

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB FILE NO. R086-261

**The following document is the initial draft regulation proposed
by the agency submitted on 04/13/2026**

Blue and red-strike through are updates to Chapter 370 for housekeeping and AB471

Purple is from R082-26 (pka R042-24)

Green is from R100-22 (not yet codified)

NAC 370.010 Definitions. As used in this chapter, unless the context otherwise requires:

1. "Commission" means the Nevada Tax Commission.
2. "Department" means the Department of Taxation.
3. "Executive Director" means the Executive Director of the Department of Taxation
4. *"Other tobacco product" has the meaning ascribed to it in NRS 370.440.*
5. *"Remote retail sale" has the meaning ascribed to it in section 2 of Assembly Bill No. 471 (2025).*
6. *"Remote retail seller" has the meaning ascribed to it in section 3 of Assembly Bill No. 471 (2025).*
7. *"Actual cost" has the meaning ascribed to it in section 1.3 of Assembly Bill No. 471 (2025).*
8. *"Ultimate consumer" means a person who purchases cigars or pipe tobacco for personal use or consumption and not for resale.*
9. *"Stock keeping unit" or "SKU" means a distinct item of cigars or pipe tobacco that is identified by a remote retail seller for purposes of tracking inventory, pricing, cost or sales, and which is differentiated from other items by one or more characteristics, including, without limitation, brand, size, packaging or product type.*
(Supplied in codification)

NAC 370.100 Placement of cigarettes in vending machines; inspection of machines by Department. (NRS 360.090, 370.270, 370.510)

1. All packages or packets of cigarettes in each vending machine which has an opening or transparent panel through which a sampling of all of the brands of cigarettes are visible must be placed in the machine so that the cigarette revenue stamp is visible from the front of the machine.
2. On demand, an operator of cigarette vending machines shall allow any authorized representative of the Department to accompany any employee of the operator on *the employee's his or her* route, during business hours and on working

days, and the employee or operator shall open vending machines in control of the operator for inspection by the representative of the Department.

[Tax Comm'n, Cigarette Tax Reg. part No. 3, eff. 1-18-69; A by Dep't of Taxation, 10-22-75]—(NAC A by Tax Comm'n, 7-18-88)

NAC 370.120 Receipt of reports, returns and remittances ~~sent by mail received~~. (NRS 360.090, 370.510)

1. ~~Except as otherwise provided, a~~Any report, return or remittance ~~to cover a payment~~ required ~~under by~~ NRS 370.~~004~~ 007 to 370.430, inclusive, *must be filed electronically through the Department's online portal. An electronically filed report, return, or remittance is deemed received when submitted through the Department's portal, unless a waiver from electronic filing has been granted.*

2. ~~If a waiver is granted, Any a~~ report, return or remittance which is transmitted through the United States mail, shall be deemed filed or received on the date shown by the postmark stamped upon the envelope containing it, as provided in NRS 238.100, or on the date it was mailed if other proof satisfactory to the Commission establishes that it was timely deposited in the United States mail, postage prepaid and properly addressed to the Commission.

~~2-3.~~ The date on a receipt for material sent by certified or registered mail, if different from the postmark, prevails if the date on the receipt is earlier than the date of the postmark.

~~3-4.~~ A record authenticated by the post office that the postmark on certain batches of mail was erroneous is proof satisfactory to the Commission that the mailing was made on a date other than the date of the postmark.

~~4-5.~~ If it is known that the postal service was inoperative at a certain time because of a strike, riot, warfare or act of God or for some other reason, the Commission will consider the circumstances, and if there is other evidence of timely mailing, will accept the evidence and deem the return or payment timely.

~~5-6.~~ A postmark affixed by a postage meter in the possession of the taxpayer or other person outside the post office will be disregarded as proof of the date mailed whenever it is contradicted by an official postmark stamped upon the envelope containing the payment. Unless corroborated, statements by a taxpayer or the taxpayer's employees are not sufficient to refute the postmark as the date of mailing.

[Tax Comm'n, Cigarette Tax Reg. part No. 6, eff. 7-24-70; A 10-9-71]—(NAC A by Dep't of Taxation, 10-10-83)

NAC 370.165 Allowance of tax credits. (NRS 370.490, 370.510)

1. The Department will allow a wholesale dealer a credit authorized by NRS 370.490 or a refund authorized by NRS 370.503 only if the wholesale dealer who files the claim for the credit or refund is the wholesale dealer who originally reported and paid the tax to the Department.

