

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

LCB File No. R035-24

February 2, 2026

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

AUTHORITY: §§ 1-3, 5-16, 22 and 23, NRS 360.090; §§ 4 and 17-21, NRS 360.090 and 360.092; § 24, NRS 360.090 and 360.750.

A REGULATION relating to taxation; revising procedures governing proceedings before the Nevada Tax Commission; requiring the electronic filing of certain returns or other documents unless otherwise waived; revising provisions governing communications with the Executive Director of the Department of Taxation; expanding the methods by which certain payments are required to be made to the Department; revising provisions governing the issuance of subpoenas by a hearing officer; revising requirements for the issuance and delivery of an advisory opinion by the Executive Director; revising provisions governing the issuance of permits to collect sales and use taxes; imposing certain duties on persons who are required to file certain returns, statements, reports or other documents for certain taxes, fees, assessments, contributions or premiums; revising standards to determine whether the Department is required to pay interest to a taxpayer who overpays certain taxes; revising the procedures by which a taxpayer may dispute the findings of an audit and petition the Department for a redetermination; revising, updating and eliminating various obsolete provisions; repealing various provisions which are obsolete, redundant or relate to tax abatements which are no longer available; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Nevada Tax Commission to adopt regulations for carrying on the business of the Nevada Tax Commission and the Department of Taxation. (NRS 360.090)

Section 2 of this regulation establishes the method the Commission and the Department will use to calculate any period prescribed or allowed for an action or filing in an administrative proceeding of the Commission or Department for the purpose of determining whether the action or filing occurs by the prescribed deadline.

Existing regulations authorize the hearing officer in certain administrative proceedings conducted by the Department to request a prehearing statement to explain the issues for consideration by the hearing officer and set forth the requirements for such a prehearing statement. (NAC 360.706) **Section 3** of this regulation applies the procedures for prehearing statements to all administrative proceedings of the Department and Commission.

Section 5 of this regulation makes **sections 2 and 3** apply to administrative proceedings of the Commission or Department in the same manner as other regulations governing such proceedings.

Existing regulations establish certain requirements for communications with the Executive Director of the Department. (NAC 360.045) **Section 6** of this regulation eliminates provisions governing informal communications and other communications. **Section 6** also: (1) authorizes all pleadings to be sent by United States mail or by electronic means; and (2) provides that such pleadings are deemed to be filed with the Department when a true copy of the paper or document, properly addressed and stamped, is deposited in the United States mail or sent by electronic means. **Section 23** of this regulation eliminates a requirement to include in certain appeals to the Commission information that **section 6** no longer requires to be included in communications to the Commission.

Section 8 of this regulation eliminates existing requirements for: (1) a hearing calendar to be maintained by the Executive Director; (2) current assignments for hearings to be made from the calendar; and (3) a current copy of the hearing calendar to be posted at all offices of the Department. (NAC 360.055) Instead, **section 8**: (1) provides that notices of the meetings of the Commission will be given to the public by posting a notice and an agenda in accordance with the Open Meeting Law (chapter 241 of NRS); and (2) specifies the locations at which meeting notices and agendas will be posted in accordance with the Open Meeting Law, including, without limitation, on the Internet website of the Department and at the Carson City, Reno and Las Vegas offices of the Department at least 3 working days before the meeting.

Existing regulations set forth certain requirements relating to transcripts of any hearings held before the Commission or a hearing officer. (NAC 360.058) **Section 9** of this regulation requires a court reporter who transcribes a hearing held before the Commission or a hearing officer to be certified pursuant to provisions of existing law governing certified court reporters. (chapter 656 of NRS)

Section 10 of this regulation eliminates the prohibition of smoking during all meetings of the Commission and hearings before a hearing officer, a provision made redundant by the Nevada Clean Indoor Air Act. (NRS 202.2483)

Existing regulations provide that hearings will be held at the offices of the Department in Carson City, Nevada, or at such other place in the State as may be designated in the notice of hearing. (NAC 360.095) **Section 11** of this regulation eliminates the reference to Carson City and, instead, provides that hearings will be held at the offices of the Department or at such other place in the State as may be designated in the notice of hearing.

Existing law authorizes the Department to issue subpoenas for witnesses to appear and testify on any subject material to its responsibilities or for the production of books and papers. (NRS 360.240) **Section 12** of this regulation revises provisions governing the issuance of subpoenas to specifically authorize a hearing officer to order the production of certain records if such records are located in this State.

Existing law requires certain state agencies to provide by regulation for the filing and prompt disposition of petitions for advisory opinions as to the applicability of any statutory provision, agency regulation or decision of the agency. (NRS 233B.120) Existing regulations require an advisory opinion to: (1) be issued by the Executive Director within 45 days after the filing of the petition therefor unless the Executive Director in writing orders an extension of time up to a maximum of 60 days after filing; and (2) be delivered to the petitioner in person or by certified mail. (NAC 360.200) **Section 13** of this regulation: (1) extends the time for the

Executive Director to issue an advisory opinion to not later than 60 days after the filing of the petition; (2) increases the period of time of an extension of time for the issuance of an advisory opinion to not more than an additional 60 days; and (3) authorizes the delivery of an advisory opinion to the petitioner by electronic means if the petitioner has agreed in writing to accept delivery of the advisory opinion by electronic means.

