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**Form For Filing  
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Agency: Department of Taxation

Permanent Regulation  
LCB File No. R052-21

FOR EMERGENCY  
REGULATIONS ONLY

Effective date \_\_\_\_\_

Expiration date \_\_\_\_\_

\_\_\_\_\_  
Governor's signature

**Classification: ADOPTED BY AGENCY**

**Brief description of action:** The Nevada Tax Commission adopted LCB File No. R052-21 which requires a person who operates a peer-to-peer car sharing program to provide proof to the Department of Taxation that the person has obtained or attempted to obtain an electronic certification related to the payment of sales and use taxes due on the purchase of a shared vehicle; specifies the required contents of the certification; requires a shared vehicle owner who has paid sales and use taxes to retain documentation evidencing the payment; provides for the liability of a shared vehicle owner who provides incorrect or false information to a car sharing program regarding the payment of sales and use taxes; requires a person who operates a car sharing program to submit quarterly reports to the Department; establishes requirements for the retention of certain records relating to the operation of a car sharing program; and provides other matters properly relating thereto.

**Authority citation other than 233B: N/A**

**Notice date:** May 25, 2022

**Date of Adoption by Agency:** June 27, 2022

**Hearing date:** June 27, 2022



**APPROVED REGULATION OF THE  
NEVADA TAX COMMISSION**

**LCB File No. R052-21**

Filed September 28, 2022

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

**AUTHORITY:** §§ 1 and 4, NRS 360.090 and sections 11.3, 11.5 and 11.7 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at pages 1842-44 (NRS 482C.230, 482C.240 and 482C.245); § 2, NRS 360.090 and section 11.5 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1843 (NRS 482C.240); § 3, NRS 360.090 and sections 11.3 and 11.5 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at pages 1842 and 1843 (NRS 482C.230 and 482C.240).

A REGULATION relating to taxation; requiring a person who operates a peer-to-peer car sharing program to provide proof to the Department of Taxation that the person has obtained or attempted to obtain an electronic certification relating to the payment of sales and use taxes due on the purchase of a shared vehicle; specifying the required contents of the certification; requiring a shared vehicle owner who has paid sales and use taxes due on the purchase of a shared vehicle to retain documentation evidencing the payment; providing for the liability of a shared vehicle owner who provides incorrect or false information to a car sharing program regarding the payment of sales and use taxes; requiring a person who operates a car sharing program to submit quarterly reports to the Department; establishing requirements for the retention of certain records relating to the operation of a car sharing program; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law governs the licensing and operation of peer-to-peer car sharing programs, which connect shared vehicle owners with shared vehicle drivers. (Sections 2-30.67 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at pages 1841-52 (Chapter 482C of NRS)) If a shared vehicle owner has not paid any sales or use taxes due on the purchase of a shared vehicle or has elected to collect sales and use taxes measured by the gross charges for the sharing of the vehicle, a car sharing program that makes the vehicle available for sharing is required under existing law to collect and remit sales and use taxes on behalf of the shared vehicle owner.

Before a shared vehicle is made available for sharing by a car sharing program, existing law also requires the program to request from the shared vehicle owner an electronic certification as to whether the shared vehicle owner paid all sales and use taxes due on the purchase of the vehicle. (Section 11.5 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1843 (NRS 482C.240))

**Section 2** of this regulation requires a person who operates a peer-to-peer car sharing program to provide the Department of Taxation, upon request of the Department, with proof that the car sharing program has obtained or attempted to obtain the required certification from each shared vehicle owner who places a vehicle on the digital network or software application of the program. **Section 2** also specifies the information that must be included in the certification, and requires a shared vehicle owner who has paid sales and use taxes due on the purchase of the vehicle to retain certain documentation evidencing the payment. If such an owner provides incorrect or false information regarding the payment of sales and use taxes, **section 2** provides that the owner is liable for any sales or use tax due on the purchase of the vehicle, measured by the gross charges for the sharing of the vehicle plus any applicable interest and penalties.

**Section 3** of this regulation requires each operator of a peer-to-peer car sharing program to submit to the Department, at the end of each calendar quarter, a report containing specified information about each shared vehicle placed on the digital network or software application of the program during the preceding quarter.

Existing law authorizes the Department to specify by regulation the types of records that must be kept by a car sharing program to determine the fees and taxes owed in connection with the operation of the program. (Section 11.7 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1844 (NRS 482C.245)) **Section 4** of this regulation sets forth the records to be retained and the period for which they must be retained.