2. ~~A wholesale dealer who did not originally report and pay the tax to the Department may request from the wholesale dealer who originally reported and paid the tax to the Department payment of an amount equal to the credit authorized by NRS 370.490. Such a request must include a credit memo of the manufacturer for proof of returned merchandise or a duplicate or copy of the invoice as proof of the sale outside the State.~~ If, pursuant to subsection 1 of NRS 370.490, a wholesale dealer claims a credit for other tobacco products that may no longer be sold, the Department will allow the credit only if the wholesale dealer has not made a sale of the other tobacco products for which the credit is claimed.

3. ~~A wholesale dealer who is allowed a credit authorized by NRS 370.490 and who, pursuant to subsection 2, makes a payment to a wholesale dealer who did not originally report and pay the tax to the Department may complete and file with the Department an amended return. If the bases for a claim by a wholesale dealer for a credit authorized by NRS 370.490 or a refund authorized by NRS 370.503 is a sale of other tobacco products for which a credit is authorized by subsection 2 of NRS 370.490 claims a credit or a refund under is authorized by NRS 370.490 or NRS 370.503 based on the sale of other tobacco products, the Department will allow the credit or refund, as applicable, only for if the sale is the first sale of the other tobacco products by the wholesale dealer who originally reported and paid the tax to the Department. No The Department will not allow such a credit or refund will be allowed for any future subsequent sale of the other tobacco products.~~

NAC 370.170 License required for remote retail seller. (NRS 360.090, 370.510)

1. A person who engages in business as a remote retail seller shall obtain and maintain a valid license issued by the Department before making any remote retail sale for delivery to an ultimate consumer in this State.

2. A license issued pursuant to this section authorizes the holder to make remote retail sales of cigars and pipe tobacco to ultimate consumers in this State in accordance with the provisions of this chapter and chapter 370 of NRS.

3. Each license must be renewed annually.

NAC 370.175 Application for license as remote retail seller. (NRS 360.090, 370.510)

1. *An application for a license as a remote retail seller must be submitted to the Department on a form prescribed by the Department.*
2. *The application must include, without limitation:*
 - (a) *The name and address of the applicant;*
 - (b) *The address of the principal place of business;*
 - (c) *The address of any location used to store, ship or distribute cigars or pipe tobacco;**and*
 - (d) *Any other information required by the Department to administer the provisions of this chapter.*
3. *The application must be accompanied by any required fee and proof of registration to collect and remit applicable taxes.*
4. *The Department may refuse to issue a license if the applicant fails to provide the information required by this section or otherwise fails to demonstrate compliance with applicable law.*

NAC 370.180 Monthly report; payment of tax by remote retail seller. (NRS 360.090, 370.510)

1. *Each remote retail seller shall, on or before the 20th day of each month, submit to the Department a report for the preceding calendar month.*
2. *The report must include, without limitation:*
 - (a) *The total number of remote retail sales made to ultimate consumers in this State;*
 - (b) *The gross receipts from such sales;*
 - (c) *The actual cost of cigars and pipe tobacco sold; and*
 - (d) *Any other information required by the Department.*
3. *The report must be accompanied by payment of all taxes due pursuant to chapter 370 of NRS.*
4. *A remote retail seller shall file a report required by this section even if no taxable sales occurred during the reporting period.*

NAC 370.185 Records of remote retail seller. (NRS 360.090, 370.510)

1. *Each remote retail seller shall maintain complete and accurate records of all remote retail sales to ultimate consumers in this State.*
2. *Such records must include, without limitation:*
 - (a) *The name and address of the purchaser;*
 - (b) *The date of the sale;*
 - (c) *The quantity and description of products sold;*
 - (d) *The actual cost of each product; and*
 - (e) *The method of delivery.*

3. All records must be retained for at least 5 years and made available to the Department upon request.

NAC 370.190 Age verification for remote retail sales. (NRS 360.090, 370.510)

1. A remote retail seller shall verify that a purchaser is at least 21 years of age before completing a remote retail sale.
2. Verification must be conducted through an independent, third-party service that compares the information provided by the purchaser with commercially available databases used for age and identity verification.

