

Nevada Department of Taxation

Instruction for Gold & Silver Excise Tax

GSET

General instructions:

Purpose of the form

Use the Gold & Silver Excise Tax Return form to report the revenue and deductions to arrive at the amount of Nevada Gold & Silver Excise Tax liability of a taxpayer engaged in extracting gold, or silver, or both in Nevada.

Who must file

Each business entity, engaged in the business of extracting gold, or silver, or both, in Nevada, or, any person, mine, or business operation that files a statement in connection with NRS 362.010 et seq., Net Proceeds of Minerals Tax who is engaged in the business of extracting gold, or silver, or both in Nevada, and in either case whose Nevada gross revenue exceeds \$20,000,000 during the taxable year, is a taxpayer for purposes of the Gold & Silver Excise Tax and must file a Gold & Silver Excise Tax return. (NRS 363D.160 (Section 25, subsection 2 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)). If a merger or conversion, as ascribed by NRS 92A, takes place during the taxable year, the surviving/resulting business entity may file a single combined Gold & Silver Excise Tax return.

Nevada Tax ID and Property Identification Code

For the first year a taxpayer must file its Gold & Silver Excise Tax return indicating 10-digit number Nevada Tax ID previously used for Commerce Tax reporting and 5-digit Property Identification Code assigned to a mine for Net Proceeds of Minerals Tax. If the Property Identification Code contains less than 5 digits, put zeros as the first digits in the "Property code" field on the Gold & Silver Excise Tax return. For subsequent years a new Nevada Tax ID will be assigned specifically for Gold & Silver Excise Tax reporting.

Tax year

Pursuant to NRS 363D.085 (Section 17 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021), for tax year 2022 and all subsequent years, the taxable year is the 12-month period beginning on January 1st and ending on December 31st of each calendar year. If the business entity ceases to exist before the end of the taxable year, check the box "Business closed as of" and input the date the entity ceased to exist.

When to file

Pursuant to NRS 363D.160 (Section 25 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021) the Gold & Silver Excise Tax should be filed and paid on or before April 1st immediately following the end of the tax year. If April 1st falls on a weekend, the Gold & Silver Excise Tax is due the next business day.

A taxpayer subject to the Gold & Silver Excise Tax, in any taxable year, may elect by written notice to the Department to make estimated quarterly payments for the tax year. Upon election and approval by the Department, these quarterly payments are due 15 calendar days immediately following the end of the quarter. (i.e., April 15, July 15, October 15, and January 15.) If the 15th day falls on a weekend, the estimated quarterly payment is due the next business day.

A taxpayer who elects to make quarterly payments must continue to act in accordance with NRS 363D.160 (Section 25 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021) of the Gold & Silver Excise Tax and file a return to reconcile any over/under payment for the taxable year on or before April 1st immediately following the end of the tax year.

A taxpayer, who elects to make quarterly payments, must do so in good faith. A taxpayer who in good faith and on reasonable reliance of projections, believes it will not exceed the \$150M threshold in a taxable year, may make quarterly payments at the lower tax rate.

If the taxpayer ceases to exist before the end of the taxable year, check the box "taxpayer ceased operations as of" and input the date the taxpayer ceased to exist.

How to pay

You can pay the Gold & Silver Excise Tax by check or by ACH credit via Nevada Tax Online: <https://www.nevadatax.nv.gov/#>

Extension of time to file and pay the Gold & Silver Excise Tax

If you have good cause, you may request a 30-day extension to file and pay the Gold & Silver Excise Tax. If the Gold & Silver Excise Tax is paid during the period of extension, no penalty or late charge will be imposed for failure to pay the Gold & Silver Excise Tax at the time required, but one month of interest at the rate of 1 percent will be charged. (NRS 363D.160 (Section 25, subsection 3 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)). Use the Application for 30-day Extension to File and Pay Gold & Silver Excise Tax form to request an extension. Submit the Application before April 1st of the year following the tax year for which the extension request is filed.