**Section 1.** Chapter 482C of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

**Sec. 2. 1.** *A person who operates a peer-to-peer car sharing program shall submit to the Department of Taxation, upon request, proof that the person has obtained or attempted to obtain, from each shared vehicle owner who places a vehicle on the digital network or software application of the peer-to-peer car sharing program, the electronic certification required by section 11.5 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1843 (NRS 482C.240).*

**2.** *The electronic certification must include, for each such shared vehicle:*

*(a) The full name of the shared vehicle owner;*

*(b) The license plate number, year, make and model of the shared vehicle;*

*(c) An attestation by the shared vehicle owner, under penalty of perjury, as to whether the shared vehicle owner has paid all sales and use taxes due on the purchase of the shared vehicle; and*

*(d) A notice to the shared vehicle owner that if the shared vehicle owner attests that all sales and use taxes due on the purchase of the shared vehicle have been paid and it is determined that any sales or use tax has not been paid, the shared vehicle owner is liable for any sales or use tax due on the shared vehicle, measured by the gross charges for the sharing of the shared vehicle plus any applicable interest and penalties for failure to pay tax.*

*3. A shared vehicle owner who has paid sales and use taxes due on the purchase of a shared vehicle shall retain documentation evidencing the payment. The documentation:*

*(a) Must set forth the:*

- (1) Year, make and model of the shared vehicle;*
- (2) Vehicle identification number of the shared vehicle;*
- (3) Date of purchase of the shared vehicle;*
- (4) Full amount paid for the shared vehicle; and*
- (5) Amount of sales or use tax paid on the purchase of the shared vehicle.*

*(b) May consist of:*

- (1) A purchase order or notarized bill of sale;*
- (2) A dealer invoice; or*

*(3) Any other document provided by the seller of the shared vehicle that contains the information required by paragraph (a).*

*4. If a shared vehicle owner provides incorrect or false information to a peer-to-peer car sharing program regarding the payment of sales and use taxes due on the purchase of the shared vehicle, the shared vehicle owner is liable for any sales or use tax due on the purchase of the shared vehicle, measured by the gross charges for the sharing of the vehicle plus any applicable interest and penalties for failure to pay tax.*

*Sec. 3. 1. On or before March 31, June 30, September 30 and December 31 of each year, a person who operates a peer-to-peer car sharing program shall submit to the Department of Taxation a report containing information about each shared vehicle placed on the digital network or software application of the peer-to-peer car sharing program during the immediately preceding calendar quarter.*

*2. The report must be in the form prescribed by the Department of Taxation and include, for each such shared vehicle:*

- (a) The name and contact information of the shared vehicle owner;*
- (b) The license plate number and vehicle identification number of the shared vehicle;*
- (c) Whether the shared vehicle owner has certified that all sales and use taxes due on the purchase of the shared vehicle have been paid;*
- (d) The state in which the shared vehicle is registered; and*
- (e) Any other information required by the Department of Taxation.*

*Sec. 4. 1. Each person responsible for retaining the records of a peer-to-peer car sharing program shall retain:*

*(a) A copy of each car sharing program agreement entered into by the peer-to-peer car sharing program;*

*(b) Any records or other pertinent documents substantiating the information contained in each report filed on behalf of the peer-to-peer car sharing program pursuant to section 3 of this regulation; and*

*(c) Each electronic certification obtained by the peer-to-peer car sharing program from a shared vehicle owner pursuant to section 11.5 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1843 (NRS 482C.240).*

*2. The records described in subsection 1 must be retained:*

*(a) For not less than 4 years after the date of any such agreement, record, certification or other document; or*

*(b) Until any litigation or prosecution pursuant to chapter 360 of NRS or audit pursuant to section 11.3 of Senate Bill No. 389, chapter 313, Statutes of Nevada 2021, at page 1842 (NRS 482C.230) is finally determined,*

*↪ whichever is longer.*

*3. Each person responsible for retaining the records of a peer-to-peer car sharing program shall make the records retained pursuant to this section available for inspection and copying by the Department of Taxation or any of its authorized agents upon demand at reasonable times during regular business hours.*





**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066**  
**Informational Statement**  
**LCB File No. R052-21**

**1. A clear and concise explanation of the need for the adopted regulation.**

In accordance with the requirements of NRS 482C (Senate Bill 389, chapter 313, Statutes of Nevada 2021), the adopted regulation: 1) requires a person who operates a peer-to-peer car sharing program to provide proof to the Department of Taxation that the person has obtained or attempted to obtain an electronic certification related to the payment of sales and use taxes due on the purchase of a shared vehicle; 2) specifies the required contents of the certification; 3) requires a shared vehicle owner who has paid sales and use taxes to retain documentation evidencing the payment; 4) provides for the liability of a shared vehicle owner who provides incorrect or false information to a car sharing program regarding the payment of sales and use taxes; 5) requires a person who operates a car sharing program to submit quarterly reports to the Department; 6) establishes requirements for the retention of certain records relating to the operation of a car sharing program; and 7) provides other matters properly relating thereto.

