

AAA Team Sales Tax, LLC

1/3/23

Nevada Tax Commission
1550 College Parkway, Suite 115
Carson City, NV 89706

Subject: Pubic Comments

Dear Commissioners,

Enclosed, you will find the following:

1. Comments about what the Department calls "Request for Late File a Petition for Redetermination form (please see enclosed).
2. Comments on a particular sentence contained on what the Department calls a "Tax Exempt Letter (please see enclosed).

Thank You and Be Safe!

Ron Voigt
AAA Team Sales Tax LLC

January 3, 2023

Nevada Tax Commission
1550 College Parkway, Suite 115
Carson City, NV 89706

Subject: The Department's Request to Late-File a Petition for Redetermination form (please see enclosed) for a Revenue Deficiency does not meet the Intent of Nevada Revised Statute 360 and Spirit of the Nevada Taxpayers' Bill of Rights

Happy New Year Commissioners,

First point, the form does not give the option for the taxpayer to request an oral hearing with the Administrative Law Judge (ALJ) as prescribed in Nevada Revised Statute (NRS) 360.365.

Second point, the form does not mention who is making the final decision. I have too much respect for Executive Director Hughes to believe she really believed that a package of chips and bottle soda was "food for immediate consumption". When watching the video of the Rebel Kitchen case at the December 5th meeting, you see near the end of the segment, the Audit Manager attempt to speak up after the Tax Commission had already made its decision. This leads me to believe the Audit Manager is the one who is behind this unfair viewpoint. The Audit Manager is also cc on the introduction memorandum (see enclosed). Since we are talking about a Revenue Deficiency, it is odd that the Revenue Manager is not cc. Now please allow me to ask you this question "Do you really believe that an obsessed person who actually thinks a package of chips and bottle soda is "food for immediate consumption" would be fair to a business that provides **Personal Chef Services**? Of course not, the answer is no. The Audit Manager has been appointed Prosecutor, Judge, and Juror. Now is that fairness? Of course not. Only is it not fair, it just does not make common sense. This is clear violation of the Nevada Taxpayers' Bill of Rights.

Third point, the Department has a wrong interpretation of Nevada Administrative Code (NAC) 360.130. I do not believe that the Legislature would approve of the Department's demand that the taxpayer be the only one to provide information and that the Department does not need to provide any information. I believe the Legislature passed Nevada Revised Statute (NRS) 360.133-Requirements for technical bulletins and the Nevada Taxpayers' Bill of Rights to require the Department to make its case too.

Fourth point, a petition for Revenue Deficiency redetermination would not resolve the main points of the appeal listed below but an oral hearing before the Administrative Law Judge (ALJ) can.

1. Disagreement with the Department's interpretation of Nevada Revised Statute (NRS) 372.284 and Nevada Administrative Code (NAC) 372.605 (1) for personal chef services.
2. The violations of the Nevada Taxpayers' Bill of Rights are listed below:
 - A. The Department never show what items were examined (example: sales invoices) in arriving at their billing amount.
 - B. The Department never did a walkthrough of the business to verify business activity.

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- C. They used best information possible. That information is usually the account summary from TAS. Now, I ask you, is that the best information possible. I think you would agree no. Nothing beats examining actual financial information of the business.
- D. The Department never showed workpapers and supporting documentation to the taxpayer.
- E. The Department did not perform an exit meeting with the taxpayer.
- F. The Department never provided written explanation to the taxpayer that explains what review procedures were followed and what deficiencies were noted.
- G. The Department never provided petition forms to the taxpayer.
- H. The Department never provided an oral and/or written explanation of the appeal process to the taxpayer.

Remember, no petition for redetermination or request for hearing was provided to my client. No workpapers or written explanation was provided to my client. No exit meeting was provided to my client.

I do think the Commissioners would agree the form does not meet the **Intent of Nevada Revised Statute 360 and the Spirit of the Nevada Taxpayers' Bill of Rights.**

Happy New Year!!

Thank You and Be Safe!

Ron Voigt
Consultant

AAA Team Sales Tax, LLC

January 3, 2023

Nevada Tax Commission
1550 College Parkway, Suite 115
Carson City, NV 89706

Subject: The sentence stating “For audit purposes, a vendor must have a copy of this letter in order to document the transaction was tax exempt” is an overkill. (please see enclosed)

Happy New Year Commissioners,

This sentence lacks common-sense from an audit perspective and violates the Nevada Taxpayers’ Bill of Rights that states “The audit is to be completed with the least amount of documentation. My guess is that Charlene is not the one who put that sentence in the tax-exempt letter (by the way that is a new sentence, it is not in other older tax-exempt letters). It must have been put in by someone who lacks the knowledge of how the real-world works. Why do I say it lacks common sense from an audit perspective? With the employee turnover in accounting department that most small business experience, pieces of paper can and will be lost, is reason enough. The main reason I disagree with the sentence is that the Department maintains a list of tax-exempt businesses. Not informing the taxpayer of such a list is a violation of the Nevada Taxpayers’ Bill of Rights. From a common-sense perspective from a person who was an auditor for over thirty (30) years, it makes more sense and saves a lot of time to just review the Department list for that audit step. Now if the Department is failing to update the tax-exempt letter list, that is on the Department not on the taxpayer. From a fraud viewpoint in this incidence, it is not a very strong audit control to depend on the taxpayer for the documentation and in fact may be encouraging fraud. From a Nevada Taxpayers’ Bill of Rights stance, you are requiring extra documentation from the taxpayer that is not needed. Again, the auditor can use Departmental records for that audit step.

Happy New Year!

Thank You and Be Safe!

Ron Voigt
Consultant

The undersigned alleges that the Notice of Audit Determination/Deficiency Determination is erroneous for the following specific reasons which are supported by the attached documents:

I, _____, do hereby swear under penalty of perjury that the assertions in this form are true.

DATED this _____ day of _____, _____.

Signature

Printed Name

Position

Phone Number and Email Address

Address



STEVE SISOLAK
Governor

JAMES DEVOLLD
Chair, Nevada Tax Commission

MELANIE YOUNG
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

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HENDERSON OFFICE
2550 Paseo Verde Parkway Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

Account Number: _____

Exp date: _____

Pursuant to NRS 372.3261 and related statutes, _____ has been granted sales/use tax exempt status as a charitable organization. Direct purchases or sales of tangible personal property made by or to _____ are exempt from sales/use tax. Fraudulent use of this exemption letter is a violation of Nevada law.

Vendors selling tangible personal property to _____ are authorized to sell to them tax exempt. The vendor shall account for the exempt sale on its sales/use tax return under exemptions. [For audit purposes, a vendor must have a copy of this letter in order to document the transaction was tax exempt.]

This letter only applies to Nevada sales/use tax and does not provide exemption from any other tax.

This exemption applies only to the above named organization and is not extended to individuals, or contractors or lessors to or for such organizations.

Any vendor having questions concerning the use of this sales/use tax exemption letter may contact the Department at one of the district offices listed above.

If, upon further or future review by the Department, it is determined the above named organization does not meet or no longer meets the criteria outlined in NRS 372.348, this letter of exemption will be revoked.

Sincerely,

Charlene Bernardo
Tax Program Supervisor II