

NEVADA TAX COMMISSION MEETING
MINUTES

March 10, 2026
9:00 a.m.

Members Present:

George Kelesis, Chairman
Thom Sheets, Commissioner
Jeff Rodefer, Commissioner
H. Stan Johnson, Commissioner (virtual)
John Marvel, Commissioner
Ryan Bellows, Commissioner
Caryn Adelhoch, Commissioner
Craig Witt, Commissioner

- I. Chairman Kelesis called the meeting to order at 9:00 a.m. and a quorum was established.
- II. Public Comment.

Ron Voigt - Thank you, sir. I would like to agree with Commissioner Sheets on comments made in the last meeting. I think the new Commissioner, Marvel, would be a great addition to the Commission. His background in the mining industry is going to be a great asset. Personally, I used to live up in Fairbanks, Alaska. There's an area called Livengood. It's known as the Ft. Knox of gold. A lot of folks don't realize this but Nevada produces more gold than Alaska which kind of upsets some of my fellow friends up there up in Alaska. Now Going to my public comments. My first comment is about the confirmation letter that the Department sends out now. The first item they list is the bank statements. For a compliance office, I don't understand why a bank statement is the first priority. The first thing listed should be something like, if they're a retailer, you make copies of sales and use tax returns in the backup if the note doesn't firstly go to the bank statements. My feeling is the reason they go to the bank statements, they want to pick up the bank losses and then have taxpayers spend about a year or two, maybe three years explaining on why some of the deposits are not subject to sales tax. My other point that I would like to make is when they do an exit letter, the audit, it really would be helpful to the taxpayer, if at the end they would have clearly written some kind of memo or something that clearly explains the appeals process. To this day, I meet taxpayers on a consistent basis that do not understand the appeal process. It should be simply worded where the simplest person can understand the appeal process. For instance, they can pay off the audit bill and still appeal. A lot of the taxpayers, they don't understand that. Now of course payment plan changes the rule, but it really would help taxpayers and the Department on their exit letter, consider the audit report to have something that literally explains the appeal process. Thank you very much.

Commissioner Sheets – In your March 10th comments, having to do you Enron, when you say that you believe that we have an Enron. And the conflict of interest that you are suggesting is between Arthur Anderson and Enron because of the pressure that Enron placed on Arthur Anderson to accept false accounting statements?

Mr. Voigt -Yes, sir, but there's more. The Collusion.

Commissioner Sheets - Collusion between Enron and Arthur Anderson.

Mr. Voigt - Yes, sir.

Commissioner Sheets - How is that even remotely related to the relationship between the Commission, the Department, and the Administrative Law Judges? You should know the Administrative Law Judges are chosen by the Commission. They administratively report to the Executive Director. The implication of your comments is somehow that the fact that they administratively report to the Executive Director creates some sort of conflict of interest or that there's pressure being placed on the decisions. I've been on the Commission for most of the last 20

years or so, and nobody has ever raised this issue. And the reason is because we have ALJs who are independently selected by us. They happen to administratively report to the Executive Director. I don't think we have an Enron at all. I think you're about as far off base as anybody could possibly be. I think you have a woeful misunderstanding of what Enron was all about. And I wish as you wrote your comments, you would take more care because frankly, I take offense at the suggestion that our two ALJs somehow are pressured into reaching decisions that they reach because I know that is not the case.

Mr. Voigt: Yes, sir. I respect your opinion, sir.

Bruce Gardiner, CPA: Thank you. I think I'm going in a little bit different direction. I guess if I were to comment on Mr. Voigt's comments about the bank statements, I would have to agree. I think it's important for auditors to get to know the business that they're auditing before they start looking into bank statements because bank statements can be very misleading. But my deal is I've had several clients over the years get audited by the Department of Taxation, and what I find is this State gets bigger and bigger, I feel like the Department needs better trainers. I think if they had better trainers, they would have better auditors. I don't feel like they really understand generally accepted accounting principles. They don't understand different accounting terminologies. I feel like, as a CPA, we're out there training the public how to do accounting, how to account for their transactions, how to get things recorded properly. But I feel like a lot of times with the State, especially with these audits that the State tries to change generally accepted accounting principles and force businesses to do accounting in ways and report their taxable sales in ways that just isn't correct. I think it would be good for the State to have probably some CPAs on board to teach auditors how to audit and to teach them accounting principles so that you get better results. I think that Nevada is heading into a direction, because like I said, I've been practicing here for 36 years. I feel like it's heading in a direction where it's not as friendly to businesses as it should be. I feel that Nevada might be missing out on some business opportunities from companies moving here just because it's a bit difficult to understand and to navigate the auditing procedures, different laws and the differences between Nevada Revised Statutes. And so I guess my comments really are just kind of in general, but I would hope that the State would try and find better help and get their auditors better educated so they're more effective.

