

**From:** [REDACTED]  
**To:** [REDACTED] [Kari Skalsky](#)  
**Cc:** [Adriane Roberts-Larson](#); [Shellie Hughes](#)  
**Subject:** Re: DOT Regulation R042-24  
**Date:** Thursday, April 16, 2026 7:21:23 AM  
**Attachments:** [image001.png](#)  
[Outlook-2mzdstss.png](#)

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Yes, thank you very much. This is extremely helpful.



**Brett J. Scolari**

Partner - General Counsel



CARSON CITY, NV 89701

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**From:** John Ocegüera <[REDACTED]>  
**Sent:** Thursday, April 16, 2026 7:16 AM  
**To:** Kari Skalsky <kskalsky@tax.state.nv.us>; Brett Scolari <[REDACTED]>  
**Cc:** Adriane Roberts-Larson <arlanson@tax.state.nv.us>; Shellie Hughes <shughes@tax.state.nv.us>  
**Subject:** Re: DOT Regulation R042-24

Excellent and thank you for your quick response, this information is very useful.

John

**JOHN OCEGUERA**

Chief Executive Officer



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**From:** Kari Skalsky <kskalsky@tax.state.nv.us>  
**Sent:** Thursday, April 16, 2026 7:13:54 AM  
**To:** Brett Scolari <[REDACTED]>

**Cc:** John Ocegüera [REDACTED] >; Adriane Roberts-Larson <arlanson@tax.state.nv.us>; Shellie Hughes <shughes@tax.state.nv.us>  
**Subject:** RE: DOT Regulation R042-24

Good morning,

In 2013, language was added to NRS 370.170 to clarify that cigarettes sold on qualified tribal land, for which the Department does not collect the excise tax, must bear a tribal stamp issued by the Department.

Prior to this change, the law required only that cigarettes carry a Nevada revenue stamp. As a result, tribes could purchase state-stamped cigarettes (for example, from retailers like Costco), sell them on tribal lands, and then request a refund from the Department for the state taxes that had already been paid on those products.

Following the statutory change, tribes are limited to selling tribally stamped cigarettes, meaning state excise tax is not collected in the first place. Because of this, the prior refund mechanism is no longer applicable in practice.

Given that the relevant provisions in the NAC relate specifically to issuing refunds (and refunds are no longer necessary under the current statutory framework) it is reasonable to conclude that those regulations can be repealed.

With respect to potential errors in distribution (such as incorrect stamping or taxation by a distributor), those situations would not rely on the former refund process. Instead, they would be addressed through standard administrative or corrective procedures between the distributor and the Department, rather than through the repealed NAC provisions.

Please feel free to reach out if you have further questions.

Thank you,  
Kari

**\*Important Notice:** Sales & Use Tax returns are now due on the 20<sup>th</sup> of every month. Please file all Modified Business Tax and Commerce Tax returns through My Nevada Tax.

Kari Skalsky  
Management Analyst III  
Executive Review and Boards & Commissions  
Nevada Department of Taxation  
3850 Arrowhead Drive



Carson City, NV 89706  
Phone: 775-684-2041  
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**From:** Brett Scolari [REDACTED] >  
**Sent:** Wednesday, April 15, 2026 5:06 PM  
**To:** Kari Skalsky <[kskalsky@tax.state.nv.us](mailto:kskalsky@tax.state.nv.us)>  
**Cc:** John Ocegüera [REDACTED] >; Adriane Roberts-Larson <[arlarson@tax.state.nv.us](mailto:arlarson@tax.state.nv.us)>; Shellie Hughes <[shughes@tax.state.nv.us](mailto:shughes@tax.state.nv.us)>  
**Subject:** Re: DOT Regulation R042-24

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Thank you so much. We really appreciate it. And sorry for our delay in getting this inquiry to you.

**Brett J. Scolari**  
Partner - General Counsel  
C [REDACTED]  
**810 E. 5TH STREET**  
**CARSON CITY, NV 89701**  
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On Apr 15, 2026, at 4:48 PM, Kari Skalsky <[kskalsky@tax.state.nv.us](mailto:kskalsky@tax.state.nv.us)> wrote:

Good afternoon Mr. Scolari,

Thank you for reaching out regarding LCB File No. R042-24. We are reviewing our records pertaining to the proposed repealed language and will provide an explanation for the elimination as well as additional background information as soon as possible; hopefully before the Regulatory Workshop tomorrow morning at 9 a.m.

Sincerely,  
Kari

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<image001.png>

Kari Skalsky  
Management Analyst III  
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**From:** Brett Scolari [REDACTED] >  
**Sent:** Wednesday, April 15, 2026 3:03 PM  
**To:** Shellie Hughes <[shughes@tax.state.nv.us](mailto:shughes@tax.state.nv.us)>  
**Cc:** John Ocegüera [REDACTED]; Adriane Roberts-Larson <[arlanson@tax.state.nv.us](mailto:arlanson@tax.state.nv.us)>; Kari Skalsky <[kskalsky@tax.state.nv.us](mailto:kskalsky@tax.state.nv.us)>  
**Subject:** Re: DOT Regulation R042-24

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Thank you!

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**Brett J. Scolari**

Partner - General Counsel

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**From:** Shellie Hughes <[shughes@tax.state.nv.us](mailto:shughes@tax.state.nv.us)>

**Sent:** Wednesday, April 15, 2026 2:58 PM

**To:** Brett Scolari [REDACTED]

**Cc:** John Ocegüera <[REDACTED]>; Adriane Roberts-Larson <[arlanson@tax.state.nv.us](mailto:arlanson@tax.state.nv.us)>; Kari Skalsky <[kskalsky@tax.state.nv.us](mailto:kskalsky@tax.state.nv.us)>

**Subject:** RE: DOT Regulation R042-24

Good afternoon, Brett,

I have added Adriane and Kari on this email. I will allow them to respond to your questions.

Thank you,

Shellie

<image003.png>

*Shellie Hughes*

Executive Director

Nevada Department of Taxation

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**From:** Brett Scolari <[REDACTED]>  
**Sent:** Wednesday, April 15, 2026 2:56 PM  
**To:** Shellie Hughes <[shughes@tax.state.nv.us](mailto:shughes@tax.state.nv.us)>  
**Cc:** John Ocegüera <[REDACTED]>  
**Subject:** DOT Regulation R042-24

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Good Afternoon Shellie,

I hope you are doing well! John and I reviewed the attached regulation up for workshop tomorrow with the Reno-Sparks Indian Colony. The proposal repeals the NAC that allows tribes to receive refunds of pre-collected state taxes on tobacco products.

We do not believe RSIC has ever had an issue requiring them to use this procedure to recover state tobacco taxes that were collected upstream. However, we would have a concern if, for instance, a mistake was made by the distributor, and products were inadvertently stamped or taxed incorrectly, and these repealed regulations were the only mechanism for recovery. Is that a concern? And/or is there another mechanism for Tribes to use to recover taxes if a mistake is made during product distribution?

We assume the Department has a good reason to repeal these regulations, so any additional background you could provide would be really helpful.

As always, thank you for your assistance.

Brett

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**Brett J. Scolari**

Partner - General Counsel

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