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SENATE BILL NO. 367—COMMITTEE ON  
REVENUE AND ECONOMIC DEVELOPMENT

MARCH 25, 2021

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Referred to Committee on Revenue and  
Economic Development

**SUMMARY**—Removes certain exemptions from the excise tax on live entertainment. (BDR 32-571)

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

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

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AN ACT relating to taxation; removing certain exemptions from the excise tax on live entertainment; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law provides for the imposition of an excise tax on admission to  
2 certain facilities where live entertainment is provided. (Chapter 368A of NRS)  
3 Existing law exempts from that excise tax: (1) live entertainment provided by or  
4 entirely for the benefit of a nonprofit organization, if the number of tickets offered  
5 for sale or other distribution to patrons is less than 7,500; and (2) an athletic  
6 contest, event or exhibition conducted by a professional team based in this State  
7 and in which the team participates. (NRS 368A.200) This bill removes the  
8 exemption from the excise tax for such athletic contests, events or exhibitions. This  
9 bill also lowers the threshold at which the excise tax is imposed for live  
10 entertainment provided by or entirely for the benefit of a nonprofit corporation  
11 from 7,500 tickets offered for sale or other distribution to 5,000 tickets.

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

1 **Section 1.** NRS 368A.200 is hereby amended to read as  
2 follows:  
3 368A.200 1. Except as otherwise provided in this section,  
4 there is hereby imposed an excise tax on admission to any facility in  
5 this State where live entertainment is provided and on the charge for



1 live entertainment provided by an escort at one or more locations in  
2 this State. The rate of the tax is:

3 (a) Except as otherwise provided in paragraph (b), for admission  
4 to a facility in this State where live entertainment is provided, 9  
5 percent of the admission charge to the facility.

6 (b) For live entertainment provided by an escort who is  
7 escorting one or more persons at a location or locations in this State,  
8 9 percent of the total amount, expressed in terms of money, of  
9 consideration paid for the live entertainment provided by the escort.

10 2. Amounts paid for:

11 (a) Admission charges collected and retained by a nonprofit  
12 religious, charitable, fraternal or other organization that qualifies as  
13 a tax-exempt organization pursuant to 26 U.S.C. § 501(c), or by a  
14 nonprofit corporation organized or existing under the provisions of  
15 chapter 82 of NRS, are not taxable pursuant to this section, only if  
16 the number of tickets to the live entertainment which are offered for  
17 sale or other distribution to patrons, either directly or indirectly  
18 through a partner, subsidiary, client, affiliate or other collaborator, is  
19 less than ~~7,500~~ 5,000.

20 (b) Gratuities directly or indirectly remitted to persons employed  
21 at a facility where live entertainment is provided are not taxable  
22 pursuant to this section.

23 (c) Fees imposed, collected and retained by an independent  
24 financial institution in connection with the use of credit cards or  
25 debit cards to pay the admission charge to a facility where live  
26 entertainment is provided are not taxable pursuant to this section. As  
27 used in this paragraph, "independent financial institution" means a  
28 financial institution that is not the taxpayer or an owner or operator  
29 of the facility where the live entertainment is provided or an affiliate  
30 of any of those persons.

31 3. The tax imposed by this section must be added to and  
32 collected from the purchaser at the time of purchase, whether or not  
33 the admission for live entertainment is purchased for resale. Each  
34 ticket for admission to a facility where live entertainment is  
35 provided must show on its face the admission charge or the seller of  
36 the admission shall prominently display a notice disclosing the  
37 admission charge at the box office or other place where the charge is  
38 made.

39 4. The tax imposed by subsection 1 does not apply to:

40 (a) Live entertainment that this State is prohibited from taxing  
41 under the Constitution, laws or treaties of the United States or the  
42 Nevada Constitution.

43 (b) Live entertainment that is governed by the Nevada  
44 Interscholastic Activities Association pursuant to chapter 385B of  
45 NRS or is provided or sponsored by an elementary school, junior



1 high school, middle school or high school, if only pupils or faculty  
2 provide the live entertainment.

3 (c) An athletic contest, event, tournament or exhibition provided  
4 by an institution of the Nevada System of Higher Education, if  
5 students of such an institution are contestants in the contest, event,  
6 tournament or exhibition.