Director Hughes administered an oath to all parties testifying.

III. CONSENT CALENDAR:

- A. Consideration for Approval of the December 3, 2025 Nevada Tax Commission Meeting Minutes.
- B. Waiver of Penalty and Interest Pursuant to a Request on a Voluntary Disclosure:
- 1) American Association of Notaries Inc.
 - 2) Beemak Plastics, LLC
 - 3) Denovo Dental Inc.
 - 4) IPG Photonics Corporation
 - 5) Lonseal Incorporated
 - 6) National Band Saw Company
 - 7) New Milani Group LLC
 - 8) Pointsmith Point-of-Purchase Management Services LLC
 - 9) Rancho Gordo
 - 10) Security People Inc.
 - 11) Sportex Apparel of Arizona, Inc.
 - 12) Titan Containers North America LLC
 - 13) Tropical Roofing Products Inc.
 - 14) Trusted Health Products Inc.

- C. Waiver of Penalty and/or Interest pursuant to NRS 360.419 that exceeds \$25,000:
 - 1) The Center for Orthopedic and Research Excellence, Inc.
 - 2) Armis Inc.
 - 3) QVC Network Inc.
 - 4) Robertson's Ready Mix Ltd., A California Limited Partnership
 - 5) Cordstrap USA Inc.
 - 6) Nike Retail Services Inc.
 - 7) Nike Retail Services Inc.

- D. Department's Recommendation to the Commission for Approval of a Payment Plan Request:
 - 1) Premium Produce LLC dba Premium Produce
 - 2) All 4 Beauty LLC
 - 3) SV1 Hospitality dba The Guest House

- E. Consideration for the Adoption of the Administrative Law Judge's Proposed Decision regarding an Appeal of Department's Denial of Nevada National Guard Exemption Refund Claim, pursuant to NRS 372.7281:
 - 1) Jesus Antonio Gutierrez
 - 2) Robert Weinstock

- F. Consideration for the Adoption of the Administrative Law Judge's Proposed Decision regarding an Appeal of Department's Denial of a Request for Waiver of Penalty and/or Interest over \$25,000 pursuant to NRS 360.419:
 - 1) Liquor World, Inc., LW103 LLC, LW107 LLC, LW108 LLC, LW109 LLC, LW110 LLC

- G. Consideration for Approval of the Recommended Settlement Agreements and Stipulations:
 - 1) Tom Ford Retail Las Vegas LLC dba Tom Ford
 - 2) Auto Quest LV LLC
 - 3) Sumitomo Mitsui Finance and Leasing Company

- H. Approval of Refund Request in Excess of \$250,000:
 - 1) Fth Nevada Restaurants Inc. dba Zippys Restaurant
 - 2) Venetian Las Vegas Gaming LLC

- I. Department's Recommendation to the Commission for Approval of an Offer-In-Compromise pursuant to NRS 360.263:
 - 1) Stacy Kruger for the debts of Human Entertainment LLC
 - 2) Dana Dondero for the debts of DTFR LLC, dba Imperial Auto and Truck Centers

Commissioner Rodefer pulled Item IV. G. 2) Auto Quest LV LLC for further discussion.

Commissioner Adelhoch pulled Item IV. I. 2) Dana Dondero for the debts of DTFR LLC, dba Imperial Auto and Truck Centers for further discussion.

Commissioner Sheets made a motion to approve the Consent Calendar excluding items IV. G. 2) and IV. I. 2). Commissioner Witt seconded the motion. All in favor. Motion carried.

Item IV. G. 2) Auto Quest LV LLC - Commissioner Rodefer disclosed he has known Mr. Bartlett for over thirty years. He has no knowledge or interest with regard to this matter. Commissioner Rodefer

made a motion to approve Item IV. G. 2). Commissioner Sheets seconded the motion. All in favor. Motion carried.