**2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.**

The Department of Taxation, as staff to the Nevada Tax Commission, solicited comment from the public by issuing a questionnaire to interested parties regarding any impact on small businesses and sending notice of workshops and hearings by electronic or regular mail as follows:

<u>Date of Notice</u>	<u>Workshop/ Hearing</u>	<u>Date of Workshop/Hearing</u>	<u>Number Notified</u>
04/12/22	Workshop	05/17/22	208
05/25/22	Adoption Hearing	06/27/22	208

The mailing list included the interested parties list maintained by the Department. Notices were also posted at the Nevada State Library; Legislative Counsel Bureau; various Department of Taxation locations throughout the State; and at the Main Public Libraries in counties where an office of the Department of Taxation is not located. Comments were also solicited by direct email.

See response to #5 for a summary of the public responses to the Regulation.

A copy of the recorded comments, the record of proceedings, and/or the Small Business Impact Statement may be obtained by calling the Nevada Department of Taxation at (775) 684-2059 or by writing to the Department of Taxation, 1550 College Pkwy. Ste 115, Carson City, Nevada 89706, or by e-mailing the Department at [sglazner@tax.state.nv.us](mailto:sglazner@tax.state.nv.us).

3. **The number of persons who:**  
(a) **Attended each hearing:**  
(b) **Testified at each hearing:**  
(c) **Submitted written comments:**

Workshop date: May 17, 2022

- (a) Number in attendance: 9  
(b) Number testifying: 0  
(c) Written statements submitted: 0

Adoption Hearing date: June 27, 2022

- (a) Number in attendance: 79  
(b) Number testifying: 1  
(c) Written statements submitted: 1

4. **For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**

**Testified at Adoption Hearing:**

Name: **Michael Alonso**

Telephone number: **775-683-9407**

Business address: **6160 Plumas, Ste. 200 Reno, NV 89519**

Electronic mail address: [michael@alonsolawltd.com](mailto:michael@alonsolawltd.com)

Name of entity or organization represented: **Alonso Law Limited on behalf of "Turo"**

5. **A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.**

See response to #2 for description of how comments were solicited from affected businesses and an explanation of how interested persons may obtain a copy of the summary.

**Summary of public responses:** Not Applicable

**Summary of workshop discussion:** Not Applicable

**Summary of Public Comment at Adoption Hearing:**

1. Michael Alonso, Alonso Law Limited:

Provided written comment, objecting only to the inclusion of the name and contact information of the shared vehicle owner under Sec. 3(2)(c) of the regulation. Turo is not opposed to sharing other information required, including the VIN, license plate, certification, etc. It is only the name and contact information that Turo objects to disclosing. The name/contact info of Turo's hosts (vehicle owners) is non-public and is Turo's trade secret and proprietary information.

A copy of the recorded comments or the record of proceedings may be obtained by calling the Nevada Department of Taxation at (775) 684-2059 or by writing to the Department of Taxation, 1550 College Pkwy. Ste 115, Carson City, Nevada 89706, or by e-mailing the Department at [sglazner@tax.state.nv.us](mailto:sglazner@tax.state.nv.us).

6. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.** ✓

The Department received no public comment or testimony that required the Proposed Regulation to be changed.

7. **The estimated economic effect of the regulation on the business which it is to regulate and on the public. This must include adverse, beneficial, immediate and long-term effects.**

(a) **Estimated economic effect on the businesses which they are to regulate.**

The adopted permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects. The benefits of these regulations are that the industry along with the Department will be provided more clarity in implementing NRS Chapter 482C, (Senate Bill 389, chapter 313, Statutes of Nevada 2021).

(b) **Estimated economic effect on the public which they are to regulate.**

The adopted permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects to the public. The benefits of these regulations are that the public along with the Department will be provided more clarity in implementing NRS Chapter 482C (Senate Bill 389, chapter 313, Statutes of Nevada 2021).

8. **The estimated cost to the agency for enforcement of the proposed regulation:**

Enforcement of the adopted regulation presents no significant foreseeable or anticipated cost or decrease in costs.

- 9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

The adopted permanent regulation does not overlap or duplicate any regulation of other state or local governmental entities.

- 10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.**

The Department is not aware of any similar federal regulations of the same activity in which the state regulations are more stringent.

- 11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

The adopted permanent regulation does not include new fees or increase an existing fee.