

**PROPOSED REGULATION OF THE  
NEVADA TAX COMMISSION**

**LCB File No. R099-05**

August 18, 2005

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

AUTHORITY: NRS 360.090 and 360.419.

A REGULATION relating to taxation; revising the circumstances under which penalties and interest may be waived or reduced for the late payment of certain taxes and fees; and providing other matters properly relating thereto.

**Section 1.** NAC 360.407 is hereby amended to read as follows:

360.407 1. Except as otherwise provided in this section and for the purposes of NRS 360.419:

(a) A person's failure to make a timely return or payment of a tax imposed pursuant to NRS 363A.130, 363B.110 or 368A.200 shall be deemed to be the result of circumstances beyond his control and occurring despite the exercise of ordinary care and without intent if the person files any required return and remits the tax on or before December 31, ~~[2004.]~~ **2005.**

(b) A person's failure to make a timely return or payment of a tax imposed pursuant to NRS 372.185 shall be deemed to be the result of circumstances beyond his control and occurring despite the exercise of ordinary care and without intent if:

(1) Pursuant to subsection 2 of NRS 372.220, the person is required for the first time to register with the Department; and

(2) The person files any required return and remits the tax on or before December 31, ~~[2004.]~~ **2005.**

2. Except as otherwise provided in this section and for the purposes of ~~subsection 5 of NRS 360.780,~~ *section 5 of chapter 9, Statutes of Nevada 2005 Special Session*, a person shall be deemed to have submitted the annual fee required to be paid pursuant to that section in a timely manner if the person files any required return and remits the fee on or before December 31, ~~2004.~~ *2005.*

3. The provisions of this section:

(a) Apply only to taxes and fees that are due and payable before January 1, ~~2005.~~ *2006.*

(b) Do not apply:

(1) If the Department determines that the failure to make a timely return or payment of a tax or fee imposed pursuant to the provisions of NRS 360.780, 363A.130, 363B.110, 368A.200 or 372.185 is due to negligence, an intentional disregard of any of those provisions, fraud or an intent to evade the payment of the tax or fee.

(2) To a taxpayer who has entered into a settlement agreement with the Department that has been approved by the Commission.