

**PROPOSED REGULATION OF THE  
NEVADA TAX COMMISSION**

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY:

A REGULATION relating to taxation; providing implementation of the Commerce Tax

*Sec. \_\_\_ Calculating Uncompensated care for purposes of the deduction from gross revenue in Section 21(i) of Senate Bill 483*

*(1) The Department will determine the actual cost of uncompensated care to mean, the amount determined by multiplying Operating Expenses by the Uncompensated Care Ratio where:*

*(A) operating expenses are the amounts reported on line 2 and line 21, Internal Revenue Service Form 1065 or the amounts reported on line 2 and line 20, Internal Revenue Service Form 1120S or the corresponding line items from any other federal form filed, less any items that have already been subtracted from total revenue (e.g., bad debts);*

*(B) uncompensated care ratio means uncompensated care charges less partial payments divided by total charges;*

*(C) uncompensated care charges are the standard charges for health care services where the provider has not received any payment or where the provider has received partial payment that does not cover the cost of the health care provided to the patient. Uncompensated care charges do not include any portion of a charge that the health care provider has no right to collect under a private health care plan, or under an agreement with an individual for a specific amount.*

*(D) standard charges must be comparable to the charges applied to services provided to all patients of the health care provider;*

*(E) partial payment is an amount that has been received toward uncompensated care charges that does not cover the cost of the services provided;*

*(F) total charges are charges for all health care services, including uncompensated care;*

*(G) records that clearly identify each patient, the procedure performed, and the standard charge for such a service, as well as payments received from each patient must be maintained by the health care provider for all uncompensated care;*