



BRIAN SANDOVAL
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STATE OF NEVADA DEPARTMENT OF TAXATION

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Henderson, Nevada 89074
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WELCOME TO THE DEPARTMENT OF TAXATION

This INFORMATION PACKET is provided for your use and convenience. The Department wishes to make your tax collection and payment as easy as possible.

The PACKET includes current Nevada tax information and how they may affect your business. Information on Sales/Use Tax, Modified Business Tax and Use Tax as well as sample copies of forms for paying taxes, instructions, tax rates by county and a Resale Certificate are provided.

The TAXPAYER BILL OF RIGHTS pamphlet explains how the Nevada tax system works, explains your rights as a taxpayer, lists services provided by the Department and can be found on our website or by going to <http://tax.state.nv.us/pubs.htm#billofrights>.

The Department's internet website at <http://tax.state.nv.us/> offers **application** forms for licenses, permits and exemptions, plus blank **returns** for Sales/Use Tax, Modified Business Tax and other tax types. Also available is the Department's Annual Report, Legislative Overview, Nevada Tax Notes, upcoming regulatory workshops, Nevada Tax Commission meetings and hearings.

Taxpayers are now able to register on-line, file returns, and update their accounts at <https://www.nevadatax.nv.gov/web/>. Taxpayers can file and pay their Sales / Use Tax returns and Modified Business Tax returns. Taxpayers can also pay unpaid balances or schedule a payment for Sales / Use Tax, Modified Business Tax, Tire Tax, Short Term Lessor Tax, Bank Excise Tax, Liquor Tax, Cigarette Tax, Other Tobacco Products, Live Entertainment Tax, Exhibition Facilities Fees, Insurance taxes, and Insurance Retaliatory Tax. Payment in the form of E-Check is accepted.

Department of Taxation offices are open Monday - Friday from 8:00 am to 5:00 pm except for holidays. Department representatives at any location will be happy to answer your questions and we welcome the opportunity to do so.

If your business or organization would like a representative from the Department to explain Sales/Use Tax or Nevada tax laws and requirements, please contact your nearest District office.

TAXATION CALL CENTER

The Nevada Department of Taxation has established a Call Center to address questions regarding Sales Tax, Use Tax, Modified Business Tax, general tax questions and information regarding establishing a new account. The Call Center can be reached at **866-962-3707**. Call Center hours are from 8:10 am to 11:50 am and 1:00 pm to 4:45 pm Pacific Time and closed for lunch between 11:50 am and 1:00 pm.

OFFICE LOCATIONS

The Department offices are located at: 1550 College Parkway, Suite 115, Carson City 89706; 4600 Kietzke Lane Building L, Suite 235, Reno 89502; 555 E Washington Ave #1300, Las Vegas 89101; and 2550 Paseo Verde Pkwy #180, Henderson 89074.

OFFICE VISITS

Due to the monthly and quarterly tax filing requirements, the Las Vegas and Reno offices are extremely busy the last few days of any month with people filing their tax returns. It is recommended, whenever possible, that you time your visits to the office for other than the last few days of the month to avoid a long wait or, you may want to visit our Henderson satellite office.

HOLIDAY CLOSURES

The Department of Taxation offices are closed on certain holidays. They are: Martin Luther King Day; Presidents Day; Memorial Day; 4th of July; Labor Day; Nevada Day; Veterans Day; Thanksgiving and Family Day; Christmas Day, and New Years Day. If the holiday falls on a Saturday, then we will be closed on the preceding Friday. If the holiday falls on a Sunday, we will be closed the following Monday.

“ASK THE ADVISOR” BASIC TRAINING

The Department presents basic tax training and industry specific training throughout the year. The three hour workshops include training on Sales and Use Tax, Modified Business Tax, Live Entertainment Tax, collection of taxes, resale certificates, exemptions, how to prepare amended tax returns, how to prepare for an audit and petition rights. For more information, see the Department's website or call 702-486-2354 for reservations in Southern Nevada or 775-687-9979 in Northern Nevada.

COMMUNICATING BY MAIL WITH THE DEPARTMENT

If you are writing or sending information to one of the Department's staff members, please use the **mailing address** of the appropriate office. If you are filing your Sales and Use Tax return, please use the envelope the Department provided because it is addressed directly to the bank.

CONFIDENTIALITY REQUIREMENTS

The Department of Taxation is bound by statute to keep information confidential regarding a taxpayer's account. For a Sales/Use Tax Permit, the only information available to the general public is the information on the actual permit, which includes the Permit Number, Owner, Business Name, Business Location and Date of Issue. All other information contained in the Department of Taxation's records is strictly confidential, with very limited exceptions. Disclosure of that information to anyone other than the taxpayer is prohibited without a Governor's approval pursuant to NRS 372.750(3) or pursuant to an agreement between the Department and a governmental body for the reciprocal exchange of information, when the Nevada Tax Commission has approved such agreement.

WRITTEN DECISIONS AND WRITTEN RESPONSES

Verbal communications can always be subject to misunderstanding and/or misinterpretation. Therefore, only written responses issued by the Department in response to a taxpayer's written request for information are binding on the Department of Taxation. (NRS 360.294)

SEPARATE ACCOUNT FOR TAXES COLLECTED

In accordance with NRS 372.354, retailers are required to hold the amount of all taxes collected pursuant to the Sales and Use Tax Act in a separate account in trust for the State. The statute is non-specific as to either a separate bank account or general ledger account. This is a reminder that sales taxes are merely collected by a retailer on behalf of the State, and are a liability rather than an expense of the business.

SALES TAX INCLUDED IN PRICE

A retailer may include the tax in the sales price of an item but if he does so, he shall notify the public by posting a sign which is visible to all customers and state that the sales tax is included in the sales price. In the absence of such a notification, the total charged to the customer shall be deemed to be the price of the item. (NAC 372.760(2))

ADVERTISEMENT OF ASSUMPTION OR ABSORPTION OF TAX BY RETAILER

It is unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the sales tax or any part thereof will be assumed or absorbed by the retailer or that it will not be added to the selling price of the property sold or that if added, it or any part thereof will be refunded. (NRS 372.115)

SERVICES ASSOCIATED WITH A SALE OF TANGIBLE GOODS

Service or labor associated with a sale of tangible goods is also taxable with the exception of repair labor and installation labor, and only if the repair labor or installation labor is separately itemized on the invoice given to the customer. If your business is a service oriented business contact the Department to be sure you understand the tax requirements for your specific industry.

VEHICLE, OHV, WATERCRAFT AND AIRCRAFT TAX EVASION PROGRAM

The Department of Taxation has an ongoing program to discover and collect Sales/Use Tax from Nevada residents who are registering vehicles, watercraft and/or aircraft in a state or jurisdiction that does not levy a sales/use tax or levies a sales tax at a lower rate. The Department also investigates watercraft that have been registered or documented through the U.S. Coast Guard;

and as a result, Nevada Sales/Use Tax has not been paid or has been intentionally evaded. Should the Department determine that a Nevada resident intended to evade the sales/use tax, the resident shall be assessed the applicable Nevada tax, a 10% penalty, the corresponding interest per month, and may also be assessed an additional 300% evasion penalty. (NRS 360.340(2))

DISHONORED CHECKS

A returned or dishonored check will result in a check fee of \$25; loss of the collection allowance, 10% penalty and 1% interest per month on the tax owed and may also affect your security waiver liability.

TIMELY POSTMARKS ON TAX RETURNS

Any report, return or remittance which is transmitted through the United States mail shall be deemed to have been received on the date shown by the post office cancellation/postmark stamped on the envelope containing it, or on the date it was mailed if proof, satisfactory to the Department establishes that the document or remittance was deposited timely in the U. S. Mail, postage prepaid and properly addressed to the Department of Taxation. If you wait until the last day of the month to mail your taxes, to guarantee that the article mailed is postmarked that same day, it must be dropped off at the mail receptacle prior to the collection time posted on that mail receptacle or it must be hand delivered to the postal clerk. Under no circumstances will the date affixed by a postage meter in the possession of the taxpayer or other person or statements by the taxpayer or his employees, be considered sufficient to refute the post office cancellation/postmark date as the date of mailing per NAC 372.790.

ACCOUNT CHANGES, ADDITIONS OR UPDATES

Any changes to your account such as name, ownership, adding or removing an owner, and changing or adding locations require a revised application with the owner's signature. Changes to Sales Tax accounts require a \$15.00 fee. If you are selling your business, you are responsible for filing any required Sales/Use or Business Tax returns to cover all of the time that your business was in operation. Contact your local Department of Taxation office for forms or returns and please ask for help if needed. You may also visit our website at <http://tax.state.nv.us> for this information.

SUCCESSOR'S LIABILITY

Taxpayers are reminded if you are purchasing an existing business, be aware of successor's liability, NRS 360.525. Be sure to request a "Certificate of Amount Due" for any tax or fee administered by the Department. If you don't take this action, you may become personally liable for the payment of any taxes due from the prior owner up to the extent of the consideration paid for the business or stock of goods, valued in money.

RECORDS REQUIRED TO BE KEPT

A business is required to keep all records for a minimum of four years.

WAIVER OF SECURITY FOR SALES TAX ACCOUNTS

Sales Tax security deposits may be waived by the Nevada Tax Commission after a taxpayer has established a three year perfect payment record. This policy applies to all non-corporate taxpayers. In the case where ownership of a business is a corporation, two corporate officers must each sign a personal guarantee in an amount equal to the required security. If corporate officers change, new personal guarantees are required. If you meet the three year perfect reporting requirement and desire a waiver of security, please submit a written request to the Nevada Department of Taxation. If the security waiver request is approved, you will be notified and any refundable security will be returned. Any taxpayer whose security has been waived and who subsequently becomes delinquent, files a late return or has a returned check will be required to again submit applicable security.

CLOSING YOUR ACCOUNT

If you close or sell your business, you must contact the Department. You can cancel your account by contacting us by phone, written correspondence or visiting us at one of our four locations. However you choose to contact us, certain information will be required in order to expedite the canceling of your account and refund any security deposit or credits to which you may be entitled. It is important to include complete information when notifying us.

The following information should be included:

- Nevada Taxpayer ID Number (TID)
- Name of the Business
- The date you closed or sold your business
- The reason you closed your business e.g. out of business, sold, etc.
- If you sold your business, who was it sold to
- Asset/Inventory Information
 - What became of the business assets
 - Advise if there were no assets
 - If the assets were sold, please indicate who you sold them to and the sale price
 - What became of the inventory
 - If there is inventory remaining that you do not intend to resell, you are reminded you must report and pay use tax on the remaining inventory on your final return
- Please include your name and title with the company and a day-time phone number in the event we need to contact you
- Finally, please provide a mailing address for any refund of security and/or credit you may be entitled to



SALES & USE TAX INFORMATION

IMPORTANT PROVISIONS OF THE SALES AND USE TAX LAWS (NRS 372) (NRS 374) (NRS 377) AND NEVADA ADMINISTRATIVE CODE

Nevada sales tax, local school support tax and city/county relief tax are imposed on retailers for the privilege of selling tangible personal property at retail. Use tax is imposed upon the storage, use or other consumption in this State of tangible personal property purchased from a retailer. Use tax is not imposed when the sale of the property to the consumer is subject to the sales tax. For the most part, use tax rather than sales tax applies to property purchased ex-tax outside Nevada for transfer, delivery or shipment to a consumer located in Nevada. Sales tax is measured by gross receipts from retail sales. Use tax is measured by the sales price of the property. "Gross receipts" and "sales price" means the total amount of the sale including all receipts, cash, credits, and property of any kind or nature. The delivery in this State of tangible personal property by an owner or former owner thereof, or by a factor, if the delivery is to a consumer pursuant to a retail sale made by a retailer not engaged in business in this State, is a retail sale in this State by a person making the delivery. He shall include the retail selling price of the property in his gross receipts.

Q. WHAT IS REQUIRED OF SELLERS?

1. Every person, firm, partnership, corporation, etc., engaging in business as a seller of tangible personal property of a kind the retail sale of which is taxable must apply to the Nevada Department of Taxation for permits. The application must be accompanied by a fee of \$15.00 for each location.
2. Separate permits must be obtained for each place of business and must be conspicuously displayed at the place for which issued and are valid until suspended or revoked by the Commission. If there is a change in location or ownership, a new permit must be obtained. Companies having retail outlets in more than one county must furnish the Department with an estimate of the percentage of gross sales allocated to each county.
3. Sales must be reported on returns to the Department at such time and for such periods as the Department may require. Returns must be filed for each period even though no taxable sales were made during such period. Returns must be accompanied by remittances for the amounts of the tax due, payable to the Nevada Department of Taxation. Send check or money order. **DO NOT SEND CASH OR STAMPS.** Return forms prescribed by the Department will be mailed to the address shown on each permit at least 10 days prior to the date when returns become due. These will be printed with your name, address, and Taxpayer Identification (TID) number, which will identify them as your returns and assure credit to your account. **DO NOT SEND IN DUPLICATE COPIES.**

Failure to receive the form does not relieve the business from their responsibility to file and pay timely. If you fail to receive the form by the due date, enclose your remittance with a letter explaining that form was not received, giving period covered by remittance, your business name, address, TID number, and mail to: Nevada Department of Taxation, Compliance Division, 1550 College Parkway, Suite 115, Carson City, Nevada 89706. You may also obtain blank returns at our website at www.tax.state.nv.us or you may file your return online at www.nevadatax.nv.gov/web.

4. Nevada sales and use taxes are due and payable on or before the **LAST DAY** of the month following the report period. If your return is not **SUBMITTED/POSTMARKED** and the taxes paid on or before the due date shown on the face of the return, the amount of penalty is: a) For returns with Period(s) Ending prior to and including 3/31/07 the Penalty is 10%; b) For returns with Period(s) Ending 4/30/07 and after; the amount of penalty due is based on the number of days late the payment is made per NAC 360.395 (see table below). The maximum penalty amount is 10%.

Number of days late	Penalty Percentage	Multiply by:
1 - 10	2%	0.02
11 - 15	4%	0.04
16 - 20	6%	0.06
21- 30	8%	0.08
31 +	10%	0.10

A 1 PERCENT INTEREST per month or fraction thereof in accordance with the Nevada Statutes will also be imposed. **Deposit of your return in a mailbox is not enough. Your postage meter impression is not enough. It must be FRANKED BY THE U.S. POSTAL SERVICE.**

5. Every person purchasing tangible personal property for resale must pay to the State a tax measured by the purchase price of such property used for any other purpose.
6. Persons holding seller's permits may be liable for taxes, penalties, and interest arising out of any sales made in their place of business by operators of concessions therein, unless the concessionaires obtain permits from the Department. Such persons should insist that all concessionaires register with the Nevada Department of Taxation.

RECORDS:

1. Reference: NRS 372.735, NRS 374.740, and NRS 377, and Nevada Administrative Code. Every seller, retailer and person storing, using or otherwise consuming in this State, tangible personal property purchased from a retailer, shall keep adequate and complete records showing:
 - (a) The gross receipts from the sales of tangible personal property (including any services that are part of the sale) made within Nevada, irrespective of whether the seller regards the receipts as taxable or nontaxable.
 - (b) All deductions allowed by law and claimed in filing returns.
 - (c) Total purchase price of all tangible personal property purchased for sale or consumption in Nevada.
 - (d) Sufficient records to show gross sales of merchandise made outside of the county, if the county has enacted the optional ¼ percent tax.