Where to file

Mail the return to:

NEVADA DEPARTMENT OF TAXATION
ATTN: GSET/ COMMERCE TAX
1550 COLLEGE PARKWAY, SUITE 115
CARSON CITY, NV 89706-7937

Amended return

If after filing the return, you discover an error with the reported revenue or deduction(s), you should file an amended return. If you amend the return, check the box "Amended return" and fill in the form with the amended amounts. Enclose with the amended return all supporting documentation, including without limitation, worksheet(s) and explanation for amendments, and mail it to the address above. If a refund is sought, a refund request statement should be included in the supporting documentation.

Alternative situsing method

Check "Alternative situsing" box if you used an alternative method approved by the Department to situs revenue. (NRS 363D.180 (Section 27, subsection 2 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).

Gold and silver inventory

Gold and silver inventory includes, without limitation, gold- and silver-bearing ores, gold and silver bullion and other products or derivatives of gold and silver.

- Report in troy ounces to hundredths of an ounce (two decimal places) the amounts of gold and silver extracted in Nevada during the tax year in boxes "Gold extracted" and "Silver extracted".
- Report in troy ounces to decimal hundredths of an ounce (two decimal places) the amounts of gold and silver sold during the tax year which had been extracted in Nevada in boxes "Gold sold" and "Silver sold".

Who must sign

The return must be signed by the taxpayer's authorized representative under penalty of perjury; the "certification of the return" box shall be checked. Enter the name, title, and the contact phone number of the authorized representative. (NRS 363D.300 (Section 39 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021))

Recordkeeping

Each person responsible for maintaining the records of a taxpayer shall:

- Keep such records as may be necessary to determine the amount of the liability of the taxpayer for Gold & Silver Excise Tax;
- Preserve those records for 4 years from the date the Gold & Silver Excise Tax return is filed, or Gold & Silver Excise Tax liability is paid or until any litigation or prosecution pursuant to Gold & Silver Excise Tax law is finally determined, whichever is longer; and
- Make the records available for inspection by the Department upon demand at reasonable times during regular business hours. (NRS 363D.140 (Section 23 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).

Specific instructions:**Revenue**

Include only revenue sitused to Nevada. For situsing guidance, see line-by-line instructions on page 3. Do not include in the reported gross revenue:

- Cash discounts taken by customers
- Value of complimentary goods or services provided to customers
- Value of property or services donated to a nonprofit organization that qualifies as a tax-exempt organization pursuant to IRC §501(c)(3)
- Amounts indirectly realized from a reduction of an expense or deduction
- Interest or dividends received, except for the interest on credit sales or from loans to customers (see instructions for line 4)
- Distributions from corporations, including S-corporations, and distributive or proportionate share of receipts and income from partnerships or LLCs
- Revenue from hedging transactions as defined by IRC §1221 or FAS No.133, unless the title to real or tangible personal property is transferred in such transactions
- Revenue received from another member of an affiliated group (50% or more direct or indirect ownership, control or possession of a business entity)
- Proceeds attributable to the repayment, maturity or redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable instrument
- The principal amount received under a repurchase agreement or on account of any transaction characterized as a loan
- Proceeds from the issuance of the business entity's own stock, options, warrants, puts or calls, from the sale of the treasury stock
- Contributions to a corporation or a partnership (IRC §118 and §721)
- Amounts realized in corporate liquidations (IRC §331 and §336)
- Amounts realized from liquidation of subsidiaries by a corporation (IRC §332 and §337)
- Amounts realized from certain corporate acquisitions (IRC §338)
- Amounts realized from transfer of assets to a corporation in exchange for stock (IRC §351)
- Amounts realized from corporate modifications and reorganizations (IRC §355 and §368)
- Distributions from a partnership (IRC §731)
- Amounts realized in like-kind exchanges (IRC §1031)
- Amounts realized from the sale of an account receivable
- Amounts realized from the sale, exchange, disposition or other grant of the right to use trademarks, trade names, patents, copyrights and similar intellectual property
- Receipts from sale, exchange or other disposition of the capital and business assets (IRC § 1221 and 1231)
- Amounts realized from involuntary conversions (IRC §1033)
- Insurance policy proceeds, except for the proceeds received for the loss of business revenue (see instructions for line 5)
- Damages received as a result of litigation, except for the damages received for loss of business income (see instructions for line 5)
- Revenue that is not subject to tax pursuant to the Constitution or laws of the United States or the Nevada Constitution
- Amounts that are not considered revenue under generally accepted accounting principles.

