



STATE OF NEVADA
DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

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Governor

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Posted May 22, 2026

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Adoption of

LCB File No. R005-26

Nevada Tax Commission

The Nevada Tax Commission will hold a Public Hearing at **9:00 a.m.** on **Thursday, June 25, 2026**. The purpose of the hearing is to receive comments from all interested parties regarding the adoption of the proposed permanent regulation that pertains to LCB File No. R005-26.

You may attend this meeting at either of the following physical locations:

Nevada Department of Taxation
700 E. Warm Springs Rd., Room 150
Las Vegas, Nevada 89119

Nevada Department of Taxation
9850 Double R Blvd., Ste. 101
Reno, NV 89521

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. Need and purpose of the proposed permanent regulations or amendments

LCB File No. R005-26, establishes requirements related to intoxicating liquor; imposes a surcharge on certain sales of alcoholic beverages by a covered food establishment for consumption off the premises of the establishment; provides for the administration and collection of the surcharge; and provides other matters properly relating thereto.

This proposed permanent regulation is needed and intended to impose a surcharge on certain sales of alcoholic beverages by covered food establishments for off-premises consumption, providing a clear framework for its administration, collection, and enforcement. The purpose of the proposed permanent regulation is to ensure compliance among covered food establishments and clarify legal and administrative procedures relating thereto.

2. How to obtain the approved or revised text of proposed permanent regulations prepared by LCB

You may obtain a copy of the proposed permanent regulation by writing to the Nevada Department of Taxation, 3850 Arrowhead Drive, Carson City, Nevada 89706; or by calling the office at (775) 684-2041. The proposed permanent regulation is also available for review and download on the Department of Taxation's website at <https://tax.nv.gov/> or on the Nevada Legislature's website at <https://www.leg.state.nv.us/>.

3. Methods used in determining the impact on a small business

The agency used informed, reasonable judgment in determining that there will not be an impact on small businesses. The Department prepared a small business impact questionnaire that was forwarded to the Department's Interested Parties List. One emailed response was received in which the respondent listed 117 employees currently employed by their business and provided that the proposed permanent regulation could create unnecessary complexity, impose tracking burdens, and offer no benefits to small businesses lacking the required computer systems. There was concern with calculating the amount to charge and the record retention requirement. The respondent claimed the proposed permanent regulation may cost the State more to administer than it collects.

The Department will continue to accept input on the impact of the proposed permanent regulation on small businesses through the regulatory process.

The Department held a workshop on May 21, 2026, for members of the public to state their concerns and submit correspondence regarding the proposed permanent regulation. Public comment was provided by one member of the public who had submitted a written request to the Department to clarify the language in Section 2 of the proposed permanent regulation. Prior to the workshop, the Department revised the proposed permanent regulation language under that section. Copies of the Agency Revised Draft for LCB File No. R005-26 were available at the workshop and on the Department's website.

4. Estimated economic effect of the proposed permanent regulation on businesses and the public

a. Adverse and beneficial effects

The proposed permanent regulation does not present any reasonable, foreseeable or anticipated adverse or beneficial economic effects on small businesses or the public.

b. Immediate and Long-Term effects

The proposed permanent regulation does not present any reasonable, foreseeable or anticipated immediate or long-term economic effects on small businesses or the public.

5. Cost for enforcement of the proposed permanent regulations

In an unsolicited fiscal note provided by the Department on May 15, 2025, for BDR 32-1049, Assembly Bill No. 375 Chapter 422, Statutes of Nevada 2025(AB375), Reprint 1, the Department included a \$225,244 effect on future biennia to enforce the proposed permanent regulation. Assembly Amendment 441 to AB375 included provisions in Section 1 subsection 2 outlining the distribution of revenues collected from the surcharge. The Department submitted a subsequent unsolicited fiscal note on May 30, 2025, acknowledging that with this inclusion there will not be an additional enforcement cost as the expense to the Department will be covered by the surcharge in the bill.

Pursuant to Section 1 subsection 2 of AB375, the revenues collected from the surcharge must be distributed (a) to the Department in an amount determined to be necessary by the Department in carrying out the provisions of this section, which must not exceed \$250,000 each year; and (b) if any money remains after the revenues are distributed pursuant to paragraph (a), to the Account for the Ignition Interlock and DUI Reduction Program created by NRS 484C.454 to be used for purposes specified in that section.

6. Overlap or duplication of other state or local governmental agencies

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

7. Regulation required by federal law

Not Applicable.

8. More stringent than federal regulations

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

9. New or increases in existing fees

The proposed permanent regulation establishes a new statutory surcharge/fee of up to \$0.50 per qualifying retail sale pursuant to AB375.

Persons wishing to comment on the proposed action of the Nevada Tax Commission may appear at the above scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Nevada Tax Commission, 3850 Arrowhead Drive, Carson City, Nevada 89706. Written submissions must be received at least two weeks prior to the above scheduled public hearing.

Under NRS 233B.064(2), when adopting any regulation, the Agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporation, and its reason for overruling the consideration urged against its adoption.

