

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R044-24

April 24, 2024

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

AUTHORITY: §§ 1-5, NRS 360.090 and 372B.110.

A REGULATION relating to taxation; revising provisions governing the administration and collection of excise taxes on the connection of a passenger to certain forms of transportation; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law imposes an excise tax on the use of certain means by a transportation network company or autonomous vehicle network company to connect a passenger to a driver or a fully autonomous vehicle, respectively, for the purpose of providing transportation services at the rate of 3 percent of the total fare charged for the transportation services. (NRS 372B.140, 372B.145) Existing law imposes a similar excise tax on the connection of a passenger to a person or operator or a taxicab by a common motor carrier of passengers or a person who holds a certificate of public convenience and necessity to operate a taxicab business, at the rate of 3 percent of the total fare charged for the transportation. (NRS 372B.150, 372B.160) Existing law requires the Department of Taxation to adopt all necessary regulations to carry out the provisions relating to such excise taxes. (NRS 372B.110)

Existing regulations use the term “excise tax on passenger transportation” to refer to such excise taxes. **Sections 1-5** of this regulation replace the term “excise tax on passenger transportation” with the term “excise tax on the connection to passenger transportation.”

Existing regulations set forth procedures for the administration and collection of such excise taxes, with the exception of the excise tax on the use of certain means by an autonomous vehicle network company to connect a passenger to a fully autonomous vehicle. (NAC 372B.100-372B.230) **Sections 1 and 5** apply these existing procedures to the administration and collection of the excise tax on the use of certain means by an autonomous vehicle network company to connect a passenger to a fully autonomous vehicle.

Section 1. NAC 372B.100 is hereby amended to read as follows:

372B.100 As used in this chapter, unless the context otherwise requires, “excise tax on *the connection to* passenger transportation” means the taxes imposed by NRS 372B.140, *372B.145*, 372B.150 and 372B.160.

Sec. 2. NAC 372B.200 is hereby amended to read as follows:

372B.200 1. The Department shall:

(a) Use the best information available to identify each taxpayer;

(b) Register each taxpayer; and

(c) Notify each taxpayer of the requirement to pay the excise tax on *the connection to* passenger transportation.

2. The failure of the Department to register or notify a taxpayer pursuant to subsection 1, or the failure of a taxpayer to be registered or receive notice of the requirement to pay the excise tax on *the connection to* passenger transportation, does not eliminate or excuse the requirement to pay the tax.

Sec. 3. NAC 372B.210 is hereby amended to read as follows:

372B.210 The excise tax on *the connection to* passenger transportation is due and payable to the Department monthly on or before the last day of the month next succeeding the month in which the tax accrued.

Sec. 4. NAC 372B.220 is hereby amended to read as follows:

372B.220 1. A return filed pursuant to NAC 372B.215 must show:

(a) The total amount of the fares charged by the taxpayer for transportation services during the preceding reporting period;

(b) The amount of the taxes due from the taxpayer for the reporting period covered by the return; and

(c) Such other information as the Department deems necessary for the proper administration of the excise tax on *the connection to* passenger transportation.

2. For the purposes of this section, the total amount of the fares charged for transportation services includes, without limitation, all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare.

Sec. 5. NAC 372B.230 is hereby amended to read as follows:

372B.230 In determining the amount of the excise tax on *the connection to* passenger transportation due from a taxpayer:

1. A transportation network company, *autonomous vehicle network company*, common motor carrier of passengers or certificate holder shall multiply the tax rate by the total of all amounts charged to its customer for transportation services, including, without limitation, all fees, surcharges, technology fees, convenience charges for the use of a credit or debit card and any other amount that is part of the fare.

2. The amount due must be computed to the third decimal place and rounded to a whole cent using a method that rounds up to the next cent if the numeral in the third decimal place is greater than 4.