7 (d) Live entertainment that is provided by or entirely for the  
8 benefit of a nonprofit religious, charitable, fraternal or other  
9 organization that qualifies as a tax-exempt organization pursuant to  
10 26 U.S.C. § 501(c), or a nonprofit corporation organized or existing  
11 under the provisions of chapter 82 of NRS, only if the number of  
12 tickets to the live entertainment which are offered for sale or other  
13 distribution to patrons, either directly or indirectly through a partner,  
14 subsidiary, client, affiliate or other collaborator, is less than ~~7,500.~~  
15 **5,000.**

16 (e) Any boxing contest or exhibition governed by the provisions  
17 of chapter 467 of NRS.

18 (f) Live entertainment that is not provided at a licensed gaming  
19 establishment if the facility in which the live entertainment is  
20 provided has a maximum occupancy of less than 200 persons.

21 (g) Live entertainment that is provided at a licensed gaming  
22 establishment that is licensed for less than 51 slot machines, less  
23 than 6 games, or any combination of slot machines and games  
24 within those respective limits, if the facility in which the live  
25 entertainment is provided has a maximum occupancy of less than  
26 200 persons.

27 (h) Live entertainment that is provided at a trade show.

28 (i) Music performed by musicians who move constantly through  
29 the audience if no other form of live entertainment is afforded to the  
30 patrons.

31 (j) Live entertainment that is provided at a licensed gaming  
32 establishment at private meetings or dinners attended by members of  
33 a particular organization or by a casual assemblage if the purpose of  
34 the event is not primarily for entertainment.

35 (k) Live entertainment that is provided in the common area of a  
36 shopping mall, unless the entertainment is provided in a facility  
37 located within the mall.

38 (l) Food and product demonstrations provided at a shopping  
39 mall, a craft show or an establishment that sells grocery products,  
40 housewares, hardware or other supplies for the home.

41 (m) Live entertainment that is incidental to an amusement ride, a  
42 motion simulator or a similar digital, electronic, mechanical or  
43 electromechanical attraction. For the purposes of this paragraph, live  
44 entertainment shall be deemed to be incidental to an amusement



1 ride, a motion simulator or a similar digital, electronic, mechanical  
2 or electromechanical attraction if the live entertainment is:

3 (1) Not the predominant element of the attraction; and

4 (2) Not the primary purpose for which the public rides,  
5 attends or otherwise participates in the attraction.

6 (n) A race scheduled at a race track in this State and sanctioned  
7 by the National Association for Stock Car Auto Racing, if two or  
8 more such races are held at that race track during the same calendar  
9 year.

10 ~~[(e) An athletic contest, event or exhibition conducted by a  
11 professional team based in this State if the professional team based  
12 in this State is a participant in the contest, event or exhibition.]~~

13 5. As used in this section:

14 (a) "Affiliate" has the meaning ascribed to it in NRS 463.0133.

15 (b) "Maximum occupancy" means, in the following order of  
16 priority:

17 (1) The maximum occupancy of the facility in which live  
18 entertainment is provided, as determined by the State Fire Marshal  
19 or the local governmental agency that has the authority to determine  
20 the maximum occupancy of the facility;

21 (2) If such a maximum occupancy has not been determined,  
22 the maximum occupancy of the facility designated in any permit  
23 required to be obtained in order to provide the live entertainment; or

24 (3) If such a permit does not designate the maximum  
25 occupancy of the facility, the actual seating capacity of the facility  
26 in which the live entertainment is provided.

27 (c) "Operator" includes, without limitation, a person who  
28 operates a facility where live entertainment is provided or who  
29 presents, produces or otherwise provides live entertainment.

30 **Sec. 2.** Notwithstanding the provisions of NRS 218D.430 and  
31 218D.435, a committee, other than the Assembly Standing  
32 Committee on Ways and Means and the Senate Standing Committee  
33 on Finance, may vote on this act before the expiration of the period  
34 prescribed for the return of a fiscal note in NRS 218D.475. This  
35 section applies retroactively from and after March 22, 2021.

36 **Sec. 3.** This act becomes effective on July 1, 2021.

