

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB FILE NO. R035-24I

**The following document is the initial draft regulation proposed
by the agency submitted on 03/04/2024**

Informational Report – Executive Order 2023-003

Name of department, agency, board, or commission: **Nevada Department of Taxation**

Address: **1550 College Parkway Suite 115**

City: **Carson City**

Zip: **89706**

Telephone: **775-684-2096**

Name of Director: **Shellie Hughes**

Director Email: shughes@tax.state.nv.us

Section 1 - Comprehensive Review of Regulations / Section 3 – Mandatory Meeting and Report

The above-named department, agency, board, or commission conducted a comprehensive review of the regulations subject to its enforcement that can be streamlined, clarified, reduced, or otherwise improved to ensure those regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth. The regulations identified for Section 1 of Executive Order 2023-03 are listed below with the information as required on page 1 of the instruction sheet on the following pages of the report:

Regulation/ Information as required on page 1

| | |
|------------------|---|
| 1. NAC 360.043 | Scope; construction; deviation. |
| 2. NAC 360.045 | Communications. |
| 3. NAC 360.050 | Fees and remittances. |
| 4. NAC 360.055 | Hearing calendar; notice of meetings of Commission. |
| 5. NAC 360.058 | Transcripts. |
| 6. NAC 360.060 | Meetings and hearings: Conduct required; smoking prohibited. |
| 7. NAC 360.095 | Notice; location. |
| 8. NAC 360.135 | Subpoenas. |
| 9. NAC 360.425 | Application by minor for business license or seller's permit: Documentation of responsibility. |
| 10. NAC 360.435 | Sales and use taxes: Failure to file return or filing of incorrect, false or fraudulent return. |
| 11. NAC 360.472 | Application: Date of submittal; consideration by Commission; certificate of eligibility upon approval. |
| 12. NAC 360.4745 | Business tax: Applicability of partial abatement. |
| 13. NAC 360.475 | Business tax: Date of eligibility; determination of amount of capital investment required; filing of form of compliance with proof of capital investment. |
| 14. NAC 360.4765 | Minimum period of employment of required number of employees. |
| 15. NAC 360.4775 | Determination of tax owed upon failure to continue to meet requirements; appeal. |
| 16. NAC 360.485 | Standards for use by Department in determining whether overpayment was made intentionally or by reason of carelessness. |
| 17. NAC 360.588 | Online registration with Department. |
| 18. NAC 360.706 | Notice of deficiency determination; petition for redetermination; extension for filing petition; Department review; use of hearing officer; prehearing statement; extension for filing prehearing statement; notice of hearing; withdrawal of petition. |

Section 2 – Regulation for Removal / Section 3 – Mandatory Meeting and Report

The above-named department, agency, board or commission conducted a comprehensive review of the regulations subject to its enforcement and identified the following ten (10) or more regulations recommended for removal. The regulations identified for Section 2 of Executive Order 2023-03, ranked in descending order of priority, are listed below with the information as required on page 1 of the instruction sheet on the following pages of the report:

Regulation/Information as required on page 1

1. NAC 360.477 Refund upon approval of application

2. NAC 360.478 Abatements for new grocery store within Southern Nevada Enterprise Community.

3. NAC 360.4785 Abatements for expansion of grocery store within Southern Nevada Enterprise Community.

4. NAC 360.479 Abatements for certain energy-efficient structures: Interpretation of certain statutory terms.

5. NAC 360.476 Local school support tax: Date of eligibility of machinery or equipment.

6. NAC 360.432 Contract with private debt collector: Authorization by Commission; prior notification of debtor by Department.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.043 Scope; construction; deviation. (*NRS 360.090*)

1. The provisions of *NAC 360.043* to *360.200*, inclusive:
 - (a) Govern the practice and procedure in contested cases before the Commission and Department.
 - (b) Govern all practice and procedure before the Commission or Department under titles 31 and 32 of NRS.

(c) Will be liberally construed to secure the just, speedy and economical determination of all issues presented to the Commission or Department.

2. In special cases, where good cause appears, not contrary to statute, deviation from these rules, if stipulated to by all parties of record, will be permitted.

3. *In computing any period prescribed or allowed by the provisions of NAC 360.043 to 360.200, inclusive:*

(a) If the period begins to run on the occurrence of an act or event, the day on which the act or event begins is excluded from the computation.

(b) The last day of the period is included in the computation, except that if the last day falls on a Saturday, Sunday, legal holiday or holiday proclaimed by the Governor or on a day on which the office of the Department is not open for the conduct of business, the period is extended to the close of business on the next business day.

[Tax Comm'n, Practice Rule No. 1, eff. 11-15-77; A 12-20-79; No. 2, part No. 3 & No. 5, eff. 11-15-77]—(NAC A by R112-07, 12-4-2007; R140-07, 1-30-2008; R175-08, 10-15-2010)

- 2. A clear and concise explanation on why such change should occur.**

Amend to add subsection 3 to address computation of time for deadlines not to include weekends, holidays, or closed office days in practice before the Nevada Tax Commission and Department.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Exhibit 361.1-A

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.045 Communications. (NRS 360.090)

1. All pleadings, including, but not limited to, complaints, petitions, answers, briefs, motions, affidavits and applications, should be addressed to the Director and not to individual members of the Commission or its staff. All pleadings *may be mailed or filed electronically and* are deemed to be ~~officially received by~~ *timely filed with* the Department when a true copy of the paper or document, properly addressed and stamped, is deposited in the United States mail, *or electronically transmitted, as applicable.*

~~— 2. Informal communications may be made with individual members of the staff and these communications and documents are deemed to be officially received by the Department when they are properly addressed and stamped and deposited in the United States mail.~~

~~— 3. Informal communications from the Department or Commission must be signed by the responsible staff member or Commissioner.~~

~~— 4. Each communication must be limited to one subject, contain the name and address of the person originating the communication and the appropriate permit or account number, if any, pertaining to the subject of the communication.]~~

[Tax Comm'n, Practice Rule No. 17, eff. 11-15-77; A 12-20-79; No. 19, eff. 11-15-77]

- 2. A clear and concise explanation on why such change should occur.**

Amend to add electronic filing and exchange of documents and remove outdated processes.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

Exhibit 361.2-A

b. Information for each person who provided public oral or written comment or testimony on the regulation:

i. Name of person:

Cindy Creighton, President

ii. Name of entity or organization represented and address (if applicable):

Nevada Taxpayers Association
2303 East Sahara Avenue, Suite 102
Las Vegas, NV 89104-4138

iii. Contact telephone number:

702-457-8442

iv. Electronic mail address:

ccreighton@nevadataxpayers.org

c. A summary of each person's public oral or written comment or testimony.