(NRS 363D.050, NRS 363D.070 and NRS 363D.170 (Sections 10, 14 and 26 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).

Deductions

Deductions are limited to those specifically stated in NRS Chapter 363D and allowed to the extent they are included in the gross revenue. The cost of goods sold, or other expenses incurred, that contributes to the production of gross income, are not deductible. (NRS 363D.050 (Section 10 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).

Line-by-line instructions:

Line 1	<p>Inventory Sales Include sitused to Nevada revenue from the sale of inventory. Inventory is property held for sale to customers in the ordinary course of business. It may consist of tangible property, real property, securities, etc. (NRS 363D.170 (Section 26, of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p> <p><u>Situsing:</u></p> <ul style="list-style-type: none"> ▪ Gold or silver: if the gold or silver is extracted in Nevada, the revenue from sales of such gold or silver is sitused to Nevada. ▪ Other tangible personal property: if the property is delivered or shipped to a buyer in Nevada, the revenue from sale of such property is sitused to Nevada, regardless of the F.O.B. point or any other condition of sale. ▪ Real property: if real property is located in Nevada, revenue from sale of such real property is sitused to Nevada. ▪ All other inventory: the situsing is based on the physical location of the purchaser, or an alternative method can be used upon Department's approval. <p>(NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 2	<p>Service revenue Include revenue sitused to Nevada from the performance of services.</p> <p><u>Situsing:</u></p> <ul style="list-style-type: none"> ▪ Transportation: revenue is sitused to Nevada when both origin and destination of the trip are located in Nevada ▪ All other services: the situsing is based on the location of purchaser's use or benefit from service. (NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).
Line 3	<p>Rents, royalties and leases revenue Include revenue sitused to Nevada from rents, subrents, royalties, leases and subleases.</p> <p><u>Situsing:</u></p> <ul style="list-style-type: none"> ▪ Real property: if real property is located in Nevada, revenue from rents and royalties is sitused to Nevada. ▪ Tangible personal property: if the tangible personal property is located or used in Nevada, rents and royalties are sitused to Nevada. <p>(NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 4	<p>Credit sales and loans interest revenue Include sitused to Nevada interest income from credit sales and loans. "Credit sales" mean the sale of goods by a seller who accepts payment for the goods at a later time.</p> <p><u>Situsing</u> is based on the location of purchaser's use or benefit from service, or an alternative method can be used upon Department's approval.</p> <p>(NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 5	<p>Loss of business income Include sitused to Nevada damages received as a result of litigation for loss of business income and insurance proceeds received for the loss of business revenue.</p> <p><u>Situsing</u> is based on the type of business activity from which the revenue would be otherwise generated. See situsing rules for lines 1-4.</p> <p>(NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 6	<p>Forgiven debt Include debt transferred or forgiven as consideration. Do not include discharge of indebtedness as a result of a bankruptcy proceeding.</p> <p><u>Situsing:</u> If the business entity is located in Nevada, forgiven debt is sitused to Nevada.</p> <p>(NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 7	<p>Other revenue Include any other revenue from engaging in business in Nevada not otherwise included in the above amounts but subject to the Gold & Silver Excise Tax. Provide a description in the designated field.</p>
Line 8	<p>Total revenue Add lines 1 through 8 and input sum on line 9.</p>
Line 9	<p>Non-gold & silver minerals sales Deduct sale or transfer of a mineral other than gold or silver amount. (NRS 363D.170 (Section 26, subsection 3 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 10	<p>Customer refunds & returns Deduct the returns and refunds to customers amount. (NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 11	<p>Written off bad debt Deduct the bad debt write off amount. The amount should conform to IRC §166 treatment. (NRS 363D.180 (Section 27 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 12	<p>Fiduciary duty distributions Deduct distributions required by law or fiduciary duty made to another person or governmental entity. (NRS 363D.070 and NRS 363D.170 (Sections 14 and 26, subsection 4 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>
Line 13	<p>Other deductions Deduct any other amounts not listed as deductions on lines 9 through 12 but allowed by the Gold & Silver Excise Tax law, to the extent they are included in revenue. Provide a description in the designated field.</p>
Line 14	<p>Total deductions Add lines 9 through 13 and input the sum on line 14.</p>
Line 15	<p>Taxable revenue Subtract line 14 from line 8 and input the result on line 15. If line 15 is less than \$20,000,000 no return is required.</p>
Line 16	<p>First tier tax</p> <ul style="list-style-type: none"> ▪ If line 15 is \$150,000,000 or greater, enter \$975,000 on line 16 and go to line 17 ▪ If line 15 is less \$150,000,000, subtract \$20,000,000 from line 15, multiply the result by 0.75% (0.0075) and enter the amount on line 16 <p>(NRS 363D.160 (Section 25 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).</p>

