



T-Mobile USA, Inc.  
12920 SE 38th Street, Bellevue, WA 98006

July 7, 2015

Robert Barengo, Chair  
Nevada Tax Commission  
4600 Kietzke Lane, Bldg L Ste. 234  
Reno, NV 89502

RE: Nevada Commerce Tax / Modified Business Tax Credit  
Workshop on Proposed Regulations pertaining to Senate Bill 483

Dear Chairman Barengo:

T-Mobile would like to thank Governor Sandoval and the Nevada Legislature for their efforts in developing and implementing a revenue plan to broaden and stabilize Nevada's tax structure while supporting K-12 education. We are especially appreciative of the opportunity we had as a Nevada taxpayer to partner with the State's elected officials and staff on various aspects of the plan during the legislative process.

As the Tax Commission now considers adoption of regulations, we ask for your consideration of the following in relation to the MBT Credit which is allowed for 50% of the Commerce Tax paid pursuant to Section 68 and Section 70 of SB 483. The MBT Credit would currently only be available to those Nevada taxpayers with both Nevada payroll (MBT Tax) and business revenue/operations (Commerce Tax) within the same tax reporting entity.

In the case of T-Mobile which is comprised of several affiliated legal entities under common ownership/operation, employees and business operations are not within the same tax reporting entity. Rather, employees are centralized within one legal entity for purposes of streamlined administration of payroll tax and other employee related management, but perform services for affiliated business entities. T-Mobile's Nevada employees include, among others, those working in Nevada retail stores and performing network engineering operations within the state – which contribute to and relate to its Nevada business operations.

We are confident that our business structure is not unique to T-Mobile and that several other businesses could also be unfairly treated if affiliated business entities are not considered.

T-Mobile, therefore, requests that the Tax Commission enact a regulation which would allow the MBT Credit for 50% of the Commerce Tax paid by a business entity that is part of the same affiliated group as the employer if, and to the extent, the Nevada employees of the employer directly engage in the business activities of the business entity that paid the Commerce Tax. In instances where employees of the employer provide services to more than one business entity within the affiliated group, the credit would reflect only the proportion of Commerce Tax attributable to the Nevada employees' direct engagement in the activities of each business entity.

T-Mobile appreciates your consideration of the above proposal to provide a fair and equitable tax structure for all Nevada taxpayers. We stand ready to meet with a working group to help provide additional input and suggestions to your Department and Commission.

Sincerely,

Chris Miller  
Vice President, Tax