Regulation should be amended to allow electronic submissions upon stipulation or upon acknowledgment of receipt by the Department.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION
General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.050 Fees and remittances. (NRS 360.090)

1. Fees and remittances to the Department must be by money order, bank draft, *electronic funds transfer, credit and/or debit card*, or check payable to the Department.
2. Remittances in currency or coin are wholly at the risk of the remitter and the Department assumes no responsibility for loss thereof.
3. Postage stamps will not be accepted as remittances.
[Tax Comm'n, Practice Rule No. 20, eff. 11-15-77]

- 2. A clear and concise explanation on why such change should occur.**

Amend to include electronic payments and debit/credit card payments.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

- i. Name of person:**

Cindy Creighton, President

- ii. Name of entity or organization represented and address (if applicable):**

Nevada Taxpayers Association

Exhibit 361.3-A

2303 East Sahara Avenue, Suite 102
Las Vegas, NV 89104-4138

iii. Contact telephone number:

702-457-8442

iv. Electronic mail address:

ccreighton@nevadataxpayers.org

c. A summary of each person's public oral or written comment or testimony.

Requested that electronic funds transfers be added to the regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION General Provisions

1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.

NAC 360.055 *Notice of Commission Meetings* ~~Hearing calendar; notice of meetings of Commission~~. (NRS 360.090)

~~[1. A hearing calendar will be maintained by the Director and current assignments for hearings will be made from the calendar. A current copy of the hearing calendar will be posted at all of the offices of the Department.]~~

~~[2.]~~ Notice of the meetings of the Commission will be given to the public by posting a notice and an agenda *in accordance with the requirements of NRS Chapter 241, including, without limitation, on the Department's website and* at the Carson City, Reno, *and* Las Vegas ~~and Elko~~ offices of the Department at least 3 working days before the meeting.

[Tax Comm'n, Practice Rule No. 21, eff. 11-15-77]

2. A clear and concise explanation on why such change should occur.

Amend to change title to Notice of Commission Meetings, delete subsection 1 as hearings are confidential and add language to confirm notice requirements pursuant to NRS 241. Also remove "Elko" as the Department no longer has an office located in Elko.

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:

Exhibit 361.4-A

i. Name of person:

Cindy Creighton, President

ii. Name of entity or organization represented and address (if applicable):

Nevada Taxpayers Association
2303 East Sahara Avenue, Suite 102
Las Vegas, NV 89104-4138

iii. Contact telephone number:

702-457-8442

iv. Electronic mail address:

ccreighton@nevadataxpayers.org

c. A summary of each person's public oral or written comment or testimony.

Requested the hearing calendar be posted on the Department's website and include all hearings before the Administrative Law Judge as well as the Commission.

The Commission did not accept this recommendation as hearings before an Administrative Law Judge are confidential.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION
General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.058 Transcripts. (*NRS 360.090*)

1. If a transcript of any hearing held before the Commission or the hearing officer is desired by the petitioner or appellant, he or she must furnish the reporter, pay for the transcript and deliver a copy of the transcript to the Director within 20 days after requesting a rehearing or filing an appeal of the matter.

2. If a transcript is prepared by the petitioner or appellant from a tape recording provided by the Department, the petitioner or appellant must, if he or she wishes to use the transcript in any subsequent hearing or appeal of the matter, deliver a copy of the transcript to the Department within the time required by subsection 1.

3. A court reporter who transcribes any hearing held before the Commission or a hearing officer must be licensed pursuant to NRS Chapter 656.

[Tax Comm'n, Practice Rule part No. 17, eff. 11-15-77; A 12-20-79]—(NAC A 6-20-90; 8-2-90)—
(Substituted in revision for NAC 360.165)

- 2. A clear and concise explanation on why such change should occur.**

Amend to require the transcript be certified by a court reporter licensed pursuant to NRS Chapter 656.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

Exhibit 361.5-A

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PRACTICE BEFORE THE NEVADA TAX COMMISSION
General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.060 Meetings and hearings: Conduct required; smoking prohibited. (*NRS 360.090*)

1. A person appearing in a proceeding shall conform to the recognized standards of ethical and courteous conduct.

~~2. Smoking is prohibited during all meetings of the Commission and hearings before the hearing officer.~~

[Tax Comm'n, Practice Rule No. 33, eff. 11-15-77]

- 2. A clear and concise explanation on why such change should occur.**

The Smoking section can be removed as it's been legislated away by the Nevada Clean Indoor Air Act - NRS 202.2483.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

Hearings on Petitions for Redetermination

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.095 Notice; location. (NRS 360.090, 360.370)

1. Hearings will be held before the Director or other designated hearing officer. Except as provided in subsection 3, notice of the place, date and hour of the hearing will be served at least 10 days before the date set for the hearing.

2. Hearings will be held at the offices of the Department ~~[in Carson City, Nevada]~~, or at such other place in the State as may be designated in the notice of hearing.

3. In all hearings ordered to be held by the hearing officer, the hearing date may be set with less than 10 days' notice if the petitioner, or the petitioner's counsel, and staff agree in writing.

