

SUMMARY—Revises provisions relating to short-term rentals. (BDR 20-628)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.

Effect on the State: Yes.

AN ACT relating to residential property; prohibiting a board of county commissioners and the governing body of an incorporated city from enacting or enforcing certain ordinances relating to short-term rentals; imposing certain requirements relating to violations of ordinances relating to short-term rentals; exempting short-term rentals and certain other rentals of residential units from certain taxes imposed on transient lodging; imposing a tax on the gross receipts of short-term rentals in a county; providing for the administration and enforcement of such tax by the Department of Taxation; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires a board of county commissioners and the governing body of an incorporated city to impose a tax on the gross receipts from the rental of transient lodging in a county and in an incorporated city. (NRS 244.3352, 244.33561, 268.096) Existing law also authorizes a board of county commissioners to impose an additional tax on the rental of transient lodging. (NRS 244.3351) Existing law requires a board of county commissioners and the governing body of an incorporated city to define the term “transient lodging” for the purposes of



such taxes. (NRS 244.33565, 268.0195) **Sections 4 and 10** of this bill prohibit a board of county commissioners and the governing body of an incorporated city, respectively, from including within the definition of transient lodging short-term rentals and certain rentals in which an owner rents a residential unit that serves as the primary residence of the owner. **Section 14** of this bill defines “short-term rental” to mean a transaction facilitated by a short-term rental marketplace in which a short-term rental operator, for a consideration, rents a residential unit or a room or space within a residential unit to an occupant for a period of less than 28 days. Under **section 14**, “short-term rental” does not include certain transactions in which an owner rents a residential unit that serves as the primary residence of the owner.

Section 22 of this bill imposes a tax on the gross receipts from short terms rentals in a county at a rate of either 1 percent or 2 percent, depending on the population of the county. Under **section 22**, the Department of Taxation is required to charge and collect that tax from each short-term rental operator. However, **section 23** of this bill establishes a process by which a short-term rental marketplace is authorized to elect that the Department charge and collect from a short-term rental marketplace that portion of the tax that is attributable to short-term rentals facilitated by the short-term rental marketplace, in lieu of any short-term rental operator that would otherwise be liable for the tax.

Section 22 requires the revenues from short-term rental tax to be distributed in certain percentages to: (1) cities and counties; (2) the State General Fund; (3) the Account for Affordable Housing; and (4) an account created by **section 24** of this bill for the purposes of distribution to



certain scholarship organizations. **Section 25** of this bill sets forth the manner in which revenues from the short-term rental tax are required to be apportioned to cities and counties.

Sections 19-21 and 26-38 of this bill generally provide for the administration and enforcement of the short-term rental tax. **Section 19** of this bill adopts by reference provisions of general applicability relating to the payment, collection, administration and enforcement of taxes. **Sections 20 and 21** of this bill require a taxpayer to maintain certain records and provide for the inspection of those records by the Department. **Sections 27-29, 37 and 38** of this bill adopt provisions governing penalties for failure to pay, claims for refunds and credits and the payment of interest on any overpayment of the sales-rental tax. **Section 29** of this bill sets forth the procedure by which the denial of a claim for a refund or credit may be appealed to the Nevada Tax Commission. **Section 30** of this bill denies standing to commence or maintain a proceeding for judicial review to anyone other than the person who made the disputed payment. If judgment is rendered for the claimant in such a proceeding, **section 31** of this bill provides for the allowance and computation of interest on the amount found to have been erroneously or illegally collected. **Section 32** of this bill prohibits proceedings to prevent or enjoin the collection of the tax and requires that a timely claim for a refund or credit be made as a prerequisite to any proceeding for the recovery of a refund. **Section 33** of this bill makes it a gross misdemeanor for any person to file a false or fraudulent return or engage in other conduct with intent to defraud the State or evade payment of the tax. **Section 34** of this bill provides that the remedies of the State relating to the administration of the tax are cumulative. **Sections 5 and 35** of this bill provide that certain information provided to the Department by a short-term rental marketplace is confidential. **Section 36** of this bill requires



the Department to prepare an annual report relating to the revenues collected from the short-term rental tax and post the report publicly on its Internet website.

