

Section 1 - Comprehensive Review of Regulations
Proposed Amendments (“A”)

List of Regulations and Corresponding Exhibits

Nevada Tax Commission

Chapter 360 - Revenue and Taxation - General Provisions

1. Exhibit 360.1-A

NAC 360.043 – Amend to add subsection 3 to address computation of time for deadlines not to include weekends, holidays, or closed office days in practice before the Nevada Tax Commission and Department.

2. Exhibit 360.2-A

NAC 360.045 - Amend to add electronic filing and exchange of documents and remove outdated processes.

3. Exhibit 360.3-A

NAC 360.050 - Amend to include electronic payments and debit/credit card payments.

4. Exhibit 360.4-A

NAC 360.055 - Amend to change title to Notice of Commission Meetings, delete subsection 1 as hearings are confidential and add language to confirm notice requirements pursuant to NRS 241. Also remove “Elko” as the Department no longer has an office in Elko.

5. Exhibit 360.5-A

NAC 360.058 - Amend to require the transcript be certified by a court reporter licensed pursuant to NRS Chapter 656.

6. Exhibit 360.6-A

NAC 360.060 - Amend - The Smoking section can be removed as it's been legislated away by the Nevada Clean Indoor Air Act - NRS 202.2483.

7. Exhibit 360.7-A

NAC 360.095 - Amend to remove Carson City as the sole Department Office for hearings, as hearings can be held in any office.

8. Exhibit 360.8-A

NAC 360.135 - Amend to clarify that subpoenas may be issued for persons or documents by adding an additional sentence to subsection 1: The hearing officer may issue a subpoena for the production of books, waybills, papers, accounts or other documents located in the State.

9. Exhibit 360.9-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

See NAC 360.390 below for justification.

NAC 360.365 - Amend pursuant to R098-22 to make conforming changes to eliminate references to previously repealed provisions of NAC.

10. Exhibit 360.10-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

See NAC 360.390 below for justification.

NAC 360.368 - Amend pursuant to R098-22 to make conforming changes to eliminate references to previously repealed provisions of NAC.

11. Exhibit 360.11-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

See NAC 360.390 below for justification.

NAC 360.370 - Amend pursuant to R098-22 to make conforming changes to eliminate references to previously repealed provisions of NAC.

12. Exhibit 360.12-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

State law requires the State Demographer to determine population totals for the Governor's certification each year. The Department of Taxation must use the certified population totals for various taxes that are collected for apportionment in political subdivisions.

The proposed regulatory provisions have been pending with LCB for review for several years and they are necessary for Department's application of powers, functions, and duties.

The Department believes this regulation is necessary to ensure consistency and compliance with the statutory requirements for certified populations of the Governor and to eliminate obsolete provisions.

NAC 360.390 - Amend pursuant to R098-22 - This regulation makes technical corrections to the language for consistency with Nevada Revised Statutes. Requires that a petition to revise the estimates of the population of a county, city or town be filed not later than 14 days after the date on which the estimates are distributed; and if such petition must be heard by a hearing officer, the Department must mail or transmit by electronic mail notice of the date for the hearing.

[R098-22P.pdf \(state.nv.us\)](#)

13. Exhibit 360.13-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

Under existing law, if a taxpayer fails timely to pay certain taxes and fees, the Department of Taxation may impose a penalty and interest. However, the Department may waive all or part of the penalty or interest, or both, in certain circumstances. The Department must waive or reduce a penalty or interest, or both, for a late payment if the total penalty and interest for the late payment is \$15 or less. The Department believes that R158-22 is necessary to effectively administer this waiver by providing clarity to taxpayers.

NAC 360.396 - Amend pursuant to R158-22. This regulation clarifies that the \$15 amount for penalty and interest on a late payment is to be computed as of the date the payment is made. In addition, the changes expand the scope of these provisions to include any penalty or interest resulting from the late filing of a return; limits the applicability of any waiver or reduction to any single period for which a payment is required to have been made or a return is required to have been filed; and in certain circumstances, authorizes the Department to grant such a waiver or reduction without the approval of the Nevada Tax Commission.

