



STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.state.nv.us>

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

BRIAN SANDOVAL  
*Governor*  
ROBERT R. BARENGO  
*Chair, Nevada Tax Commission*  
DEONNE CONTINE  
*Executive Director*

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

Posted: 03-06-15

**NOTICE OF WORKSHOP**  
**To Solicit Comments on Proposed Regulation**  
**and**  
**Statement Regarding Small Business Impact Determination**  
**LCB File No. R089-14**

**TO:** To All Interested Parties  
**FROM:** Blake Doerr, Chief Deputy Executive Director  
**DATE:** March 6, 2015  
**RE:** Workshop on Proposed Regulation Relating and Statement Regarding Small Business Impact

---

The Department will hold a workshop to receive input on proposed changes to Chapter 360 of the Nevada Administrative Code revising provisions relating to governing agreements between the Department of Taxation and Taxpayers for the payment of taxes, interest and penalties in installments; and providing other matters properly relating thereto. The workshop will be held at the following locations and date and time:

Carson City -- **Tuesday, March 31, 2015**

Contractors Board  
9670 Gateway Drive, STE 100  
Reno, Nevada 89521

Henderson -- Via Video Conference

Contractors Board  
2310 Corporate Circle STE 200  
Henderson, Nevada 89074

**The meeting will start at 2:00 p.m.** All interested parties will have the opportunity to present their ideas. Drafts will be circulated to all parties, prior to submission to the Legislative Counsel Bureau, and prior to the public hearing(s) before the Nevada Tax Commission. All public input will be considered in preparing a proposed regulation to be presented to the Nevada Tax Commission for adoption.

A draft of the proposed regulation will be made available on the Department's web-site for your informational review. Proposed amendments to the administrative code will be discussed at the above scheduled meeting. We encourage you to provide us with your suggestions in writing.

If you require any additional information concerning this matter, please don't hesitate to contact the Department of Taxation. Thank you.

---

**NOTE:** We are pleased to make accommodations for members of the public who are disabled. Please notify the Department of Taxation in writing, at 1550 College Parkway, Carson City, Nevada, 89706 or call (775) 684-2100 prior to the meeting.

---

## Statement Regarding Small Business Impact Determination

LCB File No. R089-14 contains revised provisions governing agreements between the Department and Taxpayers for the payment of taxes, interest and penalties in installments. The revised provisions of LCB File No. R089-14 states that the Department and the Director may, if good cause shown, upon the request of a taxpayer who satisfies the requirements set forth in subsection 1 authorize the Department to enter into an agreement with a taxpayer that allows the taxpayer to pay taxes, interest and penalties in installment over a period of more than 12 months.

The Department does not believe that the proposed regulation, LCB File No. R089-14 imposes a direct and significant economic burden upon a small business (fewer than 150 full-time or part-time employees) or directly restrict the formation, operation, or expansion of a small business.

**What methods were used to determine the impact on small businesses?** Initially, the Department did its own analysis by considering the extent of the regulatory provisions contained in LCB File No. R089-14. The LCB File No. R089-14 regulations are simple revisions of regulations that govern how the Department enters into payment agreements with taxpayers. Nonetheless the Department prepared a questionnaire that asked for input regarding the potential impact that was sent to the Department's contact list of 322.

No interested party returned the questionnaire and no one indicated that this regulation would have a direct and significant economic burden upon a small business.

Based on the foregoing, I hereby certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this statement is accurate.



Blake Doerr, Chief Deputy Executive Director  
March 6, 2015

**Members of the public who are disabled and require accommodations or assistance at the meeting are requested to notify the Department of Taxation in writing or by calling 775-684-2096 no later than five working days prior to the meeting.**

**Notice has been posted at the following locations:** The Department of Taxation - 1550 College Parkway, Carson City, Nevada. Notice was mailed to each County Public Library for posting.

**Notice has been EMAILED/FAXED for posting at the following locations:** Department of Taxation - 4600 Kietzke Lane, Building L, Suite 235, Reno, Nevada; Department of Taxation - 555 E. Washington Avenue, Grant Sawyer Office Building, Suite 1300, Las Vegas, Nevada; Department of Taxation - 2550 Paseo Verde Parkway, Suite 180, Henderson; The Legislative Building, Capitol Complex, Carson City, Nevada; and the Nevada State Library, 100 Stewart Street, Carson City, Nevada. Notice of this meeting was posted on the Internet through the Department of Taxation website at [www.tax.state.nv.us](http://www.tax.state.nv.us) and on the Legislative website at [www.leg.state.nv.us](http://www.leg.state.nv.us).

## **Nevada Department of Taxation Regulatory Workshop**

NEVADA STATE CONTRACTORS BOARD  
9670 Gateway Drive, STE 100  
Reno, Nevada 89521

VIDEO CONFERENCE

NEVADA STATE CONTRACTORS BOARD  
2310 Corporate Circle, STE 200  
Henderson, Nevada 89074

March 31, 2015  
2:00 P.M.