Existing law requires a person conducting business in this State as a seller of tangible personal property to register with, or obtain a permit from, the Department of Taxation to collect sales and use tax in this State. (NRS 360.5971) Senate Bill No. 441 (S.B. 441) of the 2021 Session of the Nevada Legislature consolidated into one provision multiple provisions of law governing such registrations and permits. (Chapter 342, Statutes of Nevada 2021, at page 2007) **Sections 14** of this regulation updates a reference to those provisions of law in an existing regulation that requires the application of an unemancipated manner for a permit from the Department to include a statement from the parent or legal guardian of the minor acknowledging the responsibility of the parent or legal guardian to report and remit sales and use taxes to the Department if the minor fails to do so.

Existing law requires the Nevada Tax Commission to adopt regulations providing for the electronic submission of returns to the Department and the payment of taxes, fees, interest and penalties to the Department through the use of credit cards, debit cards and electronic transfers of money. (NRS 360.092) Existing regulations establish the procedures and requirements for the electronic submission of a tax return to the Department and the electronic transfer of money for the payment of taxes, fees, interest and penalties to the Department. (NRS 360.550-360.598) **Section 4** of this regulation: (1) requires a taxpayer or a tax preparer or other tax professional to file tax returns and certain other documents by electronic means, to the extent that the Department has a system for filing documents that accepts electronic filing of those returns and documents; and (2) authorizes a taxpayer or a tax preparer or other tax professional to request a waiver of the requirement to electronically file such a return or other document upon establishing certain facts to the satisfaction of the Department. **Sections 17 and 18** of this regulation make the provisions of existing regulations governing the electronic submission of tax returns and the electronic transfer of money to the Department apply to the tax returns and documents required by **section 4** to be filed electronically with the Department. **Section 7** of this regulation adds electronic funds transfers, credit cards and debit cards to the methods by which fees and remittances are authorized to be paid to the Department. (NAC 360.050) **Section 19** of this regulation revises provisions setting forth the requirements to complete online Nevada Business Registration to conform to the online tax system of the Department. **Sections 20 and 21** of this regulation add credit cards as a method by which an electronic transfer of money may be made to pay taxes, fees, interest and penalties to the Department. (NAC 360.594, 360.596)

Existing regulations impose certain duties on a person who is required to file a return pursuant to provisions of law governing sales and use taxes and who fails to do so within the time prescribed by specific statute, regulation or rule, or who files an incorrect, false or fraudulent return. (NAC 360.435) **Section 15** of this regulation imposes the same duties on a person who is required to file a return, statement, report or other document for other taxes, fees, assessments, contributions and premiums required to be collected by the Department.

Existing law requires interest to be paid to a taxpayer who receives a refund of an overpayment of certain taxes unless the Department determines that the overpayment was made intentionally or by reason of carelessness. (NRS 360.2935, 360.2937, 363A.170, 363B.160, 363C.620, 368A.270, 372.665, 372A.320, 372B.200, 374.670) Existing regulations establish the

standards to be used by the Department in determining whether an overpayment of such taxes was made intentionally or by reason of carelessness. (NAC 360.485) **Section 16** of this regulation revises the standards to determine whether an overpayment was made by reason of carelessness. Specifically, **section 16** removes the seeking of advice on complex tax matters from certain professionals who have knowledge of, or experience in, tax matters as a factor indicating that the taxpayer made reasonable and prudent efforts to avoid the overpayment.

Section 22 of this regulation revises the procedure by which a taxpayer may dispute the findings of an audit and petition the Department for a redetermination by: (1) providing for an appeal to the Commission if the Director of the Department denies a request to extend the deadline for filing a petition for redetermination; (2) requiring the Department to issue a notice that sets forth the results of the redetermination; and (3) authorizing the taxpayer to request a hearing before a hearing officer within a certain period after receiving the notice of the results of the redetermination.

Section 24 of this regulation repeals: (1) definitions of terms that are unnecessary because the term is defined by existing law; (2) provisions related to petitions for redetermination that are reenacted in **section 22**; (3) provisions governing contracts between the Department and a private debt collector for the collection of debt owed to the Department because such debt collection is assigned to the State Controller pursuant to NRS 353C.200; (4) obsolete provisions governing tax abatements for new or expanding business; and (6) provisions governing tax abatements for certain energy-efficient structures which have expired pursuant to subsection 5 of section 15 of chapter 539, Statutes of Nevada 2007, at page 3387.

Section 1. Chapter 360 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 4, inclusive, of this regulation.