[R158-22P.pdf \(state.nv.us\)](#)

14. Exhibit 360.14-A

NAC 360.425 – Amend to remove the references to NRS 364A.130, 372.125 and 374.130 as they were repealed. Also remove “business license” as the Department no longer issues these.

15. Exhibit 360.15-A

NAC 360.435 – Amend to include all chapters administered by the Department. This is the regulation used for Citations to Appear that are used as the first step in the collection process. It is used for more than just sales and use tax. The Department uses the citation for all tax types that don't have their own regulation regarding collections.

16. Exhibit 360.16-A

Exemption requested pursuant to Section 5(d) of the Executive Order:

Under existing law, a taxpayer who fails to file a tax return with the Department of Taxation may voluntarily disclose this fact to the Nevada Tax Commission to avoid the imposition of penalty and interest otherwise prescribed by statute on the entire amount of the taxpayer's tax liability under certain circumstances. The Department believes that R152-22 is necessary to clarify and effectively administer the procedures for voluntary disclosures.

NAC 360.440 – Amend pursuant to R152-22. This regulation provides for the “completion” of an application for voluntary disclosure through the filing of any required registration and delinquent tax returns for the period being disclosed, the payment of the tax estimated to be owed for that period and the submission of any additional information or material required by the Department. Under specified circumstances, it also authorizes the Executive Director of the Department, or a person designated by the Executive Director to grant an extension of time for the completion of an application. Also made conforming changes pursuant to the proposed amendment to NAC 360.700, pursuant to R157-22.

[R152-22P.pdf \(state.nv.us\)](#)

17. Exhibit 360.17-A

Exemption requested pursuant to Section 5(d) of the Executive Order:

Under existing law, a taxpayer who fails to file a tax return with the Department of Taxation may voluntarily disclose this fact to the Nevada Tax Commission to avoid the imposition of penalty and interest otherwise prescribed by statute on the entire amount of the taxpayer's tax liability under certain circumstances. The Department believes that R152-22 is necessary to clarify and effectively administer the procedures for voluntary disclosures.

NAC 360.444 – Amend pursuant to R152-22 - This regulation makes conforming changes and transfers from the Commission to the Department, the responsibility for determining whether the tax liability of a taxpayer has been voluntarily disclosed.

[R152-22P.pdf \(state.nv.us\)](#)

18. Exhibit 360.18-A

Exemption requested pursuant to Section 5(d) of the Executive Order:

Under existing law, a taxpayer who fails to file a tax return with the Department of Taxation may voluntarily disclose this fact to the Nevada Tax Commission to avoid the imposition of penalty and interest otherwise prescribed by statute on the entire amount of the taxpayer's tax liability

under certain circumstances. The Department believes that R152-22 is necessary to clarify and effectively administer the procedures for voluntary disclosures.

NAC 360.446 – Amend pursuant to R152-22 – This regulation transfers the various administrative duties imposed by existing regulations from the Commission and the Executive Director to the Department. It further clarifies that any action taken by the Department under its authority does not affect the right of a taxpayer to request a waiver or reduction of a penalty or interest, or both, pursuant to regulatory provisions that authorize the Department to grant such a waiver or reduction in extenuating circumstances.

[R152-22P.pdf \(state.nv.us\)](#)

19. Exhibit 360.19-A

NAC 360.472 – Amend - In subsection 2, concern is that a taxpayer may submit an application not earlier than 18 months. Reduce that window to 12 months in order to facilitate the refund of taxes in a timely manner from the time the application is approved to the effective date of the abatement. Also remove reference to NRS 364A as it has been repealed and add NRS 363B. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

20. Exhibit 360.20-A

NAC 360.4745 – Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

21. Exhibit 360.21-A

NAC 360.475 - Amend - Remove the requirement in subsection 3. The capital investment reporting requirement has changed from one year and will now be determined by audit after two years. Also remove reference to NRS 364A as it has been repealed and add NRS 363B.

