

**ADOPTED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R068-15

Effective June 28, 2016

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

AUTHORITY: §§1-7, NRS 360.090 and section 20 of Senate Bill No. 376, chapter 447, Statutes of Nevada 2015, at page 2606 (NRS 372B.110).

A REGULATION relating to taxation; adopting requirements for the administration and collection of the excise tax on passenger transportation; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law imposes an excise tax on the transportation of a passenger by a transportation network company, common motor carrier of passengers or taxicab, at the rate of 3 percent of the total fare charged for the transportation. (Sections 28, 51 and 52 of Assembly Bill No. 175, chapter 278, Statutes of Nevada 2015, at pages 1380 and 1390, as amended by Senate Bill No. 376, chapter 447, Statutes of Nevada 2015, at page 2609) Existing law further requires the Department of Taxation and the Nevada Tax Commission to adopt regulations to carry out the provisions governing the excise tax on passenger transportation. (NRS 360.090; section 20 of Senate Bill No. 376, chapter 447, Statutes of Nevada 2015, at page 2606 (NRS 372B.110)) This regulation adopts procedures for the collection of the excise tax on passenger transportation by the Department.

Section 3 of this regulation requires the Department: (1) to use the best information available to identify taxpayers; (2) to register each taxpayer; and (3) to notify each taxpayer of the requirement to pay the tax. Under **section 3**, the failure of the Department to register a taxpayer or notify a taxpayer of the requirement to pay the tax, or the failure of the taxpayer to be registered or receive such notice, does not excuse the taxpayer from payment of the tax.

Sections 4-6 of this regulation establish requirements for the filing of returns and payment of the tax. **Section 4** specifies that the tax is due and payable to the Department on a monthly basis. **Section 5** requires a taxpayer to file a return with the Department each month on or before the last day of the month following the month in which the tax accrued, and **section 6** requires the return to show the total amount of the fares charged by the taxpayer during the preceding reporting period, the amount of tax due and any other information required by the Department to properly administer the tax.

Section 7 of this regulation provides that in computing the amount of tax due, the taxpayer must multiply the tax rate by the entire amount charged to the passenger for transportation services. **Section 7** also provides that the amount of tax due must be computed to the third decimal place and rounded to a whole cent.

Section 1. Chapter 372B of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.

Sec. 2. *As used in this chapter, unless the context otherwise requires, “excise tax on passenger transportation” means the taxes imposed by sections 28, 51 and 52 of Assembly Bill No. 175, chapter 278, Statutes of Nevada 2015, at pages 1380 and 1390, as amended by sections 35, 36 and 37 of Senate Bill No. 376, chapter 447, Statutes of Nevada 2015, at pages 2609 and 2610 (NRS 372B.140, NRS 372B.150 and 372B.160).*

Sec. 3. 1. *The Department shall:*

(a) Use the best information available to identify each taxpayer;

(b) Register each taxpayer; and

(c) Notify each taxpayer of the requirement to pay the excise tax on passenger transportation.

2. The failure of the Department to register or notify a taxpayer pursuant to subsection 1, or the failure of a taxpayer to be registered or receive notice of the requirement to pay the excise tax on passenger transportation, does not eliminate or excuse the requirement to pay the tax.

Sec. 4. *The excise tax on passenger transportation is due and payable to the Department monthly on or before the last day of the month next succeeding the month in which the tax accrued.*

Sec. 5. 1. *On or before the last day of the month following each reporting period, a return for the preceding period must be filed with the Department on a form prescribed by the Department.*

2. A return required by this section to be filed must be signed by the person required to file the return or by his or her authorized agent but need not be verified by oath.

Sec. 6. 1. *A return filed pursuant to section 5 of this regulation must show:*

(a) The total amount of the fares charged by the taxpayer for transportation services during the preceding reporting period;

(b) The amount of the taxes due from the taxpayer for the reporting period covered by the return; and

(c) Such other information as the Department deems necessary for the proper administration of the excise tax on passenger transportation.

2. For the purposes of this section, the total amount of the fares charged for transportation services includes, without limitation, all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare.

Sec. 7. *In determining the amount of the excise tax on passenger transportation due from a taxpayer:*

1. A transportation network company, common motor carrier of passengers or certificate holder shall multiply the tax rate by the total of all amounts charged to its customer for transportation services, including, without limitation, all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare.

2. The amount due must be computed to the third decimal place and rounded to a whole cent using a method that rounds up to the next cent if the numeral in the third decimal place is greater than 4.