[Tax Comm'n, Practice Rule Nos. 23 & 36, eff. 11-15-77]—(NAC A 9-13-85; 1-12-96)

- 2. A clear and concise explanation on why such change should occur.**

Amend to remove Carson City as the sole Department Office for hearings, as hearings can be held in any office.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

Exhibit 361.7-A

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

Hearings on Petitions for Redetermination

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.135 Subpoenas. (NRS 360.090, 360.370)

1. Subject to the restrictions imposed by [NRS 360.240](#), *a hearing officer may issue a subpoena for: [requiring]*
 - (a) the attendance of a witness from any place in the State to any designated place of a hearing for the purpose of taking testimony may be issued by the hearing officer.
 - (b) *The production of books, waybills, papers, accounts or other documents located in the State.*
2. A party desiring to subpoena a witness must submit an application in writing to the hearing officer stating the reasons why a subpoena is requested.
3. The hearing officer may require that a subpoena requested by a party for the production of books, waybills, papers, accounts or other documents be issued only after the submission of an application in writing, which specifies as clearly as may be, the books, waybills, papers, accounts or other documents desired.
4. The hearing officer, upon receipt of an application for a subpoena, shall:
 - (a) Grant the application and issue the subpoena;
 - (b) Deny the application; or
 - (c) Schedule a hearing to decide whether to grant or deny the application.
5. All costs incident to the subpoenas issued at the request of the petitioner must be paid by the petitioner, and the hearing officer may demand payment of the costs before the issuance of a subpoena.
[Tax Comm'n, Practice Rule No. 28, eff. 11-15-77]—(NAC A 1-12-96)

- 2. A clear and concise explanation on why such change should occur.**

Amend to clarify that subpoenas may be issued for persons or documents by adding an additional sentence to subsection 1: The hearing officer may issue a subpoena for the production of books, waybills, papers, accounts or other documents located in the State.

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Exhibit 361.8-A

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PAYMENT AND COLLECTION OF TAXES AND FEES

1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.

NAC 360.435 ~~{Sales and use taxes:}~~ Failure to file return or filing of incorrect, false or fraudulent return. (NRS 360.090, *372.725, 374.725*) *Any person who is required to file a return pursuant to chapter 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585 or 680B of NRS, except as otherwise provided in any of these chapters, ~~{chapter 372 or 374 of NRS}~~ and fails to do so within the time prescribed by specific statute, regulation or rule, or who files an incorrect, false or fraudulent return, must, upon written demand of the Director or the Director's designee, file the return required or the corrected return, as appropriate, within 10 days after the written demand for the return or corrected return has been mailed to the person. The person shall pay any tax due on the basis of such a return when filing the return.*

(Added to NAC by Tax Comm'n by R032-03, eff. 10-30-2003)

2. A clear and concise explanation on why such change should occur.

Amend to include all chapters administered by the Department. This is the regulation used for Citations to Appear that are used as the first step in the collection process. It is used for more than just sales and use tax. The Department uses the citation for all tax types that don't have their own regulation regarding collections.

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PARTIAL ABATEMENT OF CERTAIN TAXES

Abatements for New or Expanded Business

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.472 Application: Date of submittal; consideration by *the Office [Commission]*; certificate of eligibility upon approval. (NRS 360.750, 361.0687, ~~364A.170~~ 363B.120, 374.357, 701A.210)

1. To apply for a partial abatement, a person must submit an application to the *Office [Commission]* on a form prescribed by the *Office [Commission]* within the period prescribed in subsection 2.

2. If the application is for a partial abatement of the taxes imposed pursuant to chapter 361 or *363B* ~~364A~~ of NRS, the application must be submitted not earlier than ~~18~~ *12* months before the business is located or expanded in this State. If the application is for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the application must be submitted not later than 60 days after the date of acquisition of the eligible machinery or equipment.

3. Except as otherwise provided in subsection 4, the *Office [Commission]* will consider an application submitted pursuant to subsection 1 if the application is received:

(a) At least 15 working days before a regularly scheduled meeting of the *Office [Commission]*, at that meeting; or

(b) Less than 15 working days before a regularly scheduled meeting of the *Office [Commission]*, at the next regularly scheduled meeting immediately following that meeting.

4. If the *Office [Commission]* determines that an application submitted pursuant to subsection 1 requires special or additional review and consideration by the *Office [Commission]*, the *Office [Commission]* may postpone consideration of the application until the next regularly scheduled meeting of the *Office [Commission]*.

5. If the *Office [Commission]* approves an application for a partial abatement, the *Office [Commission]* will forward to the Department, with the certificate of eligibility required pursuant to subsection 6 of NRS 360.750, any materials submitted to the *Office [Commission]* in support of the application submitted pursuant to subsection 1.

(Added to NAC by Comm'n on Econ. Development by R050-01, eff. 11-9-2001; A by Tax Comm'n by R109-01, 5-13-2002)

- 2. A clear and concise explanation on why such change should occur.**

Amend - In subsection 2, concern is that a taxpayer may submit an application not earlier than 18 months. Reduce that window to 12 months in order to facilitate the refund of taxes in a timely manner from the time the application is approved to the effective date of the abatement. Also remove reference to

Exhibit 361.19-A

NRS 364A as it has been repealed and add NRS 363B. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PARTIAL ABATEMENT OF CERTAIN TAXES

Abatements for New or Expanded Business

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.4745 Business tax: Applicability of partial abatement. (*NRS 360.750, 363B.120 [364A.170]*) A partial abatement of the taxes imposed pursuant to *chapter 363B [364A]* of NRS that is approved by the *Office [Commission]* for an expanded business:

1. Applies only to the taxes due for the additional employees employed by the business as a result of the expansion of the business.
2. Does not apply to the taxes due for the employees that were employed by the business before the expansion.

(Added to NAC by Tax Comm'n by R109-01, eff. 5-13-2002)

- 2. A clear and concise explanation on why such change should occur.**

Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission on Economic Development to “Office of Economic Development.”

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

Exhibit 361.20-A

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PARTIAL ABATEMENT OF CERTAIN TAXES

Abatements for New or Expanded Business

1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.

NAC 360.475 Business tax: Date of eligibility; determination of amount of capital investment required; filing of form of compliance with proof of capital investment. (NRS 360.750, 363B.120 [364A.170])

1. For the purposes of NRS 360.225, to determine eligibility for a partial abatement of the taxes imposed pursuant to chapter 363B [364A] of NRS, a proposed or expanded business which qualifies as an employer pursuant to NRS 612.055 shall be deemed by the Department to have begun operations in this State:

(a) If the business is a proposed business, on the date on which the business first pays wages to an employee of the business who performs services for the business in this State.

(b) If the business is an expanded business, on the date on which the business first pays wages to an employee of the business who was not employed by the business before the expansion.