22. Exhibit 360.22-A

NAC 360.4765 – Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

23. Exhibit 360.23-A

NAC 360.4775 - Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

24. Exhibit 360.24-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

Under existing law, the Department has a 3-year statute of limitations governing claims for refunds of penalty or interest. However, the statutes and regulations are silent regarding when a claim must be filed if the taxpayer has paid the tax but not the penalty and interest. The Department believes that R149-22 is necessary to carry out its duties in tax administration and to provide clarity to address the timing and circumstances of these refunds.

NAC 360.480 – Amend pursuant to R149-22. NAC 360.480(2) provides that a claim for a refund of interest or a penalty that was paid by the Taxpayer related to a tax administered by the Department must be filed within 3 years after the date of payment of the interest or penalty. However, there is no guidance in the tax statutes for when a claim must be filed if the Taxpayer has paid the tax but not the penalty and interest. To address this situation the title of NAC 360.480 should be updated and NAC 360.480(2), amended. By doing this, the Department can address all refunds for all tax types in a single provision of NAC.

[R149-22I.pdf \(state.nv.us\)](#)

25. Exhibit 360.25-A

NAC 360.485 - Amend to remove paragraph g of subsection 2. This is not for penalty and interest waivers; this is a guide for standard to determine if a taxpayer was or was not careless for purposes of awarding credit interest.

26. Exhibit 360.26-A

NAC 360.588 - Amend to replace the word "certification" with "submit" in order to match the proper language used in the Department's Online Tax System (NevadaTax).

27. Exhibit 360.27-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

Pursuant to NRS 360.232, The Department of Taxation is required to notify a taxpayer who is the subject of an audit by the Department. An auditor must first attempt to contact a taxpayer by telephone to schedule an appointment for conducting the audit. Given modern technology and the needs of both the Department and taxpayers, the Department believes that R157-22 is necessary for the efficient and effective administration of its audit function to be able to contact a taxpayer through his/her preferred method and to make determinations based upon the records provided by the taxpayer.

NAC 360.700 – Amend pursuant to R157-22. This regulation removes the requirement that an auditor attempt to contact a taxpayer who is the subject of the audit by telephone and, instead, requires the auditor to attempt to contact the taxpayer by one of the preferred methods of contact for the taxpayer that is on file with the Department. This will benefit the taxpayer by allowing the Department to contact them by their preferred method of contact rather than just by phone.

In addition, this amendment would allow the Department to generate an estimate of delinquent taxes by only the records the taxpayer wants to provide or only records that they maintain. This would in turn benefit the taxpayer to the extent they would be relieved of the stress of trying to provide what they did not keep.

[R157-22P.pdf \(state.nv.us\)](#)

28. Exhibit 360.28-A

NAC 360.706 - Due process for audits, process for Petitions for Redetermination and hearings on audit disputes. Amend to separate hearing procedures from Petition procedures, move hearing procedures to "Hearings on Petitions for Redetermination" section, and conform Petition process to actual Department procedures; Amend subsection 4 to delineate the difference between "A petition for redetermination which includes a request for hearing will be sent to a hearing officer." and "A petition for redetermination which does not include a request for hearing will be sent to a hearing officer after:"

CHAPTER 361 - PROPERTY TAX

29. Exhibit 361.1-A

NAC 360.1295 – Inserting the word "initially" marks the point when the property has entered the market and thus would not be considered for a subdivision discount at any time past that point.

30. Exhibit 361.2-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

The Board requests an exemption to pursue R192-22 to clarify and address NAC 361.131 regarding the timing of valuation determinations of property for purposes of appeals from county boards of equalization to the State Board as it relates to the obsolescence of taxable value. The local government assessors have requested clarification of this existing regulation to ensure that the proper valuation of property based on the correct tax years is determined. This issue has caused significant dispute among local assessors and property owners warranting clarification by the State Board. The Board believes R192-22 is necessary to effectively and properly carry out the Board's statutory duties set forth in NRS Chapter 361 with regard to valuation of property.

