

NEVADA TAX COMMISSION MEETING  
MINUTES

August 14, 2024  
9:00 a.m.

State of Nevada Building, Room 335  
700 E. Warm Springs Road  
Las Vegas, Nevada 89119

Legislative Counsel Bureau  
401 South Carson Street, Room 2135  
Carson City, NV 89701

Members Present:

George Kelesis, Chairman  
Thom Sheets, Commissioner  
Caryn Adelhoch, Commissioner  
Jeff Rodefer, Commissioner  
H. Stan Johnson, Commissioner  
Sharon Byram, Commissioner  
Craig Witt, Commissioner  
Ryan Bellows, Commissioner

I. Call the meeting to order and establish a quorum.  
Commissioner Kelesis called the meeting to order and a quorum was established.

II. Public Comment.

Ron Voigt thanked Patricia Olmstead for her customer service and said she went the extra mile by contacting Mr. Voigt by telephone. Mr. Voigt asked that the Department to think twice before requiring email.

Director Hughes administered an oath to all parties that may be testifying.

III. MEETING MINUTES:

A. Consideration for Approval of the June 25, 2024, Nevada Tax Commission Meeting Minutes.

Commissioner Rodefer made a motion to approve the June 25, 2024, Nevada Tax Commission meeting minutes. Commissioner Witt seconded the motion. All in favor. Motion carried.

IV. CONSENT CALENDAR:

A. Waiver of Penalty and Interest Pursuant to a Request on a Voluntary Disclosure:

- 1) Branded Bills
- 2) Chilewich Sultan LLC
- 3) Emerald Kalama Chemical LLC
- 4) Hachette Book Group Inc
- 5) Helmer Scientific
- 6) Lewis & Grant Auctions
- 7) Marolina Outdoor Inc
- 8) Montana Knife Company Inc

- 9) Obey Giant Art Inc
  - 10) Oh Polly USA Inc
  - 11) Relaxium
  - 12) RF Smart
  - 13) Roman Health Ventures Inc
  - 14) Sheets Laundry Club
  - 15) Tri Vantage LLC
- B. Waiver of Penalty and/or Interest Pursuant to NRS 360.419 that exceeds \$25,000:
- 1) Shelby American, Inc.
  - 2) Sandvik Mining and Construction, LLC USA
- C. Approval of Refund Request in Excess of \$250,000:
- 1) Nationwide Medical Incorporated
- D. Consideration for Approval of the Recommended Settlement Agreements and Stipulations:
- 1) Great Basin Winery, LLC
  - 2) CWNevada LLC
- E. Consideration for the Adoption of the Administrative Law Judge's Proposed Decision concerning an Appeal of the Department's Denial of a Request for Waiver of Penalty and/or Interest under \$25,000, pursuant to NRS 360.419:
- 1) Renta-Dress and Tux LLC
- F. Departments Recommendation to the Commission for Approval of a Payment Plan Request:
- 1) Exhale Brands Nevada LLC

Commissioner Adelhoch disclosed that her employer had a former relationship with CWNevada LLC, however that relationship no longer exists. Commissioner Adelhoch stated she will participate in this matter.

Commissioner Sheets mentioned he has no relation to Sheets Laundry Club.

Commissioner Byram pulled Item IV. A. 15) Tri Vantage LLC for further discussion.

Commissioner Johnson pulled Item IV. D. 2) CWNevada LLC, and recused himself from participating in this matter.

Commissioner Sheets made a motion to approve the consent calendar, minus Item IV. A. 15) and Item IV. D. 2). Commissioner Byram seconded the motion. All in favor. Motion carries.

Item IV. A. 15) Tri Vantage LLC – Commissioner Byram stated penalty is usually around ten percent (10%). This matter is showing thirty-eight percent (38%) penalty. Amy Ammons, Revenue Officer, was present and stated she is not sure why this penalty is higher. Commissioner Byram made a motion to approve this matter. Commissioner Witt seconded the matter. All in favor. Motion carried.

Item IV. D. 2) CWNevada LLC – Commissioner Johnson recused himself from participating in this matter. Commissioner Byram made a motion to approve the Settlement Agreement of CWNevada LLC. Commissioner Witt seconded the motion. Motion carried.

V. COMPLIANCE DIVISION:

A. Taxpayer's Appeal of Administrative Law Judge's Decision pursuant to NRS 360.245 and NAC 360.175:

- 1) JMR & CLS, Inc. dba Tri-State Towing & Recovery

Thomas Pitaro, Esq., was present on behalf of JMR & CLS, Inc. dba Tri-State Towing & Recovery. Mr. Pitaro's paralegal and Mr. Rubbico were also present on behalf of the taxpayer. Mary Huck, DAG, was present on behalf of the Department. Christine Putnam, Auditor, was present on behalf of the Department. Commissioner Byram made a motion to uphold the Administrative Law Judge's Decision. Commissioner Rodefer seconded the motion. All in favor. Motion carried.