**Note: Items on this agenda may be taken in a different order than listed.  
Items may be combined for consideration by the Department of Taxation.  
Items may be pulled or removed from the agenda at any time.**

- I. Public Comment – In consideration of others, who may also wish to provide public comment, please avoid repetition and limit your comments to no more than five (5) minutes.
- II. We will hold a workshop to receive input on proposed changes to Chapter 360 of the Nevada Administrative Code regarding provisions relating to governing agreements between the Department of Taxation and taxpayers for the payment of taxes, interest and penalties in installments and matters related thereto (for possible action).
- III. **\*\*Public Comment – In consideration of others, who may also wish to provide public comment, please avoid repetition and limit your comments to no more than five (5) minutes.**
- IV. Adjourn

**\*\*This item is to receive public comment on any issue and any discussion of those items; provided that comment will be limited to areas relevant to and within the authority of the Nevada Department of Taxation. No action will be taken on any items raised in the public comment period. At the discretion of the Department, public comment may be received prior to action on individual agenda items. Public Comment may not be limited based on viewpoint. Prior to the commencement and conclusion of a contested case or a quasi judicial proceeding that may affect the due process rights of an individual the board may refuse to consider public comment. See NRS 233B.126.**

Please contact Cory Roberts 775-684-2030 for any support materials. The support materials are made available at the Department of Taxation, 1550 College Pkwy, Carson City, NV and made available during the meeting located at the Nevada Legislative Building, 401 S. Carson Street, Room 2134 Carson City, NV.

**Members of the public who are disabled and require accommodations or assistance at this meeting are requested to notify the Department of Taxation in writing or call 684-2030 prior to the meeting.**

Notice of this meeting has been posted at the Department of Taxation 1550 College Parkway, Carson City, NV; and mailed to each County Public Library for posting.

Notice of this meeting was EMAILED for posting to the following locations: Department of Taxation, 555 E. Washington Street; Las Vegas, Department of Taxation, 2550 Paseo Verde, Suite 180, Henderson, Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, Reno, Department of Health and Human Services, 4150 Technology Way, Carson City, and FAXED to the State Library, Carson City, Nevada. Notice of this meeting was posted on the Internet through the Department of Taxation website at [www.tax.nv.gov](http://www.tax.nv.gov) and on the Legislative website at [www.leg.state.nv.us](http://www.leg.state.nv.us).

**REVISED PROPOSED REGULATION OF  
THE NEVADA TAX COMMISSION**

**LCB File No. R089-14**

July 30, 2014

EXPLANATION – Matter in *italics* is new; matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §§1-7, NRS 360.090 and 360.2915.

A REGULATION relating to taxation; revising provisions governing agreements between the Department of Taxation and taxpayers for the payment of taxes, interest and penalties in installments; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes the Nevada Tax Commission, as head of the Department of Taxation, to adopt regulations providing for an agreement between a taxpayer and the Department to pay taxes, interest and penalties in installments over a period of 12 months or less or, upon a showing of good cause, over a period of more than 12 months. (NRS 360.2915) Existing regulations establish the requirements and conditions for such an installment agreement. (NAC 360.450-360.464)

Existing regulations contain separate provisions for installment agreements of 12 months or less and those of more than 12 months. (NAC 360.450, 360.456) **Section 1** of this regulation combines those provisions, and **section 7** of this regulation repeals the redundant provision. (NAC 360.456) Under existing regulations, a taxpayer's request to enter into an installment agreement of 12 months or less may be denied if the taxpayer has previously failed to comply with a similar agreement. (NAC 360.450) **Section 1** extends this provision to apply to any request to pay taxes, interest and penalties in installments over a period of more than 12 months.

Under existing regulations, the Department may not, unless expressly authorized by the Commission, enter into an installment agreement with a taxpayer whose tax liability exceeds a maximum amount determined by the Commission. (NAC 360.454, 360.460) **Section 3** of this regulation provides that the Commission will make its determination of this amount on or before June 30 of each even-numbered year. **Section 3** also requires the Department to post the amount on its Internet website within 30 days thereafter.

Under existing regulations, the Department is not allowed to enter into an installment agreement with a term of more than 24 months unless the agreement is expressly authorized by the Commission. (NAC 360.460) **Section 5** of this regulation increases that period to 36 months.

Sections 2, 4 and 6 of this regulation make conforming changes to reflect the repeal of NAC 360.456.

**Section 1.** NAC 360.450 is hereby amended to read as follows:

360.450 1. Except as otherwise provided in *subsection 2 and* NAC ~~{360.456 and}~~ 360.460 and subject to the approval of the Director or the Director's designee, the Department may enter into an agreement with a taxpayer, upon the request of the taxpayer, that allows the taxpayer to pay taxes, interest and penalties in installments over a period of 12 months or less if:

(a) The taxpayer submits accurate and complete information that the Department requires to determine whether to enter into the agreement;

(b) The taxpayer agrees in writing ~~{that he or she will}~~ to comply with all applicable laws and regulations of the Commission during the period in which the agreement is in effect, including, without limitation, reporting and payment requirements;

(c) The taxpayer agrees in writing that the agreement may be terminated immediately if the taxpayer fails timely to make any payment required by the agreement or defaults in any other reporting or payment requirement;

(d) The Department determines that as of the date on which the taxpayer requested to enter into the agreement, the taxpayer is unable to pay the entire amount of taxes, interest and penalties due for financial reasons; and

(e) The amount owed by the taxpayer on the date on which ~~{he or she}~~ *the taxpayer* requested to enter into the agreement does not exceed the amount set by the Commission pursuant to NAC 360.454.

