

NEVADA TAX COMMISSION MEETING
MINUTES

August 17, 2020
9:00 a.m.

Members Present:

Jim DeVolld, Chairman
Tony Wren, Commissioner
Ann Bersi, Commissioner
Francine Lipman, Commissioner
Craig Witt, Commissioner
Randy Brown, Commissioner
Sharon Rigby, Commissioner

Member Absent:

George Kelesis, Commissioner

I. Public Comment.

There was no public comment.

Director Young administered an oath to all meeting participants.

II. Meeting Minutes:

A. Consideration for Approval of the June 25, 2020 and July 31, 2020 Nevada Tax Commission Meeting Minutes.

Commissioner Wren moved to approve the June 25, 2020 and July 31, 2020 meeting minutes. Commissioner Rigby seconds. All in favor. Motion carries.

III. CONSENT CALENDAR:

A. Matters of General Concern:

1) Bonds Administratively Waived (dates as indicated) (Sales/Use Tax):

- a) AGCLV Inc.
- b) AS LV Inc.
- c) Elephant Vapor LLC
- d) Kori LLC
- e) MAVR LLC
- f) PFPCos Noble Pie Parlor
- g) Red Rock Vapor LLC
- h) Reliable Technology Administration Group Inc
- i) Smees Alaskan Fish Bar LLC
- j) Specialty Modular Inc
- k) Subway NAS Fallon LLC
- l) TS3 LLC
- m) Washoe Camp LLC
- n) Wus China Kitchen LLC
- o) WWCD Inc
- p) YH Hiroba Sushi LLC

B. Waiver of Penalty and Interest Pursuant to a Request on a Voluntary Disclosure (Sales/Use Tax, Modified Business Tax and/or Commerce Tax):

- 1) 47 Brand
- 2) Birch Street Systems LLC

- 3) Browning
- 4) Iconic Displays
- 5) Instant Technologies
- 6) Microchip Technology Inc.
- 7) myEcon Inc.
- 8) Nauto Inc.
- 9) Noise Barriers LLC
- 10) Orca Digesters Inc.
- 11) Putzmeister America Inc.
- 12) Republic Doors and Frames LLC
- 13) RHT Inc.
- 14) Roll-A-Shade Inc.
- 15) Seequent Limited
- 16) Shehvo LLC
- 17) SquareTrade Inc.
- 18) Tecovas Inc.
- 19) ThirdLove Inc.
- 20) Vital Proteins LLC
- 21) Wildwood Guitars

C. Waiver of Penalty and/or Interest Pursuant to NRS 360.419 that exceeds \$10,000:

- 1) Hyperloop Technologies, Inc.
- 2) LivFree Wellness LLC dba The Dispensary
- 3) Fat Hat, LLC dba 1923 Bourbon Bar
- 4) Pure Distribution

D. Waiver of Penalty and/or Interest Pursuant to NRS 360.419 that exceeds \$10,000, in response to COVID-19:

- 1) Samba Vegas LLC
- 2) Encore Event Technologies Inc.
- 3) Nevada Property 1 LLC
- 4) Nevada Restaurant Venture 1 LLC
- 5) FAA Las Vegas H Inc.
- 6) French Café LLC
- 7) Nacho Daddy LLC
- 8) Bonanno Restaurant LLC
- 9) Fox Rent A Car Inc.
- 10) Diamond Resorts Centralized Services Company
- 11) Diamond Resorts International Marketing Inc.
- 12) Saks and Company LLC
- 13) RBG LLC
- 14) Host International Inc.
- 15) United Factory Furniture Corp.
- 16) Peterman Lumber Inc.
- 17) Reliable Auto Sales
- 18) Chateau Nightclub LLC
- 19) Bonanno Food Courts II LLC
- 20) Las Vegas Resort Holdings LLC
- 21) Eurostar Inc.
- 22) Clear River LLC
- 23) Nevada AK Inc.
- 24) Gravitas Nevada Ltd.
- 25) Zuma Las Vegas LLC

- 26) Cardenas Markets LLC
- 27) GNLV Corp.
- 28) Café Rio Inc.
- 29) Buenas Noches LLC
- 30) Adidas America Inc.