2. To determine the amount of capital investment required pursuant to paragraph (d), (e) or (f) of subsection 2 of NRS 360.750 for a partial abatement of the taxes imposed pursuant to chapter 363B [364A] of NRS:

(a) A capital investment shall be deemed to be any expenditure for an asset that qualifies as “section 1245 property,” as defined in 26 U.S.C. § 1245, if the asset will be used by the proposed business to establish its operations in this State or by the expanded business to expand its operations in this State; and

(b) The amount paid for such an asset, including any capitalized interest, shall be deemed to be the amount of the capital investment for that asset. Any finance charge, tax or interest paid for the asset must not be included in the determination of the amount of the capital investment for that asset.

~~— [3. A business for which the Commission has approved a partial abatement of the taxes imposed pursuant to chapter 364A of NRS shall, not later than 30 days after the end of the first fourth quarter in which the business has been in operation after the approval of the partial abatement, file with the Department on a form prescribed by the Department, a statement that the business has complied with the requirements of NRS 360.750. The form must be accompanied by proof that the business has made the capital investment required by the Commission pursuant to NRS 360.750.]~~

(Added to NAC by Tax Comm’n by R109-01, eff. 5-13-2002)

Exhibit 361.21-A

2. A clear and concise explanation on why such change should occur.

Amend - Remove the requirement in subsection 3. The capital investment reporting requirement has changed from one year and will now be determined by audit after two years. Also remove reference to NRS 364A as it has been repealed and add NRS 363B.

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
b. The positive or negative economic impact; and
c. Cost savings to the state or agency.

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PARTIAL ABATEMENT OF CERTAIN TAXES

Abatements for New or Expanded Business

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.4765 Minimum period of employment of required number of employees. (*NRS 360.750, 363B.120 [364A.170], 374.357*) If the *Office [Commission]* approves an application for a partial abatement of the taxes imposed pursuant to *chapter 363B [364A]* or *374* of NRS, the applicant must employ the number of employees required by the *Office [Commission]* for approval of the application by the last day of the first fourth quarter that the applicant has been in operation after the partial abatement has been approved by the *Office [Commission]* and must continue to employ at least that number of employees for:

1. At least 5 years; or
2. The period specified in the agreement executed by the applicant with the *Office [Commission]* pursuant to paragraph (b) of subsection 2 of *NRS 360.750*,
E whichever is later, after the last day of that fourth quarter.

(Added to NAC by Tax Comm'n by R109-01, eff. 5-13-2002)

- 2. A clear and concise explanation on why such change should occur.**

Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission on Economic Development” to “Office of Economic Development.”

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

Exhibit 361.22-A

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PARTIAL ABATEMENT OF CERTAIN TAXES

Abatements for New or Expanded Business

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.4775 Determination of tax owed upon failure to continue to meet requirements; appeal. (*NRS 360.750, 363B.120 [364A.170], 374.357*)

1. If the Department finds that a business for which the *Office [Commission]* has approved an application for a partial abatement of the taxes imposed pursuant to *chapter 363B [364A]* or *374* of NRS has failed to continue to meet the requirements for the partial abatement imposed by the *Office [Commission]* pursuant to *NRS 360.750*, the Department shall determine the amount of tax owed to the Department in the manner prescribed in *NRS 360.300* to *360.400*, inclusive.

2. A business against whom the Department has made such a determination may, in the manner prescribed in *NRS 360.300* to *360.400*, inclusive, file an appeal with the Nevada Tax Commission for a determination whether the business has substantially complied with the requirements for the partial abatement approved by the *Office [Commission]* pursuant to *NRS 360.750*.

(Added to NAC by Tax Comm'n by R109-01, eff. 5-13-2002)

- 2. A clear and concise explanation on why such change should occur.**

Amend - NRS 364A has been repealed and should be removed from authority and NRS 363B should be added. Also makes conforming changes from “Commission of Economic Development” to “Office of Economic Development.”

- 3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:**

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

Exhibit 361.23-A

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

OVERPAYMENTS, CREDITS AND REFUNDS

General Provisions

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.485 Standards for use by Department in determining whether overpayment was made intentionally or by reason of carelessness. (*NRS 360.090, 360.200*) For the purposes of *NRS 363A.170, 363B.160, 363C.620, 368A.270, 372.665, 372A.320, 372B.200* and *374.670*, an overpayment of a tax imposed by *chapter 363A, 363B, 363C, 368A, 372, 372A, 372B* or *374* of NRS, as applicable, and administered by the Department was made:

1. Intentionally if the overpayment was made for any reason other than a good-faith belief that the taxpayer owed the tax and paid the amount of tax owed by the taxpayer.

2. By reason of carelessness if the overpayment is the result of the failure of the taxpayer to make reasonable and prudent efforts to avoid the overpayment. Such reasonable and prudent efforts may include, without limitation:

(a) Maintaining accurate and complete books and records;

(b) Correcting errors in the computation of the tax which were identified by an audit conducted before the overpayment;

(c) Investigating the taxability of transactions during an audit when the overpayment was reasonably identifiable;

(d) Ceasing to make overpayments after receiving a refund for a prior overpayment involving the same or similar issues;

(e) Ceasing to make overpayments resulting from repeated transactions or transactions of a similar type when the taxability of the transactions is governed by a regulation or law that is commonly followed in the taxpayer's industry, trade or practice and the transactions are conducted over a period of time of sufficient length that a reasonable person would have discovered and corrected the issue causing the overpayment;

(f) Seeking an advisory opinion or other written advice from the Department concerning an interpretation of law when the taxpayer is unsure of the correct interpretation of the law. ~~[-; and]~~

~~[(g) Seeking advice on complex tax matters from a certified public accountant certified to practice in this State pursuant to chapter 628 of NRS or any other person who is certified or licensed in this State to practice a profession the members of which engage in the provision of advice on tax matters and who has knowledge of, or experience in, tax matters.]~~

(Added to NAC by Tax Comm'n by R143-18, eff. 12-19-2018)

Exhibit 361.25-A

2. A clear and concise explanation on why such change should occur.

Amend to remove paragraph g of subsection 2. This is not for penalty and interest waivers; this is a guide for standard to determine if a taxpayer was or was not careless for purposes of awarding credit interest.