Sections 2 and 7 of this bill prohibit a board of county commissioners and the governing body of an incorporated city, respectively, from enacting or enforcing an ordinance that prohibits short-term rentals or imposes certain restrictions on short-term rentals. **Sections 2 and 7** authorize a board of county commissioners and the governing body of an incorporated city, respectively, to: (1) enact and enforce an ordinance that imposes certain requirements or restrictions on short-term rentals relating to certain matters; and (2) provide for civil penalties in an amount not to exceed \$250 for a violation of such an ordinance in lieu of a criminal penalty. Under **sections 2 and 7**, a person who commits multiple violations of such an ordinance for which a civil penalty is provided is only subject to one civil penalty within a 14-day period. Under **sections 3 and 8** of this bill, a person who unknowingly violates such an ordinance is required to be given an opportunity to correct the violation and, if the person corrects the violation, the person is not subject to a penalty for the violation.

Section 39 of this bill repeals certain provisions of existing law which authorize a board of county commissioners and the governing body of a incorporated city to enact an ordinance requiring certain persons who provide an online platform to facilitate rentals of residential units for the purposes of transient lodging to submit certain reports to the board or the governing body. (NRS 244.1545, 268.0957)



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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *A board of county commissioners shall not enact or enforce an ordinance that:*

(a) Prohibits short-term rentals; or

(b) Restricts the use of or regulates short-term rentals based on the classification, use or occupancy of the residential unit being rented under a short-term rental.

2. *A board of county commissioners may enact and enforce an ordinance that imposes requirements or restrictions on short-term rentals which relate to:*

(a) The protection of the health and safety of the public, including, without limitation, requirements and restrictions relating to fire codes and building codes, health and sanitation, transportation and traffic control, solid or hazardous waste or pollution control or the designation of an emergency point of contact, so long as the enforcement of such requirements or restrictions does not prohibit or have the practical effect of prohibiting the use of a residential unit for short-term rentals;

(b) The residential use of land and zoning, including, without limitation, requirements and restrictions relating to noise, the protection of the public welfare, property maintenance and other issues relating to nuisances, so long as the requirements and restrictions are applied in the same manner as other similar properties which are not used for short-term rentals; and



(c) Limiting or prohibiting the use of residential units for short-term rentals for the purposes of housing sex offenders, operating or maintaining a halfway house for persons recovering from alcohol or other substance use disorders, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.

3. A board of county commissioners may, in lieu of a criminal penalty, provide for a civil penalty in an amount not to exceed \$250 for a violation of an ordinance enacted pursuant to this section.

4. If a person commits multiple violations of the same ordinance enacted pursuant to this section for which a civil penalty is provided, not more than one civil penalty may be imposed upon the person for such violations within a 14-day period.

5. As used in this section:

(a) "Residential unit" has the meaning ascribed to it in section 13 of this act.

(b) "Short-term rental" has the meaning ascribed to it in section 14 of this act.

Sec. 3. 1. *A person who unknowingly violates an ordinance regulating short-term rentals enacted pursuant to section 2 of this act must be given notice of the violation and an opportunity to correct the violation within 30 days after receipt of such notice. If the person corrects the violation within that period of time, the person is not liable for any penalty that would otherwise be imposed for the violation.*

2. As used in this section, "short-term rental" has the meaning ascribed to it in section 14 of this act.

Sec. 4. NRS 244.33565 is hereby amended to read as follows:



244.33565 1. Each board of county commissioners shall adopt an ordinance that defines the term “transient lodging” for the purposes of all taxes imposed by the board on the rental of transient lodging. The ordinance must specify the types of lodging to which the taxes apply.

