

**REVISED ADOPTED REGULATION OF THE  
NEVADA TAX COMMISSION**

**LCB File No. R084-97**

November 14, 1997

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

AUTHORITY: NRS 360.090, 372.326, 372.3261 AND 372.725.

**Section 1.** NAC 372.700 is hereby amended to read as follows:

372.700 1. [A charitable or religious organization which desires to be exempt from the tax must file] *An organization requesting exempt status must submit to the department an application on a form prescribed by the department [*

*2. If the department so requests, the organization must submit with the application] and* copies of:

- (a) Its bylaws;
- (b) Its articles of incorporation;
- (c) [Its financial statements;] *Financial information which provides verifiable sources of income and expenditures, which may include, without limitation, financial statements and independent audit reports;*
- (d) [Certificates] *Letters* of exemption issued to it by any governmental agency; [and]
- (e) *If the application is for a charitable organization, an outline of its charitable activities, fund raisers and goals and a copy of its business or strategic plan must be attached; and*
- (f) Any other information which the department deems relevant.

[3.] 2. Upon approval of an application, the department will issue a [certificate] *letter* of exemption. The [certificate is valid for 5 years after issuance and] *letter* is not transferable. *The organization must notify the department of changes to the name, address, telephone number or responsible person of the organization. Each organization must apply for the renewal of its letter of exemption every 5 years. The department will mail a renewal application to the last known address of the organization at least 90 days before the expiration of the letter of exemption. Failure to receive a renewal application does not extend the validity of the exemption beyond the 5 years.*

3. *The department will construe the term, “operation of a church, synagogue or other place of religious worship” as used in paragraph (b) of subsection 2 of NRS 372.3261 to mean a place:*

- (a) Which is properly zoned for religious worship;*
- (b) Which has unrestricted public access on scheduled days of worship; and*
- (c) At which regularly conducted religious worship and activities are held at intervals not exceeding 1 week.*

4. The department may deny an application for exemption if it finds that:

- (a) The organization has failed to submit sufficient information on which to grant an exemption; or
- (b) The organization does not meet the standards for exemption.

5. The department may withdraw the [certificate] *letter* of exemption issued to any organization if the department finds that:

- (a) The organization is no longer engaged in charitable , [or] religious *or educational* pursuits;

(b) The organization has ceased to comply with the standards for exemption; or

(c) The application contained false or misleading information.

6. A charitable , [or] religious *or educational* organization may petition the commission for reconsideration of any action by the department denying or withdrawing a [certificate] *letter* of exemption. Upon reconsideration, the commission may grant or reissue the [certificate] *letter* of exemption if the organization has presented satisfactory evidence that it complies with the standards for exemption.

7. As used in this section, “standards for exemption” means the criteria set out in this section and [section 50 of chapter 397, Statutes of Nevada 1955, (NRS 372.325).] *NRS 372.326 and 372.3261.*