Item IV. I. 2) Dana Dondero for the debts of DTFR LLC, dba Imperial Auto and Truck Centers. – Dana Dondero was present. Martin Paine, Tax Program Supervisor, was present on behalf of the Department. Commissioner Adelhoch made a motion that the Department accept Ms. Dondero’s initial offer in the amount of \$100.00. Commissioner Sheets seconded the motion. All in favor. Motion carried.

IV. COMPLIANCE DIVISION:

A. Department’s Recommendation to the Commission for Denial of an Offer-In-Compromise pursuant to NRS 360.263:

- 1) Justin Angelo for the debts of SWAT Motorsports

Suzanne Warren, Esq. appeared on behalf of Justin Angelo for SWAT Motorsports. Martin Paine, Tax Program Supervisor, was present on behalf of the Department. Commissioner Sheets made a motion to continue this matter to the next meeting of the Commission. During the interim period, the deficiencies and information provided to the Department should be rectified. Commissioner Adelhoch seconded the motion. All in favor. Motion carried.

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

- 1) LBC Products, Inc.

Suzanne Warren, Esq. appeared on behalf of LBC Products, Inc. Lorin Taylor, Senior Deputy Attorney General, appeared on behalf of the Department. Commissioner Rodefer made a motion to uphold the Administrative Law Judge’s Decision. Commissioner Bellows seconded the motion. Roll Call: Commissioner Adelhoch – Nay; Commissioner Sheets – Nay; Commissioner Rodefer – Aye; Commissioner Bellows – Aye; Commissioner Johnson – Nay; Commissioner Marvel – Aye; Commissioner Witt – Nay; Chair Kelesis – Nay. Motion failed. Commissioner Sheets made a motion to affirm the Administrative Law Judge’s Decision and to stay the results through the next meeting of the Commission, and during this period the Taxpayer shall pay a \$10,000 fine and obtain licensure of the presently unlicensed entity. If the Taxpayer is successful in paying the fine and obtaining licensure, the product shall be returned to the Taxpayer. Commissioner Adelhoch seconded the motion. Roll call: Commissioner Adelhoch – Aye; Commissioner Sheets – Aye; Commissioner Rodefer – Nay; Commissioner Bellows – Nay; Commissioner Johnson – Aye; Commissioner Marvel – Aye; Commissioner Witt – Aye; Chair Kelesis – Aye. Motion carried.

C. Consideration of Good Cause for New Evidence submitted by Greyhound Lines, Inc.; and Taxpayer’s Appeal of Administrative Law Judge’s Decision pursuant to NRS 360.245 and NAC 360.175:

- 1) Greyhound Lines, Inc.

Kenneth Levine, Michael Lurie and Hans Baldau were present on behalf of Greyhound Lines, Inc. Mary Huck, Senior Deputy Attorney General, and Chris Carrello, Audit Manager, were present on behalf of the Department. Commissioner Sheets made a motion to accept new evidence provided by Greyhound Lines, Inc. Commissioner Adelhoch seconded the motion. All in favor. Motion carried. Commissioner Sheets made a motion to uphold the Administrative Law Judge’s Decision. Commissioner Witt seconded the motion. Roll call: Commissioner Adelhoch – Aye; Commissioner Sheets – Aye; Commissioner Rodefer – Nay; Commissioner Bellows – Nay; Commissioner Johnson – Aye; Commissioner Marvel – Nay; Commissioner Witt – Aye; Chair Kelesis – Aye. Motion carried.

D. Consideration to Appoint Jay Singh, Tax Manager, as a Delegate to the Streamlined Sales Tax Agreement Governing Board pursuant to NRS 360B.110(5).

Shellie Hughes, Executive Director for the Nevada Department of Taxation - The Nevada Tax Commission is authorized under NRS 360B.110(5) to designate up to four (4) delegates to represent Nevada for purposes of reviewing or amending the Streamlined Sales Tax Agreement. With the retirement of Guy Childers, Nevada has one vacant delegate position. The current members are Senator Neal, Chris Carrillo and Shellie Hughes. Mr. Singh currently serves as the Tax Manager for the Compliance Section and he has been with the Department since April 2008, following his service in the United States Air Force where he attained the rank of Master Sergeant. During his 18 year tenure with the Department, Jay has served as an auditor, auditor supervisor, audit manager, and now tax manager. He has consistently demonstrated strong leadership and technical expertise. The Department is recommending the appointment of Jay Singh. Commissioner Sheets made a motion to appoint Jay Singh as a delegate to the Streamlined Sales Tax Agreement Governing Board. Commissioner Adelhoch seconded the motion. All in favor. Motion carried.

