.*

*2. Every seller, retailer or person who files the returns required under this chapter shall keep the records for not less than 4 years from their making unless the Department in writing sooner authorizes their destruction.*

*3. Every seller, retailer or person who fails to file the returns required under this chapter shall keep the records for not less than 8 years from their making unless the Department in writing sooner authorizes their destruction.*

**Sec. 107.** *1. The Department, or any person authorized in writing by the Department, may examine the books, papers, records and equipment of any person selling specified digital products and any person liable for the tax imposed by section 33 of this act and may investigate the character of the business of the person to verify the accuracy of any return made or, if no return is made by the person, to ascertain and determine the amount required to be paid.*

*2. Any person selling or purchasing specified digital products in this State who:*





(a) *Is required to:*

(1) *Obtain a permit pursuant to section 27 of this act or register pursuant to NRS 360B.200; or*

(2) *File a return pursuant to subsection 2 of section 59 of this act; and*

(b) *Keeps outside of this State his or her records, receipts, invoices and other documents relating to sales the person has made or the tax imposed by section 33 of this act due this State,*

*↪ 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. 108.** *In its administration of the tax imposed by section 33 of this act, the Department may require the filing of reports by any person or class of persons having in their possession or custody information relating to sales of specified digital products, the use of which is subject to the tax. The report must:*

1. *Be filed when the Department requires.*

2. *Set forth the names and addresses of purchasers of the specified digital products, the sales price of the specified digital products, the date of sale and such other information as the Department may require.*

**Sec. 109.** *Any retailer or other person who fails or refuses to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the Department, or who renders a false or fraudulent return shall be fined not more than \$500 for each offense.*

**Sec. 110.** *Any person required to make, render, sign or verify any report who makes any false or fraudulent return, with intent to defeat or evade the determination of an amount due required by law to be made, is guilty of a gross misdemeanor and shall for each offense be fined not less than \$300 nor more than \$5,000, or be imprisoned for not more than 364 days in the county jail, or be punished by both fine and imprisonment.*

**Sec. 111.** *Any violation of this chapter, except as otherwise provided, is a misdemeanor.*

**Sec. 112.** *Any prosecution for violation of any of the penal provisions of this chapter must be instituted within 3 years after the commission of the offense.*

**Sec. 113.** *In the determination of any case arising under this chapter, the rule of res judicata is applicable only if the liability*



involved is for the same period as was involved in another case previously determined.

**Sec. 114.** 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the State under this chapter must be paid to the Department in the form of remittances payable to the Department.

2. Except as otherwise provided in subsection 3, the Department shall deposit the payments in the State Treasury to the credit of each account in the State General Fund to which is credited a tax imposed upon sales at retail of tangible personal property and use tax due on the purchase of tangible personal property for use in this State, in the proportion that would be credited to each account if the fees, taxes, interest and penalties imposed or required to be paid to the State under this chapter were a tax upon sales at retail of tangible personal property or use tax due on the purchase of tangible personal property for use in this State.

3. The payments pursuant to this chapter which, in the absence of this subsection, would be allocated pursuant to NRS 377.055 and 377.057 must instead be distributed to the county to which the underlying retail sale of specified digital products is deemed to take place pursuant to section 23 of this act.

**Sec. 115.** The money in the accounts described in subsection 2 of section 114 of this act may, upon order of the State Controller, be used for refunds under this chapter.

**Sec. 116.** 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. 117.** The imposition of taxes by this chapter, the categories of transactions upon which taxes are imposed and the specification of exemptions are exclusive. The Nevada Tax Commission and the Department shall not construe any provision of this chapter to authorize the imposition of a tax imposed by this chapter upon any transaction not expressly made taxable by this chapter.

**Sec. 118.** NRS 360.261 is hereby amended to read as follows:  
360.261 Not later than 30 days after the Department or the Nevada Tax Commission makes a finding or ruling, or enters into an agreement with a retailer providing, that the provisions of chapters 372 and 374 of NRS *and sections 2 to 117, inclusive, of this act* relating to the imposition, collection and remittance of ~~the sales~~ a tax ~~[, and the collection and remittance of the use tax,]~~ do not apply to the retailer, despite the presence in this State of an office,



1 distribution facility, warehouse or storage place or similar place of  
2 business which is owned or operated by the retailer or an affiliate of  
3 the retailer, whether the finding, ruling or agreement is written or  
4 oral and whether the finding, ruling or agreement is express or  
5 implied, the Department shall submit a report of the finding, ruling  
6 or agreement to the Director of the Legislative Counsel Bureau for  
7 transmittal to:

8 1. If the Legislature is in session, the Legislature; or

9 2. If the Legislature is not in session, the Legislative  
10 Commission.