VI. LOCAL GOVERNMENT SERVICES:

A. Taxpayer's Appeal of the Treasurer's Denial of Waiver of Penalty and/or Interest per NRS 361.4835 (Clark County):

- 1) Yvonne Tso

Yvonne Tso was present. Victoria Salas, Property Appraiser II, was present on behalf of the Department. Commissioner Byram made a motion to waive the penalty. Commissioner Bellows seconded the motion. All in favor. Motion carried.

- 2) Wilson Lu and Bai Zaphria Lu

Joseph Dagher was present on the telephone on behalf of the taxpayer. Linda Howard with the Clark County Treasurer's office was present on the telephone. Victoria Salas, Property Appraiser II, was present on behalf of the Department. Commissioner Sheets moved to deny the taxpayer's appeal. Commissioner Byram seconded the motion. All in favor. Motion carried.

- 3) William Blair

William Blair was present on the telephone. Linda Howard, Clark County Treasurer's office, was present on the telephone. Victoria Salas, Property Appraiser II, was present on behalf of the Department. Commissioner Witt moved to waive the penalty. Commissioner Byram seconded the motion. All in favor. Motion carries.

B. Consideration of the Administrative Law Judge's Recommended Decision regarding an Appeal of a Property Tax Abatement pursuant to NRS 361.4734 (Lyon County):

- 1) Esly Carmona Irrevocable Trust (NTC 24-102)

Esly Carmona with the Esly Carmona Irrevocable Trust was present. Erin Singley with the Lyon County Assessor's office was present. Commissioner Byram made a motion to uphold the County Assessor's valuation and asked that the taxpayer work with the county and for the county to demonstrate that they have followed the three percent. Commissioner Sheets seconded the motion. All in favor. Motion carries.

VII. REGULATIONS:

- A. Consideration for Adoption of Permant Regulation LCB File No. R040-24. A Regulation relating to taxation; repealing regulations requiring a business entity whose Nevada gross revenue for a taxable year is less than \$4,000,000 to file a commerce tax return; and providing other matters properly relating thereto.
- B. Consideration for Adoption of Permant Regulation LCB File No. R041-24. A Regulation relating to taxation; revising requirements for the maintenance of certain records by a taxpayer that is an escort or escort service; and providing other matters properly relating thereto.
- C. Consideration for Adoption of Permant Regulation LCB File No. R045-24. A Regulation relating to taxation; repealing regulations relating to the remittance of the state estate tax; and providing other matters properly relating thereto.
- D. Consideration for Adoption of Permant Regulation LCB File No. R046-24. A Regulation relating to taxation; repealing provisions relating to certain credits against an insurer's liability for the general tax on insurance premiums which have been eliminated; repealing a provision illustrating the application of existing law requiring certain insurers to report and pay the tax on a quarterly basis; and providing other matters properly relating thereto.
- E. Consideration for Adoption of Permanent Regulation LCB File No. R114-24. A Regulation relating to taxation; revising provisions relating to the waiver or reduction of a penalty or interest, or both, for the late payment of certain taxes and fees; and providing other matters properly relating thereto.

Yvonne Nevarez-Goodson provided an overview of each regulation. There was no public comment. Commissioner Sheets moved to approve LCB File No. R040-24, R041-24, R045-24, R046-24 and R114-24. Commissioner Witt seconded the motion. All in favor. Motion carried.

VIII. INFORMATIONAL ITEMS:

- A. Penalty and Interest Waivers granted by the Department for Sales/Use Tax, Commerce Tax, Modified Business Tax and Excise Tax (dates as indicated).
- B. Approval and Denial Status Report Log for Organizations Created for Religious, Charitable or Educational Purposes (dates as indicated) (Sales/Use Tax Exemption).
- C. Bonds Administratively Waived (dates as indicated) (Sales/Use Tax)

IX. BRIEFING:

- A. Briefing to/from the Commission and the Executive Director. (for discussion only)

Executive Director Shellie Hughes shared news regarding the Department's modernization project (MYNT). There are 116 days before MYNT phase one goes live. It will go live on December 9th. The phase-one tax types include sales and use, consumer use, cigarette, other tobacco products, liquor, live entertainment and the real property transfer tax. Business testing officially kicked off in all three of our offices on Monday, July 29th, and the testers from impacted business units in each of the offices are hard at work testing the system to ensure it is being configured to meet Taxation's needs. Testers have started testing registration and returns but will soon move into other functional areas like payment, refunds and more. Last week, members of the Project MYNT Team including our IT deputy and our informational security officer attended the Federation of Tax Administrators Technology

Conference in Milwaukee, Wisconsin where they presented on leveraging AI for tax administration. I also wanted to inform the Commission that the Department is now accepting credit cards at all three of our office location front counters.

X. Next Meeting Date: October 7, 2024.

Chairman Kelesis stated October 7, 2024 will be the full meeting and a special meeting will be held on October 8, 2024 for the Broadacres hearing.

XI. Public Comment.

There was no public comment.

XII. Items for Future Agendas. (for discussion only)

No items were discussed.

XIII. Meeting adjourned at 11:17 a.m.