Sec. 2. *In computing any period prescribed or allowed by the provisions of this section, NAC 360.043 to 360.200, inclusive, and section 3 of this regulation, if:*

- 1. The period begins to run on the occurrence of an act or event, the day on which the act or event begins is excluded from the computation.*
- 2. The last day of the period is included in the computation, except that if the last day falls on a Saturday, Sunday, legal holiday or holiday proclaimed by the Governor or on a day on which the office of the Department is not open for the conduct of business, the period is extended to the close of business on the next business day.*

Sec. 3. 1. *The hearing officer may request that the parties file prehearing statements. The parties may file a joint prehearing statement. If the parties cannot agree on a joint*

prehearing statement, each party must file its statement by the date set by the hearing officer. The prehearing statement must be limited to a brief explanation of the issues for consideration by the hearing officer and must include, without limitation:

- (a) A statement of the unresolved issues that will be presented to the hearing officer, the nature of the specific transaction at issue, the amount in dispute and the legal issues involved in the matter.*
- (b) A statement of the issues that have been resolved by the parties, including, without limitation, the uncontested facts.*
- (c) A list of exhibits that each party expects to introduce at the hearing and any objections to those exhibits. The exhibits must be marked in advance of the hearing.*
- (d) A list of the witnesses that each party expects to testify at the hearing.*
- (e) An estimate of the time required for the hearing.*
- (f) A statement regarding whether the party will submit a posthearing brief.*

2. A prehearing statement must be filed by the date set by the hearing officer. The hearing officer may grant an extension for filing the prehearing statement if the motion or stipulation requesting the extension is filed with the hearing officer before the date set for filing the statement. The hearing officer shall issue a written decision on the motion or stipulation requesting the extension.

3. Failure of a party to file a prehearing statement will not delay the scheduling of the hearing. The hearing officer shall provide notice of the hearing to the parties at least 10 days before the date of the hearing.

4. *If a party wishes to raise an issue that was not included in its prehearing statement before or during the hearing, the hearing officer shall grant a continuance to allow the opposing party to prepare a response to the issue.*

Sec. 4. 1. *Except as otherwise provided in subsection 2, a taxpayer or a tax preparer or other tax professional who files a return or other document with the Department pursuant to Title 32 of NRS must file such return or document by electronic means, to the extent that the Department has a system for filing documents that accepts electronic filing for that return or document.*

2. *A taxpayer or a tax preparer or other tax professional may request a waiver of the requirement set forth in subsection 1 to file returns or other documents by electronic means. The Department may grant a waiver of the requirement for a period of not more than 1 year if the taxpayer or tax preparer or other tax professional, as applicable, establishes to the satisfaction of the Department that:*

- (a) The taxpayer or tax preparer or other tax professional lacks the facilities to file by electronic means;*
- (b) Filing by electronic means would impose a severe economic hardship on the taxpayer or tax preparer or other tax professional; or*
- (c) Other good cause shown which excuses compliance with the requirement to file by electronic means.*

Sec. 5. NAC 360.043 is hereby amended to read as follows:

360.043 1. The provisions of NAC 360.043 to 360.200, inclusive ~~1~~, *and sections 2 and 3 of this regulation:*

- (a) Govern the practice and procedure in contested cases before the Commission and Department.
 - (b) Govern all practice and procedure before the Commission or Department under titles 31 and 32 of NRS.
 - (c) Will be liberally construed to secure the just, speedy and economical determination of all issues presented to the Commission or Department.
2. In special cases, where good cause appears, not contrary to statute, deviation from these rules, if stipulated to by all parties of record, will be permitted.

Sec. 6. NAC 360.045 is hereby amended to read as follows:

360.045 1. All pleadings, including, but not limited to, complaints, petitions, answers, briefs, motions, affidavits and applications, should be addressed to the Director and not to individual members of the Commission or its staff. All pleadings *may be sent by United States mail or by electronic means and* are deemed to be ~~officially received by~~ *filed with* the Department ~~when if~~ a true copy of the paper or document, properly addressed and stamped, is deposited in the United States mail ~~in~~

~~2. Informal communications may be made with individual members of the staff and these communications and documents are deemed to be officially received by the Department when they are properly addressed and stamped and deposited in the United States mail.~~

~~3. Informal communications from the Department or Commission must be signed by the responsible staff member or Commissioner.~~

~~4. Each communication must be limited to one subject, contain the name and address of the person originating the communication and the appropriate permit or account number, if any, pertaining to the subject of the communication. or sent by electronic means, as applicable.~~

Sec. 7. NAC 360.050 is hereby amended to read as follows:

360.050 1. Fees and remittances to the Department must be by money order, bank draft ,

electronic funds transfer, credit card, debit card or check payable to the Department.

2. Remittances in currency or coin are wholly at the risk of the remitter and the Department assumes no responsibility for loss thereof.

3. Postage stamps will not be accepted as remittances.

Sec. 8. NAC 360.055 is hereby amended to read as follows:

360.055 ~~1. A hearing calendar will be maintained by the Director and current assignments for hearings will be made from the calendar. A current copy of the hearing calendar will be posted at all of the offices of the Department.~~

~~2.~~ Notice of the meetings of the Commission will be given to the public by posting a notice and an agenda ***in accordance with the requirements of chapter 241 of NRS, including, without limitation, posting a notice and an agenda on the Internet website of the Department and*** at the Carson City, Reno ~~H~~ and Las Vegas ~~and Elko~~ offices of the Department at least 3 working days before the meeting.