NAC 361.131 – Amend per proposed obsolescence regulation under R192-22 (previously R082-20). This regulation limits the foregoing procedure to real property subject to valuation prior to the completion of the assessment roll. It also specifies that the personal property for which the value may be reduced is personal property assessed before July 1 of the fiscal year immediately preceding the fiscal year in which the taxes are levied.

[R192-22I.pdf \(state.nv.us\)](#)

31. Exhibit 361.3-A

NAC 361.6015 – The reference to NRS 361.4711 should be deleted. It refers to a repealed subsection. It should be replaced by a reference to NRS.361.4722.

32. Exhibit 361.4-A

NAC 361.6055 – Add the reference to NAC 361.606 to subsection (b).

Without this addition, the text implies that the county assessor SHALL determine whether each parcel or other taxable unit of property designated on the tax roll is eligible.

As it currently stands, there is no means for the county assessor to do this without reference to NAC 361.606. The only current method is based on the public making a claim.

33. Exhibit 361.5-A

NAC 361.61034 – Amend to clarify that subsection 2(a)(2), addresses parcels instead of subdivisions.

34. Exhibit 361.6-A

NAC 361.6107 – Amend to add language to clarify the role of staff of the Department. This amendment will also facilitate the repeal of NAC 361.61062.

CHAPTER 363C - COMMERCE TAX

35. Exhibit 363C.1-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

The Nevada Legislature enacted AB 435 in 2021 to expand the exemption from Commerce Tax to a person who takes part in an exhibition, trade show, industry or corporate meeting or similar event in Nevada, regardless of whether the person must obtain a State business license, and clarified that the organizer, manager, or sponsor of the event is authorized to claim the exemption. The Commission believes that R057-21 is necessary to properly administer the new law from 2021 and to clarify that

this exemption from Commerce Tax does not otherwise apply to persons engaging in any business activity in this State other than for the participation, organization, management, or sponsorship of the event.

NAC 363C.210 – Amend pursuant to R057-21 - This regulation provides that this exemption applies only to a person who: participates in an exhibition, trade show, industry or corporate meeting or similar event held in this State for a purpose related to the conduct of a business, including, without limitation, as an organizer, manager or sponsor of such an event or as an exhibitor at such an event; and does not engage in any business activity in this State other than the participation, organization, management or sponsorship of such an event.

[R057-21RP1.pdf \(state.nv.us\)](#)

CHAPTER 368A - TAX ON LIVE ENTERTAINMENT

36. Exhibit 368A.1-A

NAC 368A.110 – Amend subsection 3(b)(2) to clarify that taxpayers subject to live entertainment tax for escort or escort services must maintain records which include the full amount charged for that service in addition to any service cost, interest, losses, tips or gratuities or any other expense.

37. Exhibit 368A.2-A

NAC 368A.130 – Amend to remove maximum occupancy of 7,500 in this section. Statute reads 200 or more, except for Non-Profit which is based on ticket sales, not occupancy.

CHAPTER 370 - TOBACCO: LICENSES AND TAXES; SUPERVISION OF MANUFACTURERS AND WHOLESALE DEALERS

38. Exhibit 370.1-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

The Nevada Legislature enacted SB 81 during the 2020 Special Session and amended various statutes related to taxation of other tobacco products, including the manner and timing in which the wholesale dealer pays the tax. Prior to this new law, the tax was required to be paid not later than 20 days after the end of the month in which the wholesale dealer sold or distributed the other tobacco products. SB 81 revised these requirements. To ensure compliance with this law, the Department believes R100-22 is necessary to carry out its statutory duties.

NAC 370.165 – Amend pursuant to R100-22 - Removes the specific regulatory authority for a wholesale dealer who did not originally report and pay the tax to obtain payment of an amount equal to the credit from the wholesale dealer who originally reported and paid the tax.

