



NEVADA TAX NOTES

The Official Newsletter of the Department of Taxation



Important Notice: Sales and use taxes are now due by the 20th day of the month following the end of each taxable period.

UPCOMING OFFICE CLOSURES



Monday, May 25
Memorial Day

My Nevada Tax - Phase 3

The Department will launch Phase 3 of My Nevada Tax on Monday, December 7, 2026. The final phase will include Bank Excise, Exhibition Facility Fee, Local Government Finance (LGF), Lodging, Cannabis Excise — Wholesale and Retail, Property Tax on Interstate and Inter-County Companies — Centrally Assessed (Mining Valuations), Tire Fee and Transportation Connection. If you already have an account at My Nevada Tax, you will be able to request access to your Phase 2 tax type. If you are new to My Nevada Tax, please create an account and request access to your business.

Additional information on page 6.

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The Department of Taxation is hiring! We are recruiting for multiple positions in our Northern and Southern Nevada offices. If you are interested in applying, check out the Department's [careers page](#).



Call Center: (866) 962-3707 Monday - Friday 7:30AM-5:00PM

Carson City
3850 Arrowhead Dr.
Carson City, Nevada 89706

Reno
9850 Double R Blvd.
Reno, Nevada 89521

Las Vegas
700 E. Warm Springs Road, 2nd Floor
Las Vegas, Nevada 89119

TIMELY POSTMARKS ON TAX RETURNS

Any report, return, or remittance transmitted through the United States mail will be deemed received on the date indicated by the post office cancellation or postmark stamped on the envelope. Alternatively, it will be considered received on the date of mailing if satisfactory proof establishes that the document or remittance was timely deposited in the U.S. Mail, with postage prepaid and properly addressed to the Department of Taxation.

If you mail your taxes on the due date, you must ensure the item is postmarked that same day. To do so, the item must be deposited in a mail receptacle before the posted collection time or delivered directly to a postal clerk. To avoid potential issues, mailing prior to the due date is strongly recommended.

For items sent via certified or registered mail, the mailing receipt date will prevail over the postmark if it is earlier. Additionally, an official record from the post office indicating that a postmark date was erroneous will be accepted as satisfactory proof of the actual mailing date.

Under no circumstances will a date affixed by a taxpayer's postage meter, or statements by the taxpayer or their employees, be accepted to dispute the official postmark date as the date of mailing, in accordance with NAC 372.790.

To avoid late mailings, use My Nevada Tax for convenient online filing. This easy and efficient platform allows you to manage your tax account and submit payments on time.

COURTESY DELIVERIES

What is this?

A courtesy delivery occurs when a local dealership, acting as an agent or factor, delivers a vehicle on behalf of another dealership or a manufacturer. In such cases, the local dealership is responsible for collecting the applicable sales or use tax and remitting it to the Department of Taxation.

If the seller fails to collect the required tax, the local dealership may be held liable for the tax under the following circumstances:

- (a) the local dealership previously owned the vehicle; or
- (b) the local dealership acts as an agent or factor for a former owner of the vehicle.

If either condition applies, the local dealership is obligated, pursuant to NRS 372.050, to collect the tax from the purchaser. The tax must be calculated based on the retail sales price of the vehicle sold to the consumer.

AVOIDING RETURNED CHECKS AND LATE FILINGS

While most Nevada taxpayers submit payments without issue, it is important to understand the potential consequences of a dishonored payment or late tax return.

If a payment is returned by your financial institution, the Department will assess a \$25 dishonored payment fee, in addition to any fees your financial institution may charge. Taxpayers may also lose the 0.25% collection allowance and may be subject to up to 10% penalty and 0.75% interest per month on the unpaid tax.

Dishonored payments and late tax filings can also affect a taxpayer's reporting history with the Department. Reporting history is used to determine the amount of any required security deposit and eligibility to have their security deposit waived.

Taxpayers who file and pay on time may request a waiver of their security deposit after operating for three years or more, provided their reporting history reflects one or fewer tax returns filed or paid late, delinquencies, or dishonored payments in the preceding 36 months.

Taxpayers who file late and/or submit dishonored payments may have their security deposit increased based on their average monthly/quarterly Sales and Use tax filings. Under NRS 372.510, taxpayers deemed "habitually delinquent" may have their security deposit adjusted as follows:

- Monthly filers: Security deposit increased to five times the current average monthly tax liability
- Quarterly filers: Security deposit increased to three times the current average quarterly tax liability

If you have questions regarding your security deposit, please contact the Department's Call Center or email the Department for assistance. Be sure to include your account number with any inquiry. To avoid late payments, use My Nevada Tax for convenient online filing. This easy and efficient platform allows you to manage your tax account and submit payments on time.

FEDERAL INCOME TAX

As the 2025 federal tax filing season comes to a close, the Nevada Department of Taxation would like to remind taxpayers that it is not affiliated with the Internal Revenue Service (IRS) and cannot assist with or respond to questions regarding federal income taxes.

The State of Nevada does not impose an individual or corporate income tax. The only circumstance in which the Department may request a copy of a federal income tax return is in connection with an audit or an approved payment arrangement.

For questions related to federal income taxes, please visit the IRS website at [irs.gov](https://www.irs.gov).

TOURISM IMPROVEMENT DISTRICTS

Taxpayers operating within Tourism Improvement Districts (TIDs) in Nevada are required to separately account for sales generated at those licensed locations. Effective November 2025, the Sales and Use Tax Return has been revised to include Schedule A, which allows new registrants to report Tourism Improvement District sales. Additionally, businesses with multiple locations within the same county or across different counties in Nevada may now file a single consolidated return for all business locations.