A copy of the Notice and the proposed permanent regulation to be adopted and/or amended is on file and has been posted at the following location: The Department of Taxation - 3850 Arrowhead Drive, Carson City, Nevada 89706. Members of the public may inspect these documents during regular business hours at the above location. Additional copies of the notice and proposed permanent regulation to be adopted and/or amended are available at the below locations.

The text of the proposed permanent regulation will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. Copies will be mailed to members of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

Notice has been EMAILED for posting at the following locations:

Department of Taxation - 9850 Double R. Blvd, Ste. 101, Reno, Nevada, 89521; Department of Taxation - 700 E. Warm Springs Rd, Ste 200, Las Vegas, Nevada, 89119; The Legislative Building – 401 S. Carson St., Carson City, Nevada; 7120 Amigo St., Las Vegas, Nevada; The Nevada State Library -100 Stewart Street, Carson City, Nevada; Interested Parties Group maintained by the Department. Notice of this meeting was posted on the Department of Taxation website at <https://tax.nv.gov/>, on the Legislative website at <https://www.leg.state.nv.us/>, and the Nevada Public Notice Website at <https://notice.nv.gov/>.

In compliance with the Americans with Disabilities Act, individuals requiring special accommodations to participate in this hearing should notify Kari Skalsky at 775-684-2041 or kskalsky@tax.state.nv.us at least 3 days before the hearing. In order to comply with the security procedures of the Department, you will be required to show identification and sign a visitor's log prior to entering the meeting room.

If you need an accommodation in order to communicate during the hearing, the Department will provide one at no cost to you. Arrangements for an interpreter should be made as soon as possible, but no later than 14 days before the scheduled meeting. Please contact Kari Skalsky at 775-684-2041 at least 14 days in advance to request an interpreter in your preferred language. You may also submit your request to kskalsky@tax.state.nv.us.

Si necesita una ayuda para comunicarse durante la audiencia, el Departamento se lo proporcionará sin costo alguno. Los trámites para conseguir un intérprete deben hacerse lo antes posible, pero a más tardar 14 días antes de la cita programada. Por favor, póngase en contacto con Kari Skalsky al 775-684-2041 con al menos 14 días de anticipación para solicitar un intérprete en su idioma de preferencia. También puede solicitarlo a través de kskalsky@tax.state.nv.us.

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R005-26

May 20, 2026

EXPLANATION – Matter in *italics* is LCB 2-2-26 draft language; matter in brackets ~~omitted material~~ is material omitted in LCB 2-2-26 draft; purple underlined is revised LCB language by Agency; ~~green strikethrough~~ is omitted LCB language by Agency.

AUTHORITY: §§ 1-4, NRS 360.090 and section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695.

A REGULATION relating to intoxicating liquor; imposing a surcharge on certain sales of alcoholic beverages by a covered food establishment for consumption off the premises of the establishment; providing for the administration and collection of the surcharge; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes certain establishments to sell alcoholic beverages by the drink for consumption on the premises of the establishment. (NRS 369.090, 369.620) Existing law authorizes the board of county commissioners of a county or the governing body of an incorporated city to enact an ordinance authorizing, under such conditions as may be imposed by the ordinance: (1) a covered food establishment to sell at retail alcoholic beverages in a sealed container for consumption off the premises; and (2) a covered food establishment, or delivery support service acting on behalf of a covered food establishment, to deliver an alcoholic beverage in a sealed container to a consumer in connection with a retail sale of such an alcoholic beverage. With respect to such retail sales of alcoholic beverages, existing law requires the Department of Taxation to adopt regulations that provide for the imposition and collection of a surcharge not to exceed 50 cents per retail sale. (Section 1 of Assembly Bill No. 375, Chapter 422, Statutes of Nevada 2025, at page 2695)

Section 2 of this regulation provides that the surcharge applies only to a covered food establishment that holds a valid license to sell alcoholic beverages for consumption on the premises and that is authorized by local ordinance to sell alcoholic beverages in sealed containers for consumption off the premises. (Section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695). Section 2 also imposes on each retail sale of an alcoholic beverage, a surcharge of 50 cents per serving of beer, wine, cordials or spirits that constitutes the alcoholic beverage sold ~~upon each retail sale of an alcoholic beverage~~ for consumption off the premises made by such a covered food establishment, ~~including each retail sale that occurs as part of a single transaction.~~

Section 3 of this regulation requires a covered food establishment to: (1) collect the surcharge from the purchaser at the time of the sale; and (2) deliver a ~~monthly~~ return and the remittance of the amount of the surcharges to the Department on or before the 20th day of the month following the ~~month~~ filing period in which the surcharges were collected. **Section 3** also

requires a covered food establishment to display the amount of the surcharge separately from the price of the alcoholic beverage. **Section 4** of this regulation requires a covered food establishment to maintain certain records regarding the surcharge. **Section 4** authorizes the Department, or any person authorized by the Department, to examine the books, papers, records and **equipment premises** of a covered food establishment and investigate the business of the covered food establishment to verify the accuracy of a return or, if no return is made, determine the amount required to be paid to the Department. Section 5 of this regulation adds enforcement provisions pursuant to chapter 369 of NRS and NAC.

