XII. APPENDIX A – SALES AND USE TAX EXEMPTIONS (STATUTES)

1. **Certain Amounts Not Considered as Gross Revenue** – The following do not constitute gross revenue subject to the sales tax:

   a. Cash discounts allowed and taken on sales.

   b. The sale price of property returned by customers when the full sale price is refunded either in cash or credit, unless the customer must purchase other property at a price greater than the amount charged for the property that is returned in order to obtain the refund.

   c. The price received for labor or services used in installing or applying the property sold.

   d. The amount of any tax imposed by the United States government upon or with respect to retail sales, exclusive of excise taxes upon manufacturers or importers.

   e. The amount of used vehicle trade-in allowance given by a retailer against the purchase price of another vehicle. **NRS 372.025**

2. **Items Upon Which Tax Is Prohibited by State or Federal Constitution or by Federal Statute** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, tangible personal property the gross receipts from the sale of which, or the storage, use or other consumption of which, this state is prohibited from taxing under the Constitution or laws of the United States or under the constitution of this state. **NRS 372.265**

3. **Proceeds of Mines** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, the proceeds of mines that are subject to taxes levied pursuant to Chapter 362 of NRS. **NRS 372.270**

4. **Fuel Used to Propel Motor Vehicles** – Gross receipts from the sale and distribution of, and the storage, use or other consumption in this state of, any combustible gas, liquid or material of a kind used in an internal or combustion or diesel engine for the generation of power to propel a motor vehicle on the highways. **NRS 372.275**

5. **Animals and Plants Intended for Human Consumption and Feed and Fertilizer** – Gross receipts from sales of, and the storage, use and other consumption of:

   a. Any form of animal life of a kind the products of which ordinarily constitute food for human consumption;

b. Feed for any form of animal life of a kind the products of which ordinarily constitute food for human consumption or are to be sold in the regular course of business;

c. Seeds and annual plants the products of which ordinarily constitute food for human consumption or are to be sold in the regular course of business; or

d. Fertilizer to be applied to land the products of which are to be used as food for human consumption or sold in the regular course of business. **NRS 372.280**

6. **Farm Machinery and Equipment** – The gross receipts from the sales, storage, use or other consumption of farm machinery or equipment, except for:

   a. Vehicles required to be registered under Chapters 482 or 706 of NRS; or

   b. Machinery or equipment only incidentally employed for agricultural purposes. **NRS 372.281**

7. **Certain Medical Supplies and Medicines** – The gross receipts from the sales and the storage, use or other consumption of:

   a. Prosthetic devices, orthotic appliances, and ambulatory casts for human use;
   b. Appliances and supplies relating to an ostomy;
   c. Products for hemodialysis; or
   d. Medicines:

      (1) Prescribed for the treatment of a human being by a person authorized to prescribe medicines, and dispensed on a prescription filled by a registered pharmacist in accordance with law;

      (2) Furnished by a licensed physician, dentist or podiatrist to his own patient for the treatment of the patient;

      (3) Furnished by a hospital for treatment of any pursuant to the order of a licensed physician, dentist, podiatrist; or

      (4) Sold to a licensed physician, dentist, podiatrist or hospital for the treatment of a human being. **NRS 372.283**

8. **Food for Human Consumption** – Gross receipts from sales and the storage, use or other consumption of food for human consumption, not including alcoholic beverages, pet foods, tonics and vitamins, or prepared food intended for immediate consumption. **NRS 372.284 (See also NRS 372.2841)**

9. **Food Sold to Students or Teachers by Schools or Organizations of Students, Parents, or Teachers** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, meals and food products for human consumption served by public or private schools, school districts, student organizations and parent-teacher associations to the students or teachers of a school. **NRS 372.285**

10. **Textbooks Sold Within NSHE** – Gross receipts from the sale of textbooks sold within the Nevada System of Higher Education. **NRS 372.287**

11. **Containers** – Gross receipts from the sales of, and the storage, use or other consumption in this state of:

    a. Nonreturnable containers when sold without the contents to persons who place the contents in the container and sell the contents together with the container;

    b. Containers when sold with the contents if the sales price of the contents is not required to be included in the measure of the taxes imposed by this chapter; or

    c. Returnable containers when sold with the contents in connection with a retail sale of the contents or when resold for refilling. **NRS 372.290**

12. **Gas, Electricity, and Water** – Gross receipts from the sales, furnishing or service of, and the storage, use or other consumption in this state of gas, electricity and water when delivered to consumers through mains, lines or pipes. **NRS 372.295**

