

**PROPOSED AMENDMENTS TO LCB FILE NO. R104-15**

**September 14, 2016**

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**Submitted by: Terry Johnson, Member  
Nevada Gaming Control Board**

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**EXPLANATION (LCB FILE NO. R104-15)** – Matter in *blue italics* is new material; and matter in ~~[red brackets with single strikethrough]~~ is material to be omitted.

**EXPLANATION OF PROPOSED AMENDMENTS TO LCB FILE NO. R104-15** – Matter in *purple italics underlined* is additional new material; matter between ~~[orange brackets with double strikethrough]~~ is additional material to be omitted; and matter in ~~*green italics with single strikethrough underlined*~~ is new material in the LCB draft that is to be omitted.

(Note: This document only contains those sections and subsections of the proposed regulation to which amendments are being proposed. The full version of the proposed regulation (LCB File No. R104-15) can be found at <http://www.leg.state.nv.us/Register/2015Register/R104-15P.pdf>.)

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1           **Sec. 8. 1. A taxpayer may request an advisory opinion from the Board concerning**  
2 *any matter relating to the tax imposed by NRS 368A.200.*

3           . . . .

4           **4. An advisory opinion issued pursuant to this section applies only to the taxpayer to**  
5 *whom it is ~~issues~~ issued and to the factual situation presented in the request, unless the*  
6 *advisory opinion explicitly states otherwise.*

7           . . . .

8           **6. The provisions of this section do not preclude a taxpayer from pursuing other**  
9 *remedies available to the taxpayer, including, without limitation, petitioning the Commission*  
10 *for a ruling pursuant to Regulation 2A of the Nevada Gaming Commission ~~and the Nevada~~*  
11 *Gaming Control Board.*

12           . . . .

13           **Sec. 9.1.** NAC 368A.310 is hereby amended to read as follows:

14           368A.310 “Board” means the ~~[State]~~ *Nevada* Gaming Control Board.

1           **Sec. 9.2.** NAC 368A.320 is hereby amended to read as follows:

2           368A.320   ~~["Chairman"]~~ **"Chair"** means the ~~["Chairman"]~~ **Chair** of the Board or a  
3 person designated by him **or her.**

4           . . . .

5           **Sec. 12.** NAC 368A.400 is hereby amended to read as follows:

6           . . . .

7           1.   ~~["Admission"] [charge] to include, without limitation, an entertainment fee, a cover~~  
8 ~~charge, a table reservation fee, or a required minimum purchase of food, refreshments or~~  
9 ~~merchandise.]~~ **"Admission" to mean the right or privilege to enter, or have access to, a facility**  
10 **where live entertainment is provided.**

11          . . . .

12          **Sec. 17.** NAC 368A.460 is hereby amended to read as follows:

13          . . . .

14          **3. For the purposes of this section and subsection 3 of NRS 368A.200, where a ticket**  
15 **is not issued to a patron, a receipt documenting the purchase of an admission to a facility**  
16 **where live entertainment is provided ~~constitutes~~ substitutes for a ticket.**

17          . . . .

18          **Sec. 20.** NAC 368A.490 is hereby amended to read as follows:

19          . . . .

20          2. If live entertainment that is taxable under chapter 368A of NRS is provided at a  
21 facility within a licensed gaming establishment in connection with any ~~[sale of food,~~  
22 ~~refreshments or merchandise]~~ **admission** that is taxable under chapter 368A of NRS, and the  
23 facility is not operated by the person licensed to conduct gaming at that establishment, that  
24 person shall:

25               (a) Keep all pertinent records required by NRS 368A.160, chapter 463 of NRS and  
26 Regulation 6 of the Nevada Gaming Commission ~~[and] [State] the Nevada [Gaming Control~~  
27 ~~Board]; [and]~~

1 . . . .

2 **Sec. 22.** NAC 368A.510 is hereby amended to read as follows:

3 368A.510 1. Each:

4 (a) Group I licensee that provides live entertainment shall:

5 (1) Include in its system of internal control, submitted pursuant to Regulation  
6 6.090 of the Nevada Gaming Commission ~~[and] [State] the Nevada [Gaming Control Board]~~, a  
7 description of the procedures adopted by the licensee to comply with NAC 368A.300 to  
8 368A.540, inclusive ~~;~~, *and sections 2 to 8, inclusive, of this regulation;* and

9 (2) Comply with that system of internal control and any minimum standards for  
10 internal control for entertainment adopted by the Chair pursuant to Regulation 6.090 of the  
11 Nevada Gaming Commission ~~[and] [State] the Nevada [Gaming Control Board]~~.

12 (b) Group II licensee that provides live entertainment and each taxpayer that holds a  
13 restricted license shall comply with any procedures for internal control for entertainment adopted  
14 by the Chair pursuant to Regulation 6.100 of the Nevada Gaming Commission ~~[and] [State] the~~  
15 ~~Nevada [Gaming Control Board]~~.

16 ↪ Except as otherwise approved in writing by the Chair, a taxpayer shall not carry out any  
17 procedures for internal control that deviate from any standards or procedures for internal control  
18 for entertainment adopted and published by the Chair.

19 2. Each group I licensee that provides live entertainment shall direct its independent  
20 accountant to perform observations, examinations of documents and inquiries of employees,  
21 using any applicable guidelines, checklists and other criteria established by the Chair, to  
22 determine compliance with the requirements for entertainment. The independent accountant shall  
23 report his or her findings as part of the report required by subsection 9 of Regulation 6.090 of the  
24 Nevada Gaming Commission ~~[and] [State] the Nevada [Gaming Control Board]~~.

25 . . . .

26 4. As used in this section:

1 (a) “Group I licensee” and “group II licensee” have the meanings ascribed to those terms  
2 in Regulation 6.010 of the Nevada Gaming Commission ~~[and] [State] the Nevada [Gaming~~  
3 ~~Control Board]~~.

4 . . . .