NEVADA TAX COMMISSION MEETING
MINUTES

June 25, 2026
9:00 a.m.

Members Present:
George Kelesis, Chairman
Thom Sheets, Commissioner
Terry Care, Commissioner
Yolanda King-Branch, Commissioner
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 – Happy Father's Day and thank you to the Commission. I will be moving to Texas and will no longer be attending meetings in-person. I encourage the Department's audit section to use common sense. Common sense would carry them a long way as we tend to over think regulations and tax statutes. I made a wager at the last Commission meeting. I said I would move to Texas if you all did the analysis. I am now changing the wager. If I am wrong with the analysis, I will send you Texas brisket from the best place in Texas called Lockhart, Texas. Thank you very much.

Director Hughes administered an oath to all parties testifying.

III. CONSENT CALENDAR

A. Consideration for Approval of the May 6, 2026, Nevada Tax Commission Meeting Minutes.

Commissioner Sheets moved to approve the May 6, 2026, Nevada Tax Commission Meeting Minutes. Commissioner Care seconded the motion. All in favor. Motion carried.

B. Waiver of Penalty and/or Interest pursuant to NRS 360.419 that exceeds $25,000:
   1) Mitsui Home America LLC
   2) Helix Electric of Nevada LLC
   3) MSG Las Vegas LLC
   4) Proud Moments Licensed Behavior Analysts PLLC

C. Department's Recommendation to the Commission for Approval of a Payment Plan Request:
   1) Las Vegas Wellness and Compassion Center LLC dba Pegasus Nevada

D. Approval of Refund Request in Excess of $250,000:
   1) Walmart Inc.

E. Department's Recommendation to the Commission for Approval of an Offer-In-Compromise pursuant to NRS 360.263:
   1) Gary Bennett for the debts of B&B Coachworks Inc.
   2) Hideto Ashitani for the debts of Dozeu LLC
   3) Jennyfer Lopez, aka Jennyfer Martinez, for the debts of LV Powersports LLC
   4) Kenneth P. Beaman for the debts of Pandoras Burgers and Catering

Commissioner King-Branch pulled Item III. B. 1) Mitsui Home America LLC for further discussion.

Commissioner Sheets made a motion to approve the consent calendar, minus Item III. B. 1). Commissioner Care seconded the motion. All in favor. Motion carried.

Item III. B. 1) Mitsui Home America LLC – Commissioner King-Branch asked the Department to explain the reasoning for the partial approval of the waiver. Dalia Andrade, Tax Program Supervisor, was present on behalf of the Nevada Department of Taxation. Ms. Andrade explained that in accordance with NAC 360.396.2 and 3, the taxpayer fell within the scope of a penalty and interest waiver, but they did have some ownership. Commissioner King-Branch made a motion to approve the recommended waiver for Mitsui Home America LLC. Commissioner Care seconded the motion. All in favor. Motion carried.

IV. COMPLIANCE DIVISION:

A. Consideration for the Approval of the Nevada Tax Commission to Authorize the Nevada Department of Taxation to Cease Collection Efforts of Sales or Use Taxes due to the Administrative Costs for Collection Exceeding the Amount Due as authorized under NRS 360.262.

Kathy Fey, Tax Manager, was present on behalf of the Nevada Department of Taxation. Ms. Fey explained that this cost to collect calculation is completed to establish a threshold for the Department's collection actions occurring within fiscal year 2027. We looked at the Department's expenses in the most finalized fiscal year, in this case, fiscal year 2025. It was identified that during fiscal year 2025, the Department's collection-related expenses totaled $9.4 million. The $9.4 million includes the cost of the revenue division, agency staff, mailing costs, etc. Next, the total amount of accounts worked by revenue officers during the same fiscal year, 2025, was reported to be 26,798 accounts. Finally, dividing the collection expenses of $9.4 million by 26,798 accounts worked gives the cost to collect threshold of $350.22. Any Sales/Use Tax associated with a single tax ID with an established debt of under $350.22 would cost the Department more on expenses than to pursue collection actions. Therefore, the Department recommends the approval of $350.22 per account as the administration collection cost limit authorizing the Department to cease collection efforts of Sales/Use Tax. Commissioner Care made a motion to approve the Nevada Department of Taxation to cease collection efforts of Sales/Use taxes due to the administrative costs for collection exceeding the amount due as authorized under NRS 360.262. Commissioner Sheets seconded the motion. All in favor. Motion carried.

V. LOCAL GOVERNMENT SERVICES:

A. Taxpayer's Appeal of the County Clerk/Treasurer's Denial of Waiver of Penalty and/or Interest pursuant to NRS 361.4835 (Clark County):
   1) Vinicio Ricardo Rosas

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Jonathan Newton, Assistant County Treasurer, was present on behalf of Clark County. A representative for the Taxpayer was not present. Commissioner Sheets moved to deny the Taxpayer's appeal. Commissioner Adelhoch seconded the motion. All in favor. Motion carried.

   2) KL Trust, Kimberly Jo Labar (for possible action)

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Jonathan Newton, Assistant County Treasurer, was present on behalf of Clark County. A representative for the Taxpayer was not present. Commissioner Sheets moved to deny the Taxpayer's appeal. Commissioner Care seconded the motion. All in favor. Motion carried.

