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September 4, 2024

Sarah Glazner, Management Analyst III
Nevada Department of Taxation
3850 Arrowhead Drive, 2nd Floor
Carson City, Nevada 89706

Sent via email: sglazner@tax.state.nv.us

RE: Proposed Regulation 135-24 Real Property Transfer Tax Exemption

Dear Ms. Glazner:

On behalf of the Nevada Taxpayers Association (NTA), I am writing to share our concerns about the potential impact that the proposed regulation 135-24 may have on businesses involved in property transfers. We are seeking clarification from the Department of Taxation (Department) on several key points, and we would appreciate the opportunity to address these questions publicly during the scheduled Workshop. Specifically, we would like clarification on the following:

1. Does the proposed regulation 135-24 mandate an "Affidavit for Exemption" for all property transfer transactions or only for those seeking an exemption?
2. When an Affidavit and supporting documentation are filed with the county recorder, is there a review process by the county recorder or the Department to confirm whether the property transfer qualifies for an exemption?
 - a. If a review process is in place, what is the expected timeframe for reviewing the Affidavit and documentation?
3. If no formal approval process exists and the Affidavit is merely filed with the county recorder, does the Department or county recorder later audit the transaction to ensure compliance with exemption criteria?
 - a. In cases where the Affidavit and documentation do not meet exemption requirements, who will be held responsible for the payment of the Real Property Transfer Tax (RPTT)? Will penalties and interest be assessed, and who will be responsible for collecting any taxes, penalties, and interest owed?
 - b. If the property transfer does not qualify for an exemption, what is the appeals process?

Thank you for giving the NTA the opportunity to review and provide feedback on the proposed regulation. We look forward to engaging in a meaningful discussion and proposing potential amendments that will help ensure clarity and expedite the review process.

Sincerely,

Yolanda King