Section 1. Chapter 369 of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3, ~~and 4~~ and 5 of this regulation.

Sec. 2. 1. The provisions of this section apply only to a covered food establishment that:

(a) Meets the definition of a covered food establishment set forth in section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695;

(b) Holds a valid license issued by the appropriate local licensing authority to sell alcoholic beverages for consumption on the premises; and

(c) Is authorized by ordinance of the board of county commissioners of a county or the governing body of an incorporated city, as applicable, to sell alcoholic beverages in sealed containers for consumption off the premises pursuant to section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695.

2. The surcharge imposed pursuant to subsection 1 of section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695 (NRS 369.4891), on each retail sale of an alcoholic beverage must be 50 cents per serving of beer, wine, cordials or spirits that constitutes the alcoholic beverage sold. For the purposes of calculating the surcharge, a serving of beer, wine, cordials or spirits is the number of ounces of beer, wine, cordials or spirits that would be a single serving according to the menu, recipe or practice of the covered food establishment making the sale.

~~There is hereby imposed upon each retail sale of an alcoholic beverage pursuant to subsection 1 of section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695, a surcharge of 50 cents.~~

~~3. If multiple retail sales of an alcoholic beverage pursuant to subsection 1 of section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695, occur as part of a single transaction, the surcharge imposed by this section must be collected for each such retail sale.~~

~~4. If a covered food establishment seals two or more individually packaged alcoholic beverages sold at retail pursuant to subsection 1 of section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695, in a bag, box or other delivery container, the sale of each such alcoholic beverage is nonetheless considered a separate retail sale for the purposes of calculating the amount of the surcharge owed pursuant to this section.~~

Sec. 3. 1. A covered food establishment shall, at the time of the sale, collect the surcharge imposed by section 2 of this regulation from the purchaser.

2. The amount collected by the covered food establishment from the purchaser for the surcharge must be displayed separately from the list price of the alcoholic beverage, the price of the alcoholic beverage advertised on the premises, the marked price of the alcoholic beverage or any other price of the alcoholic beverage on the sales receipt or other proof of sale. The surcharge must be identified on the receipt or other proof of sale and must be added after the calculation of any tax.

3. The covered food establishment shall hold in an account any surcharge collected pursuant to this section until remitted to the Department.

4. ~~5.~~ Each covered food establishment that collects a surcharge pursuant to this section shall, on or before the 20th day of the month following the filing period ~~month~~ in

which the surcharge is collected, electronically submit through ~~deliver to the Department's~~ online portal the form prescribed by the Department, together with the sales and use tax return for the same filing period, and ~~monthly return and the remittance of the amount of the surcharge that is payable to the Department.~~

5. ~~4.~~ The covered food establishment shall ~~submit a monthly return on a form prescribed by the Department~~ submit the form with the sales and use tax return for the same filing period. The ~~return~~ form required by subsection 4 must include, without limitation:

(a) The total number of retail sales of alcoholic beverages pursuant to subsection 1 of section 1 of Assembly Bill No. 375, chapter 422, Statutes of Nevada 2025, at page 2695, made during the ~~immediately preceding~~ filing period ~~month.~~;

(b) The total amount of surcharges collected pursuant to section 2 of this regulation. ~~;~~ and

(c) The signature of the person required to file the return or the signature of the person's authorized agent.

Sec. 4. 1. A covered food establishment shall keep records, receipts, invoices and other ~~pertinent papers~~ relevant documents regarding any surcharge collected pursuant to section 2 of this regulation.

2. Every covered food establishment or person who files the ~~monthly~~ return required pursuant to section 3 of this regulation shall keep such record for a period of not less than 4 years ~~from~~ following the later of the due date of the return or the date the electronic return was filed with the Department. ~~their making unless the Department, in writing, sooner authorizes their destruction.~~

3. Every covered food establishment or person who fails to file the ~~monthly~~ return required by section 3 of this regulation shall keep such records for a period of not less than 8 years ~~from~~ the due date of the return. ~~their making unless the Department, in writing,~~

~~sooner authorizes their destruction.~~

4. The Department, or any person authorized in writing by the Department, may examine the books, papers, records and ~~equipment~~ premises of any covered food establishment and may investigate the nature ~~character~~ of the business of the covered food establishment to verify the accuracy of any ~~monthly~~ return made pursuant to section 3 of this regulation, or, if no ~~monthly~~ return is made by the covered food establishment, to ascertain and determine the amount required to be paid to the Department.

Sec 5. 1. Any covered food establishment that violates any provision of sections 2 to 4, inclusive, of this regulation is subject to the enforcement provisions of chapter 369 of NRS and chapter 369 of NAC, including, without limitation, administrative fines, suspension or revocation of any applicable license or permit, and any other penalty authorized by law.