



STATE OF NEVADA
DEPARTMENT OF TAXATION

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April 21, 2020

RONDI LAMBETH

[Redacted]

Certified mail:

[Redacted]

Re: Rondi Lambeth
TID No: [Redacted]
Docket No: 508280

NEVADA TAX COMMISSION
NOTICE OF HEARING

Your request to the Nevada Tax Commission (“NTC”), regarding the Settlement Agreement has been placed on the agenda for the NTC meeting to be held on **Monday, May 4, 2020**. The meeting will be telephonically only and the call in number is as follow: Call in (877) 873-8017 and the Access Code is 6605169. The meeting will commence at **9:00 a.m.**

The taxpayer may appear in person or may be represented by an attorney, an accountant or an authorized representative. However, should no one appear for the taxpayer, a decision shall be made on the basis of the information presented.

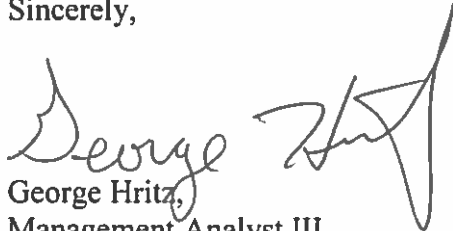
Any appeal to the NTC concerning the liability of tax must be heard in open session, a taxpayer may request that a portion of the hearing be closed to the public so that the NTC can receive proprietary or confidential information pursuant to NRS 360.247. The request must be in writing, be made no later than fourteen (14) calendar days prior to the date of the hearing, contain a list or summary of the information that the taxpayer believes is proprietary or confidential, and include a short statement explaining how the information alleged by the taxpayer to be proprietary or confidential qualifies pursuant to NRS 360.247. All requests for closed hearings will be noted as such on the NTC’s written agenda.

The NTC requires that any materials in support of an appeal be received by the Department no later than fourteen (14) calendar days prior to the date of the hearing to allow the Department and the NTC an opportunity for review. The NTC further indicates that if the material is not received within this time frame, appeals may be postponed until the next meeting. Please send us any material you wish considered as soon as possible.

If a transcript of any hearing held before the NTC is desired by the petitioner, you may request a copy of the transcript from the Department or the NTC's court reporter.

If you have any questions regarding this letter, please contact George Hritz at 775-684-2059.

Sincerely,


George Hritz,
Management Analyst III

cc: Vivienne Rakowsky, Deputy Attorney General
Lizette Arceo, Revenue Tax Manager
Tina Padovano, Executive Assistant

Taxpayer Identification: [REDACTED]

CERTIFICATE OF SERVICE

21 day of April, 2020 that I have this day served the foregoing document upon the taxpayer and/or their designated representative as listed below (if applicable) by mailing a copy thereof, via both certified and regular mail, with postage prepaid and properly addressed to the last known address as follows:

RONDI LAMBETH

[REDACTED]

Certified mail: [REDACTED]

[REDACTED]



George Hritz, Management Analyst III

1 **BEFORE THE NEVADA TAX COMMISSION**

2
3
4 In re:)
RONDI LAMBETH.) TID No: 1 [REDACTED]
5)
"Petitioner") Docket No: 508280
6)
7 _____)

8 **SETTLEMENT AGREEMENT FOR SALES AND USE TAX DEFICIENCY**

9 This Settlement Agreement is entered into as of this ___ day of March, 2020
10 by and between RONDI LAMBETH (hereinafter "Petitioner"), and the Nevada
11 Department of Taxation (hereinafter "Department"), by and through its attorneys,
12 Aaron D. Ford, Attorney General, and Vivienne Rakowsky, Deputy Attorney
13 General and Rondi Lambeth, Petitioner (collectively referred to as "the parties").

14 **RECITALS**

15 WHEREAS;

- 16 1) The Petitioner, Rondi Lambeth, was a Nevada resident at the time of the
17 transactions and events in this matter. Mr. Lambeth has stated that he is no longer
18 a resident of Nevada, and resides in [REDACTED], Idaho [REDACTED].
19 2) The Petitioner's representative is Paddy Deighan, J.D.
20 3) On or about April 16, 2018, Petitioner purchased a 2008 599 GT Ferrari,
21 [REDACTED], ex-tax, from Ferrari Maserati of Las Vegas.
22 4) On or about the time of the purchase, Petitioner started a Montana LLC
23 for the purpose of avoiding Nevada sales tax. The Petitioner was issued a Montana
24 License Plate number [REDACTED]. The address of record is [REDACTED], Kalispell
25 Montana, the same address as "\$49 Registered Agents."
26 5) At the time of the purchase, Petitioner engaged Royalty Towing to
27 transport the Ferrari from the Las Vegas Dealership to Kalispell Montana, but
28 subsequently cancelled the transport. Instead, Petitioner brought the Ferrari to his

1 residence at [REDACTED] Drive in Las Vegas.

2 6) On or about July 28, 2018, a revenue officer from the Department of
3 Taxation noticed a white Ferrari with a Montana plate and the Spring Mountain
4 Saloon. The frame on the license plate stated "Ferrari of Las Vegas."

5 7) Upon further investigation, the Department found: that the insurance
6 for the vehicle showed the Ferrari is located in Nevada; that the petitioner has a
7 Nevada Driver's License; is registered to vote in Nevada; and has a business in
8 Nevada.

9 8) The Department also discovered various video's on U-Tube, Instagram,
10 Facebook and other social media showing the Petitioner driving around Las Vegas
11 in his Ferrari, bragging about how much sales tax he saved, and encouraging
12 followers to start a Montana LLC in order to avoid paying sales tax on their
13 vehicles.

