

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R040-24

March 20, 2024

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: § 1, NRS 360.090, 363C.100 and 363C.200.

A REGULATION relating to taxation; repealing regulations requiring a business entity whose Nevada gross revenue for a taxable year is less than \$4,000,000 to file a commerce tax return; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law imposes an annual commerce tax upon each business entity whose Nevada gross revenue in a taxable year exceeds \$4,000,000. (NRS 363C.200) Before the passage of Senate Bill No. 497 of the 2019 Legislative Session (S.B. 497), a business entity whose Nevada gross revenue in a taxable year was \$4,000,000 or less, while not liable for the payment of commerce tax, was nonetheless required to file a commerce tax report with the Department of Taxation. S.B. 497 removed the requirement for a business entity whose Nevada gross revenue in a taxable year is \$4,000,000 or less to file a commerce tax report. (NRS 363C.200, as amended by section 1 of Senate Bill No. 497, chapter 329, Statutes of Nevada 2019, at page 2021) Existing regulations: (1) require each business entity engaging in a business in this State during a taxable year to file a commerce tax return regardless of whether the business entity is liable for payment of the commerce tax; and (2) limit the information which a business entity whose Nevada gross revenue for a taxable year is less than \$4,000,000 is required to provide on its commerce tax return. (NAC 363C.220) This regulation repeals these provisions to reflect that a business entity whose Nevada gross revenue for a taxable year is less than \$4,000,000 is not required to file a commerce tax return.

Section 1. NAC 363C.220 is hereby repealed.

TEXT OF REPEALED SECTION

363C.220 Requirement to file Nevada Commerce Tax Return; simplified reporting method for business entity with gross revenue less than \$4,000,000. (NRS 360.090, 363C.100, 363C.200)

1. Each business entity engaging in a business in this State during a taxable year must file a Nevada Commerce Tax Return for that taxable year pursuant to subsection 2 of NRS 363C.200, regardless of whether the business entity is liable for payment of the commerce tax pursuant to NRS 363C.300 to 363C.560, inclusive.

2. A business entity engaging in a business in this State whose Nevada gross revenue for a taxable year is less than \$4,000,000 shall provide on its Nevada Commerce Tax Return only the following information:

- (a) The taxable year;
- (b) The tax identification number issued to the business entity by the Department;
- (c) The NAICS code that corresponds to the business category in which the business entity is primarily engaged, as set forth in NRS 363C.310 to 363C.550, inclusive, or, if the NAICS code of the business entity does not correspond to a business category set forth in those sections, the NAICS code of the business entity;
- (d) The legal name and address of the business entity; and

(e) The affirmation of the business entity or the business entity's authorized representative, signed under penalty of perjury, that the Nevada gross revenue of the business entity for the taxable year was less than \$4,000,000.