2. The definition adopted by the board may include rooms or spaces in any one or more of the following:

(a) Hotels;

(b) Motels;

(c) Apartments;

(d) Time-share projects, except when an owner of a unit in the time-share project who has a right to use or occupy the unit is occupying the unit pursuant to a time-share instrument as defined in NRS 119A.150;

(e) Apartment hotels;

(f) Vacation trailer parks;

(g) Campgrounds;

(h) Parks for recreational vehicles; and

(i) Any other establishment that rents rooms or spaces to temporary or transient guests.

3. *The definition adopted by the board must not include:*

(a) A short-term rental; or

(b) The rental of a residential unit or a room or space in a residential unit if the rental is made by the owner of the residential unit and the residential unit serves as the primary residence of its owner.



4. The board may provide one or more different definitions pursuant to subsection 1 for different jurisdictions within the county in which the taxes are collected. Unless the governing body of the governmental entity that collects the taxes consents by majority vote to a change, each definition must be consistent with the past practices of the specific jurisdiction in which the taxes are collected.

5. *As used in this section:*

(a) *“Residential unit” has the meaning ascribed to it in section 13 of this act.*

(b) *“Short-term rental” has the meaning ascribed to it in section 14 of this act.*

Sec. 5. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119A.677, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3923, 209.3925, 209.419, 209.429, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130,



218G.240, 218G.350, 226.300, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239.014, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 239C.420, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.0978, 268.490, 268.910, 269.174, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 286.118, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.5757, 293.870, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.2242, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.0075, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.033, 391.035, 391.0365, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 393.045, 394.167, 394.16975, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 414.280, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 432C.140, 432C.150, 433.534, 433A.360, 437.145, 437.207, 439.4941, 439.840, 439.914, 439B.420, 439B.754, 439B.760, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 442.774, 445A.665, 445B.570, 445B.7773, 447.345, 449.209, 449.245, 449.4315,



449A.112, 450.140, 450B.188, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.535, 480.545, 480.935, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484A.469, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.303, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.238, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.2673, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.3415, 632.405, 633.283, 633.301, 633.4715, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.580, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.221, 641.325, 641A.191, 641A.262, 641A.289, 641B.170, 641B.282, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 653.900, 654.110, 656.105, 657A.510, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 678A.470, 678C.710, 678C.800, 679B.122, 679B.124, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538,



692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.325, 706.1725, 706A.230, 710.159, 711.600, *and section 35 of this act*, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential.

4. If requested, a governmental entity shall provide a copy of a public record in an electronic format by means of an electronic medium. Nothing in this subsection requires a governmental



entity to provide a copy of a public record in an electronic format or by means of an electronic medium if:

(a) The public record:

- (1) Was not created or prepared in an electronic format; and
- (2) Is not available in an electronic format; or

(b) Providing the public record in an electronic format or by means of an electronic medium would:

- (1) Give access to proprietary software; or
- (2) Require the production of information that is confidential and that cannot be redacted, deleted, concealed or separated from information that is not otherwise confidential.

5. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

(a) Shall not refuse to provide a copy of that public record in the medium that is requested because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.

(b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 6. Chapter 268 of NRS is hereby amended by adding thereto the provisions set forth as sections 7 and 8 of this act.



Sec. 7. 1. The governing body of an incorporated city shall not enact or enforce an ordinance that:

(a) Prohibits short-term rentals; or

(b) Restricts the use of or regulates short-term rentals based on the classification, use or occupancy of the residential unit being rented under a short-term rental.

2. The governing body of an incorporated city may enact and enforce an ordinance that imposes requirements or restrictions on short-term rentals which relate to:

(a) The protection of the health and safety of the public, including, without limitation, requirements and restrictions relating to fire codes and building codes, health and sanitation, transportation and traffic control, solid or hazardous waste or pollution control or the designation of an emergency point of contact, so long as the enforcement of such requirements or restrictions does not prohibit or have the practical effect of prohibiting the use of a residential unit for short-term rentals;

(b) The residential use of land and zoning, including, without limitation, requirements and restrictions relating to noise, the protection of welfare, property maintenance and other issues relating to nuisances, so long as the requirements and restrictions are applied in the same manner as other similar properties which are not used for short-term rentals; and

(c) Limiting or prohibiting the use of residential units used for short-term rentals for the purposes of housing sex offenders, operating or maintaining a halfway house for persons recovering from alcohol or other substance use disorders, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.



