

LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066
Informational Statement
LCB File No. R020-16

1. A clear and concise explanation of the need for the adopted regulation.

The need and purpose of the proposed permanent regulations identified in LCB File No. R020-16 are to add new provisions and revise, clarify, update, remove existing provisions relating to the application, administration and to provide guidance to local governments that propose a rate increase for sales and use tax, specify the effective date of the rate change, which must be the first day of the first calendar quarter that begins at least 120 days after the ordinance is approved by the governing body of a local government and not earlier than 120 days after the date on which the Department provides notice of the rate change. The regulation also provides clarity for the term “prepared food intended for immediate consumption” and ensures Nevada remains compliant with the Streamlined Sales and Use Tax Agreement (“Agreement”) pursuant to Chapter 360B.

2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

The Department of Taxation, as staff to the Nevada Tax Commission, solicited comment from the public by sending notice of workshops and hearings by electronic and regular mail as follows:

<u>Date of Notice</u>	<u>Workshop/ Hearing</u>	<u>Date of Workshop</u>	<u>Number Notified</u>
4/27/2016	Workshop	5/13/2016	209
12/19/2016	Adoption Hearing	1/23/2017	244

The mailing list included the interested parties list maintained by the Department. Notices were also posted at the Nevada State Library; various Department of Taxation locations throughout the state; and at the Main Public Libraries in counties where an office of the Department of Taxation is not located. Comments were also solicited by direct email to other interested parties lists maintained by the Department.

There were two public responses provided at the workshop and none at the Adoption Hearing.

A copy of the audio taped comments or the record of proceedings may be obtained by calling the Nevada Department of Taxation at (775) 684-2030 or by writing to the Department of Taxation, 1550 East College Parkway, Carson City, Nevada 89706, or by e-

mailing the Department at hfettic@tax.state.nv.us

3. The number of persons who:

(a) Attended the hearing: 8 people attended the workshop on 4/27/2016; 36 people attended the adoption hearing.

(b) Testified at the hearing: 2 people testified at the 4/27/2016 workshop; 0 people testified at the adoption hearing.

(c) Submitted written comments: 1 person submitted written comment at the workshop and no one submitted written comments at the adoption hearing.

4. For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:

Testified at Workshop:

Paulina Oliver, Deputy Director Telephone number: 702-486-2331

Business Address: Grant Sawyer Office Building, Suite 1300, 555 E. Washington Avenue, Las Vegas, Nevada 89101

Email Address: poliver@tax.state.nv.us

Name of entity or organization represented: Nevada Department of Taxation on behalf of B.A.C.

Barbra Smith-Campbell, Principal

Business Address: 165 W. Liberty Street, Suite 210, Reno NV 89501

Email Address: barbara@theferrarogroup.com

Name and entity or organization represented: The Ferraro Group

Testified at the adoption hearing:

No one testified at the adoption hearing.

5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

See response to #2 for description of how comments were solicited from affected businesses and an explanation on how interested persons may obtain a copy of the summary.

Summary of public responses:

The following general response was received by mail:

1. One taxpayer requested that the Department add to section 1. For purchases made from printed catalogs where the purchaser computed the sales and use tax

using the local rate published in a catalog, that published local tax rate shall continue to apply until the first day of a calendar quarter after a minimum of one hundred and twenty days' notice. For section 2. The taxpayer wants the section deleted.

Testimony given at the public workshop:

1. The Deputy Director Paulina Oliver, read the written correspondence from Business Advisory Council to Streamlined Sales Tax Governing Board "B.A.C." which is the response that is referenced above.
 2. One taxpayer suggested that the Department add "or any successor publication" at the end of the second paragraph in the Legislative Counsel's Digest.
- 6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

No one proposed any changes at the Adoption Hearing.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.**

(a) The adverse and beneficial affect:

The proposed permanent regulation presents no reasonably foreseeable or anticipated adverse or beneficial economic effects to businesses or to the general public. The benefit of this regulation is that the Nevada Department of Taxation stays in compliance with the Streamlined Sales Tax Agreement

(b) The immediate and long-term affect:

The proposed permanent regulation presents no reasonably foreseeable or anticipated immediate or long-term economic effects to business or to the general public.

- 8. The estimated cost to the agency for enforcement of the proposed regulation:**

The proposed permanent regulation presents no significant foreseeable or anticipated cost or decrease in costs for enforcement other than the costs to implement the statutory provision.

- 9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

The proposed regulation does not overlap any regulation of other state or local governmental entities.

10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

The Department is not aware of any similar federal regulations of the same activity in which the state regulation is more stringent.

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

The proposed regulation does not include any new or increases in existing fees.