39. Exhibit 370.2-A

NAC 370.230 – Subsections 2-6 can be removed. Cigarette tax is pre-collected by the purchase of the tax stamp. However, tribal stamps are distributed free of charge and only tribal stamped cigarettes may be sold on tribal land.

Additionally, Other Tobacco Product (“OTP”) wholesalers are allowed an exemption for sales to tribal lands, so pre-collecting the tax does not apply to OTP either. NRS 370.280 establishes circumstances in which the Department may authorize a refund of cigarette tax and lists specifically, “any licensed wholesaler”. NRS 370.503 establishes an allowance of refund for certain taxes paid pursuant to NRS 370.450, which is the imposition, rate, and collection of OTP Tax.

40. Exhibit 370.3-A

NAC 370.500 – Amend - NRS 370.597 mandates regulations for hearing process. Amend as NRS 370.253 has been repealed and should be removed from authority in all of these regulations and NRS 370.597 should be added. Maintain, legislatively prescribed forum for these hearings. In addition, NAC 370.510 and 370.520 were recommended for repeal, therefore NAC 370.500 must be amended.

41. Exhibit 370.4-A

NAC 370.540 – Amend - NRS 370.597 mandates regulations for hearing process; NRS 233B.127 requires opportunity to cure. Change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

42. Exhibit 370.5-A

NAC 370.545 – Amend - NRS 370.597 mandates regulations for hearing process and NRS 233B.121 governs contents of notice. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days; Amend to change 20-day notice to 10-day notice to conform with NAC 360.095. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

43. Exhibit 370.6-A

NAC 370.550 – Amend - NRS 370.597 mandates regulations for hearing process before an Administrative Law Judge. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days. Also increase the days from 5 to 7. By changing “business days” to “days”, it will add 2 more days to account for the weekends. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

44. Exhibit 370.7-A

NAC 370.555 – Amend - NRS 370.597 mandates regulations for hearing process before an Administrative Law Judge. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days. Amend to change motions due 10 days before hearing to 7 days before hearing and response to 5 days before hearing to accommodate change in hearing notice. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

45. Exhibit 370.8-A

NAC 370.580 – Amend - NRS 370.597 mandates regulations for hearing process before an Administrative Law Judge. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days; Amend subsection 1 to add "evidence may be received in any manner ordered by the hearing officer but will generally proceed in the following order." Amend to extend 20-day appeal period to 30-day appeal period to conform with NAC 360.175. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

46. Exhibit 370.9-A

NAC 370.585 – Amend - NRS 370.597 mandates regulations for hearing process for appeal to Commission and Petition for Judicial Review. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days; Amend to extend 20-day appeal period to 30-day appeal period to conform with NAC 360.175; Amend process for filing notice of appeal and briefs to mirror NAC 360.173 and NAC 360.175. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

47. Exhibit 370.10-A

NAC 370.590 - Amend - NRS 370.597 mandates regulations for hearing process for appeal to Commission and Petition for Judicial Review. Amend to change 15 minutes of oral argument before the Commission to 20 minutes to conform with NAC 360.175. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

48. Exhibit 370.11-A

NAC 370.595 – Amend - NRS 370.597 mandates regulations for hearing process and post hearing procedures. Amend to change "business days" to "days" to conform to the standard language of the Department's regulations and the changes in Nevada Rules of Civil Procedure for counting days. Also increase the days from 5 to 7. By changing “business days” to “days”, it will add 2 more days to account for the weekends. Also remove NRS 370.253 and add 370.597 (NRS 370.253 was repealed).

CHAPTER 372 - SALES AND USE TAXES

49. Exhibit 372.1-A

NAC 372.280 – Amend to combine NAC 372.290 and 372.300 within NAC 372.280 “Morticians: General provisions, Transactions with other states and Funeral expenses paid by United States.” NAC 372.290 and 372.300 are being recommended for repeal.

50. Exhibit 372.2-A

NAC 372.320 – Amend to clarify that the tax applies to the entire charge made by a dispensing optician for eyeglasses and related products furnished in filling a prescription, whether the dispensing optician is licensed or not.

