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 September 22, 2026

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Adoption of

LCB File No. R140-26

Nevada Tax Commission

The Nevada Tax Commission will hold a Public Hearing at **9:00 a.m**. on **Thursday, October 22, 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. R140-26.

You may attend this meeting at the following location:

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

This meeting will also be available by zoom. Please use the link below to join the webinar:
https://us02web.zoom.us/j/84271615213

Or One tap mobile:
+17193594580,,84271615213# US
+12532050468,,84271615213# US

Or join by phone:
Dial (for higher quality, dial a number based on your current location):
+1 719 359 4580 US or +1 253 205 0468 US or +1 253 215 8782 US (Tacoma) or +1 346 248 7799 US (Houston) or +1 669 444 9171 US or +1 669 900 9128 US (San Jose) or +1 646 931 3860 US or +1 689 278 1000 US or +1 301 715 8592 US (Washington DC) or +1 305 224 1968 US or +1 309 205 3325 US or +1 312 626 6799 US (Chicago) or +1 360 209 5623 US or +1 386 347 5053 US or +1 507 473 4847 US or +1 564 217 2000 US or +1 646 558 8656 US (New York)

Webinar ID: 842 7161 5213

International numbers available: https://us02web.zoom.us/u/kceonA0UDT

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. R140-26, establishes requirements related to taxation; revises provisions relating to the voluntary disclosure of the failure to file a tax return with the Department of Taxation; and provides other matters properly relating thereto.

The proposed regulation is needed to update and clarify Nevada's voluntary tax disclosure provisions by expanding their applicability, refining procedural requirements, and aligning Department practices with statute. The regulation strengthens taxpayer identification and disclosure requirements, permits extensions for circumstances beyond the taxpayer's control, establishes an acceptable variance between estimated and actual tax liability, and clarifies eligibility for penalty and interest waivers. These amendments ensure consistent administration, improved transparency, and clearer guidance for taxpayers.

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. No comment was returned by members of the public.

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

The Department will hold a workshop on September 29, 2026, for members of the public to state their concerns and submit correspondence regarding the proposed permanent regulation.

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

The proposed permanent regulation does not present any significant, foreseeable or anticipated cost or decrease in costs for enforcement.

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 does not include new fees or increase an existing fee.

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 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. R140-26

August 14, 2026

EXPLANATION – Matter in ***italics*** is LCB 8-5-26 draft language; matter in brackets [~~omitted material~~] is material omitted in LCB 8-5-26 draft; **purple underlined** is revised LCB language by Agency; ***~~green strikethrough~~*** is omitted LCB language by Agency.

AUTHORITY: §§ 1 and 2, NRS 360.090; § 3, NRS 360.090 and 360.300.

A REGULATION relating to taxation; revising provisions relating to the voluntary disclosure of the failure to file a tax return with the Department of Taxation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

If a person fails to file a tax return as required by law or the Department of Taxation is not satisfied with the tax return filed, existing law authorizes the Department to compute and determine the amount required to be paid by the taxpayer. Existing law requires the Department to impose interest on the amount of tax determined to be due and, in the case where no tax return was filed, to impose a penalty of 10 percent. (NRS 360.300) Existing regulations provide that a taxpayer who fails to file a tax return with the Department as required by various provisions of law, and wishes to disclose that fact voluntarily to the Nevada Tax Commission, must file with the Department an application for voluntary disclosure before the Department has initiated an audit or investigation of the taxpayer. (NAC 360.440) Under existing regulations, if the Commission determines that a taxpayer has made a good faith effort to comply with the requirements relating to voluntary disclosure of the failure to file a tax return, the Department is prohibited from assessing the penalty and interest otherwise prescribed by law on the entire amount of the tax liability of the taxpayer. (NAC 360.446)

Section 1 of this regulation expands the applicability of the voluntary disclosure provisions to include, without limitation, the entirety of existing provisions of law relating to revenue and taxation while excluding provisions of existing law relating to property tax, taxes on agricultural real property and open space, taxes on patented mines and proceeds of minerals and taxes on transfers of real property. **Section 1** requires an application for voluntary disclosure to identify the taxpayer on whose behalf the application is submitted. **Section 1** expands the circumstances under which an extension of time to comply with the requirements of voluntary disclosure may be requested to include events beyond the control of the taxpayer.