Prior to November 2025, businesses were required to file separate returns under different account numbers. As a result, some accounts may already be established with multiple filings under this previous requirement. Businesses that will continue reporting Tourism Improvement District sales under their existing account must discontinue reporting those sales under the county line and instead report them using Schedule A going forward.

Once logged into My Nevada Tax, select the File Return hyperlink. Complete the Reporting Questionnaire by answering "Yes" or "No" to the three questions. Now you will see the Schedule A - Tourism/Stadium District Locations. Nevada has multiple Tourism Improvement Districts. The district(s) for which the taxpayer is registered will populate automatically. Select the applicable district hyperlink and enter the sales, exemptions, and/or amounts subject to use tax. Review the Tourism Improvement District sales information and click Next.

After completing the Sales and Use Tax by District - Schedule A, proceed to Sales and Use Tax by County. If a taxpayer has an additional location within the same county outside of a Tourism Improvement District, or locations in other counties, select the Add County Details hyperlink, choose the applicable county, and enter the sales, exemptions, and/or amounts subject to use tax.

Please note: The Tourism Improvement District Report replaces the previously required semi-annual report. The semi-annual report will only apply to taxpayers within a Tourism Improvement District who have not yet transitioned to online filing.

The next section includes the Tourism Improvement District Report, which is submitted monthly. This report requires the taxpayer to enter the following information:

- Percentage of sales from non-residents
- Gross wages paid
- Number of full-time employees
- Number of part-time employees

After completing this section, proceed to the Review screen, which summarizes sales activity for both the Tourism Improvement District and the county. Select the affidavit and click Next. The final step prior to submission is the Payment Options section.

HEALTH SAVINGS ACCOUNT (HSA) CONTRIBUTIONS AND THEIR TREATMENT UNDER NEVADA MODIFIED BUSINESS TAX

Employers in Nevada who calculate their liability under the Modified Business Tax (MBT) must carefully distinguish between deductible and non-deductible components of employee compensation. One area that often creates confusion is whether employer contributions to Health Savings Accounts (HSAs) qualify as deductible expenses under Nevada law. While HSAs are commonly associated with healthcare, they do not meet the statutory definition required for deduction under MBT.

Under NRS 363B.115, employers are permitted to deduct certain expenses from total wages when calculating the excise tax owed. Specifically, the statute allows an employer to: "...deduct from the total amount of wages reported for the purpose of calculating the amount of excise tax... any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees."

This language clearly limits deductible amounts to payments made for health insurance or a health benefit plan.

MANUFACTURER EXTENDED WARRANTY AND GOODWILL REPAIRS

NAC 372.460 provides an exemption from sales or use tax for tangible personal property sold pursuant to a warranty or guaranty that was included in the original contract of sale and, therefore, previously taxed. However, manufacturers and/or retailers may not claim this exemption for "goodwill" or "promotional" replacements or repairs involving tangible personal property provided after the original warranty has expired.

A claim for exemption based on an "extension of the base warranty" offered by a retailer on behalf of the manufacturer is not valid, as such an extension is separate from the original sale and, pursuant to NAC 372.460, was not included as part of the original contract of sale.

TIPS TO TAXPAYERS

The Nevada Department of Taxation is pleased to announce the launch the final phase of its modernized e-Services platform, My Nevada Tax, taking place on Monday, December 7, 2026. This next phase expands the platform's capabilities to include the following tax types: **Bank Excise, Exhibition Facility Fee, Local Government Finance (LGF), Lodging, Cannabis Excise – Wholesale and Retail, Property Tax on Interstate and Inter-County Companies – Centrally Assessed (Mining Valuations), Tire Fee and Transportation Connection.**

My Nevada Tax offers taxpayers a convenient, secure and user-friendly online portal to manage their tax obligations, file returns, make payments and access important account information across a broad range of tax types.

Enhanced Features and Functionalities:

In addition to expanding tax types, My Nevada Tax continues to offer robust features that simplify tax compliance for Nevada taxpayers:

- File Returns and Make Payments
- Update Account Information
- View and Manage Permits and Licenses
- Business Registration & Secure Access
- Manage Multiple Business Locations
- Schedule Appointments with the Department
- Manage Corporate Officers
- Close a Tax Account



The Launch of Phase 3 marks the final milestone in the Department's effort to modernize its services, offering greater efficiency and transparency for businesses and individuals statewide.

For more information or to get started with My Nevada Tax, visit the Department of Taxation's website at tax.nv.gov.

My Nevada Tax videos can be found here: <https://tax.nv.gov/education/how-to-videos-for-nevada-tax/>.

Tips to Taxpayers Column: The Nevada Department of Taxation's newsletter was called Tips to Taxpayers from its 1968 inception until 1990. The Department is paying homage to the newsletter's first decades of taxpayer assistance by including a Tips to Taxpayers column with tax account tips and hints in each edition of Nevada Tax Notes.

If you have any questions with any matters addressed in this newsletter, please call our call center at (866) 962-3707.

The information expressed in this Newsletter constitutes general guidance regarding the interpretation of the statutes and regulations under the jurisdiction of the Department of Taxation. No reliance should be placed on any information herein for fact-specific purposes not described herein. Any subsequent statutory or administrative rule change or judicial interpretation of the statutes or rules upon which these articles are based may result in contrary interpretations or guidance. The articles in this Newsletter are not binding on any administrative body or court of law, but rather serve as the Department's summaries of applicable statutes, regulations and other rules within its jurisdiction. Nothing contained in this Newsletter should be construed as legal advice.