These records must include the normal books of account ordinarily maintained by the average prudent businessman engaged in the activity in question, together with all bills, receipts, invoices, cash register tapes, or other documents of original entry supporting the entries in the books of account, as well as all schedules or working papers used in connection with the preparation of tax returns. Failure to maintain such records will be considered evidence of negligence or intent to evade the tax, and will result in the imposition of appropriate penalties.

2. The permit holder must notify the Department **IMMEDIATELY OF THE CLOSE OR SALE OF THE BUSINESS**, and make your records available to the Department for checking and final clearance. Refund or return of cash or other security deposited will be made after your account is cleared. In order to expedite the clearance, you should maintain:
 - (a) All books, records, and invoices reflecting sales and purchases in connection with the business.
 - (b) Duplicate copies of sales tax returns for all operating periods, not to exceed four years prior to date of closing.
 - (c) Evidence of the sales tax payments made for the last two reporting periods, if on a quarterly basis, or for the last three reporting periods if on a monthly basis.
 - (d) Sales tax permit for cancellation.
 - (e) Evidence such as resale certificates, bills of lading, etc., to support deduction.
 - (f) Bank statements, canceled checks and copies of income tax and Social Security returns.

3. Pursuant to NRS 360.525, THE PURCHASER OF A BUSINESS SHALL WITHHOLD A SUFFICIENT AMOUNT OF THE PURCHASE PRICE TO COVER ANY AMOUNT OF LIABILITY OF ANY TAX OR FEE ADMINISTERED BY THE DEPARTMENT THAT MAY BE DUE FROM THE SELLER AT TIME OF PURCHASE AND SALE. Unless the former owner produces a receipt from the Department showing that liability has been paid or a certificate stating no amount is due, purchasers are liable for amounts due to the extent of the purchase price.
4. The law imposes severe penalties, (including fine and imprisonment) for making false returns or otherwise attempting to evade the tax.

COMBINED SALES AND USE TAX RETURN INSTRUCTIONS

(This return is for use by sellers of tangible personal property registered with the Department.)

A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

LINES 1 THROUGH 17

COLUMN A: TOTAL SALES - On the appropriate county line, enter the amount of all sales (excluding the sales tax collected) related to Nevada business including (a) sales on which you are required to collect the use tax per NAC 372.750; (b) cash sales; (c) conditional sales; (d) sales exempt from tax.

COLUMN B: EXEMPT SALES - Enter that portion of your sales not subject to tax, i.e., sales (a) for which you receive a resale certificate; (b) to Federal Government, State of Nevada, its agencies, cities or counties and school districts; (c) to religious or charitable organizations for which you have copies of exemption letters on file; (d) newspapers of general circulation published at least once a week; (e) animals, seeds, annual plants and fertilizer, the end product of which is food for human consumption; (f) motor vehicle or special fuels used in internal combustion or diesel engines; (g) wood, presto logs, pellets, petroleum, gas and any other matter used to produce domestic heat and sold for home or household use; (h) prescription medicines dispensed pursuant to a prescription of a licensed physician, dentist or chiroprapist; (i) food products sold for home preparation and consumption; (j) out-of-state sales.

COLUMN C: TAXABLE SALES - Total Sales (Column A) – Exempt Sales (Column B) = Taxable Sales (Column C).

COLUMN E: CALCULATED TAX - Taxable Sales (Column C) × Tax Rate (Column D) = Calculated Tax (Column E).

COLUMN F: AMOUNT SUBJECT TO USE TAX - On the appropriate county line, enter (a) the purchase price of merchandise, equipment or other tangible personal property purchased without payment of Nevada tax (by use of your resale certificate, or any other reason) and that was stored, used or consumed by you rather than being resold and (b) the lease and rental charges (excluding the use tax collected) for the lease and rental of tangible personal property to customers within this state. NOTE: If you have a contract exemption, give contract exemption number.

COLUMN H: CALCULATED TAX - Amount Subject to Use Tax (Column F) × Tax Rate (Column G) = Calculated Tax (Column H).

LINE 18a Enter the total of Column E.

LINE 18b Enter the total of Column H.

LINE 19 Take the Collection Allowance only if the return and taxes are postmarked on or before the due date as shown on the face of the return. If not postmarked by the due date, the Collection Allowance is not allowed. To calculate the Collection Allowance multiply Line 18a × 0.25 (or .0025). NOTE: Pursuant to NRS 372.370, the **Collection Allowance is applicable to Sales Tax only.**

LINE 20 Subtract Line 19 from Line 18a and enter the result.

LINE 21 Add Line 20 to Line 18b and enter the result.

LINE 22 If this return will not be submitted/postmarked and the taxes paid on or before the due date as shown on the face of this return, the amount penalty due is: a) For returns with Period(s) Ending prior to and including 3/31/07 the Penalty is 10%; b) For returns with Period(s) Ending 4/30/07 and after; the amount of penalty due is based on the number of days late the payment is made per NAC 360.395 (see table below). The maximum penalty amount is 10%.

Number of days late	Penalty Percentage	Multiply by:
1 - 10	2%	0.02
11 - 15	4%	0.04
16 - 20	6%	0.06
21- 30	8%	0.08
31 +	10%	0.10

Determine the number of days late the payment is, and multiply the net tax owed (Line 21) by the appropriate rate based on the table above. The result is the amount of penalty that should be entered. For example, the taxes were due January 31, but not paid until February 15. The number of days late is 15 so the penalty is 4%.

LINE 23 To calculate interest for each month late after 7/1/99, multiply Line 21 × 1% (or .01).

LINE 24 Enter any amount due for prior reporting periods for which you have received a Department of Taxation debit notice.

LINE 25 Enter amount due to you for overpayment made in prior reporting periods for which you have received a Department of Taxation credit notice. Do not take the credit if you have applied for a refund. NOTE: Only credits established by the Department may be used.

LINE 26 Add Lines 21, 22, 23, 24 and then subtract Line 25 and enter the result.

LINE 27 Enter the total amount paid with this return.

Complete and detailed records of all sales, as well as income from all sources and expenditures for all purposes, must be kept so your return can be verified by a Department auditor.

PLEASE COMPLETE THE SIGNATURE PORTION OF THE RETURN AND SUBMIT IN THE ENVELOPE PROVIDED.

If you have questions concerning this return, please call one of the Department of Taxation offices listed below:

Carson City (775) 684-2000 Las Vegas/Henderson (702) 486-2300 Reno (775) 687-9999

SAMPLE RESALE CERTIFICATE

I hereby certify that I hold valid seller's permit number _____ issued pursuant to chapters 372, 374 and 377 of the Nevada Revised Statutes; that I am engaged in the business of selling _____ and that the tangible personal property described in the second paragraph of this certificate, which I purchase from:

_____, will be resold by me in the form of tangible personal property. I further certify that in the event any of the property is used for an purpose other than retention, demonstration or display while I am holding it for sale in the regular course of business, it is understood that I am required by chapters 372, 374 and 377 of the Nevada Revised Statutes to report it and pay the tax measured by the purchase price of the property.

Description of the property to be purchased:

Purchaser _____

Address _____

Dated _____

at _____



USE TAX

QUESTIONS AND ANSWERS REGARDING USE TAX

Q. What is Use Tax?

A. Use Tax, the counterpart of Sales Tax, is imposed upon the storage, use or other consumption in this State of tangible personal property purchased from a retailer. Use Tax is not imposed when the sales of the property to the consumer is subject to the Sales Tax. For the most part, Use Tax rather than Sales Tax, applies to property purchased ex-tax outside of Nevada for storage, use or other consumption in Nevada from other than a seller registered in Nevada. Use Tax, applies to mail order, out-of-state, toll-free "800" numbers, purchases made on the internet and other purchases of tangible personal property on which Nevada Sales Tax has not been paid.

Q. Is this something new?

A. No. However, taxpayers are often less familiar with Use Tax than with Sales Tax. Nevada first imposed a Use Tax in 1955. All states which impose a Sales Tax also impose a companion Use Tax.

Q. Why is Use Tax important?

A. Nevada Use Tax is important because it protects Nevada businesses from a competitive disadvantage with out-of-state vendors. Use Tax puts in-state and out-of-state businesses on the same competitive footing. Use Tax also helps generate the funds needed to provide services such as police and fire protection, road construction and repair, and for schools.

Q. Who is liable for Use Tax?

A. Any individual, business, corporation or other entity can be liable for Use Tax, when Sales Tax is not collected by the seller. Below are examples in which Nevada Sales Tax is not collected by the seller and therefore, Use Tax is due from the purchaser.

Examples:

- 1) An individual buys a video cassette recorder from a mail order firm for use in Nevada.
- 2) An individual orders furniture from an out-of-state dealer who delivers or ships it to the Nevada resident's home.
- 3) All purchases of tangible personal property by mail order or from catalogs are subject to Use Tax if Nevada Sales Tax is not charged by the seller.
- 4) A Nevada business orders a computer system from an out-of-state dealer who delivers or ships the system to its Nevada business address.
- 5) A contractor orders a truckload of sheet rock from an out-of-state vendor who delivers or ships the sheet rock to Nevada for the contractor's construction job in Nevada. The contractor must pay Use Tax.
- 6) An out-of-state resident purchases a vehicle from an out-of-state dealer who delivers the vehicle to Nevada for the individual's company operating in Nevada.
- 7) An individual purchases clothing from a clothing company on the internet.
- 8) A business purchases office supplies from a company on the internet.

- Q.** *Don't all companies automatically add Sales Tax to taxable mail order, out-of-state and telephone purchases?*
- A.** No. Some companies do because they are registered to collect Nevada Sales Tax. If a seller is not registered to collect and remit Nevada Sales Tax, the Nevada purchaser must pay Use Tax directly to the State of Nevada.
- Q.** *Are boats, watercraft, motor vehicles and off highway vehicles purchased from a seller in another state through mail order, over the internet and toll free "800" numbers subject to Nevada tax?*
- A.** Yes. In order to register and/or operate all boats, watercraft, off highway vehicles and motor vehicles (cars, trucks, and motorcycles) in Nevada, proof that Sales Tax has been paid to Nevada or another state is required. If proof cannot be provided, Use Tax must be paid.
- Q.** *Is there a credit for Sales or Use Tax paid to another state?*
- A.** Yes. Nevada does recognize Sales or Use Tax paid to another state; however, the tax paid must have been equal to or greater than the Sales/Use Tax rate in Nevada.
- Q.** *How do I know what is taxable?*
- A.** Taxable items are tangible personal property transferred for value. This includes property purchased for lease or rent, other than real estate. Most goods, wares and merchandise are taxable in Nevada. Unprepared food is exempt. Check the examples listed below to obtain an idea of general items which are taxable.
- Q.** *Do retailers also owe Use Tax?*
- A.** Yes. Any purchase, other than inventory, made by a retailer from a non-registered vendor, for use in the business, is subject to Use Tax and must be reported on the monthly or quarterly Sales and Use Tax return. Examples of this are supplies, forms, or equipment that is not re-sold. Any items taken from inventory for use in the business are also subject to Use Tax. Any items given away for free as part of doing business are subject to Use Tax payable by the business giving it away. However, items that are given away at conventions, trade shows, & public events that do not have significant value are not subject to Use Tax.
- Q.** *How do I report and pay Use Tax if I am not a retailer or in business?*
- A.** A Use Tax liability, of a person not in business, may be reported on a one-time return available at any Department of Taxation office. Non-retail businesses that hold a State Business License must report and remit Use Tax with their yearly or quarterly Consumer Use Tax Return. Use Tax liability may also be satisfied by sending a letter or invoice stating the purchase price and submitting the payment.
- Q.** *How does the Department of Taxation identify those who have a Use Tax liability?*
- A.** The Department can identify those who owe Use Tax by various methods. These include routine audits, special audits, self-assessment programs, complaints, reports, investigations and by obtaining lists of out-of-state purchases through the cooperation of vendors and taxing authorities in other states.
- Q.** *What if Use Tax is not paid?*
- A.** The Department of Taxation may issue an assessment for Use Tax liability. A penalty and interest charges may be imposed at a rate of 10 percent for penalty, and 1 percent per month or fraction thereof for interest, in addition to the tax. If there is evidence of intent to evade Use Tax, a 25 percent penalty can also be assessed.

Q. Where may I obtain more information on Nevada Sales or Use Tax?

A. More information is available from any one of the Department's five district offices, on our Website located at <http://tax.state.nv.us/>, or you can go to our online NevadaTax site at <https://www.nevadatax.nv.gov/web/>.

DISTRICT OFFICE LOCATIONS

Carson City 1550 College Pkwy Suite 115 Carson City NV 89706 775 684-2000	Las Vegas 555 E Washington Ave Suite 1300 Las Vegas NV 89101 702 486-2300	Henderson 2550 Paseo Verde Pkwy Suite 180 Henderson NV 89074 702 486-2300	Reno 4600 Kietzke Lane Building L, Suite 235 Reno NV 89502 775 687-9999
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EXAMPLES OF TAXABLE ITEMS

(Not all inclusive list)

STATUTORY AUTHORITY NRS 372.185, 190, 374.190, 195, 377 AND 377A

- Aircraft
- Antiques
- Appliances
- Art Work
- Audio Tapes (Blank/Recorded)
- Automobile Parts
- Boats
- Books
- Camera/Video Equipment
- Camper Shells
- Camping Equipment
- Carpet/Rugs
- CDs
- Clothing
- Coins (Collectible)
- Computer Hardware and Software
- Diagnostic Equipment
- DVDs
- Fax Machines
- Fire Arms
- Furniture
- Gold
- Home Furnishings
- Jewelry
- Leather Goods
- Luggage/Handbags
- Medical/Dental Equipment
- Motor Homes
- Musical Instruments
- Photocopy Machines
- Mobile Homes
- Off-Road Vehicles
- Office Equipment/Supplies
- Photography
- Radios
- Recreational Vehicles
- Satellite Systems
- Silver
- Silverware
- Stamps (Collectible)
- Stereos
- Subscriptions (Books/Magazines)
- Toys
- Trucks/Tractors
- Window Coverings
- Video Tapes (Blank/Recorded)

CONSUMER USE TAX RETURN

This return is for use by consumers of tangible personal property not sellers. If you are a seller, you must apply for a Sales Tax Permit.

For Department Use Only

MAIL ORIGINAL TO:

STATE OF NEVADA - SALES/USE
PO BOX 52609
PHOENIX AZ 85072-2609

[]

Return for [month] Ending [07/31/10]
Due on or before [08/31/10]
Date paid []

IF POSTMARKED AFTER DUE DATE, PENALTY AND INTEREST WILL APPLY

If the name or address as shown is incorrect, if the ownership or business location has changed, or if you are out of business, notify a Nevada Department of Taxation District Office immediately.

A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

ENTER AMOUNTS IN COUNTY OF USE	AMOUNT SUBJECT TO USE TAX	TAX RATE	CALCULATED TAX
TAX CALCULATION FORMULA	COLUMN A	x COLUMN B	= COLUMN C
01 CHURCHILL		7.600%	
02 CLARK		8.100%	
03 DOUGLAS		7.100%	
04 ELKO		6.850%	
05 ESMERALDA		6.850%	
06 EUREKA		6.850%	
07 HUMBOLDT		6.850%	
08 LANDER		7.100%	
09 LINCOLN		7.100%	
10 LYON		7.100%	
11 MINERAL		6.850%	
12 NYE		7.100%	
13 CARSON CITY		7.475%	
14 PERSHING		7.100%	
15 STOREY		7.600%	
16 WASHOE		7.725%	
17 WHITE PINE		7.475%	
TOTAL			

I HEREBY CERTIFY THAT THIS RETURN INCLUDING ANY ACCOMPANYING SCHEDULE AND STATEMENTS HAS BEEN EXAMINED BY ME AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE, CORRECT AND COMPLETE RETURN.