Sec. 9. NAC 360.058 is hereby amended to read as follows:

360.058 1. If a transcript of any hearing held before the Commission or the hearing officer is desired by the petitioner or appellant, he or she must furnish the reporter, pay for the transcript and deliver a copy of the transcript to the Director within 20 days after requesting a rehearing or filing an appeal of the matter.

2. If a transcript is prepared by the petitioner or appellant from a tape recording provided by the Department, the petitioner or appellant must, if he or she wishes to use the transcript in any

subsequent hearing or appeal of the matter, deliver a copy of the transcript to the Department within the time required by subsection 1.

3. A court reporter who transcribes a hearing held before the Commission or a hearing officer must be certified pursuant to chapter 656 of NRS.

Sec. 10. NAC 360.060 is hereby amended to read as follows:

360.060 ~~11.~~ A person appearing in a proceeding shall conform to the recognized standards of ethical and courteous conduct.

~~12. Smoking is prohibited during all meetings of the Commission and hearings before the hearing officer.]~~

Sec. 11. NAC 360.095 is hereby amended to read as follows:

360.095 1. Hearings will be held before the Director or other designated hearing officer. Except as provided in subsection 3, notice of the place, date and hour of the hearing will be served at least 10 days before the date set for the hearing.

2. Hearings will be held at the offices of the Department ~~in Carson City, Nevada,~~ or at such other place in the State as may be designated in the notice of hearing.

3. In all hearings ordered to be held by the hearing officer, the hearing date may be set with less than 10 days' notice if the petitioner, or the petitioner's counsel, and staff agree in writing.

Sec. 12. NAC 360.135 is hereby amended to read as follows:

360.135 1. Subject to the restrictions imposed by NRS 360.240, ***a hearing officer may issue*** a subpoena ~~requiring the~~ for:

(a) The attendance of a witness from any place in the State to any designated place of a hearing for the purpose of taking testimony. ~~. may be issued by the hearing officer.]~~

(b) The production of books, waybills, papers, accounts or other documents located in this State.

2. A party desiring to subpoena a witness must submit an application in writing to the hearing officer stating the reasons why a subpoena is requested.
3. The hearing officer may require that a subpoena requested by a party for the production of books, waybills, papers, accounts or other documents be issued only after the submission of an application in writing, which specifies as clearly as may be, the books, waybills, papers, accounts or other documents desired.
4. The hearing officer, upon receipt of an application for a subpoena, shall:
 - (a) Grant the application and issue the subpoena;
 - (b) Deny the application; or
 - (c) Schedule a hearing to decide whether to grant or deny the application.
5. All costs incident to the subpoenas issued at the request of the petitioner must be paid by the petitioner, and the hearing officer may demand payment of the costs before the issuance of a subpoena.

Sec. 13. NAC 360.200 is hereby amended to read as follows:

- 360.200 1. Advisory opinions must:
- (a) Be written;
 - (b) Include a statement of facts, question, analysis and opinion;
 - (c) Be issued by the Director ~~within 45~~ **not later than 60** days after the filing of the petition unless the Director in writing orders an extension of time ~~up to a maximum of~~ **not to exceed an additional** 60 days ; ~~after filing;~~ and

(d) Be delivered to the petitioner in person or by certified mail ~~H~~, *unless the petitioner agrees in writing to accept delivery by electronic means.*

2. Advisory opinions of the Director are appealable to the Commission in the same manner as ~~any other~~ *an* appealable decision.

Sec. 14. NAC 360.425 is hereby amended to read as follows:

360.425 Unless the applicant provides to the Department a decree of emancipation issued to the applicant pursuant to NRS 129.080 to 129.140, inclusive, the application of a person who is under the age of 18 years for a license or permit issued pursuant to NRS ~~372.125 or 374.130~~ **360.5971** must include a statement signed by the parent or legal guardian of the applicant in substantially the following language:

I, the undersigned, hereby acknowledge responsibility until the applicant reaches 18 years of age for reporting or remitting to the Department any taxes imposed pursuant to (chapter 372 or 374 of NRS, as applicable) that the applicant fails to report or remit to the Department.

.....
Signature of applicant's parent or legal guardian

Sec. 15. NAC 360.435 is hereby amended to read as follows:

360.435 **1.** Any person who is required to file a return ~~pursuant to chapter 372 or 374 of NRS~~ and fails to do so within the time prescribed by specific statute, regulation or rule, or who files an incorrect, false or fraudulent return, must, upon written demand of the Director or the

Director's designee, file the return required or the corrected return, as appropriate, within 10 days after the written demand for the return or corrected return has been mailed to the person.

The person shall pay any tax due on the basis of such a return when filing the return.