3. *The governing body of an incorporated city may, in lieu of a criminal penalty, provide for a civil penalty in an amount not to exceed \$250 for a violation of an ordinance enacted pursuant to this section.*

4. *If a person commits multiple violations of the same ordinance enacted pursuant to this section for which a civil penalty is provided, not more than one civil penalty may be imposed upon the person for such violations within a 14-day period.*

5. *As used in this section:*

(a) *“Residential unit” has the meaning ascribed to it in section 13 of this act.*

(b) *“Short-term rental” has the meaning ascribed to it in section 14 of this act.*

Sec. 8. 1. *A person who unknowingly violates an ordinance regulating short-term rentals enacted pursuant to section 7 of this act must be given notice of the violation and an opportunity to correct the violation within 30 days after receipt of such notice. If the person corrects the violation within that period of time, the person is not liable for any penalty that would otherwise be imposed for the violation.*

2. *As used in this section, “short-term rental” has the meaning ascribed to it in section 14 of this act.*

Sec. 9. NRS 268.019 is hereby amended to read as follows:

268.019 1. Except as otherwise provided in subsection 2 ~~§~~ *and section 7 of this act*, the governing body of an incorporated city may by ordinance provide that the violation of a particular ordinance of such governing body imposes a civil liability to the city in an amount not to exceed \$500 instead of a criminal sanction.



2. The governing body of an incorporated city may by ordinance provide that a violation of an ordinance adopted by the governing body pursuant to NRS 268.4122 by the owner of commercial property imposes a civil liability to the city in an amount not to exceed \$1,000 instead of a criminal sanction.

Sec. 10. NRS 268.0195 is hereby amended to read as follows:

268.0195 1. The governing body of each city shall adopt an ordinance that defines the term “transient lodging” for the purposes of all taxes imposed by the governing body on the rental of transient lodging. The ordinance must specify the types of lodging to which the taxes apply.

2. The definition adopted by the governing body may include rooms or spaces in any one or more of the following:

- (a) Hotels;
- (b) Motels;
- (c) Apartments;
- (d) Time-share projects, except when an owner of a unit in the time-share project who has a right to use or occupy the unit is occupying the unit pursuant to a time-share instrument as defined in NRS 119A.150;
- (e) Apartment hotels;
- (f) Vacation trailer parks;
- (g) Campgrounds;
- (h) Parks for recreational vehicles; and
- (i) Any other establishment that rents rooms or spaces to temporary or transient guests.



3. *The definition adopted by the governing body must not include:*

(a) *A short-term rental; or*

(b) *The rental of a residential unit or a room or space in a residential unit if the rental is made by the owner of the residential unit and the residential unit serves as the primary residence of its owner.*

4. *As used in this section:*

(a) *“Residential unit” has the meaning ascribed to it in section 13 of this act.*

(b) *“Short-term rental” has the meaning ascribed to it in section 14 of this act.*

Sec. 11. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 12 to 36, inclusive, of this act.

Sec. 12. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 13 to 18, inclusive, of this act, have the meanings ascribed to them in those sections.*

Sec. 13. *“Residential unit” means a single-family residence or an individual residential unit within a larger building, including, without limitation, an apartment, condominium, townhouse or duplex. The term includes any detached building or structure on the same parcel of real property as a single-family residence that is used as a dwelling unit.*

Sec. 14. 1. *“Short-term rental” means a transaction facilitated by a short-term rental marketplace in which a short-term rental operator, for a consideration, rents a residential unit or a room or space within a residential unit to an occupant for a period of less than 28 days.*



2. *The term does not include any transaction involving the rental of a residential unit or a room or space within a residential unit if the rental is made by the owner of the residential unit and the residential unit serves as the primary residence of the owner.*