NAC 370.195 Applicability of tax to remote retail seller. (NRS 360.090, 370.510)

1. A remote retail seller is subject to the tax imposed pursuant to chapter 370 of NRS if, during the current or immediately preceding calendar year:
 - (a) The gross receipts from remote retail sales into this State exceed \$100,000; or
 - (b) The seller makes 200 or more separate remote retail sales into this State.
2. A remote retail seller shall maintain records sufficient to demonstrate whether the thresholds described in subsection 1 have been met.

NAC 370.220 Purchase of tobacco by retail dealers; application for refund of precollected sales tax. (NRS 360.090, 370.280, 370.503, 370.510)

~~1. Retail dealers who are located and sell and deliver cigarettes on an Indian reservation or colony shall purchase all of the cigarettes or other tobacco products made from tobacco that are to be sold and delivered on the reservation or colony from a licensed wholesale dealer who has precollected the state tax on the cigarettes and other products.~~

~~2. If a tribal tax has been imposed on the cigarettes and other products made from tobacco, the tribe may apply for a refund of the precollected tax pursuant to NRS 370.280 or 370.503 and NAC 370.230.~~

NAC 370.540 Notice of intent to suspend or revoke license or remove from directory; contents and service of notice; opportunity to demonstrate compliance; effect of subsequent alleged violation. (NRS 370.250, 370.253, 370.510, 370.675)

1. When the Department has cause to believe that:

(a) ~~The A license of a retail dealer, or wholesale dealer issued pursuant to NRS 370.531 to 370.597, inclusive, or remote retail seller~~ should be temporarily suspended or permanently revoked; or

(b) A manufacturer of tobacco products and its brand families should be removed from the directory,

É the Department may issue a notice of intent to suspend or revoke the license or a notice of intent to remove the manufacturer and its brand families from the directory, as applicable.

2. A notice issued pursuant to subsection 1 must include:

(a) A statement of the legal authority for the suspension or revocation of the license or removal of the manufacturer and its brand families from the directory, as applicable;

(b) A statement of the facts which support the belief of the Department that the license should be suspended or revoked or that the manufacturer and its brand families should be removed from the directory, as applicable; and

(c) Except as otherwise provided in subsection 6, if the notice issued is:

(1) A notice of intent to suspend or revoke a license, a statement that the Department may issue a notice of hearing pursuant to NAC 370.545 if the licensee does not, within 10 **business** days after receipt of the notice issued pursuant to subsection 1, demonstrate to the satisfaction of the Department that the licensee is in full compliance with all lawful requirements for retention of the license; or

(2) A notice of intent to remove a manufacturer and its brand families from the directory, a statement that the Department may issue a notice of hearing pursuant to NAC 370.545 if the manufacturer does not, within 10 **business** days after receipt of the notice issued pursuant to subsection 1, demonstrate to the satisfaction of the Department that the manufacturer is in compliance with all applicable legal requirements necessary to remain listed in the directory.

3. A notice of intent to suspend or revoke a license must be served on the licensee by certified mail at the location mailing address identified by the licensee on the license application submitted by the licensee to the Department.

4. A notice of intent to remove a manufacturer of tobacco products and its brand families from the directory must be served on the manufacturer by certified mail at the address identified by the manufacturer in the most recent annual certification made by the manufacturer to the Attorney General pursuant to NRS 370A.160.

5. Any evidence to demonstrate compliance offered by a licensee or a manufacturer of tobacco products within the period described in subparagraph (1) or (2) of paragraph (c) of subsection 2 must be delivered in person or by certified mail to the employee of the Department identified in the notice served on the licensee or manufacturer.

6. If a licensee or manufacturer of tobacco products has received a notice issued pursuant to subsection 1, for any subsequent alleged violation of the same statutory

provision during the 2-year period immediately following the issuance of such notice, the licensee or manufacturer is not entitled to the 10-day period to demonstrate compliance described in subparagraphs (1) and (2) of paragraph (c) of subsection 2 and the Department may immediately issue a notice of hearing pursuant to NAC 370.545.

(Added to NAC by Dep't of Taxation by R146-15, eff. 9-9-2016)

NAC 370.545 Notice of hearing; contents and service of notice; appointment of hearing officer. (NRS 370.250, 370.253, 370.510, 370.675)

1. If a licensee, *including, without limitation, a remote retail seller* or manufacturer of tobacco products does not demonstrate compliance within the 10-day period described in subparagraph (1) or (2) of paragraph (c) of subsection 2 of NAC 370.540, or if, pursuant to subsection 6 of NAC 370.540, a licensee or manufacturer of tobacco products is not entitled to the 10-day period to demonstrate compliance, the Department may issue a notice of hearing.