2. *As used in subsection 1, “return” includes any tax return, statement, report or other document for a tax, fee, assessment, contribution or premium provided for in chapter 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D, 444A, 585 or 680B of NRS or NRS 482.313, 482C.230 or 482C.240.*

Sec. 16. NAC 360.485 is hereby amended to read as follows:

360.485 For the purposes of NRS 363A.170, 363B.160, 363C.620, 368A.270, 372.665, 372A.320, 372B.200 and 374.670, an overpayment of a tax imposed by chapter 363A, 363B, 363C, 368A, 372, 372A, 372B or 374 of NRS, as applicable, and administered by the Department was made:

1. Intentionally if the overpayment was made for any reason other than a good-faith belief that the taxpayer owed the tax and paid the amount of tax owed by the taxpayer.
2. By reason of carelessness if the overpayment is the result of the failure of the taxpayer to make reasonable and prudent efforts to avoid the overpayment. Such reasonable and prudent efforts may include, without limitation:
 - (a) Maintaining accurate and complete books and records;
 - (b) Correcting errors in the computation of the tax which were identified by an audit conducted before the overpayment;
 - (c) Investigating the taxability of transactions during an audit when the overpayment was reasonably identifiable;

- (d) Ceasing to make overpayments after receiving a refund for a prior overpayment involving the same or similar issues;
- (e) Ceasing to make overpayments resulting from repeated transactions or transactions of a similar type when the taxability of the transactions is governed by a regulation or law that is commonly followed in the taxpayer's industry, trade or practice and the transactions are conducted over a period of time of sufficient length that a reasonable person would have discovered and corrected the issue causing the overpayment; ***and***
- (f) Seeking an advisory opinion or other written advice from the Department concerning an interpretation of law when the taxpayer is unsure of the correct interpretation of the law. ~~;~~ ***and***
- ~~(g) Seeking advice on complex tax matters from a certified public accountant certified to practice in this State pursuant to chapter 628 of NRS or any other person who is certified or licensed in this State to practice a profession the members of which engage in the provision of advice on tax matters and who has knowledge of, or experience in, tax matters.}~~

Sec. 17. NAC 360.550 is hereby amended to read as follows:

360.550 As used in NAC 360.550 to 360.598, inclusive, ***and section 4 of this regulation,*** the words and terms defined in NAC 360.552 to 360.582, inclusive, have the meanings ascribed to them in those sections.

Sec. 18. NAC 360.584 is hereby amended to read as follows:

360.584 NAC 360.550 to 360.598, inclusive, ***and section 4 of this regulation*** apply to online registration, filing and payment by electronic transfer of money for taxes, fees, interest, penalties or other charges provided for in chapters 360, 361, 362, 363A, 363B, 363C, 368A, 369, 370, 372, 372A, 374, 377, 377A and 444A of NRS and to any fee provided for in NRS 482.313 or chapter 680B of NRS.

Sec. 19. NAC 360.588 is hereby amended to read as follows:

360.588 1. To register online with the Department, a person must submit a completed Nevada Business Registration and confirm the registration by clicking on the ~~certification~~ **submit** button on the Department's website. By clicking on the ~~certification~~ **submit** button, a person represents that:

- (a) The information contained in the online Nevada Business Registration is true and accurate; and
 - (b) The signatory is duly authorized to act on behalf of the business.
2. To become a website user of the Department's website, a taxpayer who has not obtained a permit from the Department must:
- (a) Provide, during the website registration process:
 - (1) The legal name and the federal employer identification number of the registrant; or
 - (2) If the registrant is a sole proprietor, the legal name and the social security number of the registrant;
 - (b) Submit the legal name and electronic mail address of the taxpayer account security administrator;
 - (c) Submit a completed online Nevada Business Registration; and
 - (d) Confirm, by clicking on the ~~certification~~ **submit** button on the website upon completion of the registration process, that:
 - (1) The information contained in the online Nevada Business Registration is true and accurate;
 - (2) The signatory is duly authorized to act on behalf of the business; and
 - (3) Security access is granted to the taxpayer account security administrator.

3. To become a website user of the Department's website, a taxpayer who has a permit issued by the Department must:
 - (a) Provide, during the website registration process, the legal name of the registrant and any one of the following:
 - (1) The registrant's federal employer identification number;
 - (2) If the registrant is a sole proprietor, the registrant's social security number; or
 - (3) The permit number assigned to the registrant by the Department;
 - (b) Provide selected information from a return that was previously filed by the registrant;
 - (c) Provide the legal name and electronic mail address of the taxpayer account security administrator; and
 - (d) Confirm, by clicking on the ~~Certification~~ **submit** button on the website upon completion of the registration process, that:
 - (1) The information contained in the website registration is true and accurate;
 - (2) The website user is duly authorized to act on behalf of the business and to receive confidential information; and
 - (3) Security access is granted to the taxpayer account security administrator.

Sec. 20. NAC 360.594 is hereby amended to read as follows:

360.594 1. For each electronic return of taxes, fees, interest, penalties or other charges, a return must be completed and submitted with payment made no later than midnight Pacific Time on the return due date. Online payment may be submitted only by automated clearinghouse credit, ~~or~~ automated clearinghouse debit **or credit card**.

2. If a person submits an electronic return but sends payment through the United States mail, a copy of the printout of the electronic return confirmation page must be submitted with the payment and must be postmarked by the return due date.

3. A zero-return must be submitted in the event that no taxes are due for the reporting period in accordance with statute.

Sec. 21. NAC 360.596 is hereby amended to read as follows:

360.596 1. An electronic transfer of money must be made by an automated clearinghouse credit, ~~for~~ automated clearinghouse debit ~~for~~ **or credit card.**

2. A taxpayer is responsible for paying any fees assessed against the taxpayer by the taxpayer's bank in connection with an electronic transfer of money.

