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## Revenue and Taxation; hospital finances

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# Revenue and Taxation

## Revenue and Taxation; hospital finances

1987 NEV. STAT. CH. 377, SEC. 55, AT (amended by 1987 Nev. Stat. ch. 681, sec. 7, at 1633) (amended).  
AB 39 (Dini); 1989 STAT. CH. 190

Existing law limits the income<sup>1</sup> of a nonprofit hospital<sup>2</sup> to a maximum of seven percent above operating expenses.<sup>3</sup> Chapter 190 allows a nonprofit hospital to include the performance of a rural affiliate<sup>4</sup> or subsidiary<sup>5</sup> in income to expense calculations.<sup>6</sup> In order to qualify for inclusion in the determination of the hospital's allowable income, the rural operating unit must be licensed, located in a county with 30,000 or fewer people, and supply proof each year of its legal status as an affiliate of the hospital for the fiscal year<sup>7</sup> upon which the calculation is to be made.<sup>8</sup>

*SRD*

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1. See 1987 Nev. Stat. ch. 377, sec. 55, at 889 (amended by 1987 Nev. Stat. ch. 681, sec. 7, at 1637) (definition of income).

2. See Nev. Rev. Stat. § 449.012 (1987) (definition of hospital). See also *id.* § 695B.040 (1987) (requirements for hospital nonprofit status).

3. See 1987 Nev. Stat. ch. 377, sec. 55, at 886 (amended by 1987 Nev. Stat. ch. 681, sec. 7, at 1633). See also *id.* at 889 (amended by 1987 Nev. Stat. ch. 681, sec. 7, at 1637) (definition of "percentage of income to operating expenses" and "operating expenses").

4. See 1989 Nev. Stat. ch. 190, sec. 1, at 411 (amending 1987 Nev. Stat. ch. 377, sec. 55, at 885, as amended by 1987 Nev. Stat. ch. 681, sec. 7, at 1633) (definition of affiliate).

5. See *id.* (definition of subsidiary).

6. *Id.*

7. See *id.* (definition of fiscal year).

8. *Id.*