

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R089-14

NRS 360.2915 Adoption of regulations by Department: Taxpayers' Bill of Rights; payment of taxes in installments. The Department:

1. Shall adopt regulations to carry out the provisions of the Taxpayers' Bill of Rights.
2. May adopt regulations providing:
 - (a) For the payment of any tax in installments over a period not to exceed 12 months upon the execution of a written agreement by the taxpayer and the Department; and
 - (b) That the Executive Director may:
 - (1) Upon good cause shown, allow a taxpayer to pay in installments over a period longer than 12 months; and
 - (2) Cancel the installment method of payment for a taxpayer who becomes delinquent in his or her payments.

(Added to NRS by 1991, 1580)

NAC 360.450 Agreement for payment ~~over~~ up to period of 36 ~~of 12~~ months ~~for less~~.
(NRS 360.090, 360.2915)

1. Except as otherwise provided in NAC 360.456 and 360.460 and subject to the approval of the Director or the Director's designee, the Department may enter into an agreement with a taxpayer, upon the request of the taxpayer, that allows the taxpayer to pay taxes, interest and penalties in installments over a period of 12 months or less if:

- (a) The taxpayer submits accurate and complete information that the Department requires to determine whether to enter into the agreement;
- (b) The taxpayer agrees in writing that he or she will comply with all applicable laws and regulations of the Commission during the period in which the agreement is in effect, including, without limitation, reporting and payment requirements;
- (c) The taxpayer agrees in writing that the agreement may be terminated immediately if the taxpayer fails timely to make any payment required by the agreement or defaults in any other reporting or payment requirement;
- (d) The Department determines that as of the date on which the taxpayer requested to enter into the agreement, the taxpayer is unable to pay the entire amount of taxes, interest and penalties due for financial reasons; and
- (e) The amount owed by the taxpayer on the date on which he or she requested to enter into the agreement does not exceed the amount set by the Commission pursuant to NAC 360.454.

2. Except as otherwise provided in NAC 360.460, the Director may, for good cause shown, upon the request of a taxpayer who satisfies the requirements set forth in NAC 360.450(1), authorize the Department to enter into an agreement with the taxpayer that allows the taxpayer to pay taxes, interest and penalties in installments over a period of more than 12 months but not greater than 36 months.

3. As used in this section, "good cause" includes, without limitation, circumstances that would prevent a taxpayer from paying the taxes, interest and penalties in a period of 12 months or less.

4. The Department may deny a request to enter into an agreement pursuant to subsection *1 or 2* if the taxpayer has not complied with a previous agreement with the Department to pay taxes, interest and penalties in installments.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001; A by R202-08, 10-15-2010)

NAC 360.452 Requirements for agreement; personal guaranty. (NRS 360.090, 360.2915)

1. An agreement to pay taxes, interest and penalties in installments pursuant to NAC 360.450 or 360.456 must:

(a) Be in writing.

(b) Except as otherwise provided in this paragraph, contain a personal guaranty by two responsible persons in their individual capacities. If there is only one responsible person, the agreement must contain the personal guaranty of that person in his or her individual capacity. In lieu of or in addition to any personal guaranty required by this paragraph, the Department may require a personal guaranty of any other person agreed upon by the taxpayer and the Department.

(c) Be accompanied by the initial payment required by the terms of the agreement.

2. As used in this section, "responsible person" has the meaning ascribed to it in subsection 2 of NRS 360.297.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001; A by R202-08, 10-15-2010)

NAC 360.454 Determination of maximum amount of tax liability. (NRS 360.090, 360.2915)

1. The Commission will determine *in or before June of each even numbered year* the maximum amount of tax liability that a taxpayer may have to enter into an agreement with the Department to pay taxes, interest and penalties in installments pursuant to NAC 360.450 or 360.456.

2. *The amount determined by the Commission pursuant to subsection 1 shall be published to the Department's website within 30 days of the determination.*

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001)

~~(Moved to 360.450 above.) [NAC 360.456—Agreement for payment over period of more than 12 months. (NRS 360.090, 360.2915)~~

~~—1. Except as otherwise provided in NAC 360.460, the Director may, for good cause shown, upon the request of a taxpayer who satisfies the requirements set forth in NAC 360.450, authorize the Department to enter into an agreement with the taxpayer that allows the taxpayer to pay taxes, interest and penalties in installments over a period of more than 12 months but not greater than 36 months.~~

~~—2. As used in this section, "good cause" includes, without limitation, circumstances that would prevent a taxpayer from paying the taxes, interest and penalties in a period of 12 months or less.~~

~~—(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001; A by R202-08, 10-15-2010)~~

NAC 360.458 Review by Commission. (NRS 360.090, 360.2915) The Commission may review and deny or approve any agreement entered into by the Department pursuant to NAC 360.450 or 360.456.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001)

NAC 360.460 Request when tax liability or period of payment excessive; decision by Commission. (NRS 360.090, 360.2915) If the Department receives a request for an agreement pursuant to NAC 360.450 or 360.456 from a taxpayer whose tax liability exceeds the amount set by the Commission pursuant to NAC 360.454 or whose proposed period of installment payments exceeds ~~24~~ 36 months, the Department shall review the request and transmit the request and the recommendation of the Department regarding the request to the Commission. The Commission may authorize the Department to enter into an agreement with such a taxpayer pursuant to NAC 360.450 or 360.456.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001; A by R202-08, 10-15-2010)

NAC 360.462 Termination, alteration or modification of agreement. (NRS 360.090, 360.2915)

1. The Department may terminate an agreement entered into pursuant to NAC 360.450 or 360.456 if the Department determines:

- (a) The taxpayer has not complied with the terms of the agreement;
- (b) The taxpayer provided to the Department incomplete or inaccurate information on which the Department based its determination to enter the agreement; or
- (c) The financial conditions of the taxpayer have changed such that the taxpayer has the ability to pay the full amount of taxes, interest and penalties owed.

2. If the Department determines to terminate an agreement pursuant to paragraph (b) or (c) of subsection 1, the Department shall provide the taxpayer with written notice of its intention to terminate the agreement at least 10 days before the date on which the Department intends to terminate the agreement. The notice must contain an explanation of the decision of the Department to terminate the agreement.

3. The Department may terminate, alter or modify an agreement entered into pursuant to NAC 360.450 if mutual consent to terminate, alter or modify the agreement exists between the Department and the taxpayer.

4. If an agreement is terminated pursuant to this section, the total amount covered by the agreement, including, without limitation, taxes, interest and penalties, is due on the date on which the agreement terminates.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001; A by R202-08, 10-15-2010)

NAC 360.464 Applicability. (NRS 360.090, 360.2915) The provisions of NAC 360.450 to 360.464, inclusive, do not:

1. Apply to a bankruptcy plan that has been confirmed pursuant to the provisions of 11 U.S.C. §§ 1121 to 1146, inclusive; or

2. Limit the ability of a taxpayer to make installment payments pursuant to NRS 361.483.

(Added to NAC by Tax Comm'n by R046-01, eff. 11-1-2001)