RETURN MUST BE SIGNED

SIGNATURE OF TAXPAYER OR AUTHORIZED AGENT

TITLE PHONE NUMBER (WITH AREA CODE)

FEDERAL TAX ID NUMBER (EIN OR SSN) DATE

18. NET USE TAX (SUM OF COLUMN C)	18.	[]
19. PENALTY (LINE 18 x 0%)	19.	[]
20. INTEREST (LINE 18 x 1% x 0 MONTHS PAST DUE)	20.	[]
21. PLUS LIABILITIES ESTABLISHED BY THE DEPARTMENT	21.	[]
22. LESS CREDIT(S) APPROVED BY THE DEPARTMENT	22.	[]
23. TOTAL AMOUNT DUE AND PAYABLE	23.	[]
24. TOTAL AMOUNT REMITTED WITH RETURN	24.	[]

**MAKE CHECKS PAYABLE TO:
NEVADA DEPARTMENT OF TAXATION**



CONSUMER USE TAX RETURN INSTRUCTIONS

(This return is for consumers of tangible personal property not sellers.)

LINES 1 THROUGH 17

COLUMN A: AMOUNT SUBJECT TO USE TAX

On the appropriate county line, enter the purchase price of merchandise, equipment or other tangible personal property purchased without payment of Nevada sales tax and used by you rather than being resold. NOTE: If you have a contract exemption, give contract exemption number.

COLUMN C: CALCULATED TAX

Amount Subject to Use Tax (Column A) × Tax Rate (Column B) = Calculated Tax (Column C).

LINE 18 Enter the sum of Column C.

LINE 19 If this return is not submitted/postmarked and taxes are not paid on or before the due date as shown on the face of this return, the amount of penalty due is: a) For returns with Period(s) Ending prior to and including 3/31/07 the Penalty is 10%; b) For returns with Period(s) Ending 4/30/07 and after; the amount of penalty due is based on the number of days the payment is late per NAC 360.395 (see table below). The maximum penalty amount is 10%.

Number of days late	Penalty Percentage	Multiply by:
1 – 10	2%	0.02
11 – 15	4%	0.04
16 – 20	6%	0.06
21 – 30	8%	0.08
31 +	10%	0.10

LINE 20 To calculate interest for each month late after 7/1/99, enter Line 18 × 1% (or .01).

LINE 21 Enter any amount due for prior reporting periods for which you have received a Department of Taxation debit notice.

LINE 22 Enter amount due to you for overpayment made in prior reporting periods for which you have received a Department of Taxation credit notice. Do not take the credit if you have applied for a refund. NOTE: Only credits established by the Department may be used.

LINE 23 Add Lines 18, 19, 20, 21 and then subtract Line 22 and enter the result.

LINE 24 Enter the total amount paid with this return.

Complete and detailed records of all sales, as well as income from all sources and expenditures for all purposes, must be kept so your return can be verified by a Department auditor.

PLEASE COMPLETE THE SIGNATURE PORTION OF THE RETURN AND SUBMIT IN THE ENVELOPE PROVIDED.

If you have questions concerning this return, please call one of the Department of Taxation offices listed below:

Carson City (775) 684-2000 Las Vegas / Henderson (702) 486-2300 Reno (775) 687-9999



MODIFIED BUSINESS TAX

GENERAL BUSINESS EMPLOYERS

Effective October 1, 2003, employers who are required to pay a contribution pursuant to NRS 612.535, Nevada Unemployment Compensation Law, shall be subject to pay the excise tax on wages pursuant to NRS 363B.110, Modified Business Tax. Exceptions include Indian tribes, political subdivisions as defined in NRS 612.055, nonprofit organizations that qualify under 26 U.S.C. § 501(c), and effective July 1, 2005 any person who does not supply a product or service but who only consumes a service.

Q. *What is the Modified Business Tax?*

A. The Modified Business Tax is a tiered quarterly payroll tax that is based on gross wages being reported to the Nevada Employment Security Division (ESD).

Q. *When is the tax due?*

A. Tax for each calendar quarter is due on the last day of the quarter and is to be paid on or before the last day of the month following the quarter. For example, the tax return and remittance for October 1, 2007 through December 31, 2007 is due on or before January 31, 2008. A return must be filed for each period even if no gross wages were paid during the period.

Q. *If I do not own a business but I hire domestic help in my home, am I required to pay this tax?*

A. Prior to July 1, 2005 if you were required to report their wages to ESD on Form NUCS 4072, you were required to pay this tax on their gross wages as well. Effective July 1, 2005 you are considered to be a consumer of service only and not required to pay this tax on their wages, even if the wages are over \$1000 a calendar quarter.

Q. *Who do I pay this tax to?*

A. This tax is paid to the Department of Taxation.

Q. *Where do I have to register for this tax?*

A. When you register with the Nevada Employment Security Division (ESD) for Unemployment Compensation for your employees you are automatically registered with the Department of Taxation for Modified Business Tax. You will start receiving tax returns from the Department of Taxation. They will be sent to you at the same address you have registered with the Employment Security Division. If you would like your Modified Business Tax returns to be sent to a different address you must notify the Department of Taxation by phone or in writing.

Q. *Do I still pay the unemployment insurance contribution to the Employment Security Division?*

A. Yes.

Q. *What are gross wages?*

A. Gross wages are the total wages paid by the employer during the calendar quarter. This amount should be the same figure as reported on Line 3 of ESD Form NUCS 4072 and should include reported tips.

Q. *Is there a cap on the gross wages?*

A. No. There is no cap or limit on the gross wages.

Q. *What is the tax rate?*

A. Effective **July 1, 2009**, the tax rates changed after passage of SB429. If the sum of all taxable wages, after health care deductions, paid by the employer does not exceed \$62,500 for the calendar quarter, the amount of tax is 0.5% of the sum of those wages (0.005). If the sum of all the wages paid by the employer exceeds \$62,500 for the calendar quarter, the tax is \$312.50 plus 1.17% of the amount the wage exceeds \$62,500. For example: if the sum of all wages for the 12/09 quarter is \$101,000. The tax is \$312.50 plus \$450.45 (0.0117 x \$38,500 which is the amount exceeding \$62,500) = total tax due of \$762.95. These changes expire June 30, 2011.

Prior to July 1, 2009, the tax rate for General Business Employers from July 1, 2005 to June 30, 2009 was 0.63% (0.0063); the tax rate from July 1, 2004 through June 30, 2005 was 0.065% (0.0065); and from October 1, 2003 through June 30, 2004 it was 0.70% (0.007).

Q. *Are there any allowable deductions from gross wages?*

A. Yes. There is a deduction for qualified health insurance/health benefit plans for employees paid by the employer.

Q. *Are employees' dependents included in the allowable deduction?*

A. Yes. If the premiums, claims, etc. are paid by the employer.

Q. *Are employee dental and vision insurance premiums allowable health insurance/health benefit plan deductions?*

A. Yes. As long as they are paid by the employer.

Q. *My company is self-insured; does that qualify for the deduction?*

A. Yes. There is a provision for amounts paid for claims, direct administrative services costs, and any premiums paid for individual or aggregate stop-loss insurance coverage.

Q. *What about amounts paid by an employer to a Taft-Hartley Trust for participation in an employee welfare benefit plan?*

A. These amounts would also qualify for the deduction.

Q. *What if the amounts paid for premiums, claims, etc., exceed the amount of gross wages for the quarter?*

A. The excess amount may be carried forward to be applied as an offset to the gross wages in the following quarter.

Q. *Do amounts paid for health care or premiums paid for insurance for any industrial injury or occupational diseases qualify for the deduction?*

A. No.

Q. *Can I deduct these taxes from the employee's wages?*

A. No.

Q. *What if I as an employer, pay \$300 per employee per quarter for health insurance premiums, and the employee pays \$100 per quarter for a total of \$400 paid to the insurance company. How much can I deduct from gross wages?*

A. You can deduct \$300 per employee per quarter.

Q. *What if I make a mistake - how do I amend my return?*

A. Take a copy of your original return and write the word “AMENDED” in black ink in the upper right corner of the return. Line-through the original figures in black, LEAVING THE ORIGINAL FIGURES LEGIBLE. Enter corrected figures, in black, next to or above lined-through figures. Enter amount of credit claimed (if any) or amount due. Include a WRITTEN EXPLANATION AND DOCUMENTATION (credit memos, exemption certificates, adjustments to gross wages or health deductions, etc.) substantiating the basis of the amendment(s). If the amended return results in a credit, a credit will be issued to satisfy current/future liabilities unless a refund is specifically requested. If additional tax is due, please remit payment along with applicable penalty and interest. *Please note that the requirements for documentation to be attached to the amendments is unique to this particular tax and differs from the requirements of other taxes under Title 32.*



MODIFIED BUSINESS TAX FINANCIAL INSTITUTIONS

WHAT YOU NEED TO KNOW

Effective 10/01/03, every financial institution who is subject to Nevada Unemployment Compensation Law (NRS 612) shall be subject to pay the excise tax on wages pursuant to NRS 363A.130. The tax is on total gross wages less a qualified deduction for employee health insurance benefits paid by the employer. "Total gross wages" is the total amount of all gross wages and reported tips paid for a calendar quarter (same amount as reported on Line 3 of ESD Form NUCS 4072.) For financial institutions the rate is 2%.

Q. *What entities qualify as financial institutions?*

A. An institution licensed, registered or otherwise authorized to do business in this State pursuant to the provisions of chapter 604, 645B, or 645E, of NRS or title 55 or 56 of NRS or a similar institution chartered or licensed pursuant to federal law or doing business in this State. It also includes a business primarily engaged in other financial activities involving securities, commodity exchange, bonds, investments, management of money, loan or credit card processing, among others.

The term does not include a credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act and effective July 1, 2005, pursuant to Senate Bill 391 as enacted by the regular Legislative Session of 2005, credit reporting companies, collection agencies, pawnbrokers, companies that extend credit for their own goods and services only, and agricultural credit associations are also not included in the definition of financial institutions. See the taxpayer information page for Modified Business Tax, General Business-Employers.

Q. *Are any institutions exempt from the tax?*

A. Non-profit 501(c) organizations, Indian tribes, and political sub-divisions have always been exempt from this tax.

Q. *How will it be determined if a business qualifies as a financial Institution?*

A. The Department shall refer to the 4 digit SIC code or the equivalent NAICS code.

Q. *How do I dispute my SIC or NAICS classification of record?*

A. A dispute may be made by filing a petition with the Department. The petition must include a description of the business, a statement of all the grounds upon which the person challenges the classification, and such financial records and documents as may be necessary to substantiate the claim.

Q. *When is the tax due?*

A. Tax for each calendar quarter is due on the last day of the quarter and is to be paid on or before the last day of the month following the quarter.

Q. *Are there any allowable deductions from the gross wages?*

A. Yes. There is a deduction for qualified health insurance/health benefit plans for employees paid by the employer.

Q. *Are employees' dependents included in the allowable deduction?*

A. Yes, if the premiums, claims, etc. are paid by the employer.

- Q.** *Are employee dental and vision insurance premiums allowable health insurance/health benefit plan deductions?*
- A.** Yes, as long as they are paid by the employer.
- Q.** *My company is self-insured; does that qualify for the deduction?*
- A.** Yes. There is a provision for amounts paid for claims, direct administrative services costs, and any premiums paid for individual or aggregate stop-loss insurance coverage.
- Q.** *What about amounts paid by an employer to a Taft-Hartley Trust for participation in an employee welfare benefit plan?*
- A.** These amounts would also qualify for the deduction.
- Q.** *What if the amounts paid for premiums, claims, etc., exceed the amount of the gross wages for the quarter?*
- A.** The excess amount may be carried forward to be applied as an offset to the gross wages in the following quarter.
- Q.** *Do amounts paid for health care or premiums paid for insurance for any industrial injury or occupational diseases qualify for the deduction?*
- A.** No.
- Q.** *Can I deduct these taxes from the employee's wages?*
- A.** No.
- Q.** *What if I make a mistake—how do I amend my return?*
- A.** Take a copy of your original return and write the word "AMENDED" in black ink in the upper right-hand corner of return. Line-through, in black, the original figures, LEAVING ORIGINAL FIGURES LEGIBLE. Enter corrected figures, in black, next to/above lined-through figures. Enter amount of credit claimed (if any) or amount due. Include a WRITTEN EXPLANATION AND DOCUMENTATION (credit memos, exemption certificates, adjustments to gross wages or health deductions, etc.) substantiating the basis of the amendment(s). If the amended return results in a credit, a credit will be issued to satisfy current/future liabilities unless a refund is specifically requested. If additional tax is due, please remit payment along with applicable penalty and interest. *Please note that the requirements for documentation to be attached to amendments is unique to this particular tax and differs from the requirements of other taxes under Title 32.*

NEVADA DEPARTMENT OF TAXATION

**MODIFIED BUSINESS TAX RETURN
GENERAL BUSINESS**

Mail Original To: NEVADA DEPARTMENT OF TAXATION
PO BOX 52674
PHOENIX AZ 85072-2674

Use this form for quarterly period beginning July 1, 2009

TID No:020-TX

FOR DEPARTMENT USE ONLY

PERIOD ENDING: 06/30/10

DUE BY: 08/02/10

DATE PAID:

**IF POSTMARKED AFTER DUE DATE,
PENALTY AND INTEREST WILL APPLY**

If the address as shown is incorrect, please make any corrections before mailing the return. Use the space on the left for these corrections.

1. TOTAL GROSS WAGES (INCLUDING TIPS) PAID THIS QUARTER
(Same amount as on Line 3 of ESD Form NUCS 4072)
2. ENTER DEDUCTION FOR PAID HEALTH INSURANCE/HEALTH BENEFITS PLAN
3. Line 1 minus Line 2
4. Offset Carried Forward from Previous Quarter
5. Line 3 minus Line 4
6. TAXABLE WAGES (If line 5 is greater than zero enter amount here, if less than zero enter on Line 17)
7. Is Amount on Line 6 greater than \$62,500?
 No. Multiply Line 6 by 0.5% (0.005) and enter amount on Line 7.
 Yes. Enter \$312.50 on Line 7.
8. Did you answer Yes on Line 7?
 No. Enter \$0 on Line 8
 Yes. Subtract \$62,500 from Line 6 and enter amount on Line 8a.
Multiply amount on Line 8a by 1.17% (.0117) and enter amount on Line 8.

8a. x 0.0117

9. CALCULATED TAX (Line 7 + Line 8)
10. CREDITS (Overpayments as determined by the Department)
11. NET TAX DUE (Line 9 minus Line 10)
12. PENALTY (LINE 11 x 0%)
13. INTEREST (LINE 11 x 1% x 0 MONTHS PAST DUE)
14. PREVIOUS DEBITS (Outstanding liabilities)
15. TOTAL AMOUNT DUE (Line 11 + Line 12 + Line 13 + Line 14)
16. AMOUNT PAID
17. CARRY FORWARD (If Line 5 is less than zero (0) enter amount here. This Offset will be carried forward for the next quarter)

1.	
2.	
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15.	
16.	

17.

