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| BRIAN SANDOVAL  *Governor*  ROBERT R. BARENGO  *Chair, Nevada Tax Commission*  DEONNE E. CONTINE  *Executive Director* | LAS VEGAS OFFICE  Grant Sawyer Office Building, Suite1300  555 E. Washington Avenue  Las Vegas, Nevada 89101  Phone: (702) 486-2300 Fax: (702) 486-2373 | HENDERSON OFFICE  2550 Paseo Verde Parkway, Suite 180  Henderson, Nevada 89074  Phone: (702) 486-2300  Fax: (702) 486-3377 |

**Notification of Automated Program to Assess Deficiency**

When a registered taxpayer does not file a return, the Department of Taxation has the authority to determine the amount of unreported taxes due pursuant to NRS 360.300 through 360.400.

Beginning in October of 2014, the Department plans to implement a new program to notify and assess a taxpayer who has not filed sales or use tax returns for any period within the statutory period. The assessment will be based on the taxpayer’s historic reporting and include, interest, and a failure to file penalty, calculated at 10% of the tax due. (Internally, we refer to this program as a “Best Information Available” or the “BIA” program). The assessment letter will have the terms “INITIAL BILL Delinquent Tax Assessment.”

Should a taxpayer receive an INITIAL BILL Delinquent Tax Assessment, he has 45 days to take action. The taxpayer has the following options in dealing with the assessment billing.

1. The taxpayer should file the missing tax return(s) with payment based on its returns. If the taxpayer chooses to file the return, regularly assessed penalties and interest will apply. These should be calculated and remitted with the tax payment.
2. Pay the amount calculated and billed by the Department. If the taxpayer chooses to pay the billed amount, he must pay the entire amount indicated on the INITIAL BILL – Delinquent Tax Assessment that the taxpayer receives.
3. If the taxpayer believes that the Delinquent Tax Assessment has been sent in error, he must call the Department at (866) 962-3707 to discuss the account.

Finally, if a taxpayer does not respond to the “INITIAL BILL – Delinquent Tax Assessment” within 45 days, an additional 10% failure to pay penalty will be assessed on the base tax amount and the taxpayer is deemed to waive the right to contest the amount.

If you have any questions, please call the Department’s Call Center at (866) 962-3707.