Sec. 15. *“Short-term rental marketplace” means a person who provides a platform that facilitates short-term rentals between short-term rental operators and occupants and who collects the consideration for the short-term rental from the occupant.*

Sec. 16. *“Short-term rental operator” means a person who:*

1. *Is not owned or controlled, directly or indirectly, by the same interests as a short-term rental marketplace; and*

2. *Uses the platform provided by the short-term rental marketplace to engage in a short-term rental.*

Sec. 17. *“Short-term rental tax” means the tax imposed by section 22 of this act.*

Sec. 18. *“Taxpayer” means a:*

1. *Short-term rental operator; or*

2. *Short-term rental marketplace who has made an election pursuant to section 23 of this act.*

Sec. 19. *The provisions of chapter 360 of NRS relating to the payment, collection, administration and enforcement of taxes, including, without limitation, any provisions relating to the imposition of penalties and interest, shall be deemed to apply to the payment, collection, administration and enforcement of the short-term rental tax to the extent that those provisions do not conflict with the provision of this chapter.*



Sec. 20. 1. *Each person responsible for maintaining the records of a taxpayer shall:*

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

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

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

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

Sec. 21. 1. *To verify the accuracy of any return filed by a taxpayer or, if no return is filed, to determine the amount required to be paid, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the short-term rental tax.*

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

Sec. 22. 1. *A tax is hereby imposed at the rate of:*

(a) In a county whose population is 700,000 or more, 2 percent; and



(b) In a county whose population is less than 700,000, 1 percent,

↪ on the gross receipts from short-term rentals in that county.

2. Except as otherwise provided in section 23 of this act, the Department shall charge and collect from each short-term operator the tax imposed pursuant to subsection 1.

3. The revenues collected from the tax imposed pursuant to subsection 1 must be distributed as follows:

(a) Sixty percent of the revenues must be distributed to cities and counties in accordance with section 25 of this act;

(b) Thirty percent of the revenues must be deposited with the State Treasurer for credit to the State General Fund;

(c) Five percent of the revenues must be deposited with the State Treasurer for credit to the Account for Affordable Housing created by NRS 319.500; and

(d) Five percent of the revenues must be deposited with the State Treasurer for credit to the Short-Term Rental Educational Choice Account created by section 24 of this act.

Sec. 23. *1. A short-term rental marketplace may elect that the Department charge and collect for the short-term rental marketplace that portion of the short-term rental tax attributable to short-term rentals facilitated by the short-term rental marketplace.*

2. A short-term rental marketplace that wishes to make such an election shall submit a notice to the Department. The notice must contain any information that the Department may require by regulation.



3. *If the Department receives a notice submitted pursuant to subsection 2, the Department shall charge and collect from the short-term rental marketplace that portion of the short-term rental tax attributable to short-term rentals facilitated by the short-term rental marketplace in lieu of any short-term rental operator who would otherwise be liable for the short-term rental tax.*

Sec. 24. 1. *The Short-Term Rental Educational Choice Account is hereby created in the State General Fund. The Account must be administered by the Department.*

2. *All interest and income earned on the money in the Account must be credited to the Account.*

3. *The money in the Account does not revert to the State General Fund at the end of any fiscal year and must be carried forward to the next fiscal year.*

4. *Money in the Account must be distributed to scholarship organizations, as defined in NRS 388D.260, in accordance with procedures to ensure that such money is distributed in fair and equitable manner prescribed by the Department by regulation.*

5. *Claims against the Account must be paid as other claims against the State are paid.*

6. *The Department may apply for and accept gifts, grants, bequests and donations from any source for deposit in the Account.*

Sec. 25. 1. *The revenues of the short-term rental tax that are required to be distributed to cities and counties pursuant to section 22 of this act must be allocated by the Department to each of the counties in proportion to their respective populations. The Department must apportion the revenues of that tax, for unincorporated areas of the county, and each*



incorporated city in the county. The county and each city are respectively entitled to receive that proportion of those revenues which its total population bears to the total population of the county.