MAKE CHECK PAYABLE TO NEVADA DEPT OF TAXATION - A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

Signature	Phone Number	Date
Title	FEIN of Business Named Above	

I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return. **THIS RETURN MUST BE SIGNED**



INSTRUCTIONS - MODIFIED BUSINESS TAX RETURN - GENERAL BUSINESSES ONLY - Use this form only for the quarterly filing period beginning July 1, 2009 (Financial Institutions need to use the form developed specifically for them, TXR-021.01)

Line 1. Total Gross Wages - Enter the total amount of all gross wages and reported tips paid this calendar quarter. (Same amount as on Line 3 of ESD Form NUCS 4072.) DO NOT include a copy of NUCS 4072 with this return.

Line 2. Employer paid health care costs, paid this calendar quarter, as described in NRS 363B.110.

Line 3. Line 1 minus Line 2.

Line 4. Offsets carried forward are created when allowable health care costs exceed gross wages in the previous quarter. If applicable, enter the previous quarter's offset here. This is not a credit against any tax due. This reduces the wage base upon which the tax is calculated.

Line 5. Line 3 minus Line 4.

Line 6. Taxable wages are the amount that will be used in the calculation of the tax. If line 5 is greater than zero, these are the taxable wages. If line 5 is less than zero, then no tax is due. (This amount will be entered on line 17 as the offset carried forward for the next quarter.)

Line 7. If Taxable Wages on Line 6 are less than \$62,500, check the box marked 'No'. Multiply the amount on Line 6 by 0.5% (0.005) and enter the result on Line 7. If Taxable wages on Line 6 are greater than \$62,500, check the box marked 'Yes' and enter \$312.50 on Line 7.

Line 8. If the box marked 'No' on Line 7 was checked, check the box marked 'No' on Line 8 and enter \$0 on Line 8. If the box marked 'Yes' on Line 7 was checked, check the box marked 'Yes' on Line 8 and subtract \$62,500 from Line 6 and enter result on Line 8a. Multiply the amount on Line 8a by 1.17% (0.0117) and enter result on Line 8.

Line 9. Calculated Tax - Add Line 7 plus Line 8 and enter the Calculated Tax.

Line 10. Credits - Enter amount of overpayment of Modified Business Tax made in prior reporting periods for which you have received a Department of Taxation credit notice. **Credit notices received from the Department are not cumulative.** Do not take the credit if you have applied for a refund. NOTE: Only credits established by the Department may be used.

Line 11. Net Tax Due - Line 9 minus Line 10 and enter Net Tax Due. This amount is due and payable by the due date which is the last day of the month following the applicable quarter. If payment of the tax is late, penalty and interest (as calculated below) are applicable.

Line 12. Penalty - If this return will not be submitted/postmarked and the taxes paid on or before the due date as shown on the face of this return, the amount of penalty due is based on the number of days late the payment is made per NAC 360.395. The maximum penalty amount is 10%.

Number of Days Late	Penalty Percentage	Multiply by:
1 – 10	2%	0.02
11 – 15	4%	0.04
16 – 20	6%	0.06
21 – 30	8%	0.08
31 +	10%	0.10

Determine the number of days the payment is late and multiply the net tax owed by the appropriate rate based on the table above. The result is the amount of penalty that should be entered. For example, the taxes were due January 31, but not paid until February 15. The number of days late is 15 so the penalty is 4%.

Line 13. Interest - If this return will not be postmarked and the taxes paid on or before the applicable due date, enter 1% (0.01) times line 11 for each month or fraction of a month late.

Line 14. Previous Debts - Enter only those liabilities that have been established for prior quarters by the Department and for which you have received a liability notice.

Line 15. Total Amount Due -Add Line 11 through Line 14 and enter the amount due.

Line 16. Amount Paid - Enter the amount remitted with return.

Line 17. Carry Forward - If line 5 is less than zero, enter figure here. This amount will be carried forward to the next quarter (offset).

GENERAL INFORMATION: GENERAL BUSINESSES MUST USE FORM TXR-020.04; FINANCIAL INSTITUTIONS MUST USE FORM TXR-021.01 Who Must File: Every employer who is subject to the Nevada Unemployment Compensation Law (NRS 612) except for non-profit 501(c) organizations, Indian tribes, and political sub-divisions. A copy of the form NUCS 4072, as filed with Nevada Employment Security Division, does not need to be included with the original return, but should be available upon request by the Department. Businesses that have ceased doing business (gone out of business) in Nevada must notify Employment Security Division and the Department of Taxation in writing of the date the business ceased doing business.

AMENDING RETURN(S):

1. Copy of the original return.
2. The word "**AMENDED**" written in black in the upper right-hand corner of the return.
3. Line-through, in black, original figures, **leaving original figures legible.**
4. Enter corrected figures, in black, next to/above lined-through figures.
5. Enter amount of credit claimed (if any) or amount due. 6. Include a WRITTEN EXPLANATION AND DOCUMENTATION (credit memos, exemption certificates, adjustments to gross wages or health care deductions, etc.) substantiating the basis of the amendment(s).
7. If the amended return results in a credit, a credit will be issued to satisfy current /future liabilities unless a refund is specifically requested.

8. If additional tax is due, please remit payment along with applicable penalty and interest. The Department will send written notice when a credit request has been processed and the credit is available for use/refund. **Please do not use/apply a credit prior to receiving Departmental notification that it is available.**



TIRE TAX

TIRE SURCHARGE FEE

RETAILER INFORMATION SHEET

Per NRS 444A, effective January 1, 1992, a tire surcharge fee of \$1.00 per tire for a vehicle, shall be collected. "Tire for a vehicle" includes a tire for a motorized vehicle that is 12 inches or larger in diameter, but does not include a recapped tire or used tire which is sold again. "Vehicle" means any device in, upon or by which any person or property is or may be transported or drawn upon land. The term does not include:

- a) Devices moved by human or electrical power;
- b) Commercial coaches as defined in NRS 489.062; and
- c) Mobile homes as defined in NRS 489.120.

A retailer who sells a new tire for a vehicle to a customer for his use and not for resale shall collect, along with the applicable Sales and Use Tax, the fee of \$1.00 per tire. The seller shall remit 95 percent of the collections to the Department of Taxation on forms provided. The remaining 5 percent may be retained by the seller to cover his related administrative costs. The tax is due the last day of the following month.

To register as a tire retailer in the State of Nevada, send a copy of your completed Nevada Business Registration, noting "Sale of Tires" to the Department of Taxation at 1550 College Parkway #115, Carson City, NV 89706. The Tire Tax Return will be sent on a monthly basis.

If you have questions or are no longer selling tires at retail, please contact the Tire Tax Examiner, in the Carson City Taxation office at (775) 684-2000 or by writing to the Department of Taxation at the address shown above.

TIRE SURCHARGE FEE RETURN

Mail Original to:
 Nevada Department of Taxation
 Compliance Division
 1550 College Parkway, Rm. 115
 Carson City, NV 89706
 Phone: (775) 684-2000
 Fax: (775) 684-2020

FOR DEPARTMENT USE ONLY

For Month ending

Due on or before

If the name or address as shown is incorrect, if the ownership or business location has changed, or if you are out of business, notify a Nevada Department of Taxation District Office immediately.

A RETURN MUST BE FILED EVEN IF NO FEE LIABILITY EXISTS

1.	Total Tires	<input type="text"/>	x \$1.00 per tire =	\$
2.	Less Administrative Allowance 5% (.05 x Line 1)			\$ (<input type="text"/>)
3.	Net Taxes Due and Payable (Line 1 minus Line2)			\$
4.	Total Penalties (See Instructions Below for Rates)			\$
5.	Total Interest (1% or .01 of Line 3 for each month or portion of a month past due)			\$
6.	Plus debits as established by the Department of Taxation			\$
7.	Minus credits as established by the Department of Taxation			\$ (<input type="text"/>)
8.	Total Due and Payable (Line 3 + Line 4 + Line 5 + Line 6 - Line 7)			\$
9.	Total Amount Remitted With Return			\$

DO NOT COMBINE THIS TAX WITH ANY OTHER TAXES – MAIL IN ENVELOPE PROVIDED

MAKE CHECKS PAYABLE TO NEVADA DEPARTMENT OF TAXATION

SIGNATURE	PHONE NUMBER
PRINT NAME	FEDERAL ID OR SOCIAL SECURITY NUMBER
TITLE	DATE

If this return will not be submitted/postmarked and the taxes paid on or before the due date as shown on the face of this return, the amount of penalty due is based on the number of days late the payment is made per NAC 360.395. The maximum penalty amount is 10%.

Number of days late	Penalty Percentage	Multiply by:
1 - 10	2%	0.02
11 - 15	4%	0.04
16 - 20	6%	0.06
21- 30	8%	0.08
31 +	10%	0.10

HOW TO AMEND OR CORRECT A RETURN

To communicate amendments or corrections that need to be made on a tax return, an 'amended return' must be submitted to the Department reflecting these changes in the following manner. (Note: if you are amending an Estate Tax return, please contact the Department prior to making the amendment.)

1. Include a copy of the original return.
2. Write the word "AMENDED" in black in the upper right-hand corner of the return.
3. Line-through the original figures, in black, **leaving original figures legible.**
4. Enter corrected figures, in black, next to or above the lined-through figures.
5. Enter amount of credit claimed (if any) or amount due.
6. Include a WRITTEN EXPLANATION AND DOCUMENTATION (such as credit memos, exemption certificates, adjustments, etc.) substantiating the basis of the amendment(s).
7. If the amended returns results in a credit, a credit will be issued to satisfy current/future liabilities unless a refund is specifically requested. Please note on the amended return if you are requesting a credit refund.
8. If additional tax is due, please remit payment along with applicable penalty and interest.

The Department will send written notice when a credit request has been processed and the credit is available for use or refund. **Please do not use or apply a credit prior to receiving Departmental notification that the credit is available.**

(See next page for example)

COMBINED SALES AND USE TAX RETURN

This return is for use by sellers of tangible personal property. If you are not a seller or no longer sell, please notify the Department of Taxation.

For Department Use Only

MAIL ORIGINAL TO: STATE OF NEVADA - SALES/USE
 P.O. BOX 2609
 CARSON CITY, NV 89403-2609
 OR PHONE: 702-486-2609

Sample
 For Periods After 07/01/09

AMENDED

For Month Ending :

Due on or before:

Date paid:

If the name or address as shown is incorrect, if the ownership or business location has changed, or if you are out of business, notify a Nevada Department of Taxation District Office immediately.

IF POSTMARKED AFTER DUE DATE, PENALTY AND INTEREST WILL APPLY

A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

SALES TAX

USE TAX

ENTER AMOUNTS IN COUNTY OF SALES/USE (OR COUNTY OF DELIVERY)	SALES TAX					USE TAX		
	TOTAL SALES	EXEMPT SALES	TAXABLE SALES	TAX RATE	CALCULATED TAX	AMOUNT SUBJECT TO USE TAX	TAX RATE	CALCULATED TAX
TAX CALCULATION FORMULA	COLUMN A	- COLUMN B	= COLUMN C	x COLUMN D	= COLUMN E	COLUMN F	x COLUMN G	= COLUMN H
01 CHURCHILL	500.00		500.00	7.600%			7.600%	
02 CLARK	5,000.00		5,000.00	8.100%	40.50		7.750%	
03 DOUGLAS				7.100%			6.750%	
04 ELKO				6.850%			6.500%	
05 ESMERALDA				6.850%			6.500%	
06 EUREKA				6.850%			6.500%	
07 HUMBOLDT				6.850%			6.500%	
08 LANDER				7.100%			6.750%	
09 LINCOLN				7.100%			6.750%	
10 LYON				7.100%			6.500%	
11 MINERAL				6.850%			6.500%	
12 NYE				7.100%			6.750%	
13 CARSON CITY				7.475%			7.125%	
14 PERSHING				7.100%			6.500%	
15 STOREY				7.600%			7.250%	
16 WASHOE				7.725%			7.375%	
17 WHITE PINE				7.475%			7.125%	
TOTALS	5,000.00		5,000.00					

Explanation: Added too many zeros in sales figures. Sales were only \$500.00

18. TOTAL CALCULATED SALES (18a) AND USE (18b) TAX SUM OF COLUMN E → 18a.

19. ENTER COLLECTION ALLOWANCE FOR TIMELY FILING (LINE 18a x .25% or .0025) 19.

20. NET SALES TAX (LINE 18a - LINE 19) 20.

SUM OF COLUMN H → 18b.

COLLECTION ALLOWANCE IS FOR SALES TAX ONLY THERE IS NO COLLECTION ALLOWANCE FOR USE TAX

I HEREBY CERTIFY THAT THIS RETURN INCLUDING ANY ACCOMPANYING SCHEDULE AND STATEMENTS HAS BEEN EXAMINED BY ME AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE, CORRECT AND COMPLETE RETURN.

RETURN MUST BE SIGNED

SIGNATURE OF TAXPAYER OR AUTHORIZED AGENT

21. NET SALES AND USE TAX (LINE 20 + LINE 18b) 21.

22. PENALTY (SEE INSTRUCTIONS FOR RATE) 22.

23. INTEREST (LINE 21 x 1% x # OF MONTHS PAST DUE) 23.

24. PLUS LIABILITIES ESTABLISHED BY THE DEPARTMENT 24.

25. LESS CREDIT(S) APPROVED BY THE DEPARTMENT 25.

26. TOTAL AMOUNT DUE AND PAYABLE 26.

27. TOTAL AMOUNT REMITTED WITH RETURN 27.

TITLE PHONE NUMBER (WITH AREA CODE)

FEDERAL TAX ID NUMBER (EIN OR SSN) DATE



**MAKE CHECKS PAYABLE TO:
 NEVADA DEPARTMENT OF TAXATION**



LIVE ENTERTAINMENT TAX

WHAT YOU NEED TO KNOW ABOUT NEVADA'S LIVE ENTERTAINMENT TAX

Effective 1/1/04, a Live Entertainment Tax was approved by the 20th Special Session of the Nevada Legislature. This tax is administered by two State agencies, the Gaming Control Board for live entertainment events held within licensed gaming establishments; and the Department of Taxation for live entertainment events held outside of licensed gaming establishments. Laws governing the Live Entertainment Tax are Nevada Revised Statute (NRS) Chapter 368A -Tax on Live Entertainment; and Nevada Administrative Code (NAC) Chapter 368A. Both can be found on the Nevada Legislature's website at <http://www.leg.state.nv.us/>.

If you are a licensed gaming establishment please refer to the Nevada Gaming Control Board website at <http://gaming.nv.gov> for additional information. Rules are different for Gaming and Non-Gaming establishments.

Q. How is Live Entertainment defined?

A. Live Entertainment is defined by statute as meaning any activity provided for pleasure, enjoyment, recreation, relaxation, diversion or other similar purpose by a person or persons who are physically present when providing an activity to a patron or group of patrons who are physically present.

It includes without limitation to one or more of the following:

- 9) Music or vocals provided by one or more professional or amateur musicians or vocalists.
- 10) Dancing performed by one or more professional or amateur dancers or performers.
- 11) Acting or drama provided by one or more professional or amateur actors or players.
- 12) Acrobatics or stunts provided by one or more professional or amateur acrobats, performers or stunt persons.
- 13) Animal stunts or performances induced by one or more animal handlers or trainers.
- 14) Athletic or sporting contests, events or exhibitions provided by one or more professional or amateur athletes or sportsmen.
- 15) Comedy or magic provided by one or more professional or amateur comedians, magicians, illusionists, entertainers or performers.
- 16) A show or production involving any combination of the activities described in subparagraphs (1) to (7), inclusive.
- 17) A performance involving one or more of the activities described in this paragraph by a disc jockey who presents recorded music. For the purposes of this subsection, a disc jockey shall not be deemed to have engaged in a performance involving one or more of the activities described in this paragraph if the disc jockey generally limits his interaction with patrons to introducing the recorded music, making announcements of general interest to patrons, and explaining, encouraging or directing participatory activities between patrons.

