



BRIAN SANDOVAL
Governor
JOAN LAMBERT
Chair, Nevada Tax Commission
DEONNE E. CONTINE
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>

1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

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

Department Comments on LCB Draft of Proposed Regulation R123-15

- 1) The following language was unintentionally omitted from the LCB draft. The Department intends to ask the NTC to adopt LCB File No. R123-15 to include the following language:

For the purposes of paragraph (c) of subsection 3 of section 8 of SB 483, the Department will interpret complimentary to include goods or services provided at no additional charge, including goods or services provided in exchange for a loyalty program's points or credits, or for a coupon, voucher or certificate.

- 2) The following language was unintentionally omitted from the LCB draft. The Department intends to ask the NTC to adopt LCB File No. R123-15 to include the following language related to recovering the cost of the commerce tax:

The Commerce Tax is a tax imposed on the gross revenue of a business entity, and not on a customer. If a business entity selects to include a charge related to the Commerce Tax on its invoice, such charge should state that the Commerce Tax is imposed on a business entity and not on its customer. The total amount collected from the customer shall be included in the gross revenue for the Commerce Tax.

- 3) The Department will request that the Towing services situsing language in Sec. 70 be amended as follow:

Sec. 70. *If a business entity provides towing services and the towing services originate from a location in this State, the gross revenue from those services is sitused to this State, ~~regardless of if~~ the destination of the towing services is also in Nevada.*

- 4) The Department will request that the Transportation services situsing language in Sec. 71 be amended as follow:

~~Sec. 71. 1. The gross revenue received by business that provides transportation Services from the sale of transportation services must be sitused to this State in accordance with paragraph (e) of subsection 1 of section 22 of Senate Bill No. 483, chapter 487, Statutes of Nevada 2015, at page 2888. A seller of tangible personal property must situs transportation charges in connection with the sale of tangible personal property in the same manner as the seller situses the gross revenue from the sale of the tangible personal property.~~

If transportation services originate from a location in Nevada, the gross receipts are sitused to Nevada if the destination is also in Nevada as documented by the bill of lading, proof of delivery, or other documents that contain both the origin and the destination of the transportation services provided. If transportation services provided by a common motor carrier as defined in NRS 706.036 originate in a location in Nevada, the gross receipts are sitused to Nevada if the destination where the passenger or property finally exits the transportation is also in Nevada.

The remainder of Sec. 71 will not be changed.

- 5) The Department will request that the digest for Sec 17 which contains reference to both the \$2M threshold and the \$4M threshold be changed to \$4 million. The Department will request that in Sec. 17(2)(e) of the regulation which references \$2 million be changed to \$4 million Sec.
- 6) The Department will request that Section 17(2) which references two-digit NAICS code be changed to two or three digit to correspond with the designations in the SB 483.
- 7) There is a typo that will be changed in Section 19 (3)c: “undr” an agreement
- 8) The Department will request that Sec. 16 sub (21) on page 21 be amended to read:
- Carries passengers or freight (any personal property including, but not limited to, oil and gas transmitted by pipeline) from one point in Nevada to another point within Nevada, if pickup and delivery, occurs within Nevada*