3. The Department is responsible for paying transaction fees assessed by the State's bank in connection with an electronic transfer of money.

Sec. 22. NAC 360.706 is hereby amended to read as follows:

360.706 1. If, after an audit, the Department determines that delinquent taxes are due, the Department shall issue to the taxpayer a notice of the deficiency determination. The notice must be issued on or before the estimated completion date or revised estimated completion date of the audit. The Department shall include with the notice a form prescribed by the Department for filing a petition for redetermination.

2. If the taxpayer ~~wishes to dispute~~ **disputes** the findings of the audit, the taxpayer ~~must~~ **may** petition the Department for a redetermination within 45 days after ~~he or she~~ **the taxpayer** is served with the notice of the deficiency determination. A petition for redetermination must be submitted:

(a) On a form prescribed by the Department for filing a petition for redetermination; or

(b) In the form of a letter which contains sufficient information to give notice to the Department that the taxpayer is disputing the deficiency determination ~~. The letter must include, including, without limitation~~ ~~, the~~ :

- (1) *The* name of the taxpayer ~~, the~~ ;
- (2) *The* account number assigned to the taxpayer by the Department ~~and the~~ ;
- (3) *The* amount of the tax, interest or penalty in dispute ~~. and~~ ; and
- (4) *The reason the taxpayer disputes the deficiency determination.*

3. *If a person files a petition for redetermination in a contested case, all contested issues involved in the case shall be deemed to have been raised in the petition.*

4. The Director may grant an extension for the filing of a petition for redetermination if ~~the~~ :

- (a) *The* request for an extension is ~~made~~ :
 - (1) *Made* in writing ~~to~~ ; and
 - (2) *Filed with* the Department ~~and the~~ *not later than 45 days after the taxpayer is served with the notice of the deficiency determination; and*
- (b) *The* Director finds ~~that the petition for redetermination was not filed or was filed late despite the exercise of ordinary care by and without the intent of the taxpayer and that the cause of the failure to file or late filing of the petition was circumstances beyond the control of the taxpayer. Such circumstances include, without limitation, a natural disaster or other disaster beyond the control of the taxpayer and the death or hospitalization of the person responsible for filing the petition for redetermination.~~

—4. good cause for the extension.

5. A petition for redetermination ~~will be sent to a hearing officer after:~~

—(a) ~~The~~ that is filed with the Department in accordance with an extension of time granted by the Director pursuant to subsection 4 shall be deemed to be timely filed.

6. If the Director denies a request for an extension for the filing of a petition for redetermination pursuant to subsection 4, the taxpayer may file an appeal with the Commission not later than 30 calendar days after service of the denial on the taxpayer. The notice of appeal must include:

- (a) An explanation of the reason the taxpayer failed to timely file the petition for redetermination or a request for an extension; and
- (b) A copy of the petition for redetermination with the information required by subsection 2.

7. An appeal of a denial of a request for an extension of time for the filing of a petition for redetermination pursuant to subsection 4:

- (a) Shall be limited to the issue of whether the petition for redetermination must be considered by the Department; and
- (b) Shall not include the merits of the underlying notice of deficiency determination.

8. Upon the filing of a notice of appeal pursuant to subsection 6, the Commission will issue a final decision as to whether the Department is required to consider the petition for redetermination. A decision to grant the appeal by the Commission must be made upon a finding of good cause.

9. Upon receipt of a timely filed petition for redetermination or a final decision of the Commission to grant an appeal pursuant to subsection 8, the Department ~~has reviewed~~:

- (a) Shall notify the taxpayer of receipt by the Department of the petition for redetermination;

- (b) May require the taxpayer to provide additional documentation or information regarding the petition;*
- (c) Shall review any additional documentation that the taxpayer has submitted ; [with his or her petition;] and [*
- ~~(b) The taxpayer and the Department have not agreed to a settlement based upon such documentation provided by the taxpayer.~~
- ~~5. The hearing officer may request that the parties file prehearing statements. The parties may file a joint prehearing statement. If the parties cannot agree on a joint prehearing statement, each party must file its statement by the date set by the hearing officer. The prehearing statement must be limited to a brief explanation of the issues from the audit for consideration by the hearing officer and must include, without limitation:~~
- ~~(a) A statement of the unresolved issues that will be presented to the hearing officer, the nature of the specific transaction at issue, the amount in dispute and the legal issues involved in the matter.~~
- ~~(b) A statement of the issues that have been resolved by the parties, including, without limitation, the uncontested facts.~~
- ~~(c) A list of exhibits that each party expects to introduce at the hearing and any objections to those exhibits. The exhibits must be marked in advance of the hearing.~~
- ~~(d) A list of the witnesses that each party expects to testify at the hearing.~~
- ~~(e) An estimate of the time required for the hearing.~~
- ~~(f) A statement regarding whether the party will submit a posthearing brief.~~
- ~~6. A prehearing statement must be filed by the date set by the hearing officer. The hearing officer may grant an extension for filing the prehearing statement if the motion or stipulation~~

~~requesting the extension is filed with the hearing officer before the date set for filing the statement. The hearing officer shall issue a written decision on the motion or stipulation requesting the extension.~~

~~— 7. Failure of a party to file a prehearing statement will not delay the scheduling of the hearing. The hearing officer shall provide notice of the hearing to the parties at least 10 days before the date of the hearing.~~

~~— 8. If a party wishes to raise an issue that was not included in its prehearing statement before or during the hearing, the hearing officer shall grant a continuance to allow the opposing party to prepare a response to the issue.~~

~~— 9.1~~

(d) Shall issue a notice of redetermination setting forth the results of the redetermination.