It exempts the following:

- 1) Instrumental or vocal music, which may or may not be supplemented with commentary by the musicians, in a restaurant, lounge or similar area if such music does not routinely rise to the volume that interferes with casual conversation and if such music would not generally cause patrons to watch as well as listen.
 - a. Occasional performances by employees whose primary job function is that of preparing or serving food, refreshments or beverages to patrons, if such performances are not advertised as entertainment to the public.
 - b. Television, radio, closed circuit or Internet broadcasts of live entertainment.

- c. Entertainment provided by a patron or patrons, including, without limitation, singing by patrons or dancing by or between patrons if they receive no compensation from any source for providing the entertainment.
- d. Animal behaviors induced by animal trainers or caretakers primarily for the purpose of education and scientific research.
- e. An occasional activity, including, without limitation, dancing that does not constitute a performance, is not advertised as entertainment to the public, primarily serves to provide ambience to the facility and is conducted by an employee whose primary job is not that of an entertainer.

Q. Who is responsible for this tax?

A. NRS 368A.110 defines the taxpayer for non-gaming facilities as the owner or operator of the facility where the live entertainment is provided; or in the case of a publicly owned facility or public land, the person who collects the taxable receipts.

Q. What are the Live Entertainment Tax rates?

A. The Live Entertainment Tax is two tiered with a 10% tax rate and a 5% tax rate based upon the "maximum occupancy" of the facility where live entertainment is taking place.

Effective 7/1/05 the 10 % rate is applicable to a facility with a minimum occupancy of 200 and a maximum of 7,499. The 10% tax rate also applies to admission charges, merchandise, food and refreshments sold at the event. Prior to 7/1/05 the 10% tax rate was applicable at events where the occupancy of the facility was a minimum of 300 (instead of 200) to a maximum of 7,499. For facilities with an occupancy of 7,500 or more, the tax rate is 5% on admission charges only.

Q. When is a facility liable for Live Entertainment Tax on food, refreshments and merchandise?

A. A facility with a Maximum occupancy of 200 or more and less than 7,500 is in live entertainment status. For non-gaming facilities this means when an admission fee is charged for the right or privilege to have access to a facility where live entertainment is provided.

Q. When is a facility considered to be in Live Entertainment Status?

A. Live Entertainment status commences when any patron is required to pay an admission charge before he is allowed to enter a facility, where there will be live entertainment, regardless of when the live entertainment starts. An **admission charge includes an entertainment fee, a cover charge, a table reservation fee, or a required minimum purchase of food or merchandise.** Many facilities allow patrons to purchase tickets well in advance of the actual performance. For theaters where live entertainment is held, live entertainment status begins as soon as patrons are admitted to the theater for the performance. For example, if the show starts at 10:00 p.m. but the doors open at 9:00 p.m., the theater is considered to be in live entertainment status at 9:00. Food, refreshments and merchandise sold between 9:00 and the time the theater is vacated by persons attending the 10:00 show are subject to the tax, regardless of the time the actual performance begins and ends. The admission charge, regardless of the time paid, is always subject to the tax.

For lounges, bars and similar facilities where live entertainment is provided in the evenings and an admission charge applies only part of the day, but the facility is open at other times, the facility is in live entertainment status as of the time the patron is required to pay the admission charge. For example, if the facility is open from noon until 1:00 a.m. and an admission charge is imposed beginning at 8:30 p.m. and the live entertainment begins at 9:00, the facility is considered to be in live entertainment status at 8:30 and remains in that status until all persons are admitted with the payment of an admission fee. All sales of food, refreshments and merchandise within the facility are subject to the tax during this time period. The admission charge in this example is always taxable regardless of the time paid.

The taxpayer must maintain detailed records showing that they are authorized to be exempt from the Live Entertainment Tax on admission charges and sales when the facility is not in Live Entertainment Status.

- Q. Does the existence of an admission charge automatically trigger the Live Entertainment Tax?**
- A.** No. If there is no live entertainment being provided, then the tax does not apply. However, if the admission charge is imposed just prior to the start of live entertainment, then the facility is considered to be in Live Entertainment Status.
- Q. Is a fee collected to ride an elevator or escalator to a Live Entertainment facility an admission charge?**
- A.** Typically, yes. In situations where the patron, by riding the elevator or escalator, may gain access to a live entertainment facility or may choose to visit only the facilities that do not offer live entertainment, for purposes of taxing the admission charge, no distinction shall be made as to whether the patron actually entered the facility with live entertainment or not, even if an additional fee is charged for the right or privilege of entering a smaller venue within that area or those premises (NAC 368A.100). However, it does not mean that taxes must be paid on sales in a restaurant without entertainment that are accessible only by the elevator or escalator for which a charge is required. The taxpayer must identify through its detailed record keeping the sales to patrons who are unable to see or hear the live entertainment from the location within the facility where food, refreshments or merchandise is sold.
- Q. How is “maximum occupancy” determined?**
- A.** The “maximum occupancy” of the facility where the live entertainment is taking place is determined by using the following criteria in order of priority: a) The maximum occupancy established for the facility by the State Fire Marshall, or by another local government agency; b) If the facility occupancy is not established, then by the maximum occupancy designated on any permits required for the event; or c) If such a permit does not designate the maximum occupancy of the facility, the actual seating capacity of the facility will be used. Pursuant to NAC 368A.130, for non-gaming establishments, if there is no governmental permit designating the maximum occupancy of a facility where live entertainment is provided, the Department shall compute the tax rate on the presumption that the actual seating capacity of the facility is 200 persons or more and less than 7,500 persons. To appeal this determination the taxpayer of the facility must establish, to the reasonable satisfaction of the Department, that the actual seating capacity of the facility is less than 200 or more than 7,500.
- Q. If a facility has been rated by the Fire Marshal as having a maximum occupancy well over 7,500 and has a specific event where the seating capacity is well below that number, which tax rate applies?**
- A.** NRS 368A.200(6)(a) specifically states that the maximum occupancy seating capacity for purposes of the Live Entertainment Tax is based upon the Fire Marshal’s rating if one has been determined. Therefore, unless the Fire Marshal has re-rated the facility, the taxpayer should pay taxes only at the rate of 5% on admission charges.
- Q. What is the registration fee for Live Entertainment Tax?**
- A.** There is no registration fee for this tax. A taxpayer who intends to provide live entertainment at a facility that is not in a license gaming establishment shall contact the Department of Taxation and register to collect and remit the Live Entertainment Tax.
- Q. What is the reporting frequency for Live Entertainment Tax?**
- A.** For non-gaming establishments registered with the Department of Taxation, the reporting frequency is monthly. The Live Entertainment Tax returns should be filed on or before the last day of the month, reporting the amount of taxable receipts for the preceding month.
- Q. Is Live Entertainment Tax due in addition to applicable sales tax on merchandise, food and refreshments sold within a live entertainment event when the occupancy of the facility is between 200 and 7,499?**
- A.** Yes. The 10% Live Entertainment Tax rate is applicable on the gross receipts of admission charges, merchandise, food and refreshment sales, and is in addition to the applicable sales tax.

Q. *Can a taxpayer charge their patrons the Live Entertainment Tax they are required to pay?*

A. Yes. A taxpayer who collects any amount that is taxable pursuant to NRS 368A is liable for the Live Entertainment Tax and is entitled to collect reimbursement from any person paying that amount. Any ticket for live entertainment must state whether the Live Entertainment Tax imposed is **included** in the price of the ticket. If the ticket does not include such a statement the taxpayer shall pay the Live Entertainment Tax based on the face amount of the ticket. Taxpayers are required to keep their records for at least 4 years.

Q. *Are there any Live Entertainment events **not** subject to the tax?*

A. Yes:

- 1) Events where all the proceeds from the admission charges go entirely to a non-profit organization that qualifies as a tax-exempt organization under 26 U.S.C. Section 501(c) or a non-profit corporation organized under NRS Chapter 82 are exempt from the Live Entertainment Tax.
- 2) If **all** the proceeds from the admission charges are donated to a non-profit organization by another person who is not a non-profit organization, those proceeds are also exempt from the Live Entertainment Tax, even if the contract for that event allows a person other than the non-profit organization to sell goods and services at that event. The sales of food, refreshments and merchandise would also be exempt in this situation.
- 3) Live entertainment provided at a non-gaming facility with a maximum occupancy of less than 200.
- 4) Boxing contests or exhibitions which can be defined as “unarmed combat” pursuant to NRS 467.0107.
- 5) Merchandise sold outside a facility and available to the general public where live entertainment is provided, unless the purchase of such merchandise serves as an admission charge to the event.
- 6) Live entertainment provided at a trade show.
- 7) Live entertainment performed by strolling musicians whose only purpose is to move constantly through the audience and no other live entertainment is provided to the patrons.
- 8) Live entertainment provided in the **common** area of a shopping mall.
- 9) Food and product demonstrations at a shopping mall or craft show.
- 10) Live entertainment that is **incidental** to an amusement ride, a motion simulator, or electromechanical attraction. (Not the predominant element or reason the public rides or participates in the electromechanical attraction)
- 11) Live entertainment that is provided to the public in an outdoor area that is free of admission charges or other purchase requirements.
- 12) **Beginning 7/1/05**, at an outdoor concert at a non-gaming establishment.
- 13) **Beginning 7/1/07**, at NASCAR race events in Nevada.
- 14) **Beginning 7/1/07**, a baseball contest, event or exhibition conducted by professional minor league baseball players at a stadium in this State.
- 15) Live entertainment in a restaurant which is incidental or ambient in nature as long as there is no charge to the patrons for the entertainment.

Q. *What special steps should a taxpayer take if they intend to consider an event exempt from the Live Entertainment Tax?*

A. NRS 368A.200(5)(b) provides guidance as to when an event is not subject to the tax because the proceeds go to a qualifying organization. The taxpayer is responsible to ensure a non-profit organization qualifies for exempt status from Live Entertainment Tax. If it is subsequently determined that the taxpayer failed to pay taxes on an event that was improperly treated as a non-profit benefit, the Live Entertainment Tax will be assessed on all admissions, and if the facility’s occupancy is 200 or more and less than 7,500, Live Entertainment Tax will also be assessed on the sale of food, refreshments and merchandise.

Taxpayers must maintain records showing they were entitled to exempt a non-profit organization from Live Entertainment Tax. NAC 368A.160 contains further guidance as to the extent of detailed records that may be requested by the Department. Taxpayers are responsible for ensuring that the organization qualifies as a non-profit entity and qualifies for exemption from Live Entertainment Tax. In addition, the taxpayer must keep detailed records showing the amounts collected, the amounts remitted to the non-profit organization, and the direct supportable costs associated with the event. A copy of the agreement between the taxpayer and the qualifying organization must also be maintained.

Q. *If admission charges are being kept by the taxpayer but food, refreshment and merchandise sale proceeds are donated to a non-profit organization, are the food, refreshments and merchandise sales exempt from the Live Entertainment Tax?*

A. No. NRS 368A.200(5)(b) and NAC 368A.150 establish that admission charges donated to a non-profit entity are exempt from Live Entertainment Tax and also exempts the sale of merchandise, food and refreshments from Live Entertainment Tax. However, a similar exemption is not available when the admission charges are retained by the taxpayer and the sale proceeds of merchandise, food and refreshments are donated to a non-profit entity. If all the admission charge proceeds (less the direct and supportable costs discussed in NAC 368A.150(1)) are not donated to a non-profit organization, the event shall be subject to the Live Entertainment Tax and all admission charges and if applicable food, refreshments and merchandise will be taxable.

Q. *How is the Live Entertainment Tax to be applied to tickets sold by someone other than the owner or operator of the facility where the live entertainment is held?*

A. Assume that ABC Company has a show on its property but the facility is actually operated by TEI. Although both ABC and TEI sell tickets to this show, other companies do as well. The other companies charge a fee of \$5 a ticket and remit to TEI only the proceeds net of the \$5 fee. None of the other sellers are related to either ABC or TEI. In this case, the net proceeds are subject to the tax and the \$5 fee is excluded from the taxable sales. However, assume that XYZ Company, an affiliate of ABC, sells the tickets and remits only \$10 from each sale to ABC. Because the company selling the ticket is affiliated with ABC, the amount paid by the patron should be used to determine the taxable sales amount. The same answer would apply to sales made by an affiliate of TEI. Note that fees paid by TEI to ABC for selling tickets would never reduce the taxable amount of the sale. Furthermore, the amount collected by TEI and ABC is the amount on which the tax is computed regardless of any arrangement between TEI and ABC.

Q. *May the taxpayer deduct credit card fees associated with admission charges?*

A. Yes. NRS 368A.200(2)(b) and NAC 368A.150 allow a deduction for gratuities directly or indirectly remitted to persons employed at the facility where live entertainment is provided or for service charges including those imposed in connection with the use of a credit card or debit card which are collected and retained by persons other than the taxpayer, as long as these fees are supported by documentation.

Q. *What kind of activities by bartenders could constitute Live Entertainment?"*

A. Most bartender activities would not qualify as live entertainment even if bottles are juggled or fancy serving techniques designed to entertain the patrons are utilized. However, if the bartenders engage in singing, dancing or acrobatics, these activities are likely to be considered live entertainment, just as if any other performer were involved.

There is a specific exclusion in the definition of live entertainment for "Occasional performances by employees whose primary job function is that of preparing or serving food, refreshments or beverages to patrons, if such performances are not advertised as entertainment to the public. (See NRS 368A.090(2)(b)(2)) Note that two criteria must be met. First, the performances must be occasional, not performed frequently. Second, the activities of the bartenders must not be advertised as entertainment. In a few facilities in Nevada, these criteria would not be met, as the

activities of the bartenders constitute the primary draw to the facility. The advertising for these facilities usually focus on the activities of the bartenders.

Q. Are fashion shows Live Entertainment?

A. Yes, in most cases in non-gaming establishments even if the models move continuously through the audience.

Q. Are speeches by motivational, informational or political speakers considered Live Entertainment?

A. No, unless the speaker engages in other activities considered live entertainment.

Q. Are circuses Live Entertainment?

A. Yes, a circus typically combines a number of activities specifically defined as live entertainment in NRS 368A.090(2)(a).

Q. Are contests Live Entertainment?

A. Yes. Any type of organized contest conducted in front of an audience is considered live entertainment. Examples include beauty pageants, bikini contests and fitness contests. Unless some specific exemption applies (e.g., exemption for non-profit events), the event is subject to the Live Entertainment Tax, and the tax would apply to admission charges; and if the facility is under the 7,500 occupancy requirement, food refreshments and merchandise would also be taxable. However, a contest that is strictly between patrons with no advance sign-up or pre-qualifying required (e.g., a drinking contest) would be viewed as an activity among patrons and would be excluded from the definition of live entertainment per NRS 368A.090(2)(b)(6).

Q. In an event that has been determined to have entertainment that is not considered "Live Entertainment" under the definition found in NRS 368A.090, what if someone sings a song such as the National Anthem as part of the event? Is the event now taxable?

A. No, in most cases. While it is true that singing is a form of live entertainment, in most cases the singing of the National Anthem or similar presentation, is entirely incidental to the event itself. While this specific issue is not addressed in the law or regulation, the informal policy stated herein conforms to the concept stated in NRS 368A.090(2)(b) regarding performances that are not considered live entertainment. This guidance applies only to the cases where any singing remains incidental to the event. Generally, singing will be deemed incidental to the event if only one song is sung during an event that otherwise included no other live entertainment.