11 **Sec. 119.** NRS 360.2937 is hereby amended to read as  
12 follows:

13 360.2937 1. Except as otherwise provided in this section,  
14 NRS 360.320 or any other specific statute, and notwithstanding the  
15 provisions of subsection 1 of NRS 360.2935, interest must be paid  
16 upon an overpayment of any tax provided for in chapter 362, 363A,  
17 363B, 363C, 363D, 369, 370, 372, 372B, 374, 377, 377A, 377C or  
18 377D of NRS ~~or~~ *or sections 2 to 117, inclusive, of this act*, any of  
19 the taxes provided for in NRS 372A.290, any fee provided for in  
20 NRS 444A.090, 482.313, 482C.230 or 482C.240, or any assessment  
21 provided for in NRS 585.497, at the rate of 0.25 percent per month  
22 from the last day of the calendar month following the period for  
23 which the overpayment was made.

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

27 3. The interest must be paid:

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

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

37 **Sec. 120.** NRS 360.300 is hereby amended to read as follows:

38 360.300 1. If a person fails to file a return or the Department  
39 is not satisfied with the return or returns of any tax, contribution or  
40 premium or amount of tax, contribution or premium required to be  
41 paid to the State by any person, in accordance with the applicable  
42 provisions of this chapter, chapter 360B, 362, 363A, 363B, 363C,  
43 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or  
44 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585  
45 or 680B of NRS ~~or~~ *or sections 2 to 117, 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. 121.** 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 statute, any person who fails to pay any tax provided for in chapter 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS ~~or~~ *sections 2 to 117, inclusive, of this act*, any of the taxes provided for in NRS 372A.290, or any fee provided for in NRS 482.313, 482C.230 or 482C.240, 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. 122.** 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



1 been made against the person which remains unpaid, the  
2 Department may:

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

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

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

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

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

27 4. Every person notified by a demand to transmit shall, within  
28 10 days after receipt of the demand to transmit, inform the  
29 Department of and transmit to the Department all such credits, other  
30 personal property or debts in his or her possession, under his or her  
31 control or owing by that person within the time and in the manner  
32 requested by the Department. Except as otherwise provided in  
33 subsection 5, no further notice is required to be served to that  
34 person.

35 5. If the property of the delinquent taxpayer consists of a series  
36 of payments owed to him or her, the person who owes or controls  
37 the payments shall transmit the payments to the Department until  
38 otherwise notified by the Department. If the debt of the delinquent  
39 taxpayer is not paid within 1 year after the Department issued the  
40 original demand to transmit, the Department shall issue another  
41 demand to transmit to the person responsible for making the  
42 payments informing him or her to continue to transmit payments to  
43 the Department or that his or her duty to transmit the payments to  
44 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 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, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585 or 680B of NRS *or sections 2 to 117, 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. 123.** Chapter 360B of NRS is hereby amended by adding thereto a new section to read as follows:

*“Specified digital products” has the meaning ascribed to it in section 21 of this act.*


**Sec. 124.** NRS 360B.030 is hereby amended to read as follows:

360B.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 360B.040 to 360B.100, inclusive, *and section 123 of this act* have the meanings ascribed to them in those sections.


**Sec. 125.** NRS 360B.063 is hereby amended to read as follows:

360B.063 “Purchaser” means a person to whom a sale of tangible personal property *or specified digital products* is made.

**Sec. 126.** NRS 360B.080 is hereby amended to read as follows:

360B.080 “Seller” means any person making sales, leases or rentals of tangible personal property  *or specified digital products.*

**Sec. 127.** NRS 360B.320 is hereby amended to read as follows:

360B.320 1. The Department shall provide public notification to consumers of tangible personal property  *or specified digital products*, including purchasers who are exempt from any sales and use taxes, of the practices of this State relating to



1 the collection, use and retention of any personally identifiable  
2 information.

3 2. The Department shall not retain any personally identifiable  
4 information if the information is no longer required to ensure the  
5 validity of exemptions from sales and use taxes.

6 3. When any personally identifiable information that identifies  
7 a natural person is retained by or on behalf of the State, that person  
8 is entitled to reasonable access to that information to correct any  
9 portion thereof which has been inaccurately recorded.

10 4. If any person or other entity, except a state which is a  
11 member of the Agreement or any person or other entity who is  
12 entitled to such information pursuant to any state law or the  
13 Agreement, requests any personally identifiable information  
14 maintained by the Department, the Department shall make a  
15 reasonable and timely effort to notify any person who is identified  
16 by the requested information.

17 5. The Attorney General shall enforce the provisions of this  
18 section.

19 6. As used in this section, “personally identifiable information”  
20 means information that identifies:

21 (a) A participant in the system created pursuant to the  
22 Agreement; or

23 (b) A consumer of tangible personal property *or specified*  
24 *digital products* who deals with a registered seller that elects to use  
25 a certified service provider as its agent to perform all the functions  
26 of the seller relating to sales and use taxes, other than the obligation  
27 of the seller to remit the taxes on its own purchases.

28 **Sec. 128.** (Deleted by amendment.)