2. The money apportioned to the county or a city pursuant to this section must be distributed by the county or city in accordance with NRS 244.3354 or 268.0962, as applicable.

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

Sec. 27. 1. *Except as otherwise provided in NRS 360.235 and 360.395:*

(a) No refund of the short-term rental tax may be allowed unless a claim for refund is filed with the Department within 3 years after the last day of the month following the month for which the overpayment was made.

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

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



3. *The failure to file a claim within the time prescribed in subsection 1 constitutes a waiver of any demand against the State on account of any overpayment.*

Sec. 28. 1. *Except as otherwise provided in subsection 2, NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of the short-term rental tax at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.*

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

Sec. 29. 1. *Within 30 days after rejecting a claim for refund or credit in whole or in part, the Department shall serve written notice of its action on the claimant in the manner prescribed for service of a notice of deficiency determination. Within 30 days after the date of service of the notice, a claimant who is aggrieved by the action of the Department may file an appeal with the Nevada Tax Commission.*

2. *If the Department fails to serve notice of its action on a claim for refund or credit within 6 months after the claim is filed, the claimant may consider the claim to be disallowed and file an appeal with the Nevada Tax Commission within 30 days after the last day of the 6-month period.*

3. *The final decision of the Nevada Tax Commission on an appeal is a final decision for the purposes of judicial review pursuant to chapter 233B of NRS.*

Sec. 30. 1. *A proceeding for judicial review of a decision of the Nevada Tax Commission may not be commenced or maintained by an assignee of the claimant or by any other person other than the person who paid the amount at issue in the claim.*



2. *The failure of a claimant to file a timely petition for judicial review constitutes a waiver of any demand against the State on account of any overpayment.*

Sec. 31. 1. *If judgment is rendered for the claimant in a proceeding for judicial review, any amount found by the court to have been erroneously or illegally collected must first be credited to any tax due from the claimant. The balance of the amount must be refunded to the claimant.*

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

Sec. 32. 1. *No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of the State to prevent or enjoin the collection of the short-term rental tax or any amount of tax, penalty or interest required to be collected.*

2. *No suit or proceeding, including, without limitation, a proceeding for judicial review, may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed within the time prescribed in section 27 of this act.*

Sec. 33. 1. *A person shall not, with intent to defraud the State or evade payment of the short-term rental tax or any part of the tax:*



(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any return or declaration.

(b) Make, cause to be made or permit to be made any false entry in books, records or accounts.

(c) Keep, cause to be kept or permit to be kept more than one set of books, records or accounts.

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

Sec. 34. *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 those sections.*

Sec. 35. *1. Except as otherwise provided in subsection 2, any information received by the Department from a short-term rental marketplace pursuant to this chapter is confidential and must not be disclosed to any person or government, governmental agency or political subdivision of a government.*

2. The Department may disclose information received from a short-term rental marketplace to:

(a) The taxpayer to whom the information concerns;

(b) The Attorney General solely for his or her use in an investigation or proceeding involving the administrative of taxes;



(c) Any person only to the extent necessary for the effective administration of taxes in connection with:

(1) The processing, storage, transmission, destruction and reproduction of the information;

(2) The programming, maintenance, repair, testing and procurement of equipment for purposes of tax administration; or

(3) The collection of the civil liability of a taxpayer; or

(d) A state or federal judicial or administrative proceeding pertaining to tax administration if:

(1) A taxpayer is a party to the proceeding; and

(2) The proceeding arose out of, or in connection with, determining the civil or criminal liability of a taxpayer, or the collection of the civil liability of a taxpayer, with respect to the short-term rental tax.