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)
Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

ELECTRONIC SUBMISSION OF RETURNS AND REMISSION OF PAYMENTS

1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.

NAC 360.588 Online registration with Department. (NRS 360.090, 360.092)

1. To register online with the Department, a person must submit a completed Nevada Business Registration and confirm the registration by clicking on the ~~{certification}~~ *submit* button on the Department's website. By clicking on the ~~{certification}~~ *submit* button, a person represents that:

- (a) The information contained in the online Nevada Business Registration is true and accurate; and
- (b) The signatory is duly authorized to act on behalf of the business.

2. To become a website user of the Department's website, a taxpayer who has not obtained a permit from the Department must:

(a) Provide, during the website registration process:

- (1) The legal name and the federal employer identification number of the registrant; or
- (2) If the registrant is a sole proprietor, the legal name and the social security number of the registrant;

(b) Submit the legal name and electronic mail address of the taxpayer account security administrator;

(c) Submit a completed online Nevada Business Registration; and

(d) Confirm, by clicking on the ~~{certification}~~ *submit* button on the website upon completion of the registration process, that:

- (1) The information contained in the online Nevada Business Registration is true and accurate;
- (2) The signatory is duly authorized to act on behalf of the business; and
- (3) Security access is granted to the taxpayer account security administrator.

3. To become a website user of the Department's website, a taxpayer who has a permit issued by the Department must:

(a) Provide, during the website registration process, the legal name of the registrant and any one of the following:

- (1) The registrant's federal employer identification number;
- (2) If the registrant is a sole proprietor, the registrant's social security number; or
- (3) The permit number assigned to the registrant by the Department;

(b) Provide selected information from a return that was previously filed by the registrant;

(c) Provide the legal name and electronic mail address of the taxpayer account security administrator; and

(d) Confirm, by clicking on the ~~{certification}~~ *submit* button on the website upon completion of the registration process, that:

(1) The information contained in the website registration is true and accurate;

(2) The website user is duly authorized to act on behalf of the business and to receive confidential information; and

(3) Security access is granted to the taxpayer account security administrator.

(Added to NAC by Tax Comm'n by R062-05, eff. 10-31-2005)

Exhibit 361.26-A

2. A clear and concise explanation on why such change should occur.

Amend to replace the word "certification" with "submit" in order to match the proper language used in the Department's Online Tax System (NevadaTax).

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 1 - Comprehensive Review of Regulations

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

AUDITS

Audits of Taxpayers

- 1. The citation of the regulation with clear indication of the proposed modification in blue italics and matters to be omitted in red and bracketed.**

NAC 360.706 Notice of deficiency determination; petition for redetermination; extension for filing petition; Department review; use of hearing officer; prehearing statement; extension for filing prehearing statement; notice of hearing; withdrawal of petition. (NRS 360.090, 360.350, 360.360, 360.365, 360.370)

1. If, after an audit, the Department determines that delinquent taxes are due, the Department shall issue to the taxpayer a notice of the deficiency determination. The notice must be issued on or before the estimated completion date or revised estimated completion date of the audit. The Department shall include with the notice a form prescribed by the Department for filing a petition for redetermination.

2. If the taxpayer wishes to dispute the findings of the audit, the taxpayer must petition the Department for a redetermination within 45 days after he or she is served with the notice of the deficiency determination. A petition for redetermination must be submitted:

(a) On a form prescribed by the Department for filing a petition for redetermination; or

(b) In the form of a letter which contains sufficient information to give notice to the Department that the taxpayer is disputing the deficiency determination. The letter must include, without limitation, the name of the taxpayer, the account number assigned to the taxpayer by the Department and the amount of the tax, interest or penalty in dispute.

3. The Director may grant an extension for the filing of a petition for redetermination if the request for an extension is made in writing to the Department and the Director finds that the petition for redetermination was not filed or was filed late despite the exercise of ordinary care by and without the intent of the taxpayer and that the cause of the failure to file or late filing of the petition was circumstances beyond the control of the taxpayer. Such circumstances include, without limitation, a natural disaster or other disaster beyond the control of the taxpayer and the death or hospitalization of the person responsible for filing the petition for redetermination.

4. A petition for redetermination ~~[will be sent to a hearing officer after]:~~

(a) *Which includes a request for hearing will be sent to a hearing officer. ~~[The Department has reviewed any additional documentation that the taxpayer has submitted with his or her petition; and]~~*

(b) *Which does not include a request for hearing will be sent to a hearing officer after the Department has reviewed any additional documentation that the taxpayer has submitted with his or her petition and ~~[The]~~ the taxpayer and the Department have not agreed to a settlement based upon such documentation provided by the taxpayer.*

5. The hearing officer may request that the parties file prehearing statements. The parties may file a joint prehearing statement. If the parties cannot agree on a joint prehearing statement, each party must file

Exhibit 361.28-A

its statement by the date set by the hearing officer. The prehearing statement must be limited to a brief explanation of the issues from the audit for consideration by the hearing officer and must include, without limitation:

(a) A statement of the unresolved issues that will be presented to the hearing officer, the nature of the specific transaction at issue, the amount in dispute and the legal issues involved in the matter.

(b) A statement of the issues that have been resolved by the parties, including, without limitation, the uncontested facts.

(c) A list of exhibits that each party expects to introduce at the hearing and any objections to those exhibits. The exhibits must be marked in advance of the hearing.

(d) A list of the witnesses that each party expects to testify at the hearing.

(e) An estimate of the time required for the hearing.

(f) A statement regarding whether the party will submit a posthearing brief.

6. A prehearing statement must be filed by the date set by the hearing officer. The hearing officer may grant an extension for filing the prehearing statement if the motion or stipulation requesting the extension is filed with the hearing officer before the date set for filing the statement. The hearing officer shall issue a written decision on the motion or stipulation requesting the extension.

7. Failure of a party to file a prehearing statement will not delay the scheduling of the hearing. The hearing officer shall provide notice of the hearing to the parties at least 10 days before the date of the hearing.

8. If a party wishes to raise an issue that was not included in its prehearing statement before or during the hearing, the hearing officer shall grant a continuance to allow the opposing party to prepare a response to the issue.