Q. What outdoor events qualify for the exemption found in NRS 368A.200(5)(m)?

A. If an outdoor event is offered to the general public, and there is no admission charge, no purchase of food, refreshments or merchandise required, than the event qualifies under this exclusion. However, the event must be open to the general public. A common issue is with poolside entertainment. If the pool area is accessible to anyone visiting the property without having to pay an admission or purchase anything, then the event qualifies for the exemption. If access to the pool area is generally restricted to hotel guests (even if there may be some exemptions whereby others might be admitted) then the entertainment is not deemed to be "offered to the public" and is taxable.

The use of temporary structures like tents or canopies does not change the event to an indoor event for purposes of this exemption.

Q. What is the proper tax treatment of fees charged by taxpayers for processing admission charges subject to the Live Entertainment Tax?

A. Any fees collected and retained by a taxpayer in connection with the admission charges to events subject to the Live Entertainment Tax increases the taxable amount of the sales. The exact computation of taxable revenue depends upon a number of factors, but the taxpayer must account for the additional fees collected when computing the revenue.

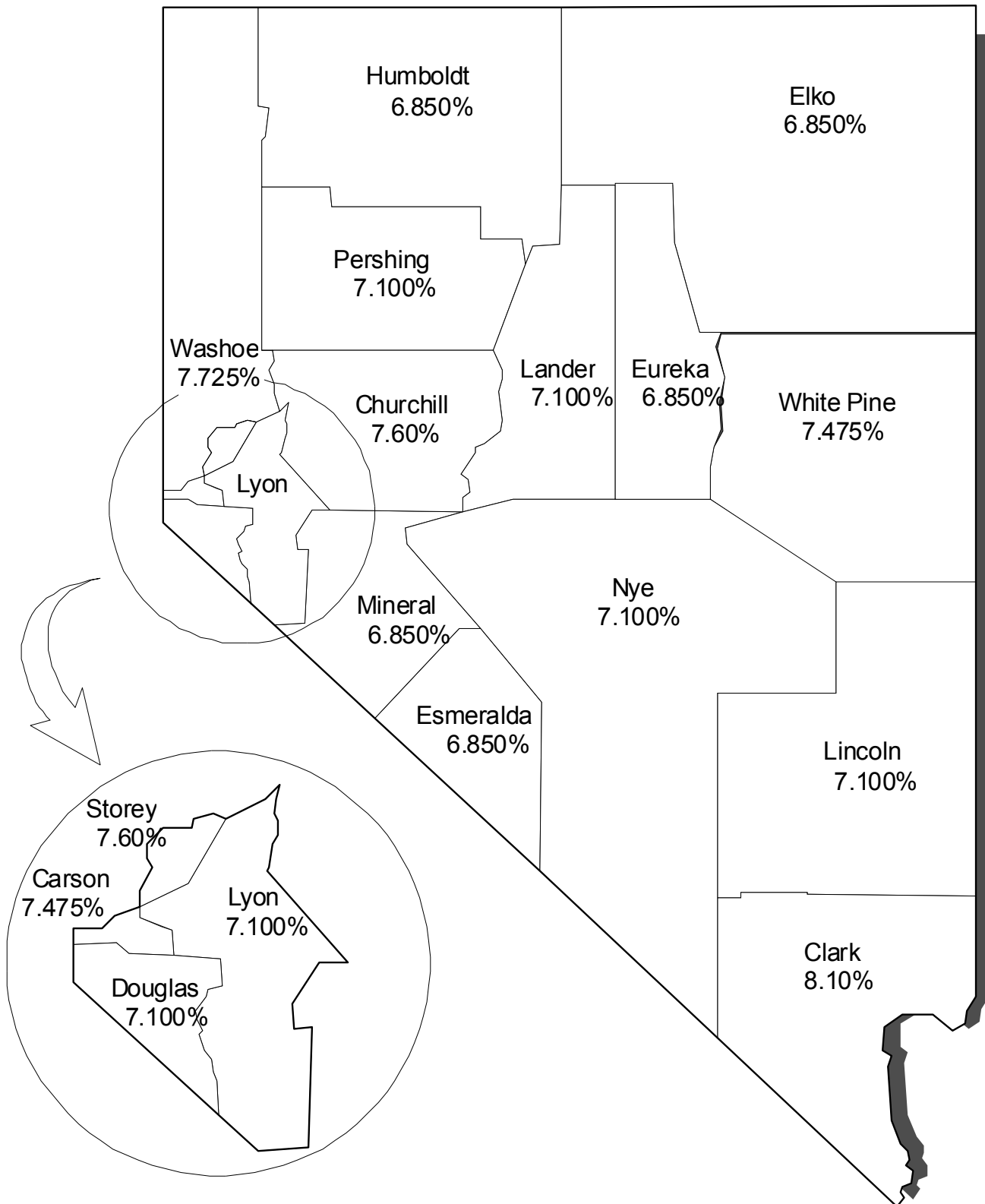
Note that processing fees can be assessed on either a per-ticket or a per-order basis. Both types of processing fees increase the taxable amount of the sale. When a taxpayer imposes a per-order charge on admission charges subject to the tax and admission charges not subject to the tax, the per-order charge may be allocated on a pro-rata basis. Alternatively, the taxpayer may elect to pay taxes on the full amount of the per-order charge to simplify their accounting procedures.

Q. *Are photographs merchandise or a service?*

A. Generally, any existing photographs available for sale are merchandise. This would include posters or other merchandise featuring the pictures of performers, etc. Merchandise sales are generally subject to the Live Entertainment Tax if sold within a facility with occupancy of 200 to 7,499 offering live entertainment (all rules for merchandise sales found in NRS 368A apply).

However, some taxpayers offer patrons the option of getting their pictures taken with the performers for a fee or for tips. Activities of this nature are considered a service, not merchandise. Therefore, the amounts paid by patrons for this service are exempt from the Live Entertainment Tax. Any actual merchandise sold with the picture imprinted would be subject to the Live Entertainment Tax. For example, a performer will pose for a picture with a patron. If all the patron wants is a print of the picture, the taxpayer charges \$10. If the patron wants that picture on a coffee mug, the coffee mug with the picture is \$25. The \$10 fee is considered a service not subject to the Live Entertainment Tax. However, the \$25 price of the coffee cup is merchandise and the entire price of the mug is subject to the tax.

COUNTY MAP OF NEVADA



NEVADA CITY LIST

Acoma..... Lincoln	Cordero Mine..... Humboldt	Gilbert..... Esmeralda	Lucky Nugget..... Elko	Patrick..... Washoe	Stagecoach..... Lyon
Acton..... Clark	Corn Creek..... Clark	Gillis (site)..... Mineral	Ludwig (site)..... Lyon	Patsville..... Elko	Staneline..... Clark
Adaven..... Nye	Cornucopia..... Elko	Gillis Camp (site)..... Mineral	Lund..... White Pine	Pequop..... Elko	Staneline..... Douglas
Adelaide..... Humboldt	Cortez Mine..... Lander	Gillis Spring (site)..... Mineral	Luning..... Mineral	Petersons Station..... Lander	Staneline..... Esmeralda
Alamo..... Lincoln	Cottonwood Cove..... Clark	Gilman Springs..... Lander	Lux..... Lyon	Pine Grove..... Lyon	Steamboat Springs..... Washoe
Alazon..... Elko	Cottonwood Toll Station..... Elko	Glenbrook..... Douglas	Magnus (site)..... Mineral	Pioche..... Lincoln	Stewart..... Carson City
Alkali..... Esmeralda	Coyote Hole..... Esmeralda	Glendale..... Clark	Majors Place..... White Pine	Pittman..... Clark	Stillwater..... Churchill
Altenburg Hill..... Lander	Crescent Valley..... Eureka	Goldconda..... Humboldt	Manhattan..... Nye	Placerites (site)..... Pershing	Stonehouse..... Pershing
Alunite..... Clark	Crescent..... Clark	Gold Acres..... Lander	Marietta..... Mineral	Pleasant Valley..... Washoe	Sulphur..... Humboldt
Amarosa Valley..... Nye	Crescent..... Lincoln	Gold Bar (site)..... Nye	Mark Twain Estates..... Storey	Poker Brown (site)..... Pershing	Summit Lake..... Humboldt
Anderson..... Washoe	Crestline..... Lincoln	Gold Butte..... Clark	Marla Bay..... Douglas	Poker Brown Camp..... Pershing	Sun Valley..... Washoe
Antone's Station (site)..... Mineral	Crow Springs..... Esmeralda	Gold Hill..... Storey	Mason..... Lyon	Porter Station..... Churchill	Sunnyside..... Nye
Arabia (site)..... Pershing	Crystal Bay..... Washoe	Gold Point..... Esmeralda	Mazuma (site)..... Pershing	Potts (site)..... Nye	Sunridge..... Douglas
Arden..... Clark	Crystal..... Clark	Goldbanks (site)..... Pershing	McCarran..... Storey	Preston..... White Pine	Sutcliffe..... Washoe
Arlemont..... Esmeralda	Curran..... Nye	Golden (site)..... Nye	McCarran Field..... Clark	Primm..... Clark	Sutor..... Clark
Arthur..... Elko	Currie..... Elko	Golden Valley..... Washoe	McCoy..... Lander	Pritchards Station (site)..... Nye	Sutro (site)..... Lyon
Ascalon (site)..... Pershing	Darrough Hot Springs..... Nye	Goldfield..... Esmeralda	McDermitt..... Humboldt	Pronto..... Humboldt	Sweetwater..... Lyon
Ash Springs..... Lincoln	Daveytown..... Humboldt	Goldquartz..... Lander	McGill..... White Pine	Pyramid (site)..... Washoe	Tahoe Village..... Douglas
Atlanta..... Lincoln	Dayton..... Dayton	Goodsprings..... Clark	McLeans..... Esmeralda	Queen Valley..... Mineral	Talaposa..... Lyon
Aura..... Elko	Deadhorse Wells (site)..... Mineral	Halfway House (site)..... Pershing	Meadow Valley..... Elko	Quinn River Crsng..... Humboldt	Tecoma..... Elko
Aurora (site)..... Mineral	Deep Creek..... Elko	Halleck..... Elko	Mercury..... Nye	Rabbithole..... Pershing	Tempiute..... Lincoln
Austin..... Lander	Deer Lodge..... Lincoln	Hawthorne..... Mineral	Merrimac Mining Dist..... Elko	Rachel..... Lincoln	Tenabo..... Lander
Babbitt..... Mineral	Deeth..... Elko	Helene..... Churchill	Mesquite..... Clark	Ragtown..... Churchill	Tennile (site)..... Pershing
Baker..... White Pine	Del Monte (site)..... Mineral	Helene..... Lincoln	Metalic City..... Mineral	Ramsey (site)..... Lyon	Thacker Ranch Stage..... Pershing
Bard..... Clark	Delamar..... Lincoln	Henderson..... Clark	Metropolis..... Elko	Ravenel..... Lyon	Thompson..... Lyon
Basalt..... Mineral	Delano..... Elko	Hercules..... Churchill	Midas..... Elko	Rawhide (site)..... Mineral	Toano..... Elko
Battle Mountain..... Lander	Delphi (site)..... Lyon	Hicks Station (site)..... Nye	Middlegate..... Churchill	Rebel Creek..... Humboldt	Tokop..... Esmeralda
Beatty..... Nye	Denio Junction..... Humboldt	Highland Ranches..... Storey	Midway..... Mineral	Red House..... Humboldt	Tollhouse..... Humboldt
Beleville..... Mineral	Denio..... Humboldt	Hiko..... Lincoln	Mill City..... Pershing	Redlich (site)..... Mineral	Tonopah..... Nye
Belmont (site)..... Nye	Derby..... Washoe	Hilltop..... Lander	Millers..... Esmeralda	Reese River..... Lander	Topaz Lake..... Douglas
Beowawe..... Eureka	Desert..... Churchill	Holbrook Junction..... Douglas	Mina..... Mineral	Regent (site)..... Mineral	Topaz Ranch Estates..... Douglas
Berlin (site)..... Nye	Devils Throat..... Clark	Hooten Well..... Lyon	Minden..... Douglas	Reno..... Washoe	Toulon (site)..... Pershing
Betty O'Neil..... Lander	Diamond Valley..... Eureka	Hudson (site)..... Lyon	Miriam..... Churchill	Reno-Stead..... Washoe	Tracy..... Washoe
Big Canyon (site)..... Washoe	Dinner Station..... Elko	Humboldt City (site)..... Pershing	Moapa..... Clark	Rhodes (site)..... Mineral	Trinity..... Churchill
Black Rock..... Esmeralda	Dixie Valley..... Churchill	Humboldt House..... Pershing	Mogul..... Washoe	Rhyolite (site)..... Nye	Tungsten..... Pershing
Black Springs..... Washoe	Dixie..... Churchill	Huntington Valley..... Elko	Moho..... Mineral	Ridgeview Estates..... Douglas	Tuscarora..... Elko
Blair Junction..... Esmeralda	Duckwater..... Nye	Huxley..... Churchill	Montello..... Elko	Rio Tinto..... Elko	Tybo (site)..... Nye
Blair..... Esmeralda	Dun Glen (site)..... Pershing	Imlay..... Pershing	Montezuma..... Esmeralda	Ripley..... Clark	Unionville..... Pershing
Blue Diamond..... Clark	Dyer..... Esmeralda	Incline Village..... Washoe	Morgan..... Lyon	Riverside..... Clark	Ursine..... Lincoln
Bolivia..... Churchill	Eagle Valley Mining..... Lincoln	Indian Springs..... Clark	Mount House..... Lyon	Roach..... Clark	Valery (site)..... Pershing
Boomtown..... Washoe	Eagleville (site)..... Mineral	Ione..... Nye	Mount Charleston..... Clark	Rochester (site)..... Pershing	Valmy..... Humboldt
Border Town..... Washoe	East Las Vegas..... Clark	Ivanhoe Mining District..... Elko	Mount Rose..... Washoe	Rockland..... Lyon	Verdi..... Washoe
Boulder City..... Clark	Eastgate..... Churchill	Jack Creek..... Elko	Mountain City..... Elko	Rose Valley..... Lincoln	Vernon..... Pershing
Broken Hills (site)..... Mineral	Easton (site)..... Washoe	Jackpot..... Elko	Mt. Airy..... Lander	Round Mountain..... Nye	Victor..... Churchill
Bronte (site)..... Washoe	Echo Bay..... Clark	Jacobs Well..... Pershing	Mt. Montgomery..... Mineral	Roundhill..... Douglas	Victoria..... Elko
Bullfrog (site)..... Nye	Echo Dam..... Lincoln	Jacobsville..... Lander	Mustang..... Storey	Rove..... Lyon	Virgin Valley..... Clark
Bullion..... Elko	Eddyville..... Mineral	Jarbridge..... Elko	Narrows..... Clark	Rox..... Lincoln	Virginia City Highlands..... Storey
Bullionville..... Lincoln	Edgemont..... Elko	Jean..... Clark	Nelson..... Clark	Ruby Valley..... Elko	Virginia City..... Storey
Bunkerville..... Clark	Elbow, The (site)..... Lyon	Jessup..... Churchill	New Empire..... Carson City	Ruth..... White Pine	Virginia Foothills..... Washoe
Byron..... Clark	Elburz..... Elko	Jiggs..... Elko	New Pass Mine..... Lander	Rye Patch..... Pershing	Vista..... Washoe
Cactus Springs..... Clark	Elgin..... Lincoln	Johnnie Mine..... Nye	New Washoe City..... Washoe	Ryndon..... Elko	Vya (site)..... Washoe
Cal Nave Ari..... Clark	Elko..... Elko	Johnson Lane..... Douglas	Nightingale (site)..... Pershing	Salt Wells..... Churchill	Wabuska..... Lyon
Caliente..... Lincoln	Ellison Ranch..... Humboldt	Joseco..... Lincoln	Nivloc..... Esmeralda	San Antonio (site)..... Nye	Wadsworth..... Washoe
Callahan Ranch..... Washoe	Ellsworth (site)..... Nye	Juan..... Clark	Nixon..... Washoe	San Jacinto..... Elko	Walker Lake..... Mineral
Camp Douglas (site)..... Mineral	Ely..... White Pine	Jungo..... Humboldt	Nolan (site)..... Mineral	Sand Pass..... Washoe	Wally's Hot Springs..... Douglas
Candelaria Mine..... Mineral	Empire..... Washoe	Kennedy (site)..... Pershing	Nordyke..... Lyon	Sand Springs..... Churchill	Washoe City..... Washoe
Cape Horn Overland..... Lander	Eureka..... Eureka	Kingsbury Grade..... Douglas	North Battle Mountain..... Lander	Sandy Valley..... Clark	Weed Heights..... Lyon
Carlin..... Elko	Fairview..... Churchill	Kingsbury..... Douglas	North Fork..... Elko	Sandy..... Clark	Weeks..... Lyon
Carp..... Lincoln	Falais..... Churchill	Kingston..... Lander	North Las Vegas..... Clark	Schurz..... Mineral	Weepah..... Esmeralda
Carroll Station..... Lander	Fallon..... Churchill	Klondike..... Esmeralda	Nyala..... Nye	Scossa (site)..... Pershing	Wellington..... Lyon
Carson City..... Carson City	Farrel (site)..... Pershing	La Panta (site)..... Mineral	Oasis..... Elko	Scotty's Junction..... Nye	Wells..... Elko
Carters Station..... Douglas	Fay..... Lincoln	La Plata..... Churchill	Old Bullion..... Elko	Searchlight..... Clark	Wendover..... Elko
Carver's Station..... Nye	Fenelon..... Elko	Lages..... White Pine	Old Telegraph Stn..... Churchill	Seven Troughs (site)..... Pershing	West Wendover..... Elko
Caselon..... Lincoln	Ferber Mining District..... Elko	Lake Mead Area..... Clark	Old Washoe City..... Washoe	Shantytown..... Elko	West Wood..... Douglas
Cave Creek..... Elko	Fernley..... Lyon	Lakeridge..... Douglas	Olinghouse..... Washoe	Sharp's Ranch..... Nye	Western Hills..... Elko
Centerville..... Douglas	Finlay..... Lincoln	Lakeview..... Carson City	Oliver Park..... Douglas	Silver City..... Lyon	Westgate..... Churchill
Central Ely..... White Pine	Fish Lake Valley..... Esmeralda	Lamoille..... Elko	Oreana..... Pershing	Silver Hill..... Churchill	White Plains..... Churchill
Chalk Wells..... Churchill	Fish Lake Valley..... Nye	Lander..... Lander	Oro City (site)..... Mineral	Silver Park..... Lincoln	White Rock..... Elko
Charleston Park..... Clark	Fish Springs..... Douglas	Lane City..... White Pine	Orovada..... Humboldt	Silver Peak..... Esmeralda	White..... Clark
Charleston..... Elko	Fitting (site)..... Pershing	Las Vegas..... Clark	Oseola (site)..... White Pine	Silver Springs..... Lyon	Wichman..... Lyon
Cherry Creek..... White Pine	Flanigan..... Washoe	Last Chance..... Elko	Overland Mail Stn..... Churchill	Simon (site)..... Mineral	Wild Horse Crossing..... Elko
Chichester Estates..... Douglas	Fletcher (site)..... Mineral	Lathrop Wells..... Nye	Overland Stage Stn..... Churchill	Simpson..... Lyon	Wild Horse..... Elko
Chief Mining District..... Lincoln	Fold Creek..... Elko	Laughlin..... Clark	Overton..... Clark	Skiyland..... Douglas	Wilkins (site)..... Elko
China Camp (site)..... Mineral	Foothill..... Douglas	Leadville (site)..... Washoe	Owyhee..... Elko	Sloan..... Clark	Willard (site)..... Pershing
Churchill..... Lyon	Fort Churchill..... Lyon	Ledlie..... Lander	Packard (site)..... Pershing	Smith..... Lyon	Williams Gravel Mine..... Washoe
Clan Alpine..... Churchill	Fort Halleck..... Elko	Lee..... Elko	Pahrnagat Mining..... Lincoln	Smoke Creek (site)..... Washoe	Willow Creek..... Pershing
Clifton..... Lyon	Franktown..... Washoe	Lehman Caves..... White Pine	Pahrump..... Nye	Smoke Creek Station..... Washoe	Willowbend..... Douglas
Coaldale..... Esmeralda	Fredricks..... Lyon	Lemmon Valley..... Washoe	Painted Rock..... Storey	Sod House..... Humboldt	Win Haven..... Douglas
Cold Springs..... Churchill	Frenchman..... Churchill	Lewis..... Lyon	Palamino Valley..... Washoe	Sodaville..... Mineral	Winnemucca..... Humboldt
Cold Springs..... Washoe	Gabbs..... Nye	Lida..... Esmeralda	Palomero..... Eureka	Sonoma (site)..... Lyon	Wonder..... Churchill
Columbus..... Esmeralda	Galena..... Lander	Lockes..... Nye	Palmetto..... Esmeralda	Spanish Springs..... Washoe	Woolsey (site)..... Pershing
Como Mining District..... Lyon	Gardnerville Ranchos..... Douglas	Logwood..... Storey	Panlico (site)..... Mineral	Sparks..... Washoe	Yankee Blade..... Lander
Contract..... Elko	Gardnerville..... Douglas	Logan..... Lincoln	Panaca..... Lincoln	Spring City..... Humboldt	Yerington..... Lyon
Conway Stage Station..... Lyon	Genoa..... Douglas	Logandale..... Clark	Panther Valley..... Washoe	Spring Creek..... Elko	Yomba..... Nye
Copper Basin..... Lander	Gerlach..... Washoe	Lovelock..... Pershing	Paradise Valley..... Humboldt	Spring Valley..... Pershing	Zenobia (site)..... Washoe
Copper Canyon..... Lander	Getchell Mine..... Humboldt	Lower Rochester (site)..... Pershing	Paradise Well..... Humboldt	Springdale (site)..... Nye	Zephyr Cove..... Douglas
Copperoid..... Churchill	Geysers Ranch..... Lincoln	Lucky Boy (site)..... Mineral	Parman..... Churchill	Sprucemont..... Elko	