2. A notice of hearing issued pursuant to this section must *be served electronically, or unless opted out of electronic noticing, by mail at least 10 days before the date of the hearing and must:*

(a) State the date, time and location of the hearing, which may be held at an office of the Department or at such other place in this State as is designated in the notice;

(b) Include a statement of the legal authority for the suspension or revocation of the license or removal of the manufacturer and its brand families from the directory, as applicable;

(c) Identify the specific provision or provisions of chapter 370 or 370A of NRS which the Department alleges the licensee or manufacturer of tobacco products has violated;

(d) Include a statement of the facts which support the belief of the Department that the license should be suspended or revoked or that the manufacturer and its brand families should be removed from the directory, as applicable; and

(e) Include as attachments all documentary evidence on which the Department intends to rely to demonstrate that the licensee or manufacturer of tobacco products, as applicable, is in violation of the provision or provisions of chapter 370 or 370A of NRS identified pursuant to paragraph (c).

3. A notice of hearing issued pursuant to this section *must be served electronically, or unless opted out of electronic noticing, by mail and* must be served on:

(a) All parties at least ~~20-business~~ 10 days before the date of the hearing;

(b) A licensee, *if opted out of electronic noticing*, by ~~certified~~ mail at the location mailing address identified by the licensee on the license application submitted by the licensee to the Department; and

(c) A manufacturer of tobacco products, *if opted out of electronic noticing*, by ~~certified~~ mail at the address identified by the manufacturer in the most recent annual

certification made by the manufacturer to the Attorney General pursuant to NRS 370A.160.

~~4. Upon the issuance of a notice of hearing by the Department pursuant to this section, the Commission will appoint an administrative law judge to act as a hearing officer.~~

(Added to NAC by Dep't of Taxation by R146-15, eff. 9-9-2016)

NAC 370.570 Continuances or recesses granted by hearing officer. (NRS 370.250, 370.253, 370.510, 370.675) A hearing officer may, in ~~their~~ ~~his or her~~ discretion, either before or during a hearing, grant continuances or recesses.

(Added to NAC by Dep't of Taxation by R146-15, eff. 9-9-2016)

NAC 370.595 Effective date of suspension or revocation of license; duties of wholesale dealer *or remote retail seller*; continuation of activities until suspension or revocation is effective. (NRS 370.250, 370.253, 370.510, 370.675)

1. If a final order issued by a hearing officer or the Commission temporarily suspends or permanently revokes the license of a wholesale dealer or *remote retail seller*:

~~4.~~ (a) The final order must not become effective and the license of the wholesale dealer *or remote retail seller* must not be suspended or revoked until 20 ~~business~~ days after the date of issuance of the final order.

2. (b) The wholesale dealer *or remote retail seller* shall, within ~~5-business-7~~ days after the date on which the final order is issued:

~~(a)~~ 1. Notify each ~~tobacco~~ retail dealer that is a customer of the wholesale dealer *or, if applicable, each ultimate consumer or purchaser of the remote retail seller*, of the revocation or suspension of the license of the wholesale dealer and the date on which the revocation or suspension becomes effective; and

~~(b)~~ 2. Notify each manufacturer of tobacco products from whom the wholesale dealer *or remote retail seller* purchases tobacco products of the revocation or suspension of the license of the wholesale dealer and the date on which the revocation or suspension becomes effective.

~~3.~~ (c) Until the date on which the revocation or suspension of the license is effective, the wholesale dealer *or remote retail seller* may continue to engage in any lawful activity otherwise authorized or permitted pursuant to chapters 370 and 370A of NRS.

2. As used in this section:

(a) "Tobacco retail dealer" has the meaning ascribed to it in NRS 370.559.

(b) "Wholesale dealer" has the meaning ascribed to:

(1) “Wholesale dealer” in NRS 370.055; and

(2) “Wholesale dealer of other tobacco products” in NRS 370.440, as amended by section 6 of Assembly Bill No. 471, chapter 477, Statutes of Nevada 2025, at page 3132.

(c) “Remote Retail Seller” has the meaning ascribed to it in section 3 of Assembly Bill No. 471, chapter 477, Statutes of Nevada 2025, at page 3131.