9. The taxpayer may, at any time, withdraw his or her petition for redetermination by submitting a written request, in the form of a letter, to the Department.

(Added to NAC by Tax Comm'n by R045-01, eff. 11-1-2001)

2. A clear and concise explanation on why such change should occur.

Due process for audits, process for Petitions for Redetermination and hearings on audit disputes. Amend to separate hearing procedures from Petition procedures, move hearing procedures to "Hearings on Petitions for Redetermination" section, and conform Petition process to actual Department procedures; Amend subsection 4 to delineate the difference between "A petition for redetermination which includes a request for hearing will be sent to a hearing officer" and "A petition for redetermination which does not include a request for hearing will be sent to a hearing officer after."

3. Information for each public meeting held to discuss the proposed regulation change, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

Exhibit 361.28-A

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The amendment to this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

PAYMENT AND COLLECTION OF TAXES AND FEES

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~[NAC 360.432 – Contract with private debt collector: Authorization by Commission; prior notification of debtor by Department. (NRS 353C.200, 360.090)~~

~~—1. Subject to the conditions set forth in NRS 353C.200, the Department may enter into a contract with a private debt collector or any other person for the assignment of the collection of a debt if the Commission authorizes the Department to enter into a contract with regard to the debt.~~

~~—2. Upon the authorization of the Commission pursuant to subsection 1 and before entering into a contract pursuant to subsection 1, the Department shall notify the debtor that the debt may be assigned to a private debt collector if the debt is not paid in full. Notice provided to the debtor pursuant to this subsection must be served personally upon the debtor or by mail at his or her last address of record filed with the Department.~~

~~—3. As used in this section, “debt” has the meaning ascribed to it in NRS 353C.040.~~

~~—(Added to NAC by Tax Comm’n by R166-01, eff. 12-17-2001)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal – Pursuant to NRS 353C.200, if an agency assigns a debt to the State Controller for collection, the State Controller may enter into a contract with a private debt collector. The State Controller would be responsible for the contract with the private party; thus, this section of NAC is not needed.

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

Exhibit 360.3-R

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

**PARTIAL ABATEMENT OF CERTAIN TAXES
Abatements for New or Expanded Business**

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~[NAC 360.476—Local school support tax: Date of eligibility of machinery or equipment. (NRS 360.750, 374.357) —If an application is approved by the Commission for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the period of abatement begins on the date on which the applicant takes possession of the first delivery of eligible machinery or equipment at the location designated in the certificate of eligibility issued by the Commission. Upon taking possession of such eligible machinery or equipment, the applicant shall immediately notify the Commission and the Nevada Tax Commission. —(Added to NAC by Tax Comm'n by R109-01, eff. 5-13-2002)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal - Effective date of the abatement is determined pursuant to NRS 360.750(2)(b)(2).

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

**PARTIAL ABATEMENT OF CERTAIN TAXES
Abatements for New or Expanded Business**

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~[NAC 360.477 – Refund upon approval of application. (NRS 360.750, 364A.170, 374.357)~~

~~— 1. If the Commission approves an application for a partial abatement of the taxes imposed pursuant to chapter 364A of NRS, the applicant is eligible for a refund of any taxes imposed pursuant to chapter 364A of NRS which were paid previously by the applicant and which are subject to the abatement.~~

~~— 2. If the Commission approves an application for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the applicant is eligible for a refund of any taxes imposed pursuant to chapter 374 of NRS which were paid previously by the applicant and which are subject to the abatement, if the Department determines pursuant to NAC 360.4755 that the machinery or equipment qualifies as eligible machinery or equipment and:~~

~~— (a) If the machinery or equipment was acquired outside this State from a retailer that is not registered with the Nevada Tax Commission, the application for the partial abatement was made:~~

~~— (1) Before the acquisition of the machinery or equipment; or~~

~~— (2) After the acquisition of the machinery or equipment and within 60 days after the date on which the taxes on the acquisition imposed pursuant to chapter 374 of NRS were due; or~~

~~— (b) If the machinery or equipment was acquired from a retailer that is registered with the Nevada Tax Commission, the application for the partial abatement was made within 60 days after the payment of the taxes on the acquisition imposed pursuant to chapter 374 of NRS.~~

~~— (Added to NAC by Tax Comm'n by R109-01, eff. 5-13-2002)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal - This is applicable to the old abatement statutes and no longer applies.

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

Exhibit 360.5-R

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

Miscellaneous Abatements

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~[NAC 360.478 Abatements for new grocery store within Southern Nevada Enterprise Community. (§ 6 of ch. 198, Stats. 2005, as amended by § 16 of ch. 407, Stats. 2007)~~

~~— 1. A person who qualifies pursuant to section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784, may apply to the Commission for a partial abatement of any personal property tax imposed pursuant to chapter 361 of NRS and any tax on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment imposed pursuant to chapter 374 of NRS for a new grocery store which the person intends to locate within the Southern Nevada Enterprise Community established pursuant to 24 C.F.R. Part 597.~~

~~— 2. The application must be submitted on a form prescribed by the Executive Director of the Commission within the applicable period prescribed in subsection 3. The application must include, without limitation:~~

~~— (a) A certificate of endorsement from the governing body of the county, city or town in which the new grocery store will be located, which must:~~

~~— (1) Be issued by the governing body of the county, city or town in a manner consistent with the procedures adopted by the governing body for evaluating the benefits of tax abatements for the economic development of the county, city or town; and~~

~~— (2) Describe the partial abatement of taxes determined by the governing body of the county, city or town to be beneficial for the economic development of the county, city or town;~~

~~— (b) Evidence satisfactory to the Commission that the governing body of the county, city or town provided notice of the hearing at which the governing body considered whether to endorse the application to the board of trustees of the school district in which the grocery store will be located;~~

~~— (c) Evidence satisfactory to the Commission that the new grocery store for which the partial abatement of taxes is sought will be located within the Southern Nevada Enterprise Community; and~~

~~— (d) Evidence satisfactory to the Commission that the total amount of partial abatements of taxes applied for pursuant to this section, together with the total amount of partial abatements of taxes to which the applicant is entitled pursuant to NRS 361.4722, 361.4723 and 361.4724, does not exceed 82 percent of the total amount of personal property taxes otherwise due on all property for which the applicant is seeking a partial abatement pursuant to this section.~~