51. Exhibit 372.3-A

Exemption requested pursuant to Section 5(d) of the Executive Order:

Under existing law, a sale of tangible personal property is not subject to sales tax if the purchase is made for the purpose of reselling the property in the ordinary course of business. If the purchaser makes any use of the property other than retention, demonstration or display while holding it for sale in the regular course of business, the purchaser must pay use tax based on the sales price of the property to the purchaser. Existing law further exempts food for human consumption, not including alcoholic beverages and prepared food intended for immediate consumption, from sales and use tax. Existing law also provides that the complimentary portion of any food, meals or nonalcoholic drinks provided on a complimentary basis to the employees, patrons or guests of a retailer does not lose its tax-exempt status as food for human consumption if provided on a complimentary basis to employees, patrons, or guest of the retailer under certain circumstances. The Department believes that R156-22 is necessary to effectively administer this taxability issue and to clarify that the use tax applies only to the tangible personal property purchased for resale and given away with complimentary food, meals, or beverages.

NAC 372.350 – Amend pursuant to R156-22. This regulation revises language to provide that the use tax applies only to tangible personal property, including napkins, straws, and utensils, purchased for resale, and given away with complimentary food, meals, or beverages.

[R156-22P.pdf \(state.nv.us\)](#)

52. Exhibit 372.4-A

Exemption requested pursuant to Section 5(d) of the Executive Order:

Existing law imposes a sales tax on the gross receipts of a retailer from the retail sale of tangible personal property in this State and a use tax on the storage, use or consumption in this State of tangible personal property purchased from a retailer for storage, use or other consumption in this State in a transaction that would have been subject to the sales tax if it had occurred in this State.

The Commission believes that R172-22 is necessary for the Department to properly administer these taxes as they relate to the furnishing of replacement parts or materials to repair or replace tangible personal property to clarify the scope of warranties and guarantees in the sale of tangible personal property.

NAC 372.460 – Amend pursuant to R172-22. This regulation provides that the purchase and use of replacement parts or materials to repair or replace tangible personal property pursuant to a warranty or guaranty that was included in the sale of the tangible personal property is excluded from sales and use taxes only if: the warranty or guaranty was a mandatory part of the sale of the tangible personal property and the repair or replacement of the tangible personal property is an obligation or duty imposed on a party to that mandatory warranty or guaranty; and the sales price of the tangible personal property included the value of the mandatory warranty or guaranty. This regulation further clarifies that sales and use taxes apply to the purchase and use of replacement parts or materials to repair or replace tangible personal property under circumstances other than the circumstances set forth in this regulation, including, without limitation, the purchase and use of replacement parts or materials to repair or replace tangible personal property pursuant to an optional warranty or guaranty or pursuant to a term of any warranty or guaranty providing for repairs, replacements or services to maintain or enhance customer goodwill or to provide gratuitous or promotional repairs, replacements or services.

[R172-22P.pdf \(state.nv.us\)](#)

53. Exhibit 372.5-A

NAC 372.607 – Amend to remove "dietary supplements" from calculation as they are not considered food.

54. Exhibit 372.6-A

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

Pursuant to NRS 372.326, certain nonprofit organizations may qualify for exemption from sales and use taxes on the gross receipts from the sale of, and the storage, use or other consumption in Nevada, of any tangible personal property sold by or to the nonprofit for religious, charitable or educational purposes. A qualifying nonprofit organization must apply for a letter of exemption from the Department. Decisions of the Department are subject to appeal before an administrative law judge and/or the Nevada Tax Commission. To limit the number of appeals and to clarify the necessary qualifications for the exemption, the Department believes that R150-22 is necessary to carry out its duties in administering this tax exemption.

NAC 372.700 – Amend pursuant to R150-22. This regulation provides that such a letter is effective only with respect to sales or use tax obligations that would otherwise accrue on or after the date of issuance of the letter; and does not affect any such obligation accruing before that date.