NEVADA CITY LIST BY COUNTY

Carson City

Carson City
Lakeview
New Empire
Stewart

Churchill

Bolivia
Chalk Wells
Clan Alpine
Cold Springs
Coppereid
Desert
Dixie
Dixie Valley
Eastgate
Fairview
Falais
Fallon
Frenchman
Hazen
Hercules
Huxley
Jessup
La Plata
Middlegate
Miriam
Old Telegraph Stn
Overland Mail Stn
Overland Stage Stn
Parman
Porter Station
Ragtown
Salt Wells
Sand Springs
Silver Hill
Stillwater
Trinity
Victor
Westgate
White Plains
Wonder

Clark

Acton
Alunite
Arden
Bard
Blue Diamond
Boulder City
Bunkerville
Byron
Cactus Springs
Cal Nev Ari
Charleston Park
Corn Creek
Cottonwood Cove
Crescent
Crystal
Devils Throat
East Las Vegas
Echo Bay
Glendale
Gold Butte
Goodsprings
Henderson
Indian Springs
Jean
Juan
Lake Mead Area
Las Vegas
Laughlin
Logandale
McCarran Field
Mesquite
Moapa
Mount Charleston
Narrows
Nelson
North Las Vegas
Overton
Pittman
Primm
Ripley
Riverside
Roach
Sandy
Sandy Valley
Searchlight
Sloan
Stateline
Sutor
Virgin Valley

White

Douglas

Carters Station
Centerville
Chichester Estates
Fish Springs
Foothill
Gardnerville
Gardnerville Ranchos
Genoa
Glenbrook
Holbrook Junction
Johnson Lane
Kingsbury
Kingsbury Grade
Lakeridge
Marla Bay
Minden
Oliver Park
Ridgeview Estates
Roundhill
Skyland
Stateline
Sunridge
Tahoe Village
Topaz Lake
Topaz Ranch Estates
Wally's Hot Springs
West Wood
Willowbend
Win Haven
Zephyr Cove

Elko

Alazon
Arthur
Aura
Bullion
Carlin
Cave Creek
Charleston
Contract
Cornucopia
Cottonwood Toll Station
Currie
Deep Creek
Deeth
Delano
Dinner Station
Edgemont
Elburz
Elko
Fenelon
Ferber Mining District
Fold Creek
Fort Halleck
Halleck
Huntington Valley
Ivanhoe Mining District
Jack Creek
Jackpot
Jarbidge
Jiggs
Lamoille
Last Chance
Lee
Lucky Nugget
Meadow Valley
Merrimac Mining Dist
Metropolis
Midas
Montello
Mountain City
North Fork
Oasis
Old Bullion
Owyhee
Patsville
Pequop
Rio Tinto
Ruby Valley
Ryndon
San Jacinto
Shantytown
Spring Creek
Sprucemont
Tecoma
Toano
Tuscarora
Victoria
Wells
Wendover

West Wendover

Western Hills
White Rock
Wild Horse
Wild Horse Crossing
Wilkins

Esmeralda

Alkali
Arlemont
Black Rock
Blair
Blair Junction
Coaldale
Columbus
Coyote Hole
Crow Springs
Dyer
Fish Lake Valley
Gilbert
Gold Point
Goldfield
Klondike
Lida
McLeans
Millers
Montezuma
Nivloc
Palmetto
Silver Peak
Stateline
Tokop
Weepah

Eureka

Beowawe
Crescent Valley
Diamond Valley
Eureka
Palisade

Humboldt

Adelaide
Cordero Mine
Daveytown
Denio
Denio Junction
Ellison Ranch
Getchell Mine
Golconda
Jungo
McDermitt
Orovada
Paradise Valley
Paradise Well
Pronto
Rebel Creek
Red House
Sod House
Spring City
Sulphur
Summit Lake
Tollhouse
Valmy
Winnemucca
Quinn River Crsng

Lander

Altenburg Hill
Austin
Battle Mountain
Betty O'Neil
Cape Horn Overland
Carroll Station
Copper Basin
Copper Canyon
Cortez Mine
Galena
Gilman Springs
Gold Acres
Goldquartz
Hilltop
Jacobsville
Kingston
Lander
Ledlie
McCoy
Mt. Airy
New Pass Mine
North Battle Mountain
Petersons Station
Reese River
Tenabo

Yankee Blade

Lincoln

Acoma
Alamo
Ash Springs
Atlanta
Bullionville
Caliente
Carp
Caselton
Chief Mining District
Crescent
Crestline
Deer Lodge
Delamar
Eagle Valley Mining
Echo Dam
Elgin
Fay
Finlay
Geyser Ranch
Helene
Hiko
Joseco
Logan
Pahrnagat Mining
Panaca
Pioche
Rachel
Rose Valley
Rox
Silver Park
Tempiute
Ursine

Lyon

Churchill
Clifton
Como Mining District
Conway Stage Station
Dayton
Delphi (site)
Elbow, The (site)
Fernley
Fort Churchill
Fredricks
Hooten Well
Hudson (site)
Lewis
Ludwig (site)
Lux
Mason
Morgan
MoundHouse
Nurdyke
Pine Grove
Ramsey (site)
Ravenel
Rockland
Rowe
Silver City
Silver Springs
Simpson
Smith
Sonoma (site)
Stagecoach
Sutro (site)
Sweetwater
Talapooza
Thompson
Wabuska
Weed Heights
Weeks
Wellington
Wichman
Yerington
Mineral
Antone's Station (site)
Aurora (site)
Babbitt
Basalt
Beleville
Broken Hills (site)
Camp Douglas (site)
Candelaria Mine
China Camp (site)
Deadhorse Wells (site)
Del Monte (site)
Eagleville (site)
Eddyville
Fletcher (site)
Gillis (site)

Gillis Camp (site)

Gillis Spring (site)
Hawthorne
La Panta (site)
Lucky Boy (site)
Luning
Magnus (site)
Marietta
Metalic City
Midway
Mina
Moho
Mt. Montgomery
Nolan (site)
Oro City (site)
Pamlico (site)
Queen Valley
Rawhide (site)
Redlich (site)
Regent (site)
Rhodes (site)
Schurz
Simon (site)
Sodaville
Walker Lake

Nye

Adaven
Amargosa Valley
Beatty
Belmont (site)
Berlin (site)
Bullfrog (site)
Carver's Station
Currant
Darrough Hot Springs
Duckwater
Ellsworth (site)
Fish Lake Valley
Gabbs
Gold Bar (site)
Golden (site)
Hicks Station (site)
Ione
Johnnie Mine
Lathrop Wells
Lockes
Manhattan
Mercury
Nyala
Pahrump
Potts (site)
Pritchards Station (site)
Rhyolite (site)
Round Mountain
San Antonio (site)
Scotty's Junction
Sharp's Ranch
Springdale (site)
Sunnyside
Tonopah
Tybo (site)
Yomba

Pershing

Arabia (site)
Ascalon (site)
Dun Glen (site)
Farrel (site)
Fitting (site)
Goldbanks (site)
Halfway House (site)
Humboldt City (site)
Humboldt House
Imlay
Jacobs Well
Kennedy (site)
Lovelock
Lower Rochester (site)
Mazuma (site)
Mill City
Nightingale (site)
Oreana
Packard (site)
Placerites (site)
Poker Brown (site)
Poker Brown Camp
Rabbitohle
Rochester (site)
Rye Patch
Scossa (site)
Seven Troughs (site)
Spring Valley

Stonehouse

Tenmile (site)
Thacker Ranch Stage
Toulon (site)
Tungsten
Unionville
Valery (site)
Vernon
Willard (site)
Willow Creek
Woolsey (site)

Storey

Gold Hill
Highland Ranches
Lockwood
McCarran
Mark Twain Estates
Mustang
Painted Rock
Virginia City
Virginia City Highlands

Washoe

Anderson
Big Canyon (site)
Black Springs
Boomtown
Border Town
Bronte (site)
Callahan Ranch
Cold Springs
Crystal Bay
Derby
Easton (site)
Empire
Flanigan
Franktown
Gerlach
Golden Valley
Incline Village
Leadville (site)
Lemmon Valley
Mogul
Mount Rose
New Washoe City
Nixon
Old Washoe City
Olinghouse
Palamino Valley
Panther Valley
Patrick
Pleasant Valley
Pyramid (site)
Reno
Reno-Stead
Sand Pass
Smoke Creek (site)
Smoke Creek Station
Spanish Springs
Sparks
Steamboat Springs
Sun Valley
Sutcliffe
Tracy
Verdi
Virginia Foothills
Vista
Vya (site)
Wadsworth
Washoe City
Williams Gravel Mine
Zenobia (site)

White Pine

Baker
Central Ely
Cherry Creek
Ely
Lages
Lane City
Lehman Caves
Lund
Majors Place
McGill
Osceola (site)
Preston
Ruth



THE TAXPAYER BILL OF RIGHTS

INTRODUCTION

This document sets forth the Taxpayer's Bill of Rights with explanations and an introduction to the services provided by the Department of Taxation. Our philosophy is simple: Most people want to pay what they owe on time and in full, and an important part of our job is to explain the taxpayer's responsibilities as clearly as possible. Taxes may be inevitable, but paying them should not be an overly confusing or intimidating experience.