E. Approval of Refund/Credit Request in Excess of \$250,000:

- 1) Sprint/United Management Co.
- 2) Central Shared Services LLC dba Far West Supply Chain

F. Department's Recommendation to the Commission for Approval of an Offer-In-Compromise pursuant to NRS 360.263:

- 1) Leo Schoenfeld
- 2) Denise Graybeal
- 3) Sarkis Airapetian
- 4) Nicole Arany
- 5) Sue Bailey
- 6) Mariantonieta Candelas
- 7) Henry Coll
- 8) Shawn Hosek
- 9) Deborah Lewis
- 10) Donna Locricchio
- 11) Stephen Macres
- 12) Marco Matamoros
- 13) Edward Rizk
- 14) Mark and Carol Sender

Commissioner Brown pulled items III. B. 10) Orca Digesters Inc. and III. B. 21) Wildwood Guitars for further discussion.

Commissioner Brown moved to approve the consent calendar, excluding items III. B. 10) and III. B. 21). Commissioner Witt seconded the motion. All in favor. Motion carries.

With regard to items III. B. 10) Orca Digesters Inc. and III. B. 21) Wildwood Guitars, Commissioner Brown mentioned that the taxpayers paid the penalties and interest in full.

Shellie Hughes, Chief Deputy Executive Director, stated that often a taxpayer will pay in full and then request a waiver. If approved by the Tax Commission, the taxpayer will then receive a refund.

Commissioner Brown mentioned that the Department approved a waiver in 2019 and it has been 10 months before it made it to the Commission.

Melissa Gardner, on behalf of the Nevada Department of Taxation, stated that in the case of Wildwood Guitars, the Department attempted to notice the matter for the last meeting, but the taxpayer did not receive the notice. Sometimes it can take a little bit longer to receive payment, and with COVID, it has slowed things down as well.

Commissioner Brown motioned to approve the matters of Orca Digesters Inc. and Wildwood Guitars. The motion was seconded by Commissioner Witt. All in favor. Motion carries.

IV. DIVISION OF LOCAL GOVERNMENT SERVICES:

A. Consideration for Approval of a Reappointment to the Appraiser Certification Board:

- 1) Kelson Powell

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Mr. Kelson Powell has requested to be reappointment to the Appraiser Certification Board.

Commissioner Bersi moved to approve the reappointment of Kelson Powell to the Appraiser Certification Board. Commissioner Rigby seconded the motion. All in favor. Motion carries.

B. Approval of a Revision to the 2021-2022 Assessor's Handbook of Rural Building Costs, Section 1, Page 18, as authorized under NAC 361.128(a).

Cheryl Erskine, Coordinator of Assessment Standards – Local Government Services, was present on behalf of the Nevada Department of Taxation.

Commissioner Wren moved to approve the revision to the 2021-2022 Assessor's Handbook of Rural Building Costs, Section 1, Page 18. Commissioner Witt seconded the motion. All in favor. Motion carries.

C. Taxpayer's Appeal of the Treasurer's Denial of Waiver of Penalty and Interest per NRS 361.4835 (Washoe County):

1) Glen David Siwarski

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Glen David Siwarski was not present.

Linda Jacobs, Deputy Treasurer, was present on behalf of the Washoe County.

Commissioner Brown moved to deny the appeal of Mr. Siwarski. Commissioner Lipman seconded the motion. All in favor. Motion carries.

2) 887 Trademark, LLC

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation.

Robin Curtis, Director of Asset Management, was present on behalf of 887 Trademark, LLC.

Linda Jacobs, Deputy Treasurer, was present on behalf of the Washoe County.

Commissioner Rigby motioned to uphold the Treasurer's denial of waiver of Penalty and Interest. Commissioner Wren seconded the motion. All in favor. Motion carries.