13. **Domestic Fuels** – Gross receipts from the sale, furnishing or service of, and the storage, use or other consumption in this state of, any matter used to produce domestic heat by burning, including, without limitation, wood, coal, petroleum and gas. **NRS 372.300**

14. **Public Works Contracts** – Gross receipts from the sale of, and the storage, use or other consumption in this state of tangible personal property used for the performance of a contract on public works executed prior to July 1, 1955. **NRS 372.305**

15. **Non-Public Works Contracts** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, tangible personal property used for the performance of a written contract entered into prior to March 29, 1955. **NRS 372.310**

16. **Newspapers** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, tangible personal property that becomes an ingredient or component part of any newspaper regularly issued at average intervals not exceeding one week and any such newspaper. **NRS 372.315**

17. **Manufactured Homes and Mobile Homes** – Forty percent of the gross receipts from the sales and storage, use or other consumption of new manufactured homes and new mobile homes and all of the gross receipts from the sales and storage, use or other consumption of used manufactured homes and used mobile homes for which sales and use taxes have been paid as a result of a previous sales, storage, use or consumption. **NRS 372.316**

18. **Aircraft and Major Components of Aircraft** – Gross receipts from the sale, and the storage, use or other consumption in this state of:

    a. Aircraft, aircraft engines and component parts of aircraft engines which are manufactured exclusively for use in aircraft, sold or purchased for lease to a commercial air carrier for use in transportation of persons or property in intrastate, interstate or foreign commerce pursuant to a certificate or license to the air carrier authorizing such transportation.

    b. Machinery, tools and other equipment and parts that are used exclusively in the repair, remodeling or maintenance of aircraft, aircraft engines or component parts of aircraft or aircraft engines**.** **NRS 372.317**

    See also NRS 372.726, which prohibits the Department of Taxation from enforcing any restriction on the applicability of the exemption provided therein which would violate the United States Constitution. Though this exemption was ruled to be unconstitutional, the exemption remains in statute as a result of the failure of Question 4 at the 2008 General Election.

19. **Occasional Sales** – Gross receipts from occasional sales of tangible personal property and the storage, use or other consumption in this state of tangible personal property, the transfer of which to the purchaser is an occasional sale. **NRS 372.320**

20. **Sales to U.S., State, or Political Subdivision** – Gross receipts from the sale of any tangible personal property to:

    a. The United States, its unincorporated agencies and instrumentalities;

    b. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States;

    c. The state of Nevada, its unincorporated agencies and instrumentalities; or

    d. Any county, city, district or other political subdivision of this state. NRS 372.325

21. **Nonprofit Organization Created for Religious, Charitable, or Educational Purposes** – Gross receipts from the sale of, and the storage, use or other consumption in this state of, any tangible personal property sold by or to a nonprofit organization created for religious, charitable or educational purposes. **NRS 327.326**

22. **Loans or Donations to U.S., State, or Political Subdivisions or Religious or Eleemosynary Organizations** – Gross receipts from the storage, use or other consumption of tangible personal property any such property loaned or donated to:

    a. The United States, its unincorporated agencies and instrumentalities;

    b. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States;

    c. The state of Nevada, its unincorporated agencies and instrumentalities;

    d. Any county, city, district or other political subdivision of this state; or

    e. Any organization created for religious, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual. **NRS 372.327**

23. **Common Carriers** – The gross receipts from sales of tangible personal property to a common carrier, shipped by the seller via the purchasing carrier under a bill of lading whether the freight is paid in advance or the shipment is made freight charges collect, to a point outside this state and the property is actually transported to the out-of-state destination for use by the carrier in the conduct of its business as a common carrier**. NRS 372.330**

24. **Property Shipped Outside State** – The gross receipts for any sale of tangible personal property which is shipped to a point outside this state pursuant to the contract of sale by delivery by the vendor to such point by means of:

    a. Facilities operated by the vendor;

    b. Delivery by the vendor to a carrier for shipment to a consignee at such point; or

    c. Delivery by the vendor to a customs broker or forwarding agent for shipment outside this state. **NRS 372.335**

25. **Personal Property Sold to Contractor Who Is Constituent Part of Governmental, Religious, or Charitable Entity** – Gross receipts from the sale of tangible personal property to and the storage, use or other consumption in this state of tangible personal property for a governmental, religious or charitable entity by a contractor who is a constituent part of a governmental, religious or charitable entity. **NRS 372.340**

26. **Property on Which Sales Tax Paid Is Exempt From Use Tax** – The storage, use or other consumption in this state of property, the gross receipts from the sale of which are required to be included in the measure of the sales tax. **NRS 372.345**