Sections 2 of this regulation makes conforming changes related to the expanded applicability of voluntary tax disclosure as provided in section 1. **Section 2** further expands the compliance requirements necessary for a determination of voluntary disclosure to include a variance of not more than 10 percent between the estimated tax liability of the taxpayer and the actual tax liability of the taxpayer. **Section 3** of this regulation amends Department notification requirements to align with statutory provisions. **Section 3** sets forth the eligibility of a taxpayer to request a waiver or reduction of penalty, interest, or both, when assessed by the Department, while specifying the types of tax for which a taxpayer may dispute the determination of the Department related to the tax liability, penalty or interest assessed by the Department. Finally, **section 3** eliminates the timeline and notification requirements of the Department related to review of a petition filed by a taxpayer.

Section 1. NAC 360.440 is hereby amended to read as follows:

360.440 1. If a taxpayer fails to file a return as required by the applicable provisions of chapter ~~[360, 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372B, 374, 377, 377a, 377C or]~~ 444A of NRS, NRS 482.313, 482C.230, 482C.240, or chapter 585 or 680B of NRS, ***or any provision of title 32 of NRS which is administered by the Department, excluding chapters 361, 361A, 362 and 375 of NRS,*** the taxpayer or the taxpayer's representative may file with the Department an application for voluntary disclosure in a form prescribed by the Department before the Department has initiated an audit or investigation of the taxpayer. ***The application must identify the taxpayer on whose behalf the application is submitted and, if applicable, the taxpayer's representative. The Department will not accept an anonymous application for voluntary disclosure.*** An application is deemed to be filed with the Department on the date the application is received by the Department.

2. If the Department verifies that it did not initiate an audit or investigation of the taxpayer before the date on which the application was filed, the Department shall ~~[accept the application and notify]~~ ***provide a notice to*** the taxpayer ~~[or]~~ ***and*** the taxpayer's representative, as applicable, ~~[of the acceptance]~~ ***acknowledging receipt*** of the application within 30 days after the date on which the application was filed.

3. For the purposes of subsections 1 and 2, the Department has initiated an audit or investigation of a taxpayer if the Department has:

(a) Contacted the taxpayer by telephone, in person or in writing regarding a possible tax liability or registration requirements; or

(b) Given the taxpayer written notice that an audit will be conducted by the Department concerning liability for the type of tax that the taxpayer wishes to disclose voluntarily pursuant to this section.

4. The Department shall deny an application for voluntary disclosure if any owner, officer, member, partner, or other principle identified in the application is, or previously was, an owner, officer, member, partner, or other principle of any business that is or was registered with the Department because such person is presumed to have knowledge of the registration and filing requirements administered by the Department.

4. **5.** Except as otherwise provided in subsection 5, the Department shall not consider the tax liability of a taxpayer as being voluntarily disclosed unless, within 90 days after the date on which notice ~~[of acceptance]~~ ***acknowledging receipt*** of the taxpayer's application is given pursuant to subsection 2, the taxpayer or the taxpayer's representative ***, as applicable,*** complies with the requirements of this subsection. The taxpayer or the taxpayer's representative must:

(a) File with the Department any required registration and the delinquent tax returns for the tax estimated to be owed for the period being disclosed or, if the period being disclosed exceeds 8 years, for the 8 years immediately preceding the date on which the application was filed;

(b) Pay the tax estimated to be owed for the period being disclosed or, if the period being disclosed exceeds 8 years, for the 8 years immediately preceding the date on which the application was filed; and

(c) Submit any additional information or material required by the Department.

5. **6.** If a request for an extension of time to satisfy the requirements of subsection 4 is made in writing to the Department after the filing of an application and within 90 days after the date

on which notice ~~[of acceptance]~~ ***acknowledging receipt*** of the application is given pursuant to subsection 2, the **Executive** Director or a person designated by the **Executive** Director may grant a taxpayer or the taxpayer's representative ***, as applicable,*** one extension of time, not to exceed 90 days, to satisfy those requirements. The request must be accompanied by proof satisfactory to the **Executive** Director or ~~his or her~~ designee that the requirements cannot be satisfied within the time otherwise required by subsection 4 despite the exercise of ordinary care by the taxpayer or the taxpayer's representative and because of circumstances beyond the control of the taxpayer or the taxpayer's representative.

