

**PROPOSED REGULATION OF
THE NEVADA TAX COMMISSION**

LCB File No. R100-26

May 21, 2026

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

AUTHORITY: § 1, NRS 360.090 and 363C.100.

A REGULATION relating to commerce tax; designating the edition of the North American Industry Classification System applicable to certain regulations; requiring the Department of Taxation to provide certain notice regarding the applicability of new editions of the North American Industry Classification System to the calculation of the commerce tax; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law imposes a commerce tax on the Nevada gross revenue of certain business entities whose Nevada gross revenue exceeds \$4,000,000 in a taxable year, at a rate that is based on the industry in which a business entity is engaged. In classifying industries, existing law uses business categories from the North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce. (Chapter 363C of NRS) Existing law requires the Department of Taxation to review each new edition of the North American Industry Classification System. Generally, the most recent edition of the North American Industry Classification System is the edition which is applicable to the provisions of law governing the commerce tax. However, if the Department determines that the adoption of a new edition of the North American Industry Classification System would cause a business entity to be categorized in a different business category or would cause a business entity to no longer be categorized in the unclassified business category, the new edition of the North American Industry Classification System does not become effective unless legislation adopting the new edition is enacted by the Legislature and approved by the Governor. (NRS 363C.091)

This regulation provides that the edition of the North American Industry Classification System which is applicable to regulations governing the commerce tax is the same edition which is applicable to the provisions of statute governing the commerce tax. This regulation also requires the Department to publish a notice on its Internet website if a new edition of the North American Industry Classification System will not go into effect unless legislation adopting the new edition is enacted by the Legislature and approved by the Governor.

Section 1. Chapter 363C of NAC is hereby amended by adding thereto a new section to read as follows:

1. Unless the context otherwise requires, for the purposes of this chapter, references to the “North American Industry Classification System” or “NAICS” are to the same edition of the North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce which is effective for the purposes of chapter 363C of NRS as provided by NRS 363C.091.

2. If the Department makes the determination pursuant to NRS 363C.091 that the adoption of a new edition of the North American Industry Classification System would cause a business entity to be categorized in a different business category than set forth in NRS 363C.310 to 363C.550, inclusive, or would cause a business entity categorized in the unclassified business category pursuant to NRS 363C.560 to be recategorized in a business category set forth in NRS 363C.310 to 363C.550, inclusive, the Department will post a notice on its Internet website that the new edition will not become effective unless legislation adopting the new edition is enacted by the Legislature and approved by the Governor.