14 9) On or about November 5, 2018, the Department sent the Petitioner a bill
15 \$52,379.64 which included \$12,614.00 in tax, a 10% failure to pay penalty and a 300%
16 evasion penalty of \$39,103.40 and interest in the amount of \$662.24. On or about
17 February 1, 2019, the Department sent the Petitioner amended deficiency
18 determination which reflected an increasing the total due to accrued interest in the
19 amount of \$52,663.45.

20 10) The Petitioner and the Department desire to resolve the disputed
21 matters arising from the aforementioned deficiency, and recognize that continued
22 litigation would be protracted, costly and time consuming, and, therefore, have
23 reached an agreement in the interests of judicial and administrative economy.

24 11) The Petitioner and the Department have agreed to settle and resolve
25 their disputes as memorialized in this Settlement Agreement with the sole purpose
26 of settlement, compromise, and resolution of any and all claims that any party may
27 have against any other party regarding the assessment made by the Department in
28 this matter.

1 5) The Petitioner shall be considered in breach hereunder, and this
2 Settlement Agreement shall be considered null and void, upon any failure of
3 compliance with any of the terms of this agreement. If a breach occurs and the
4 Settlement Agreement is null and void, the Petitioner will again be liable for the
5 full amount or tax and any penalty and interest originally assessed by the
6 Department, and the Department shall be authorized to pursue any and all
7 available remedies.

8 6) The parties each warrant that no promise or inducement has been
9 offered except as herein set forth, that this Settlement Agreement is executed
10 without reliance upon any statement or representation except as contained herein,
11 that the terms and conditions of this Settlement Agreement are fair and reasonable,
12 and that all of the parties are of legal age, and/or are legally competent to execute
13 this Settlement Agreement, and have done so after a full opportunity to consult
14 with competent, independent counsel.

15 7) This Settlement Agreement is a full and complete resolution of all
16 issues arising from the Petitioner's purchase of the 2008 Ferrari ex-tax. This
17 Settlement Agreement does not imply any departmental policy with respect to the
18 taxability or non-taxability of any of the Petitioner's activities. This Settlement
19 Agreement shall not constitute a precedent for any other issues or proceedings
20 concerning the Department or Petitioner, other than those set forth in this
21 Settlement Agreement, and shall not be admissible in any other proceeding, or for
22 any other period with respect to any other matter, except proceedings brought to
23 enforce this Settlement Agreement under its terms, or with respect to Agreement
24 paragraph 2 above.

25 8) This Settlement Agreement is subject to approval by the Nevada Tax
26 Commission.

27 9) The parties agree to waive the notice requirements set forth in
28 NRS 241.034, as the parties desire that the Settlement Agreement be submitted to

1 the Nevada Tax Commission for approval.

2 10) Upon approval of the Settlement Agreement by the Nevada Tax
3 Commission and compliance with the terms stated therein, the contested case
4 arising from the Petitioner's purchase of a 2008 Ferrari shall be considered closed
5 and final.

6 11) The parties agree to waive the right to receive written findings of fact,
7 conclusions of law and decision from the Nevada Tax Commission with regard to
8 this Settlement Agreement.

9 12) In the event this Settlement Agreement is not approved in whole by
10 the Nevada Tax Commission, it shall be deemed withdrawn without prejudice to
11 any claims, positions or contentions which may have been made by any party, and
12 no part of this Settlement Agreement shall be admissible in evidence or in any way
13 described or discussed in any proceeding hereafter. The Nevada Tax Commission's
14 approval of this Settlement Agreement shall not constitute approval of, or a
15 precedent regarding, any principle or issue for any other purpose or for any other
16 party except those involved herein.

17 13) This Settlement Agreement may be executed in any number of
18 counterparts, each of which shall be deemed an original and all of which shall
19 together constitute one and the same agreement.

20 14) This Settlement Agreement shall be governed by and construed in
21 accordance with the laws of the State of Nevada, without regard to the conflicts of
22 laws and principles thereof.

23 15) This Settlement Agreement shall be binding upon and shall inure to
24 the benefit of the parties hereto, their successors and assigns. It is also binding
25 upon, and shall inure to the benefit of any and all "responsible persons" related to
26 the Petitioner as that term is defined in NRS 360.297.

27 16) No provision of this Settlement Agreement shall be waived or modified
28 except in writing signed by all parties hereto.

1 17) This Settlement Agreement represents the entire understanding of the
2 parties and there are no other agreements or representations other than those
3 contained herein.



4 18) The Department reserves the right to re-open this audit and void this
5 Settlement Agreement in the event that any of the Petitioner's representations,
6 statements, acknowledgments, or allegations delineated herein are found to be
7 untrue or incorrect.

8 IN WITNESS WHEREOF, this Settlement Agreement has been duly
9 executed and delivered by the duly authorized representatives of the parties hereto
10 as of the date first hereinabove written.

11 DEPARTMENT OF TAXATION

RONDI LAMBETH

12
13
14 By: _____
15 Melanie Young
16 Executive Director
17 Nevada Department of Taxation

18
19
20 By: 
21 Rondi Lambeth
22 

23 Approved as to form:

24 AARON D. FORD
25 Attorney General

26 By: _____
27 Vivienne Rakowsky
28 Deputy Attorney General
 Nevada Bar No. 9160
 555 E. Washington Ave., Ste. 3900
 Las Vegas, Nevada 89101
 (702) 486-3103
 Attorneys for the Department of Taxation