Line 17	Second tier tax <ul style="list-style-type: none"> ▪ If line 15 is \$150,000,000 or greater, subtract \$150,000,000 from line 15, multiply result by 1.1% (0.011) and enter results on line 17 ▪ If line 15 is less \$150,000,000, input zero on line 17 (NRS 363D.170 (Section 25 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).
Line 18	Tax due Add amounts on lines 16 and 17
Line 19	Penalty If you are paying the Gold & Silver Excise Tax late and did not apply for 30-day extension, or the extension was not granted, or the period for extension has expired, calculate the penalty using the worksheet below and input on line 19. (NRS 360.300; Section 42 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021).
Line 20	Interest <ul style="list-style-type: none"> ▪ Late payments: If you had a Gold & Silver Excise Tax liability and did not pay it by the due date, calculate the interest using the worksheet below and input on line 20. ▪ Approved extension: If you had a Gold & Silver Excise Tax liability and paid on or before May 1st (or next business day, if May 1st falls on weekend), multiply line 18 by 1% (0.01) and input on line 20. (NRS 360.300, NRS 360.417; NRS 363D.160 (Sections 25, subsection 3; Sections 42, 43 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021)).
Line 21	Total amount due and payable Add amounts on lines 18, 19 and 20 and input on line 21.

Interest and penalties worksheet – late payments only

Penalty charge: If Gold & Silver Excise Tax return is not paid on or before the due date, the amount of penalty due is 10%.

Interest charge: interest is calculated at the rate of 0.75 percent per month, or fraction of a month, from the due date until the date of payment.
(NRS 360.300; Section 42 of Assembly Bill No. 495, chapter 249, Statutes of Nevada 2021).

Example: Gold & Silver Excise Tax was due April 1st but not paid until April 17th. The interest is calculated for one month at 0.75% percent of the tax due.

Penalty calculation:

Tax due (Line 18): _____ multiply by 10% _____ = _____ Enter the result on line 19.

Interest calculation:

Tax due (Line 18): _____ multiply by 0.75% multiply by number of months late: _____ = _____ Enter the result on line 20.

Additional resources

- Text of Gold & Silver Excise Tax Law (NRS 363D): <https://www.leg.state.nv.us/App/NELIS/REL/81st2021/Bill/8244/Text>
- Gold & Silver Excise Tax forms and instructions: https://tax.nv.gov/Forms/Gold_and_Silver_Excise_Tax/

Contact:

- For general questions, such as status of the account, please call the Call Center at 1(866) 962-3707, Monday through Friday - 6:30am to 5:30pm, Pacific Time.
- For general questions about application of Gold & Silver Excise Tax law and Gold & Silver Excise Tax Regulations, please e-mail to gset@tax.state.nv.us.
- To obtain advice specific to your tax status, including, without limitation, permission to utilize an alternative situsing method, please mail or e-mail a request for an advisory opinion to the Department. The request should conform to the requirements set by NAC 360.190.

Annual notification about the Gold & Silver Excise Tax filing season:

- If you want to sign up for an annual notification about the Gold & Silver Excise Tax filing season, please e-mail your request to gset@tax.state.nv.us.