Sec. 36. *The Department shall annually prepare a report of revenues of the short-term rental tax collected distributed pursuant to this chapter for the immediately preceding year. The information presented in the report must anonymized and otherwise comply with the requirements concerning the confidentiality of information set forth in section 35 of this act. The Department shall post the report publicly on an Internet website maintained by the Department.*

Sec. 37. NRS 360.2937 is hereby amended to read as follows:



360.2937 1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment of any tax provided for in chapter 362, 363A, 363B, 363C, 369, 370, 372, 372B, 374, 377, 377A, 377C or 377D of NRS, *or the chapter consisting of sections 12 to 36, inclusive, of this act*, any of the taxes provided for in NRS 372A.290, any fee provided for in NRS 444A.090 or 482.313, or any assessment provided for in NRS 585.497, at the rate of 0.25 percent per month from the last day of the calendar month following the period for which the overpayment was made.

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

3. The interest must be paid:

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

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

Sec. 38. 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, 369, 370, 372, 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS, *or the chapter consisting of sections 12 to 36, inclusive, of this act*,



any of the taxes provided for in NRS 372A.290, or any fee provided for in NRS 482.313, and any person or governmental entity that fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 39. NRS 244.1545 and 268.0957 are hereby repealed.

TEXT OF REPEALED SECTIONS

244.1545 Hosting platforms: County's power to require quarterly reports on rentals of residential units and issue certain related subpoenas.

1. The board of county commissioners may adopt an ordinance requiring:
 - (a) A hosting platform that facilitates the rental of a residential unit in the county or a room or space within such a residential unit for the purposes of transient lodging to submit a quarterly



report to an agency of the county of the information required by subsection 2 that is collected by the hosting platform.

(b) An owner or lessee which uses a hosting platform that facilitates the rental of a residential unit in the county or a room or space within such a residential unit for the purposes of transient lodging to submit a quarterly report to an agency of the county of any information required by subsection 2 regarding the rental that is not collected by the hosting platform.

2. The report required by subsection 1 must state, for the quarter:

(a) The number of bookings, listings, owners and lessees for the county;

(b) The average number of bookings per listing for the county;

(c) Current year-to-date booking value for the county;

(d) Current year-to-date revenue collected from all rentals through the hosting platform in the county, disaggregated by owner or lessee; and

(e) The average length of a rental in the county.

3. An ordinance adopted pursuant to subsection 1 must authorize an agency of the county to issue subpoenas for the production of documents, records or materials relevant for determining whether a residential unit in the county or a room or space within such a residential unit has been rented in violation of any law of this State or an ordinance adopted by the board of county commissioners of the county. The ordinance must provide that such a subpoena may be issued only if:

(a) There is evidence sufficient to support a reasonable belief that a residential unit in the county or a room or space within such a residential unit has been rented or is being rented in



violation of any law of this State or an ordinance adopted by the board of county commissioners of the county; and

(b) The subpoena identifies the rental alleged to be in violation of any law of this State or an ordinance adopted by the board of county commissioners of the county and the provision of law or ordinance allegedly violated.

↪ A subpoena issued pursuant to the ordinance must be mailed by regular and certified mail to the hosting platform or, if applicable, the owner or lessee who was required to file a quarterly report regarding the rental pursuant to the ordinance.

4. An ordinance adopted pursuant to subsection 1 must require:

(a) A hosting platform to whom a subpoena has been issued pursuant to the ordinance to:

(1) Provide notice of the subpoena to the user of the hosting platform who provided the rental identified in the subpoena.

(2) Produce any subpoenaed books, papers or documents not later than 21 days after providing the notice required by subparagraph (1) unless otherwise ordered by a court.

(b) An owner or lessee of a rental to whom a subpoena has been issued pursuant to the ordinance to produce any subpoenaed books, papers or documents not later than 21 days after the issuance of the subpoena, unless otherwise ordered by a court.

5. If a person to whom a subpoena has been issued pursuant to an ordinance adopted pursuant to subsection 1 refuses to produce any document, record or material that the subpoena requires, the agency of the county issuing the subpoena may apply to the district court for the judicial district



in which the county is located for the enforcement of the subpoena in the manner provided by law for the enforcement of a subpoena in a civil action.