10. If a taxpayer disputes the results of the redetermination, the taxpayer may, not later than 30 days after the notice of redetermination is served on the taxpayer, request a hearing. A request for a hearing must be filed:

(a) On a form prescribed by the Department for filing such a request; or

(b) In the form of a letter which:

(1) Contains sufficient information to give notice to the Department that the taxpayer disputes the redetermination and is requesting a hearing; and

(2) Includes, without limitation:

(I) The name of the taxpayer;

(II) The account number assigned to the taxpayer by the Department;

(III) The amount of each tax, penalty and interest in dispute; and

(IV) The reason the taxpayer disputes the redetermination.

11. *The Director may grant an extension of time for the filing of a request for a hearing pursuant to subsection 10 if:*

(a) The request for an extension is:

(1) Filed not later than 30 days after the notice of redetermination is served on the taxpayer; and

(2) Made in writing to the Department; and

(b) The Director finds that there is good cause for the extension.

12. *A request for a hearing that is filed with the Department in accordance with an extension of time granted by the Director pursuant to subsection 11 shall be deemed to be timely filed.*

13. *If the Director denies a request for an extension of time pursuant to subsection 11, the taxpayer may file a notice of appeal of the denial with the Commission not later than 30 calendar days after the notice of denial is served on the taxpayer. The notice of appeal of the denial must include:*

(a) An explanation of the reason the taxpayer failed to timely file the request for a hearing or a request for an extension; and

(b) A copy of the request for a hearing with the information required by subsection 10.

14. *An appeal of a denial of a request for an extension of time to file a request for a hearing:*

(a) Shall be limited to the issue of whether a hearing will be granted; and

(b) Shall not include the merits of the underlying notice of redetermination.

15. Upon the filing of a notice of appeal pursuant to subsection 13, the Commission will issue a final decision as to whether the Department is required to conduct a hearing. A decision to grant the appeal by the Commission must be made upon a finding of good cause.

16. Upon receipt of a timely request for a hearing or a final decision of the Commission to grant an appeal pursuant to subsection 15, the Department shall notify the taxpayer that the Department will refer the matter to a hearing officer.

17. The taxpayer may, at any time, withdraw his or her petition for redetermination by submitting a written request ~~, in the form of a letter,~~ for withdrawal to the Department.

18. As used in this section, “good cause” requires documentation supporting the request of the taxpayer and includes, without limitation, documentation which supports that:

- (a) The reason for the request is not a result of unreasonable delay or failure to exercise due diligence by the taxpayer to respond in a timely manner;*
- (b) The reason for the request is due to mistake, inadvertence, surprise, excusable neglect or factors outside the taxpayer’s ability to control, including, without limitation:*
 - (1) A natural disaster or other disaster beyond the control of the taxpayer; or*
 - (2) The death or hospitalization of the person responsible for filing the petition for redetermination;*
- (c) The request is reasonable in light of the reason for the delay;*
- (d) The taxpayer exercised ordinary diligence with regard to his or her responsibilities for the taxes;*
- (e) The taxpayer is not merely delaying collection of the debt; and*
- (f) The taxpayer demonstrates a meritorious dispute with the determination.*

Sec. 23. NAC 361.61064 is hereby amended to read as follows:

361.61064 1. A petitioner who wishes to appeal a determination of a county assessor described in paragraph (a) of subsection 1 of NRS 361.4734 or a determination of the Department described in paragraph (b) of subsection 1 of NRS 361.4734 must file a written notice of appeal with the Commission on a form provided by the Department within the period prescribed in subsection 2 of NRS 361.4734.

2. ~~In addition to the information required by subsection 4 of NAC 360.045, the~~ **The** notice of appeal must include:

- (a) The name and mailing address of the petitioner and the petitioner's contact person, if any;
- (b) The telephone number for daytime business hours and facsimile number of the petitioner and the petitioner's contact person, if any;
- (c) The electronic mail address, if available, of the petitioner and the petitioner's contact person, if any;
- (d) The tax year being appealed;
- (e) A description of the property and the assessor's parcel number or the identifying number of the property that is the subject of the appeal;
- (f) A copy of the decision of the county assessor or the Department for the tax year in question on the property that is the subject of the appeal; and
- (g) A statement of the relief requested.

3. Not later than 10 business days after receiving the notice of appeal of a determination issued pursuant to paragraph (a) of subsection 1 of NRS 361.4734, the Department shall provide a copy of the notice of appeal to the county assessor.

Sec. 24. NAC 360.025, 360.096, 360.432, 360.476, 360.477 and 360.479 are hereby repealed.