B. Certification of Ad Valorem Tax Rates for Fiscal Year 2026-2027 pursuant to NRS 361.4547. (for possible action)

Kellie Grahmann, Supervisor – Local Government Finance, and Jeffrey Mitchell, Deputy Executive Director, were present on behalf of the Nevada Department of Taxation. Ms. Grahmann provided an overview of the ad valorem tax rates for fiscal year 2026-2027. Ms. Grahmann stated there were errors on pages D2 and D6. The supporting documents recognize the changes. Ms. Grahmann stated all of the proposed tax rates are within statutory limits. Mr. Mitchell stated the Department received an email from Douglas County with a possible discrepancy in a rate. Mr. Mitchell recommended, with the Commission's permission, that the Department work with Douglas County, as long as statutory constraints are not exceeded, and the rates be approved as suggested. Mr. Mitchell mentioned if there is a need, we will bring it back to the Commission. Commissioner Witt moved to approve the certification of ad valorem tax rates for fiscal year 2026-2027 pursuant to NRS 361.4547. Commissioner Care seconded the motion. All in favor. Motion carried.

VI. REGULATIONS:

A. Consideration for Adoption of Permanent Regulation LCB File No. R082-26: A regulation relating to taxation; creating provisions governing certain contested cases relating to holders of licenses relating to cigarettes or other tobacco products and manufacturers of tobacco products; eliminating procedures for refunding pre-collected cigarette and other tobacco product taxes to Indian tribes; revising provisions governing administrative proceedings for the suspension or revocation of licenses relating to cigarettes or other tobacco products and the removal of manufacturers of cigarettes and brand families from the directory of manufacturers and brand families maintained by the Department of Taxation; eliminating certain definitions and other provisions relating to cigarettes and other tobacco products; and providing other matters properly relating thereto.

Adriane Roberts-Larson, Chief Deputy Executive Director, was present on behalf of the Nevada Department of Taxation and provided an overview of LCB File No. R082.26. A public workshop was held on April 16, 2026. There was no public comment. Commissioner Sheets made a motion to approve LCB File No. R082.26. Commissioner Adelhoch seconded the motion. All in favor. Motion carried.

B. Consideration for Adoption of Permanent Regulation LCB File No. R085-26: A regulation relating to taxation; combining into one section of the Nevada Administrative Code certain rules governing the furnishing of tangible personal property by a mortician; clarifying the application of Sales/Use taxes to the entire charge by a dispensing optician for eyeglasses and related products furnished in filling a prescription; revising a calculation used to determine the circumstances under which food sold by a retailer is subject to Sales/Use Tax as prepared food intended for immediate consumption; revising the information that a retailer is required to include on a receipt provided to a purchaser of tangible personal property; updating references to sections of the Nevada Revised Statutes that have been reorganized; repealing a provision providing that Sales Tax does not apply when an owner of property bids on that property at an auction; removing provisions governing an application for an obsolete Sales/Use Tax exemption for aircraft and major components of aircraft; and providing other matters properly relating thereto.

Adriane Roberts-Larson, Chief Deputy Executive Director, was present on behalf of the Department and provided an overview of LCB File No. R085.26. A public workshop was held on April 16, 2026. There was no public comment. Commissioner Care made a motion to approve LCB File No. R085.26. Commissioner Sheets seconded the motion. All in favor. Motion carried.

VII. 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).
D. Waiver of Penalty and Interest Pursuant to a Request on a Voluntary Disclosure.

VIII. BRIEFING:

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

Shellie Hughes, Executive Director - I want to bring to the Commission's attention today that the Department recently received two Innovation and Excellence awards from the Federation of Tax Administrators (FTA), which is a nonprofit representing all 50 state tax agencies. These awards honor the Department's achievements in approving taxpayer services, supporting its workforce, and managing major organizational and operational change. The first award received was for the Department's plain language initiative. Taxpayer correspondence had been written at a college reading level and often failed to clearly explain why taxpayers were being contacted or what action was required. This created confusion, unnecessary calls, and slower voluntary compliance. Using Microsoft Word with copilot, staff rewrote notices to an eighth grade reading level by retaining all statutory requirements and reviewing each revision for accuracy. So far, 119 letters have been rewritten. The average reading level has dropped from grade 13.4 to 8.4, and general inquiry calls decreased from 23,121 in 2023 to 11,175 in 2025, a reduction of more than 50 percent. The second award received was for the Department's enterprise management framework; Project MYNT, the Department's multi-year tax system modernization, required coordinated change across the entire agency. Guided by Baldrige Performance Excellence Framework, the Department created an enterprise management framework linking leadership, strategy, workforce operations, and results in a unified model. The Enterprise Project Management office now oversees all projects through a standardized process, while the Enterprise Change Management office also ensures workforce needs are integrated into every roll out. The first two MYNT releases were delivered on time and on budget with the third scheduled for December 2026. These awards highlight the Department's commitment to modernized tax administration while delivering clear communication, stronger operations, and better service for all Nevadans. And I extend my sincere thanks to the dedicated staff who work hard and whose hard work made these achievements possible.

IX. Next Meeting Date: August 19, 2026

X. Public Comment.

There was no public comment.

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

No items for future agendas were discussed.

XII. Meeting adjourned at 9:47 a.m.