6. As used in this section:

(a) “Hosting platform” means a person who, for a fee or other charge, provides on an Internet website an online platform that facilitates the rental of a residential unit or a room or space within a residential unit by an owner or lessee of the residential unit for the purposes of transient lodging, including, without limitation, through advertising, matchmaking or other means.

(b) “Residential unit” means a single-family residence or an individual residential unit within a larger building, including, without limitation, an apartment, condominium, townhouse or duplex. The term does not include a timeshare or other property subject to the provisions of chapter 119A of NRS.

268.0957 Hosting platform for rental of transient lodging: Power to require quarterly reports and issue subpoenas.

1. The city council or other governing body of an incorporated city may adopt an ordinance requiring:

(a) A hosting platform that facilitates the rental of a residential unit in the incorporated city or a room or space within such a residential unit for the purposes of transient lodging to submit a quarterly report to an agency of the incorporated city of the information required by subsection 2 that is collected by the hosting platform.

(b) An owner or lessee which uses a hosting platform that facilitates the rental of a residential unit in the county or a room or space within such a residential unit for the purposes of transient



lodging to submit a quarterly report to an agency of the incorporated city of any information required by subsection 2 regarding the rental that is not collected by the hosting platform.

2. The report required by subsection 1 must state, for the quarter:

(a) The number of bookings, listings, owners and lessees for the incorporated city;

(b) The average number of bookings per listing for the incorporated city;

(c) Current year-to-date booking value for the incorporated city;

(d) Current year-to-date revenue collected from all rentals through the hosting platform in the incorporated city, disaggregated by owner or lessee; and

(e) The average length of a rental in the incorporated city.

3. An ordinance adopted pursuant to subsection 1 must authorize an agency of the incorporated city to issue subpoenas for the production of documents, records or materials relevant for determining whether a residential unit in the incorporated city or a room or space within such a residential unit has been rented in violation of any law of this State or an ordinance adopted by the city council or governing body of the incorporated city. The ordinance must provide that such a subpoena may be issued only if:

(a) There is evidence sufficient to support a reasonable belief that a residential unit in the incorporated city or a room or space within a residential unit has been rented or is being rented in violation of any law of this State or an ordinance adopted by the city council or governing body of the incorporated city;



(b) The subpoena identifies the rental alleged to be in violation of any law of this State or an ordinance adopted by the city council or governing body of the incorporated city and the provision of law or ordinance allegedly violated.

↪ A subpoena issued pursuant to the ordinance must be mailed by regular and certified mail to the hosting platform or, if applicable, the owner or lessee who was required to file a quarterly report regarding the rental pursuant to the ordinance.

4. An ordinance adopted pursuant to subsection 1 must require:

(a) A hosting platform to whom a subpoena has been issued to:

(1) Provide notice of the subpoena to the user of the hosting platform who provided the rental identified in the subpoena.

(2) Produce any subpoenaed books, papers or documents not later than 21 days after providing the notice required by subparagraph (1) unless otherwise ordered by a court.

(b) An owner or lessee of a rental to whom a subpoena has been issued pursuant to the ordinance to produce any subpoenaed books, papers or documents not later than 21 days after the issuance of the subpoena, unless otherwise ordered by a court.

5. If a person to whom a subpoena has been issued pursuant to an ordinance adopted pursuant to subsection 1 refuses to produce any document, record or material that the subpoena requires, the agency of the incorporated city issuing the subpoena may apply to the district court for the judicial district in which the investigation is being carried out for the enforcement of the subpoena in the manner provided by law for the enforcement of a subpoena in a civil action.

6. As used in this section:



(a) “Hosting platform” means a person who, for a fee or other charge, provides on an Internet website an online platform that facilitates the rental of a residential unit or a room or space within a residential unit by an owner or lessee of the residential unit for the purposes of transient lodging, including, without limitation, through advertising, matchmaking or other means.

(b) “Residential unit” means a single-family residence or an individual residential unit within a larger building, including, without limitation, an apartment, condominium, townhouse or duplex. The term does not include a timeshare or other property subject to the provisions of chapter 119A of NRS.