TEXT OF REPEALED SECTIONS

360.025 “Department” defined. (NRS 360.090) “Department” means the Department of Taxation.

360.096 Petition for redetermination in contested case; issues. (NRS 360.090, 360.360,

360.370) If a person files a petition for a redetermination in a contested case, all contested issues involved in the case shall be deemed to have been raised in the petition.

360.432 Contract with private debt collector: Authorization by Commission; prior notification of debtor by Department. (NRS 353C.200, 360.090)

1. Subject to the conditions set forth in NRS 353C.200, the Department may enter into a contract with a private debt collector or any other person for the assignment of the collection of a debt if the Commission authorizes the Department to enter into a contract with regard to the debt.

2. Upon the authorization of the Commission pursuant to subsection 1 and before entering into a contract pursuant to subsection 1, the Department shall notify the debtor that the debt may be assigned to a private debt collector if the debt is not paid in full. Notice provided to the debtor pursuant to this subsection must be served personally upon the debtor or by mail at his or her last address of record filed with the Department.

3. As used in this section, “debt” has the meaning ascribed to it in NRS 353C.040.

360.476 Local school support tax: Date of eligibility of machinery or equipment. (NRS

360.750, 374.357) If an application is approved by the Commission for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the period of abatement begins on the date on which the applicant takes possession of the first delivery of eligible machinery or equipment at the location designated in the certificate of eligibility issued by the Commission. Upon taking possession of such eligible machinery or equipment, the applicant shall immediately notify the Commission and the Nevada Tax Commission.

360.477 Refund upon approval of application. (NRS 360.750, 364A.170, 374.357)

1. If the Commission approves an application for a partial abatement of the taxes imposed pursuant to chapter 364A of NRS, the applicant is eligible for a refund of any taxes imposed pursuant to chapter 364A of NRS which were paid previously by the applicant and which are subject to the abatement.
2. If the Commission approves an application for a partial abatement of the taxes imposed pursuant to chapter 374 of NRS, the applicant is eligible for a refund of any taxes imposed pursuant to chapter 374 of NRS which were paid previously by the applicant and which are subject to the abatement, if the Department determines pursuant to NAC 360.4755 that the machinery or equipment qualifies as eligible machinery or equipment and:
 - (a) If the machinery or equipment was acquired outside this State from a retailer that is not registered with the Nevada Tax Commission, the application for the partial abatement was made:
 - (1) Before the acquisition of the machinery or equipment; or
 - (2) After the acquisition of the machinery or equipment and within 60 days after the date on which the taxes on the acquisition imposed pursuant to chapter 374 of NRS were due; or

(b) If the machinery or equipment was acquired from a retailer that is registered with the Nevada Tax Commission, the application for the partial abatement was made within 60 days after the payment of the taxes on the acquisition imposed pursuant to chapter 374 of NRS.

360.479 Abatements for certain energy-efficient structures: Interpretation of certain statutory terms. (NRS 360.090, 360.200, §§ 15 and 15.5 of ch. 539, Stats. 2007) For the purposes of:

1. Subsection 5 of section 15 of chapter 539, Statutes of Nevada 2007, the Department shall interpret the term:

(a) “Building” to mean a building or other structure that:

(1) Meets the requirements of paragraphs (a), (b) and (c) of that subsection; and

(2) Is described in the application for registration of the construction project with the Office of Energy for the purpose of obtaining the tax exemption provided pursuant to paragraph (d) of subsection 1 of NRS 374.307, as amended by chapter 2, Statutes of Nevada 2005, 22nd Special Session, at page 71,

→ other than any building or other structure for which the principal use is as a residential dwelling for not more than four families.

(b) “Construction contract” to mean a contract between an owner of real property or an affiliate or subsidiary of the owner, and a contractor or construction manager which:

(1) Defines their respective roles and responsibilities for the construction of a project on the property;

(2) Establishes the scope of work, the amount of money to be paid to the contractor or construction manager and the allowable time for the duration of the contract; and

(3) Describes the terms and conditions of a construction project.

(c) “Preconstruction contract” to mean a written and executed agreement that:

- (1) Precedes the construction of or the execution of a construction contract for a project for which a partial tax abatement is sought;
- (2) Clearly indicates a commitment to construct the project; and
- (3) Is entered into to provide at least one of the following services relating to the construction project:
 - (I) Project financing;
 - (II) Engineering;
 - (III) Design;
 - (IV) Architecture;
 - (V) Labor; or
 - (VI) Subcontracting.

(d) “Used in the construction of a building” to mean attached to or incorporated into a building by a contractor in the performance of a construction contract in such a manner as to:

- (1) Become an integral or inseparable part of the building; or
 - (2) Become a fixture to the building.
2. Section 15.5 of chapter 539, Statutes of Nevada 2007, the Department shall interpret the term “building or other structure” to mean a building or other structure that:
- (a) Meets the requirements of paragraphs (a), (b) and (c) of subsection 1 of that section; and
 - (b) Is described in the application for registration of the construction project with the Office of Energy for the purpose of obtaining the partial abatement of taxes provided pursuant to the former provisions of NRS 361.0775,

→ other than any building or other structure for which the principal use is as a residential dwelling for not more than four families.