2. *Except as otherwise provided in NAC 360.460, the Director may, for good cause shown, upon the request of a taxpayer who satisfies the requirements set forth in subsection 1,*

*authorize the Department to enter into an agreement with a taxpayer that allows the taxpayer to pay taxes, interest and penalties in installments over a period of more than 12 months.*

3. The Department *or the Director, as applicable*, may deny a request to enter into an agreement pursuant to subsection 1 *or 2* if the taxpayer has not complied with a previous agreement with the Department to pay taxes, interest and penalties in installments.

4. *As used in this section, "good cause" includes, without limitation, circumstances that would prevent a taxpayer from paying the taxes, interest and penalties in a period of 12 months or less.*

**Sec. 2.** NAC 360.452 is hereby amended to read as follows:

360.452 1. An agreement to pay taxes, interest and penalties in installments pursuant to NAC 360.450 ~~or 360.456~~ must:

(a) Be in writing.

(b) Except as otherwise provided in this paragraph, contain a personal guaranty by two responsible persons in their individual capacities. If there is only one responsible person, the agreement must contain the personal guaranty of that person in his or her individual capacity. In lieu of or in addition to any personal guaranty required by this paragraph, the Department may require a personal guaranty of any other person agreed upon by the taxpayer and the Department.

(c) Be accompanied by the initial payment required by the terms of the agreement.

2. As used in this section, "responsible person" has the meaning ascribed to it in subsection 2 of NRS 360.297.

**Sec. 3.** NAC 360.454 is hereby amended to read as follows:

360.454 ~~{The}~~

1. *On or before June 30 of each even-numbered year, the Commission will determine the maximum amount of tax liability that  ~~{a taxpayer may have to enter into} , except as otherwise provided in NAC 360.460, may be the subject of an agreement with the Department to pay taxes, interest and penalties in installments pursuant to NAC 360.450 .  ~~{or 360.456.}~~~~*

2. *The Department shall post the amount determined by the Commission pursuant to subsection 1 on the Internet website maintained by the Department within 30 days after the Commission makes its determination.*

Sec. 4. NAC 360.458 is hereby amended to read as follows:

360.458 The Commission may review and deny or approve any agreement entered into by the Department pursuant to NAC 360.450 .  ~~{or 360.456.}~~

Sec. 5. NAC 360.460 is hereby amended to read as follows:

360.460 If the Department receives a request for an agreement pursuant to NAC 360.450  ~~{or 360.456}~~ from a taxpayer whose tax liability exceeds the amount set by the Commission pursuant to NAC 360.454 or whose proposed period of installment payments exceeds  ~~{24} 36~~ months, the Department shall review the request and transmit the request and the recommendation of the Department regarding the request to the Commission. The Commission may authorize the Department to enter into an agreement with such a taxpayer pursuant to NAC 360.450 .  ~~{or 360.456.}~~

Sec. 6. NAC 360.462 is hereby amended to read as follows:

360.462 1. The Department may terminate an agreement entered into pursuant to NAC 360.450  ~~{or 360.456}~~ if the Department determines  ~~{=} that:~~

(a) The taxpayer has not complied with the terms of the agreement;

(b) The taxpayer provided to the Department incomplete or inaccurate information on which the Department based its determination to enter the agreement; or

(c) The financial conditions of the taxpayer have changed such that the taxpayer has the ability to pay the full amount of taxes, interest and penalties owed.

2. If the Department determines to terminate an agreement pursuant to paragraph (b) or (c) of subsection 1, the Department shall provide the taxpayer with written notice of its intention to terminate the agreement at least 10 days before the date on which the Department intends to terminate the agreement. The notice must contain an explanation of the decision of the Department to terminate the agreement.

3. The Department may terminate ~~[-alter]~~ or modify an agreement entered into pursuant to NAC 360.450 if mutual consent to terminate ~~[-alter]~~ or modify the agreement exists between the Department and the taxpayer.

4. If an agreement is terminated pursuant to this section, the total amount covered by the agreement, including, without limitation, taxes, interest and penalties, is due on the date on which the agreement terminates.

**Sec. 7.** NAC 360.456 is hereby repealed.

---

---

**TEXT OF REPEALED SECTION**

---

---

**360.456 Agreement for payment over period of more than 12 months.**

1. Except as otherwise provided in NAC 360.460, the Director may, for good cause shown, upon the request of a taxpayer who satisfies the requirements set forth in NAC 360.450, authorize the Department to enter into an agreement with the taxpayer that allows the taxpayer to pay taxes, interest and penalties in installments over a period of more than 12 months.

2. As used in this section, "good cause" includes, without limitation, circumstances that would prevent a taxpayer from paying the taxes, interest and penalties in a period of 12 months or less.