V. COMPLIANCE DIVISION:

A. Department's Recommendation to the Commission for Denial of an Offer-In-Compromise pursuant to NRS 360.263:

1) Eddie Hernandez

Adriane Roberts-Larson, Tax Program Supervisor II, was present on behalf of the Nevada Department of Taxation.

Eddie Hernandez was not present.

Commissioner Rigby stated the offer-in-compromise meeting packet is not complete.

Commissioner Wren asked for information relating to liens and garnishments.

Commissioner Rigby made a motion to continue the matter of Eddie Hernandez to a future meeting. Commissioner Wren seconded the motion. All in favor. Motion carries.

B. Consideration of the Department's Motion to Dismiss the Taxpayer's Appeal; and Taxpayer's Appeal of Administrative Law Judge's Decision pursuant to NRS 360.245 and NAC 360.175:

1) Jose Ricardo Tapia aka Jose Richard Tapia

Peter Keegan, Deputy Attorney General, was present on behalf of the Nevada Department of Taxation.

Jose Ricardo Tapia aka Jose Richard Tapia was present on telephone.

Commissioner Rigby made a motion to dismiss the appeal of Jose Ricardo Tapia aka Jose Richard Tapia. Commissioner Witt seconded the motion. All in favor. Motion carries.

C. Taxpayer's Appeal of Advisory Opinion 20-006 dated March 12, 2020:

1) Nevada Vaping Association

Hillary Bunker, Senior Deputy Attorney General, was present on behalf of the Nevada Department of Taxation.

Justin Townsend, Esq., Rob Solomon, David Van Sambeek and Bryan Badera were present on behalf of the Nevada Vaping Association.

Commissioner Lipman moved to remand this matter to the Nevada Department of Taxation for further discussion, as the Executive Director deems appropriate. Commissioner Bersi seconded the motion. All in favor. Motion carries.

D. Consideration of the Department's Motion to Dismiss the Taxpayer's Appeal; and Taxpayer's Appeal of the Department's Decision dated December 24, 2019, pursuant to NRS 350.089, approving the Incline Village Improvement District (IVGID)'s installment-purchase agreement for purchase of fifty-eight (58) EZ-Go gas powered golf carts for use at the Mountain Golf Course.

1) Aaron L. Katz

Peter Keegan, Deputy Attorney General, was present on behalf of the Nevada Department of Taxation.

Aaron Katz was present.

Commissioner Wren made a motion to grant the Department's motion to dismiss. Commissioner Lipman seconded the motion. All in favor. Motion carries.

E. Petition for Reconsideration of Department's Denial of Exemption Status for Organization Created for Religious, Charitable or Educational Purposes pursuant to NRS 372.3261 (Sales/Use Tax):

1) Miss Rodeo America Inc.

Director Young informed the Commission that this matter has been continued to a future Nevada Tax Commission meeting date.

2) Foundation for Women's Leadership & Empowerment

Andrea Nichols, Senior Deputy Attorney General, was present on behalf of the Nevada Department of Taxation.

Scott Scherer, Esq. and Phyllis James, CEO, were present on behalf of the Foundation for Women's Leadership & Empowerment.

Commissioner Lipman made a motion to reverse the denial of exemption status. Commissioner Brown seconded the motion. All in favor. Motion carries.

VI. INFORMATIONAL ITEMS:

- A. Penalty and Interest Waivers granted by the Department for Sales/Use Tax, Modified Business Tax and Excise Tax (dates as indicated).
- B. Approval and Denial Status Report Log for Organizations Created for Religious, Charitable or Educational Purposes (dates as indicated) (Sales/Use Tax Exemption).

There were no questions from the Commission.

VII. BRIEFING:

- A. Briefing to/from the Commission and the Executive Director.

VIII. Next Meeting Date: October 5, 2020

IX. Public Comment.

X. Items for Future Agendas.

No items were discussed.

XI. Meeting adjourned at 12:58 p.m.