**Proposed Amendments to Regulation 6.080**

Purpose of Amendments: To adjust the annual gross gaming revenue thresholds applicable to audited and reviewed financial statements submitted by nonrestricted licensees, as required by NRS 463.159. Changes to the financial statement audit and review thresholds correspond to the percentage increase in the "Consumer Price Index" published by the United States Department of Labor, which was 3.2% for calendar 2006.

**Audited Financial Statements**
**(Draft 8/1/07)**

1. Unchanged.

2. Each nonrestricted licensee having gross revenue of $10,959,000 [$10,619,000] or more, or accepting $81,414,000 [$78,890,000] or more in wagers if the operation consists primarily of a race book or sports pool or both, during the 12 months ended December 31st each year, and each operator, shall engage an independent accountant licensed by the Nevada state board of accountancy who shall audit the licensee's financial statements in accordance with generally accepted auditing standards.

3. Each nonrestricted licensee having gross revenue of $5,480,000 [$5,310,000] or more but less than $10,959,000 [$10,619,000] or accepting $37,019,000 [$35,871,000] or more but less than $81,414,000 [$78,890,000] in wagers if the operation consists primarily of a race book or sports pool or both, during the 12 months ended December 31st each year, shall engage an independent accountant who shall review the financial statements in accordance with the statements on standards for accounting and review services or, if the chairman requires or the licensee engages him to do so, the independent accountant shall audit the financial statements in accordance with generally accepted auditing standards.

4. The chairman may require any nonrestricted licensee having gross revenue of less than $5,480,000 [$5,310,000] or accepting less than $37,019,000 [$35,871,000] in wagers if the operation consists primarily of a race book or sports pool or both, during the 12 months ended December 31st each year, to prepare financial statements covering all financial activities of the licensee's establishment for a business year and to engage an independent accountant, licensed by the Nevada state board of accountancy, to audit the financial statements in accordance with generally accepted auditing standards or to review the financial statements in accordance with standards for accounting and review services.

5. Unchanged.

6. Unchanged.

7. Unchanged.

8. Unchanged.

9. Unchanged.

(Effective 01/01/08)