



Business Advisory Council to Streamlined Sales Tax Governing Board

Paulina Oliver, Deputy Director
Nevada Department of Taxation
{Sent via E-Mail: poliver@tax.state.nv.us}

May 13, 2016

Re: LCB File No. R020-6 – SSUTA Compliance

Dear Ms. Oliver:

I am submitting these comments on behalf of the Board of Directors of the Business Advisory Council's ("BAC") to offer a suggested revision to Section 1 of the regulation and support for Section 2 of the regulation. The BAC appreciates the opportunity to work with you and your Department to ensure Nevada remains compliant with the Streamlined Sales and Use Tax Agreement ("Agreement").

About the BAC

The BAC is the officially recognized body to provide input from the business sector to the Streamlined Sales Tax Governing Board ("Governing Board") pursuant to Section 811 of the Agreement. The BAC is represented by retailers, manufacturers, communications companies, associations, practitioners, and providers that support the efforts of states in simplifying and providing more uniformity with the imposition and administration of the states' sales and use taxes. The BAC advises the Governing Board in the administration of the Agreement, including a state's compliance with the Agreement, and many of its members conduct a significant amount of business in Nevada.

Suggested Revision to Section 1 of LCB File No. R020-16

The Agreement has a provision to allow sales made via printed catalogs to use a local tax rate that was published in a catalog up to the first day of a calendar quarter that is at least 120 days from the date the Department provided notice of the local rate change to sellers. To accomplish this, the BAC recommends Section 1 be modified as follows (underlying new language):

Section 1. Chapter 37~~42~~ of NAC is hereby amended by adding thereto a new section to read as follows:

1. For purchases made from printed catalogs where the purchaser computed the sales and use tax using the local rate published in a catalog, that published local tax rate shall continue to apply until the first day of a calendar quarter after a minimum of one hundred twenty days' notice provided by the Department of a rate change. Not later than 120 days before the effective date of a change in the sales and use tax rate imposed in the jurisdiction of a local government, the Department shall provide notice of the change on the Internet website maintained by the Department and in the newsletter of the Department entitled, "Nevada Tax Notes."

~~2. The failure of a person to receive actual notice of a change in the sales and use tax rate pursuant to subsection 1 does not relieve the person of the requirement to apply the changed rate to calculate the amount of tax due after the effective date of the change.~~

~~3. As used in this section, "sales and use tax rate" means the rate of the tax imposed on the gross receipts of a retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the jurisdiction of a local government.~~

Support of Section 2 of LCB File No. R020-16

The BAC has no recommended changes to Section 2 of the regulation. The BAC supports the clarification being made in the regulation that "food ordinarily requiring cooking, as opposed to reheating, by the consumer before consumption" is not "prepared food."

We appreciate your consideration in this matter. Please contact me if you have any questions.

Sincerely,



Charles Collins
President, Business Advisory Council
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