From: Kari Skalsky
To: [redacted]
Cc:
Subject: Department Response to NTA Public Comment re LCB File R140-26
Date: Friday, October 9, 2026 3:05:00 PM
Attachments: R140-26 Voluntary Disclosure - 9-29 workshop .pdf
image001.png

Good afternoon,

The Department appreciates the Nevada Taxpayers Association's feedback pertaining to LCB File No. R140-26 and provides the following response to the attached public comment submitted for the September 29, 2026, Regulation Workshop.

The proposed language is intended to clarify the application of subsection 3(a) and is not intended to create a new or separate substantive requirement for voluntary disclosure.

The Department currently reviews each application for voluntary disclosure to determine whether an owner, officer, member, partner, or other principal identified in the application is, or previously was, an owner, officer, member, partner, or other principal of another business that is or was registered with the Department. The Department has interpreted subsection 3(a) to include circumstances in which the Department has contacted the previously registered business regarding possible tax liability or registration requirements. The proposed language is intended to remove ambiguity regarding that interpretation by clarifying that a person associated with a business that is or was registered with the Department is presumed to have knowledge of the registration and filing requirements administered by the Department.

The Department recognizes that the circumstances surrounding a failure to file a return may vary. However, the reasons for a particular late filing are not the subject of the proposed amendment. Subsection 4 addresses whether an application meets the eligibility requirements for voluntary disclosure based on the applicant's existing or prior association with a business registered with the Department. It does not establish the circumstances under which a taxpayer's failure to timely file a return is excused or otherwise determine the merits of the taxpayer's reason for filing late.

The Department also does not anticipate that the proposed language will create the administrative burden described in the comment. The Department already conducts the review necessary to determine whether a principal identified in an application is associated with another business that is or was registered with the Department. The proposed language is intended to clarify the standard applied in that existing review and promote consistency in the administration of the voluntary disclosure program.

Please do not hesitate to reach out with any questions.

Thank you,
Kari

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

Kari Skalsky
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NEVADA TAXPAYERS ASSOCIATION
Serving the citizens of Nevada since 1922

JOSHUA J. HICKS, *Chairman*
BECKY DUTRO, *President*

September 28, 2026

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Nevada Department of Taxation
3850 Arrowhead Drive
Carson City, Nevada 89706

Sent via email: [redacted]

RE: Proposed Regulation R140-26 – Voluntary Disclosure of failure to file a tax return

Dear Ms. Skalsky:

I am writing on behalf of the Nevada Taxpayers Association (NTA) and we are requesting that the following comments/questions be considered for changes to the proposed regulation:

- Section 1, subsection 4 – we feel that this new language should be removed for several reasons. First, on the far-reaching concept of "such person is presumed to have knowledge of the registration and filing requirements administered by the Department". Many officers and members have no knowledge of the day-to-day operations of a business and thus may not know filing requirements. Additionally, the reason(s) for late filings can be so diverse and unusual that they need to be considered on a case-by-case basis. Just because one of the parties is or may have been associated with another business does not mean that the reason for a particular late filing Is not applicable and valid, and should be able to be submitted, reviewed, and considered. This new language casts a net that is so broad that fairness and equity to taxpayers will surely be hindered. Second, due to the very nature of the administrative burden this would cause on the Department. We can foresee a very cumbersome and time-intensive process if every voluntary disclosure must be researched for all of the conditions of this section. We question what issue or problem the Department is trying to rectify with this language as it appears very punitive.

Thank you in advance for your consideration of these comments and suggestions for amending the proposed regulation. Please feel free to reach out if you need additional information or specific examples.

Sincerely,

Becky Dutro
Becky Dutro, President