29 **Sec. 129.** (Deleted by amendment.)

30 **Sec. 130.** (Deleted by amendment.)

31 **Sec. 131.** (Deleted by amendment.)

32 **Sec. 132.** (Deleted by amendment.)

33 **Sec. 133.** (Deleted by amendment.)

34 **Sec. 134.** (Deleted by amendment.)

35 **Sec. 135.** (Deleted by amendment.)

36 **Sec. 136.** (Deleted by amendment.)

37 **Sec. 137.** (Deleted by amendment.)

38 **Sec. 138.** (Deleted by amendment.)

39 **Sec. 139.** (Deleted by amendment.)

40 **Sec. 140.** (Deleted by amendment.)

41 **Sec. 141.** (Deleted by amendment.)

42 **Sec. 142.** (Deleted by amendment.)

43 **Sec. 143.** (Deleted by amendment.)

44 **Sec. 144.** (Deleted by amendment.)

45 **Sec. 145.** (Deleted by amendment.)





1      **Sec. 146.** (Deleted by amendment.)

2      **Sec. 147.** (Deleted by amendment.)

3      **Sec. 148.** (Deleted by amendment.)

4      **Sec. 149.** (Deleted by amendment.)

5      **Sec. 150.** (Deleted by amendment.)

6      **Sec. 151.** (Deleted by amendment.)

7      **Sec. 152.** (Deleted by amendment.)

8      **Sec. 153.** (Deleted by amendment.)

9      **Sec. 154.** (Deleted by amendment.)

10     **Sec. 155.** (Deleted by amendment.)

11     **Sec. 156.** (Deleted by amendment.)

12     **Sec. 157.** (Deleted by amendment.)

13     **Sec. 157.3.** Chapter 218D of NRS is hereby amended by  
14 adding thereto a new section to read as follows:

15     *1. Any state legislation enacted on or after the effective date*  
16 *of this section which authorizes a state agency to issue*  
17 *transferable tax credits is subject to the provisions of this section.*

18     *2. If the Interim Finance Committee approves a request to*  
19 *transfer money from the Account to Stabilize the Operation of the*  
20 *State Government to the State General Fund pursuant to*  
21 *subsection 7 of NRS 353.288 or the Legislature directly allocates*  
22 *money from the Account pursuant to subsection 8 of NRS 353.288*  
23 *during a fiscal emergency, during the remainder of the fiscal year*  
24 *in which the transfer is approved or the allocation is made and*  
25 *during the fiscal year immediately following the fiscal year in*  
26 *which the transfer is approved or the allocation is made:*

27        *(a) A state agency shall not issue transferable tax credits.*

28        *(b) Any transferable tax credits issued by a state agency before*  
29 *the date on which the transfer was approved or the allocation was*  
30 *made may not be applied to any state or local tax. The expiration*  
31 *date for such transferable tax credits must be extended by the*  
32 *number of days that such transferable tax credits may not be*  
33 *applied to state and local taxes pursuant to this section.*

34     *3. As used in this section, “fiscal emergency” means a fiscal*  
35 *emergency that has been declared by the Legislature, or the*  
36 *Interim Finance Committee if the Legislature is not in session,*  
37 *and the Governor.*

38     **Sec. 157.7.** Chapter 353 of NRS is hereby amended by adding  
39 thereto a new section to read as follows:

40     *If the Economic Forum forecasts that the revenue that will be*  
41 *collected by the State for general, unrestricted uses during the*  
42 *biennium that begins on July 1 of the year following the date on*  
43 *which the Economic Forum was empaneled will be less than the*  
44 *amount of such revenue collected during the immediately*  
45 *preceding biennium and the forecasted reduction in revenue*



*exceeds 7 percent, it is the intent of the Legislature that the Legislature will review any transferable tax credits which the State is authorized to issue and consider if the amount of such transferable tax credits should be reduced.*

**Sec. 158.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

**Sec. 159.** NRS 360B.483 is hereby repealed.

**Sec. 160.** 1. This section becomes effective upon passage and approval.

2. Sections 1 to 127, inclusive, and 157.3 to 159, inclusive, of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On January 1, 2026, for all other purposes.

3. Sections 128 to 157, inclusive, of this act become effective on July 1, 2025.

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## TEXT OF REPEALED SECTION

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### **360B.483 “Specified digital products” construed.**

1. “Specified digital products” means electronically transferred digital audio works, digital audiovisual works and digital books.

2. As used in this section:

(a) “Digital audio works” means works that result from the fixation of a series of musical, spoken or other sounds, including ringtones.

(b) “Digital audiovisual works” means a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

(c) “Digital books” means works that are generally recognized in the ordinary and usual sense as books.

(d) “Electronically transferred” means obtained by a purchaser by means other than tangible storage media.

(e) “Ringtones” means digitized sound files that are downloaded onto a device and may be used to alert the customer with respect to a communication.