~~— 3. If the application is for a partial abatement of any personal property tax imposed pursuant to chapter 361 of NRS, the application must be submitted not earlier than 18 months before the new grocery store is located within the Southern Nevada Enterprise Community. If the application is for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the application must be submitted not later than 60 days after the date of acquisition of the eligible machinery or equipment.~~

~~— 4. Except as otherwise provided in subsection 5:~~

~~— (a) If an application submitted to the Commission pursuant to this section is received at least 15 business days before a regularly scheduled meeting of the Commission, the Commission will consider the application at that meeting; or~~

Exhibit 360.6-R

~~—(b) If an application submitted to the Commission pursuant to this section is received less than 15 business days before a regularly scheduled meeting of the Commission, the Commission will consider the application at the next regularly scheduled meeting immediately following that meeting.~~

~~—5. If the Commission determines that an application submitted pursuant to this section requires special or additional review and consideration by the Commission, the Commission may postpone consideration of the application until the next regularly scheduled meeting of the Commission.~~

~~—6. The Commission will approve an application for a partial abatement if the applicant satisfies all requirements of this section and subsection 3 of section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784.~~

~~—7. If the Commission approves an application for a partial abatement, the Commission will forward to the Department, with the certificate of eligibility required pursuant to subsection 4 of section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784, any materials submitted to the Commission in support of the application submitted pursuant to this section.~~

~~—8. If the Commission approves an application for a partial abatement from the tax imposed pursuant to chapter 374 of NRS, the taxpayer is eligible for an abatement from the tax for not more than 2 years for eligible machinery or equipment which is leased or purchased. In the case of machinery or equipment that is leased, the lessee is the taxpayer who is eligible for an abatement.~~

~~—9. If a person whose partial abatement has been approved pursuant to this section and is in effect:~~

~~—(a) Ceases to meet the requirements set forth in this section or section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784;~~
or

~~—(b) Ceases operation of the grocery store before the expiration of the period specified in the agreement the applicant executed with the Commission pursuant to subsection 3 of section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784,~~

~~È the person shall pay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, an amount equal to the amount of the tax abatement that was allowed pursuant to this section before the failure of the person to comply with the agreement fully, unless the Nevada Tax Commission determines that the person has substantially complied with the requirements of the agreement and section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784. Except as otherwise provided in NRS 360.232 and 360.320, the person shall, in addition to the amount required to be paid pursuant to this subsection, pay interest on that amount at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment of the tax would have been due had the partial abatement not been approved until the date of payment of the tax.~~

~~—10. As used in this section, unless the context otherwise requires:~~

~~—(a) “Commission” means the Commission on Economic Development.~~

~~—(b) “Eligible machinery or equipment” has the meaning ascribed to it in subsection 3 of NRS 374.357.~~

~~—(c) “Grocery store” has the meaning ascribed to it in subsection 7 of section 6 of chapter 198, Statutes of Nevada 2005, at page 643, as amended by section 16 of chapter 407, Statutes of Nevada 2007, at page 1784.~~

~~—(Added to NAC by Comm’n on Econ. Development by R168-07, eff. 4-17-2008)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal – These abatements are no longer available.

Exhibit 360.6-R

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
b. The positive or negative economic impact; and
c. Cost savings to the state or agency.

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

Miscellaneous Abatements

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~{NAC 360.4785— Abatements for expansion of grocery store within Southern Nevada Enterprise Community. (§ 7 of ch. 198, Stats. 2005, as amended by § 17 of ch. 407, Stats. 2007)}~~

~~— 1. A person who qualifies pursuant to section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785, may apply to the Commission for a partial abatement of any tax on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment imposed pursuant to chapter 374 of NRS for the expansion of a grocery store which is located within the Southern Nevada Enterprise Community established pursuant to 24 C.F.R. Part 597.~~

~~— 2. The application must be submitted on a form prescribed by the Executive Director of the Commission within the applicable period prescribed in subsection 3. The application must include, without limitation:~~

~~— (a) A certificate of endorsement from the governing body of the county, city or town in which the grocery store is located, which must:~~

~~— (1) Be issued by the governing body of the county, city or town in a manner consistent with the procedures adopted by the governing body for evaluating the benefits of tax abatements for the economic development of the county, city or town; and~~

~~— (2) Describe the partial abatement of taxes determined by the governing body of the county, city or town to be beneficial for the economic development of the county, city or town;~~

~~— (b) Evidence satisfactory to the Commission that the governing body of the county, city or town provided notice of the hearing at which the governing body considered whether to endorse the application to the board of trustees of the school district in which the grocery store is located;~~

~~— (c) Evidence satisfactory to the Commission that the grocery store for which the partial abatement of taxes is sought is located within the Southern Nevada Enterprise Community; and~~

~~— (d) Evidence satisfactory to the Commission that the total amount of any partial abatement of taxes applied for pursuant to this section, together with the total amount of partial abatements of taxes to which the applicant is entitled pursuant to NRS 361.4722, 361.4723 and 361.4724, does not exceed 82 percent of the total amount of personal property tax otherwise due on all property for which the applicant is seeking a partial abatement pursuant to this section.~~

~~— 3. The application must be submitted not later than 60 days after the date of acquisition of the eligible machinery or equipment.~~

~~— 4. Except as otherwise provided in subsection 5:~~

~~— (a) If an application submitted to the Commission pursuant to this section is received at least 15 business days before a regularly scheduled meeting of the Commission, the Commission will consider the application at that meeting; or~~

~~— (b) If an application submitted to the Commission pursuant to this section is received less than 15 business days before a regularly scheduled meeting of the Commission, the Commission will consider the application at the next regularly scheduled meeting immediately following that meeting.~~

Exhibit 360.7-R

~~—5.— If the Commission determines that an application submitted pursuant to this section requires special or additional review and consideration by the Commission, the Commission may postpone consideration of the application until the next regularly scheduled meeting of the Commission.~~

~~—6.— The Commission will approve an application for a partial abatement if the applicant satisfies all requirements of this section and subsection 3 of section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785.~~