Understanding how the system works is every taxpayer's right and responsibility. Our goal is to take the mystery out of tax administration and when that happens, everyone benefits — taxpayers and tax administrators alike.

This is also an introduction to how the system works if you have a problem with your taxes or if you disagree with how much the Department says you owe in taxes. Well-informed taxpayers can get faster results by knowing their rights and exercising them quickly.

Taxpayers need to know what will happen if they do not pay taxes. State law provides for an escalating series of sanctions - from interest and penalty charges to court actions - designed to ensure that everyone pays his or her fair share of taxes. The enforcement tools, carefully used, encourage voluntary compliance while assuring honest taxpayers that they are not shouldering an unfair burden.

This document may not be able to provide you with all the detailed information that you need to answer a particular question or solve a specific problem. Contact the Department for additional information.

The rights set forth in this document cover those taxes or tax provisions administered by the Department of Taxation under NRS Title 32, "Revenue and Taxation".

Reference:

NRS Chapter 372, Sales and Use Taxes

NRS Chapter 363A & B, Modified Business Tax

NRS Chapter 368A, Live Entertainment Tax

NRS Chapter 444A, Tire Tax

NRS Chapter 361, Property Tax

NRS Chapter 375, Real Property Transfer Tax

NRS Chapter 362, Net Proceeds of Minerals

For a complete list of administered taxes visit the Department's Website — <http://tax.state.nv.us>

TAXPAYERS' BILL OF RIGHTS

The Legislature has declared that each taxpayer has the right:

1

To be treated by officers and employees of the Department with courtesy, fairness, uniformity, consistency and common sense.

Every taxpayer is liable for the correct amount of tax that is due under the law. The Department endeavors to apply the law consistently and fairly to all taxpayers and treat them with courtesy and consideration. These criteria are taken into account when evaluating an employee's performance. The Department shall not evaluate any employee of the Department on the basis of assessments or collections from taxpayers. Any taxpayer who is not treated with fairness, courtesy and consideration by any Department employee, should contact the employee's supervisor with their concerns.

2

To a prompt response from the Department to each communication from the taxpayer, unless other arrangements have been made.

The Department tries to return telephone calls by the end of each day, but that is not always possible. However, we will return each call within 48 hours (weekends excluded). The Department provides a written response to a written request by the taxpayer within 30 days after it receives the request. However, when lengthy research is required that prohibits responding in 30 days, the taxpayer will be advised. A response will be provided when the information becomes available.

3

To provide minimum documentation and other information as may reasonably be required by the Department to carry out its duties.

The Department is mandated to ask only for information that it needs to do its job, and no more. All forms prepared by the Department ask for a minimum of information and have attached instructions to help the taxpayer provide that information.

To support Sales/Use Tax and various Excise Tax remittances, a taxpayer's records must include the normal books of accounting, together with all receipts, invoices, bills, cash register tapes and any other documentation of original entry supporting the entries in the books of accounts.

To support remittances of the Modified Business Tax, a taxpayer's records must include the necessary payroll records and all supporting documentation if the medical deduction is claimed.

Records should be kept for a minimum of four years from the date of filing. Any taxpayer who has failed to register with the Department will be required to provide records for not less than 8 years.

Failure to maintain such records can be considered evidence of negligence or intent to evade the tax and may result in the imposition of penalties as provided by law. The burden of proof falls upon the taxpayer to show a deficiency has been incorrectly assessed.

4

To written explanations of common errors, oversights and violations that taxpayers experience and instructions on how to avoid such problems.

All billings from the Department have a written explanation of the reason for the billing. Department employees are always willing to help with specific problems and make helpful suggestions so the taxpayer can correct any existing problems. A written request for help or information will be answered in writing by the Department.

Please note that the Department is not bound by answers given by staff to taxpayers in telephone conversations. Therefore, if the information you are requesting concerns how the tax is to be collected or applied, the request should be in writing and should include as much detail as possible to the specific circumstances. The Department's written response can be used to support the taxpayer's position should questions arise in an audit.

These types of common errors are also addressed in the Department's quarterly publication, "Nevada Tax Notes," which is mailed quarterly to all taxpayers.

5

To be notified in writing, by the Department whenever its officer, employee or agent determines that the taxpayer is entitled to an exemption or has been taxed or assessed more than is required by law.

It is the policy of the Department to provide a refund or credit to the taxpayer on all overpayments of taxes that the Department determines is due as a result of an audit or other examination of returns sent in by the taxpayer. The taxpayer will be notified in writing of the right to a refund or credit at the address the taxpayer provided to the Department.

6

To written instructions advising how the taxpayer may petition for:

(1) An adjustment of assessment;

(2) A refund or credit for overpayment of taxes, interest or penalties; or

(3) A reduction in or the release of a bond or other form of security required to be furnished pursuant to the provisions of Title 32 that are administered by the Department.

If the Department makes a determination that taxes are owed by a taxpayer, by law the written notice of that determination must be served either personally or by mail. The Department will provide written instructions with the notice to the taxpayer on the procedure to file a petition in order to contest the Department's determination that taxes are owed. Please note that generally there is a 45-day time limit on filing a petition with the Department to contest a determination that tax is owed with the exact date for filing the petition stated in the notice. The petition must be in writing and include the reasons why the taxpayer is contesting the determination that tax is owed. Including supporting documentation may be helpful when filing the petition. If the petition is mailed, the Department will consider the postmark date stamped on the envelope by the U.S. Postal Service as the date of filing the petition. If the petition is not filed within the time allowed, the Department's determination that tax is owed becomes final. Please call the Department if you have any questions on the procedure for contesting the determination that tax is due.

With respect to a taxpayer's claim that taxes were overpaid, please see Section 7.

The law provides that the Department may, for good cause, reduce or waive penalties and/or interest that may have accrued on delinquent taxes. A petition to waive or reduce penalties or interest must be made in writing, signed under penalty of perjury, and include the reasons the taxpayer is seeking the reduction or waiver. The form for this purpose can be found on the Department's website: <http://tax.state.nv.us>. Scroll down to "Common Forms," then go to "General Purpose."

7

To recover an overpayment of taxes promptly upon the final determination of such an overpayment.

A taxpayer may petition the Department for a refund or credit of taxes believed to have been overpaid. The petition must be in writing and be accompanied by all relevant documentation to support the claim that taxes have been overpaid and a refund or credit is due. The amount of any credit or overpayment will be credited against any other such tax or fee due from the taxpayer before any portion of an overpayment may be refunded. Depending on the type of tax involved, Nevada law provides for various limits on the time within which a claim for refund or credit may be made. Contact the Department for specific information.

Once the Department makes the determination that an overpayment of taxes was made, the taxpayer has a choice of receiving either a credit towards future taxes due or a refund check. The taxpayer must notify the Department in writing as to which option is wanted. Please note that a refund by check typically takes several weeks to process because the checks must be requested from another State agency.

8

To obtain specific advice from the Department concerning taxes imposed by the State.

The Department of Taxation has a dual role, collection of taxes for the State, which is a major task of the Department and taxpayer assistance. It is each employee's responsibility to assist taxpayers with information concerning the laws of the State, to inform taxpayers of procedures to follow to comply with these laws and to give assistance freely and willingly where it is requested. It is the Department's goal to resolve any situation before it becomes a major problem.

The Department will respond to questions over the telephone; however, the Department is not bound by the answers given to taxpayers by staff in telephone conversations. Therefore, if the information you are requesting concerns how the tax is to be

collected or applied, the request should be in writing and should include as much detail as possible to the specific circumstances. The Department's written response can be used to support the taxpayer's position should questions arise in an audit.

9

In any meeting with the Department including an audit, conference, interview or hearing:

- (1) To an explanation by an officer, agent or employee of the Department that describes the procedures to be followed and the taxpayer's rights thereunder;*
- (2) To be represented by himself or anyone who is otherwise authorized by law to represent him before the Department;*
- (3) To make an audio recording using the taxpayer's own equipment and at the taxpayer's own expense; and*
- (4) To receive a copy of any document or audio recording made by or in the possession of the Department relating to the determination or collection of any tax for which the taxpayer is assessed, upon payment of the actual cost to the Department for making the copy.*

These rights are self explanatory and are included in the regulations of the Department.

10

To a full explanation of the Department's authority to assess a tax or to collect delinquent taxes, including the procedures and notices for review and appeal that are required for the protection of the taxpayer. An explanation which meets the requirements of this Section must also be included with each notice to a taxpayer that an audit will be conducted by the Department.

The Department's authority to assess the taxes it administers, and collect those taxes, is contained in various provisions of Nevada Revised Statutes (NRS) and the Nevada Administrative Code (NAC), including the rights and remedies of taxpayers to contest the assessment of taxes against them. The form for this purpose can be found on the Department's website: <http://tax.state.nv.us>. Scroll down to "Audit," then go to "Appeal Procedures." Also, upon request the Department can provide taxpayers with a copy of the applicable statutes in NRS and regulations in NAC. In the case of property taxes, please see the "Property Tax" Section at the end of this document.

11

To the immediate release of any lien which the Department has placed on real or personal property for the nonpayment of any tax when:

- (1) The tax is paid;*
- (2) The period of limitation for collecting the tax expires;*
- (3) The lien is a result of an error by the Department;*
- (4) The Department determines that the taxes, interest and penalties are secured sufficiently by a lien on other property;*
- (5) The release or subordination of the lien will not jeopardize the collection of taxes, interest and penalties;*
- (6) The release of the lien will facilitate the collection of tax, interest or penalties; or*
- (7) The Department determines the lien is creating an economic hardship.*

The rights as listed above show the Department's policy on a lien placed for nonpayment of taxes. The taxpayer is entitled, in most cases, to notification before a lien is filed against them. A tax lien is a public notice of debt and attaches to the taxpayer's property and his or her right to hold property. It can be filed for continued failure to pay or to establish a method of payment. Since a lien is a public record, it may harm a taxpayer's credit rating.

12

To the release or reduction of a bond or other form of security required to be furnished pursuant to the provisions of Title 32 by the Department in accordance with applicable statutes and regulations.

Provided there are no taxes due, security will be returned, released or allowed to expire when a taxpayer closes his or her Sales/Use Tax account. If it is determined that taxes are owed and not paid by the taxpayer, a claim may be made on the security. In the case of cash or a savings certificate, any excess over and above the amount due will be refunded to the taxpayer.

Also, if a taxpayer has security on file for his or her Sales/Use Tax account, Department regulations provide that a waiver from the security may be granted under the following conditions:

- a) The taxpayer must have a perfect record of timely reporting for 36 consecutive months;
- b) The taxpayer must request a waiver of the security in writing to the Director of the Department.

Note: On corporations, corporate officers must sign a personal guarantee.

Upon written request, the Department may reduce the amount of security required in proportion to a reduction in taxable sales.

13

To be free from investigation and/or surveillance by an officer, agent or employee of the Department for any purpose that is not directly related to the administration of the taxes administered by the Department.

It is the policy of the Department that each taxpayer is to be treated with respect and to ensure that his or her rights as a citizen of Nevada and the United States are not infringed upon. No officer or employee of the Department may use his or her position for purposes that are not directly related to the proper administration of the provisions of this Title.

14

To be free from harassment and/or intimidation by an officer, agent or employee of the Department for any reason.

It is a policy of the Department that no taxpayer may be harassed and/or intimidated by any employee. Statute sets the limits of authority, and procedures inform employees how to perform their duties. The Department provides training, instruction, supervision and review of its employees in the performance of their duties. Abuse of any taxpayer shall not be tolerated, and if a taxpayer is not treated fairly and with courtesy by any Department employee, he or she should contact the employee's supervisor with any concerns.

15

To have statutes imposing taxes and any regulations adopted pursuant thereto construed in favor of the taxpayer if those statutes or regulations are of doubtful validity or effect, unless there is a specific statutory provision that is applicable.

16

The provisions of this Title and Title 57 of NRS and NRS 244A.820, 244A.870, 482.313 and 482.315 governing the administration and collection of taxes by the Department must not be construed in such a manner as to interfere or conflict with the provisions of this Section or any applicable regulations.

17

The provisions of this Section apply to any tax administered, regulated and collected by the Department pursuant to the provisions of this Title and Title 57 of NRS and NRS 244A.820, 244A.870, 482.313 and 482.315 and any regulations adopted by the Department relating thereto.

ADDENDUM

PROPERTY TAXES

a) GOVERNANCE

The Department exercises general supervision and control over the entire revenue system of the State (NRS 360.200). In terms of property tax, the Department directly appraises the property of an inter-state or inter-county nature (NRS 360.210; 361.320); determines the net proceeds of minerals (NRS 362.100); and bills, collects and distributes the property tax for centrally-assessed property and net proceeds taxes. The Department also appraises and assesses all mine facilities and equipment (NRS 362.100) but does not bill, collect or distribute the property tax for mine facilities. Instead, the assessed values of mine property are transmitted to the counties, who then bill, collect and distribute the property tax.

The County Assessor is an elected official who discovers, lists and determines the taxable value of all real and personal property in his or her county, except property to be valued by the Department (NRS 361.260). For real property not reappraised in the current year, the Assessor also determines an assessed value by applying land and improvement factors approved by the Commission (NRS 361.260; 361.261). The Assessor establishes standards for appraising and reappraising land (NRS 361.260).

The County Treasurer is an elected official who bills and collects all taxes assessed upon the real property tax roll (NRS 361.480; 361.475). In certain cases, the County Assessor bills and collects property taxes for personal property (NRS 361.483; 361.5605). The County Treasurer manages the collection of delinquent taxes and the seizure and sale of property in the event taxes remain unpaid (NRS 361.5648 through 361.595).

If you have questions concerning:

- Your appraisal assessment or exemptions, contact the County Assessor's Office; *
- The payment of your property taxes, contact the County Treasurer's Office; *
- Your tax rate, contact your County Finance Officer. *

*Links to all County Assessor and County Treasurer offices can be found on the Department's website at <http://tax.state.nv.us>.

b) EXEMPTIONS

Property Tax exemptions are provided to persons meeting certain requirements such as surviving spouses, orphans, veterans, disabled veterans, blind persons or for certain types of property.

There is also a senior citizens property tax and renter's rebate program available to all persons 62 years of age or older that is administered by the Nevada Division for Aging Services.

Filing for exemptions must be done within specific time periods. For information call your local County Assessor's Office or the Department.

c) APPEAL OF PROPERTY TAX ASSESSMENTS

Each County Assessor mails to each property owner a written notice of the value of his property in the months of November and December.

If you believe the valuation is incorrect, you may appeal to your local County Board of Equalization. The appeal dates vary depending on the type of property being appealed. The County Assessor can provide you with additional information on an appeal.

Any taxpayer who appealed to the County Board of Equalization, and who does not agree with the determination, may then file an appeal with the State Board of Equalization. The appeal must be filed not later than March 10 of each year. Forms for appeal can be found on the Department's website: <http://tax.state.nv.us>. Scroll down to "Assessment Standards," then go to "DOAS Publications and Forms Page, then continue down the page to "State Board Forms/Publications."

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