Clarify that for purposes of exemption from Sales and Use Tax, the Department will construe the term, "educational organization" as not including an organization that primarily provides instruction or disseminates information, to a definite class of persons in a particular profession, industry, vocation, hobby group or area of interest.

55. Exhibit 372.7-A

NAC 372.770 - Amend to clarify that the receipt from a retailer who is required or authorized to collect sales or use tax must show both the amount of any third-party price reduction or discount; and the amount of tax collected by the retailer from the purchaser.

56. Exhibit 372.8-A

NAC 372.780 – Amend to remove the reference to NRS 372.135 as it was repealed in 2021 and add the correct authority, NRS 360.5973.

57. Exhibit 372.9-A

NAC 372.908 – Amend to remove the reference to NRS 372.125 as it was repealed in 2021 and add the correct authority, NRS 360.5971.

58. Exhibit 372.10-A

NAC 372.910 - Amend to remove the reference to NRS 372.125 as it was repealed in 2021 and add the correct authority, NRS 360.5971.

CHAPTER 372B - TAXES ON PASSENGER CARRIERS

59. Exhibit 372B.1-A

NAC 372B.100 - Amend "excise tax on passenger transportation" to read "excise tax on the connection to passenger transportation". Clarify that the tax is due on the "connection," not the transportation.

60. Exhibit 372B.2-A

NAC 372B.200 - Amend "excise tax on passenger transportation" to read "excise tax on the connection to passenger transportation". Clarify that the tax is due on the "connection," not the transportation.

61. Exhibit 372B.3-A

NAC 372B.210 - Amend "excise tax on passenger transportation" to read "excise tax on the connection to passenger transportation". Clarify that the tax is due on the "connection," not the transportation.

62. Exhibit 372B.4-A

NAC 372B.220 - Amend "excise tax on passenger transportation" to read "excise tax on the connection to passenger transportation". Clarify that the tax is due on the "connection," not the transportation.

63. Exhibit 372B.5-A

NAC 372B.230 - Amend "excise tax on passenger transportation" to read "excise tax on the connection to passenger transportation". Clarify that the tax is due on the "connection," not the transportation.

CHAPTER 490 - OFF-HIGHWAY VEHICLES

64. Exhibit 490.1-A

NAC 490.020 – Amend to remove this section of the NAC from the Department’s jurisdiction as it is now under the authority of the Commission on Off-Highway Vehicles. AB 29 (2017) created the Commission on Off-Highway Vehicles within the State Department of Conservation and Natural Resources.

65. Exhibit 490.2-A

NAC 490.050 - Amend to remove this section of the NAC from the Department’s jurisdiction as it is now under the authority of the Commission on Off-Highway Vehicles. AB 29 (2017) created the Commission on Off-Highway Vehicles within the State Department of Conservation and Natural Resources.

LCB File No. R004-22 (Marketplace Facilitator/Seller)

[Exemption requested pursuant to Section 5\(d\) of the Executive Order:](#)

The Nevada Legislature enacted AB 445 in 2019 governing marketplace facilitators, which requires persons who directly or indirectly facilitate retail sales to customers in Nevada to collect and remit sales and use taxes if the marketplace facilitator has within the immediately preceding calendar year, 1) had cumulative gross receipts from retail sales to customers in Nevada, on its own behalf or on behalf of a seller, which exceed \$100,000 or 2) made or facilitated 200 or more separate retail sales transactions on its own behalf or on behalf of a seller. AB 445 also governs referrers, which are persons who receive a fee in exchange for listing or advertising a product for a seller but do not collect money from a customer to impose, collect and remit sales and use taxes under certain circumstances, including requiring the referrer to comply with certain notice requirements and provide certain reports to the Department of Taxation. These new statutory provisions authorize the

Department of Taxation to adopt administrative regulations to carry out the legislative mandate set forth in AB 445.

The Department believes that R004-22 is necessary to clarify the obligations of marketplace facilitators and referrers under this new law and to establish appropriate procedures for compliance.

[R004-22I.pdf \(state.nv.us\)](#)