

Amendment No. 148

Senate Amendment to Senate Bill No. 172 (BDR 32-537)
Proposed by: Senate Committee on Revenue and Economic Development
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No

ASSEMBLY ACTION				Initial and Date	SENATE ACTION	Initial and Date			
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) green bold italic underlining is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold underlining is newly added transitory language.

JLW/BJE



Date: 4/19/2013

S.B. No. 172—Provides a deduction from the payroll tax for newly hired full-time employees under certain circumstances. (BDR 32-537)



SENATE BILL NO. 172—SENATORS SMITH, JONES,
DENIS; ROBERSON AND WOODHOUSE

FEBRUARY 19, 2013

JOINT SPONSORS: ASSEMBLYMEN CARLTON; DONDERO LOOP, EISEN, HARDY,
HICKEY, KIRKPATRICK AND KIRNER

Referred to Committee on Revenue and
Economic Development

SUMMARY—Provides a deduction from the payroll tax for newly hired full-time employees under certain circumstances. (BDR 32-537)

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 ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; providing a deduction from the payroll tax for wages paid to newly hired full-time employees under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires employers to pay a payroll tax on the wages paid to their employees
2 during each calendar quarter. The tax is imposed on financial institutions at the rate of 2
3 percent per calendar quarter and, effective July 1, 2013, on other employers at the rate of 0.63
4 percent per calendar quarter. (NRS 363A.130, 363B.110) This bill authorizes financial
5 institutions and other employers to deduct from the total amount of wages reported and upon
6 which the payroll tax is imposed any wages paid to a newly hired full-time employee during
7 the first 4 full calendar quarters next following the hiring of the employee, and 50 percent of
8 all wages paid to the employee during the 5th through 12th full calendar quarters next
9 following the hiring of the employee if, at the time of hiring, the employee has been
10 unemployed for a continuous period of not less than 6 months and certain other conditions are
11 satisfied. The deduction does not apply with respect to any employees hired after June 30,
12 2017.

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

1 **Section 1.** Chapter 363A of NRS is hereby amended by adding thereto a new
2 section to read as follows:

3 *1. An employer may deduct from the total amount of wages reported and*
4 *upon which the excise tax is imposed pursuant to NRS 363A.130 all wages paid*

1 by the employer to an employee during the first 4 full calendar quarters next
2 following the hiring of the employee, and 50 percent of all wages paid by the
3 employer to the employee during the 5th through 12th full calendar quarters next
4 following the hiring of the employee, if:

5 (a) The employee is first hired by the employer on or after July 1, 2013, and
6 on or before June 30, 2017;

7 (b) The employee has been unemployed for a continuous period of not less
8 than 6 months immediately preceding the date of hire and:

9 (1) Has been receiving unemployment compensation continuously for
10 that entire period; or

11 (2) Would have been eligible to receive unemployment compensation
12 continuously for that entire period if the duration of his or her eligibility for
13 unemployment compensation had not expired within the 24 months immediately
14 preceding the date of hire;

15 (c) The employee is employed in a full-time position throughout the entire
16 calendar quarter for which the deduction is claimed; and

17 (d) The employer submits to the Department an affidavit, signed under
18 penalty of perjury by the employer or an authorized agent of the employer, stating
19 that:

20 (1) The employee meets the requirements specified in paragraphs (a) and
21 (b);

22 (2) The employee meets all qualifications for the position of employment
23 for which he or she is hired; and

24 (3) ~~The employer did not terminate the employment of any other~~
25 ~~employee to create the position of employment regarding which the deduction is~~
26 ~~claimed.~~ employee was not hired to replace another employee or, if so, the
27 replaced employee left voluntarily or was terminated for cause.

28 2. An employer claiming the deduction allowed pursuant to this section
29 shall, upon the request of the Department, provide the Department with such
30 documentation as the Department deems appropriate to substantiate that claim.

31 Sec. 2. Chapter 363B of NRS is hereby amended by adding thereto a new
32 section to read as follows:

33 1. An employer may deduct from the total amount of wages reported and
34 upon which the excise tax is imposed pursuant to NRS 363B.110 all wages paid
35 by the employer to an employee during the first 4 full calendar quarters next
36 following the hiring of the employee, and 50 percent of all wages paid by the
37 employer to the employee during the 5th through 12th full calendar quarters next
38 following the hiring of the employee, if:

39 (a) The employee is first hired by the employer on or after July 1, 2013, and
40 on or before June 30, 2017;

41 (b) The employee has been unemployed for a continuous period of not less
42 than 6 months immediately preceding the date of hire and:

43 (1) Has been receiving unemployment compensation continuously for
44 that entire period; or

45 (2) Would have been eligible to receive unemployment compensation
46 continuously for that entire period if the duration of his or her eligibility for
47 unemployment compensation had not expired within the 24 months immediately
48 preceding the date of hire;

49 (c) The employee is employed in a full-time position throughout the entire
50 calendar quarter for which the deduction is claimed; and

51 (d) The employer submits to the Department an affidavit, signed under
52 penalty of perjury by the employer or an authorized agent of the employer, stating
53 that:

1 (1) *The employee meets the requirements specified in paragraphs (a) and*
2 **(b);**

3 (2) *The employee meets all qualifications for the position of employment*
4 *for which he or she is hired; and*

5 (3) ~~*The employer did not terminate the employment of any other*~~
6 ~~*employee to create the position of employment regarding which the deduction is*~~
7 ~~*claimed.*~~ *employee was not hired to replace another employee or, if so, the*
8 *replaced employee left voluntarily or was terminated for cause.*

9 2. *An employer claiming the deduction allowed pursuant to this section*
10 *shall, upon the request of the Department, provide the Department with such*
11 *documentation as the Department deems appropriate to substantiate that claim.*

12 **Sec. 3.** This act becomes effective on ~~July~~ October 1, 2013, and expires by
13 limitation on July 31, 2020.