



KENNY C. GUINN
Governor

STATE OF NEVADA
GAMING CONTROL BOARD

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BOBBY L. SILLER, *Member*
SCOTT SCHERER, *Member*

August 29, 2003

Carson City
(775) 684-7742
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TO: ALL RESTRICTED LICENSEES AND OTHER INTERESTED PERSONS

RE: SENATE BILL NO. 8

The 2003 Legislature adopted Senate Bill No. 8 which will impact restricted licensees as described below. The actual senate bill is available at the Nevada Legislature website at www.leg.state.nv.us

Live Entertainment Tax

NRS 463.401 which currently addresses Casino Entertainment Tax will be replaced by a new chapter of the NRS effective January 1, 2004. This new chapter has resulted in the imposition of a Live Entertainment Tax which will affect restricted licensees as follows:

- A tax of 10 percent will be imposed on admission charge, plus any amounts charged for food, refreshments or merchandise purchased at the facility at a location that is licensed for less than 51 slot machines, less than six games, or any combination of slot machines and games within those respective limits **if the following conditions are met:**
 1. Consideration (cover charge or drink minimum) is collected for the right of privilege of entering the area or premises where the live entertainment is provided.
 2. The facility in which the live entertainment is provided has a maximum seating capacity of **at least 300**. Maximum seating capacity is defined in the following order of priority:
 - A. The maximum occupancy as determined by the State Fire Marshal or the local government authority that has the authority to determine the maximum occupancy.
 - B. The maximum occupancy designated in any permit required to provide the live entertainment.
 - C. The actual seating capacity of the facility.

Please note that the tax only applies if the above conditions are met.

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The State Gaming Control Board and the Nevada Gaming Commission with the Department of Taxation and the Nevada Tax Commission will hold joint Regulation Workshops at the Legislative Counsel Bureau in Carson City. Dates for these workshops are as follows:

Sept. 19; Oct. 2; Oct 16; and Oct. 30 (if needed)

These workshops will be video conferenced to the Sawyer Building in Las Vegas.

If you have any questions, please feel free to contact the Tax and License Division in Carson City at (775) 684-7770.

Sincerely,

Dennis K. Neilander
Chairman

DKN:SH:sw

cc: Bobby L. Siller, Member
Scott Scherer, Member
Steve Hixon, Chief

Legis 2003: Restricted Licensees LET 8-28-03