

**ADOPTED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R076-97

Effective November 14, 1997

EXPLANATION--Matter in italics is new; matter in brackets [] is material to be omitted.

AUTHORITY: §§1,2, NRS 360.090, 360.473, 360.475.

Section 1. Chapter 360 of NAC is hereby amended by adding thereto a new section to read as follows:

If a lien upon real property is given as security for the payment of the tax imposed by chapter 369, 370 or 372 of NRS:

1. Upon the discontinuance of the business for which the security was required and the payment of all amounts due including taxes, penalties and interest, the department will prepare and provide to the taxpayer a notice which the taxpayer may record. The notice must be suitable for recording to remove the lien on the property.

2. If any amount due is not paid to the state, the department may exercise any one or more remedies permitted by law, including without limitation, requesting that judgment be entered against the person who pledged the property.

3. The taxpayer may furnish other security for the tax as prescribed by the department. If such other security is furnished, the department will prepare and provide to the taxpayer a notice which the taxpayer may record. The notice must be suitable for recording to remove the lien on the property.

Sec. 2. NAC 369.040 is hereby amended to read as follows:

369.040 [1. **The Nevada tax commission**] *The department* will accept an undertaking or obligation vesting in the State of Nevada an interest in real property which is located within this state, constituting a lien on the real property pledged for the payment of the tax due pursuant to chapter 369 of NRS in the amount prescribed by the [**commission**] *department* as security for the tax.

[2. **Upon the discontinuance of the business for which the security was required and the payment of all amounts due including taxes, penalties and interest, the commission will file a notice in the office of the county recorder removing the lien on the property.**

3. **If any amount due is not paid to the state, the commission will request that judgment be entered against the person who pledged the property.**

4. **A taxpayer who pledged property as security for the payment of the tax may furnish other security for the tax as prescribed by the commission and the commission will file a notice in the office of the county recorder removing the lien on the property.]**

Sec. 3. NAC 370.110 is hereby amended to read as follows:

370.110 [1.] The department will accept an undertaking or obligation vesting in the State of Nevada an interest in real property which is located within this state, constituting a lien on the real property pledged for the payment of the tax due pursuant to NRS 370.165 in the amount prescribed by the department as security for the tax.

[2. **Upon the discontinuance of the business for which the security was required and the payment of all amounts due including taxes, penalties and interest, the department will file a notice in the office of the county recorder removing the lien on the property.**

3. If any amount due is not paid to the state, the department will request that judgment be entered against the person who pledged the property.

4. A taxpayer who has pledged property as security for the payment of the tax may furnish other security for the tax as prescribed by the department. If the taxpayer furnishes other security, the department will file a notice in the office of the county recorder removing the lien on the property.]

Sec. 4. NAC 372.820 is hereby repealed.

TEXT OF REPEALED SECTION

372.820 Lien upon real property as security for payment. If a lien upon real property is given as security for the payment of the tax:

1. Upon the discontinuance of the business for which the security was required and the payment of all amounts due including taxes, penalties and interest, the commission will file a notice in the office of the county recorder removing the lien on the property.

2. If any amount due is not paid to the state, the commission will request that judgment be entered against the person who pledged the property.

3. The taxpayer may furnish other security for the tax as prescribed by the commission and the commission will file a notice in the office of the county recorder removing the lien on the property.