6. **7.** The circumstances described in subsection 5 include, without limitation:

(a) A natural disaster or other ~~[disaster;]~~ ***event beyond the control of the taxpayer;***

(b) The death or hospitalization of the taxpayer or the taxpayer's representative; or

(c) Any other circumstance that could not reasonably have been anticipated at the time the application was filed.

Sec. 2. NAC 360.444 is hereby amended to read as follows:

360.444 The Department shall not consider the tax liability of a taxpayer as being voluntarily disclosed if, after filing an application for voluntary disclosure pursuant to NAC 360.440, the taxpayer or the taxpayer's representative ~~[:]~~ ***, as applicable:***

1. Fails to satisfy the requirements of subsection 4 of NAC 360.440 within the time provided by that subsection or extended pursuant to subsection 5 of NAC 360.440;

2. Fails to comply with the applicable provisions of chapter ~~[360, 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, or]~~ 444A of NRS, NRS 482.313, 482C.230, 482C.240, or chapter 585 or 680B of NRS, ***or the applicable provisions of title 32 of NRS which are administered by the Department, excluding chapters 361, 361A, 362 and 375 of NRS,*** including, without limitation, registering with the Department **for any**

applicable tax, filing **current** tax returns, paying any tax liability and remitting any taxes collected; or

3. Fails to provide an accurate estimate of ~~[his or her]~~ ***the taxpayer's*** tax liability in the application for voluntary disclosure filed pursuant to NAC 360.440. The taxpayer shall be deemed to have provided an inaccurate estimate of ~~[his or her]~~ ***the taxpayer's*** tax liability if:

(a) The ***estimated*** tax liability provided in the application for voluntary disclosure ~~[is less than]~~ ***differs from*** the taxpayer's actual tax liability by 10 percent or more; and

(b) The taxpayer is unable to demonstrate to the Department that ~~[he or she]~~ ***the taxpayer*** made a good faith effort to report accurately ~~[his or her]~~ ***the taxpayer's*** tax liability in the application for voluntary disclosure.

Sec. 3. NAC 360.446 is hereby amended to read as follows:

360.446 1. If the Department determines that the taxpayer has complied with the requirements set forth in NAC 360.440 and 360.444, the Department shall not assess the penalty and interest set forth in NRS 360.300 on the entire amount of the tax liability.

2. If the Department determines that the tax liability of a taxpayer has not been voluntarily disclosed pursuant to NAC 360.440 and 360.444, the Department shall:

(a) Assess the penalty and interest set forth in NRS 360.300 on the entire amount of the tax liability; and

(b) Notify the taxpayer ***and the taxpayer's representative, as applicable,*** of its determination and issue a bill for the amount of any tax, penalty or interest owed by the taxpayer. The notice and bill must be sent to the taxpayer ~~[by registered or certified mail, return receipt requested.]~~ ***and the taxpayer's representative, as applicable, in accordance with NRS 360.350.***

3. If the Department determines that the tax liability of a taxpayer has not been voluntarily disclosed and assesses a penalty or interest pursuant to NRS 360.300 and subsection 2, the

taxpayer:

(a) Shall, within 60 days after receiving the notice and bill described in subsection 2, file any additional returns and pay the amount of any tax, penalty or interest that the Department has determined is owed by the taxpayer . [~~; and~~]

(b) May [~~,~~] ~~:~~

~~*(1)*~~ ***Request a waiver or reduction of a penalty or interest, or both, pursuant to NAC 360.396.***~~*; or*~~

~~***(2) If NAC 360.396 is not applicable to the tax at issue,*** within 45 days after receiving the notice and bill described in subsection 2, file a written petition with the Department ***pursuant to NRS 360.360*** disputing its determination or the amount of any tax, penalty or interest assessed by the Department. The petition must set forth any information that supports the dispute.~~

[~~4. The Commission will review any petition filed pursuant to subsection 3 and determine the amount of any tax, penalty or interest owed by the taxpayer. The Commission will notify the taxpayer of its decision by registered or certified mail, return receipt requested.~~

~~5. The taxpayer shall file any additional returns and pay the amount of any tax, penalty or interest that the Commission determines is owed by the taxpayer pursuant to subsection 4 within 60 days after he or she receives the notification from the Commission pursuant to subsection 4.~~

~~6. Any action taken with respect to a taxpayer by the Department or Commission pursuant to this section does not affect the right of the taxpayer to request a waiver or reduction of a penalty or interest, or both, pursuant to NAC 360.396.~~]