~~—7.— If the Commission approves an application for a partial abatement, the Commission will forward to the Department, with the certificate of eligibility required pursuant to subsection 4 of section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785, any materials submitted to the Commission in support of the application submitted pursuant to this section.~~

~~—8.— If the Commission approves an application for a partial abatement, the taxpayer is eligible for an abatement from the tax for not more than 2 years for eligible machinery or equipment which is leased or purchased. In the case of machinery or equipment that is leased, the lessee is the taxpayer who is eligible for an abatement.~~

~~—9.— If a person whose partial abatement has been approved pursuant to this section and is in effect:~~

~~—(a) Ceases to meet the requirements set forth in this section or section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785;~~
~~or~~

~~—(b) Ceases operation of the grocery store before the expiration of the period specified in the agreement the applicant executed with the Commission pursuant to subsection 3 of section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785;~~

~~Ê the person shall pay to the Department an amount equal to the amount of the tax abatement that was allowed pursuant to this section before the failure of the person to comply with the agreement fully, unless the Nevada Tax Commission determines that the person has substantially complied with the requirements of the agreement and section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785. Except as otherwise provided in NRS 360.232 and 360.320, the person shall, in addition to the amount required to be paid pursuant to this subsection, pay interest on that amount at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment of the tax would have been due had the partial abatement not been approved until the date of payment of the tax.~~

~~—10.— As used in this section, unless the context otherwise requires:~~

~~—(a) “Commission” means the Commission on Economic Development.~~

~~—(b) “Eligible machinery or equipment” has the meaning ascribed to it in subsection 3 of NRS 374.357.~~

~~—(c) “Grocery store” has the meaning ascribed to it in subsection 7 of section 7 of chapter 198, Statutes of Nevada 2005, at page 644, as amended by section 17 of chapter 407, Statutes of Nevada 2007, at page 1785.~~

~~—(Added to NAC by Comm’n on Econ. Development by R168-07, eff. 4-17-2008)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal – These abatements are no longer available.

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

Exhibit 360.7-R

- a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):**

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

- b. Information for each person who provided public oral or written comment or testimony on the regulation:**

There was no public comment, either made orally or in writing for this regulation.

- 4. The estimated impact on any business, person, or agency if the change is to occur, which must include:**
 - a. The adverse and beneficial effects;**
 - b. The positive or negative economic impact; and**
 - c. Cost savings to the state or agency.**

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.

Informational Report – Executive Order 2023-003

Section 2 – Regulation for Removal

CHAPTER 360 - REVENUE AND TAXATION: GENERAL PROVISIONS

Miscellaneous Abatements

1. The citation of the regulation with matters to be omitted in red and bracketed.

~~[NAC 360.479 – Abatements for certain energy-efficient structures: Interpretation of certain statutory terms. (NRS 360.090, 360.200, §§ 15 and 15.5 of ch. 539, Stats. 2007) – For the purposes of: – 1. Subsection 5 of section 15 of chapter 539, Statutes of Nevada 2007, the Department shall interpret the term:~~

~~— (a) “Building” to mean a building or other structure that:~~

~~— (1) Meets the requirements of paragraphs (a), (b) and (c) of that subsection; and~~

~~— (2) Is described in the application for registration of the construction project with the Office of Energy for the purpose of obtaining the tax exemption provided pursuant to paragraph (d) of subsection 1 of NRS 374.307, as amended by chapter 2, Statutes of Nevada 2005, 22nd Special Session, at page 71, È other than any building or other structure for which the principal use is as a residential dwelling for not more than four families.~~

~~— (b) “Construction contract” to mean a contract between an owner of real property or an affiliate or subsidiary of the owner, and a contractor or construction manager which:~~

~~— (1) Defines their respective roles and responsibilities for the construction of a project on the property;~~

~~— (2) Establishes the scope of work, the amount of money to be paid to the contractor or construction manager and the allowable time for the duration of the contract; and~~

~~— (3) Describes the terms and conditions of a construction project.~~

~~— (c) “Preconstruction contract” to mean a written and executed agreement that:~~

~~— (1) Precedes the construction of or the execution of a construction contract for a project for which a partial tax abatement is sought;~~

~~— (2) Clearly indicates a commitment to construct the project; and~~

~~— (3) Is entered into to provide at least one of the following services relating to the construction project:~~

~~— (I) Project financing;~~

~~— (II) Engineering;~~

~~— (III) Design;~~

~~— (IV) Architecture;~~

~~— (V) Labor; or~~

~~— (VI) Subcontracting.~~

~~— (d) “Used in the construction of a building” to mean attached to or incorporated into a building by a contractor in the performance of a construction contract in such a manner as to:~~

~~— (1) Become an integral or inseparable part of the building; or~~

~~— (2) Become a fixture to the building.~~

~~— 2. Section 15.5 of chapter 539, Statutes of Nevada 2007, the Department shall interpret the term “building or other structure” to mean a building or other structure that:~~

~~— (a) Meets the requirements of paragraphs (a), (b) and (c) of subsection 1 of that section; and~~

~~— (b) Is described in the application for registration of the construction project with the Office of Energy for the purpose of obtaining the partial abatement of taxes provided pursuant to the former provisions of NRS 361.0775;~~

Exhibit 360.8-R

~~È other than any building or other structure for which the principal use is as a residential dwelling for not more than four families.~~

~~—(Added to NAC by Tax Comm'n by R084-07, eff. 12-5-2007)]~~

2. A clear and concise explanation of the need for the elimination of the regulation.

Repeal – These abatements are no longer available.

3. Information for each public meeting held to discuss the proposed regulation elimination, as mandated by Section 3 of Executive Order 2023-003, which must include:

a. The date of the meeting(s) and the number of persons who attended (not including Department staff or Commissioners):

Workshop – 4/7/23 (11 people attended)

Hearing – 4/21/23 (12 people attended)

b. Information for each person who provided public oral or written comment or testimony on the regulation:

There was no public comment, either made orally or in writing for this regulation.

4. The estimated impact on any business, person, or agency if the change is to occur, which must include:

- a. The adverse and beneficial effects;**
- b. The positive or negative economic impact; and**
- c. Cost savings to the state or agency.**

The repeal of this regulation presents no foreseeable or anticipated impact on any business, person, or agency if this change is to occur.