V. LOCAL GOVERNMENT SERVICES:

A. Discussion and Consideration for Granting a Waiver to Remain on Guaranteed Status for Supplemental City-County Relief Tax pursuant to NRS 377.057(2):

1) Pershing County

Michael Hoffer, Management Analyst II, and Kelly Langley, Supervisor Local Government Finance, were present on behalf of the Department. A representative for Pershing County was not present although the County did request a waiver. Commissioner Witt made a motion to grant a waiver to Pershing County to remain on guaranteed statuses for supplemental city-county relief tax. Commissioner Marvel seconded the motion. All in favor. Motion carried.

B. Review and Consideration for Approval of Exemption(s) as authorized under NRS 361.068(2) where Administrative Costs Exceed Revenue from Tax on Personal Property:

Lorna Quisenberry, Supervisor Locally Assessed Properties, was present on behalf of the Department. Commissioner Marvel made a motion to approve the exemption as authorized under NRS 361.068(2) where administrative costs exceed revenue from tax on personal property. Commissioner Witt seconded the motion. All in favor. Motion carried.

C. Discussion and Consideration for Approval of the 2027-2028 Assessor's Handbook of Rural Building Costs pursuant to NAC 361.128.

Connor Marriott, Assessment Standards Coordinator, was present on behalf of the Department and recommended that the Commission approve the 2027-2028 Assessor's Handbook of Rural Building Costs. Commissioner Sheets made a motion to approve the 2027-2028 Assessor's Handbook of Rural Building Costs pursuant to NAC 361.128. Commissioner Witt seconded the motion. All in favor. Motion carried.

VI. 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. Bonds Administratively Waived (dates as indicated) (Sales/Use Tax)

C. Approval and Denial Status Report Log for Organizations Created for Religious, Charitable or Educational Purposes (dates as indicated) (Sales/Use Tax Exemption).

There were no questions.

VII. BRIEFING:

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

Shellie Hughes, Executive Director - Phase two of Project MYNT rolled out on September 7th. This phase included the following tax types: commerce tax, modified business tax, gold-and-silver excise tax, the governmental services fee for both short-term lesser and peer-to-peer car sharing, insurance premium tax, net proceeds of mineral tax, and the property tax on interstate and intercounty companies which are centrally assessed. We did experience a few minor conversion hurdles but overall the rollout was successful. We are now moving into phase three which is our final phase, and that's scheduled to go live this December. Phase three tax types include local government finance, bank excise tax, exhibition facility fee, lodging tax, wholesale and retail cannabis excise taxes, tire fee, transportation connection tax, property tax on interstate and intercounty companies, centrally assessed mining valuations. We are very excited to be nearing completion of this project and once all of the tax types are in the new system, taxpayers will be able to file and remit payments online which will significantly improve the efficiency and service of the Department. Next, I wanted to highlight that the Nevada Department of Administration awards an employee veteran of the month to recognize the outstanding contributions of U.S. military veterans serving as State employees. Each month, one veteran employee is honored, and nominations are accepted from agency directors, administrators, supervisors and peers. This month, Patric Starr, the Department's enterprise project manager, received the employee veteran of the month award. Patric dedicated many years to U.S. Army and the Nevada National Guard. He joined the Department during the early stages of Project MYNT and soon after became the project manager. Under his expert leadership, we have completed two successful rollouts of the new system, significantly improving services for both the Department and the citizens of Nevada. His guidance has been instrumental in driving meaningful modernization, ensuring our systems are more efficient, responsive and future ready. I want to publicly congratulate Patric on this honor and thank him for this service to both our country and the Department of Taxation. Lastly, I would like to introduce Joan Yaou and Aaron Queller, both from the Attorney General's Office, both of whom have recently taken on the Department as one of their agency clients. I'd also like to introduce Ryan Sunga, who has joined us as the Department's new in-house Deputy Attorney General. This concludes my briefing.

VIII. Next Meeting Date: May 6, 2026

IX. Public Comment.

There was no public comment.

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

No items for future agendas were discussed.

XI. Meeting adjourned at 12:05 p.m.