

LCB File No. R182-99

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

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

AUTHORITY: NRS 360.090, 375A.100, 375A.105, 375A.170 and 375A.205.

Section 1. Chapter 375A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation:

Sec 2. *Nevada Estate Tax Filing and Payment Requirements: (1) Estate Tax is due upon the date of the descendant's death and becomes delinquent on the expiration of nine months from the date upon which it becomes due, if not paid within that time. The estate tax filing shall include a copy of the face page of Federal Form 706 along with the remittance of any applicable tax, penalty and interest due, and all of the following documentation as may be appropriate:*

(a) A copy of any pertinent schedules showing the allocation of property belonging to each state, along with proof of payments for that state's portion of the estate tax,

(b) A copy of the federal extension for filing, approved by the Internal Revenue Service, if the Internal Revenue Service has granted an extension,

(c) A copy of a deferred payment plan, along with a copy of the federal acceptance of the deferred payment plan if a deferred payment plan has been accepted and approved by the Internal Revenue Service, or

(d) A copy of any amended Federal Form 706, along with the appropriate reconciliation. Amended returns are due at the time the Federal return is filed.

Sec 3. *Penalty and Interest Assessments: (1) The Department will assess penalties pursuant to NRS 375A.170 and interest pursuant to NRS 375A.205 on all late filed estate tax.*

(a) If an extension to file Federal Form 706 has been requested from the Internal Revenue Service, the estimated tax must be remitted with a copy of the Federal extension to file.

(b) If Federal Form 706 is filed by the approved extension due date and additional tax is due the state, the tax plus interest must be remitted with the return.

(c) If Federal Form 706 is filed after the approved extension due date and there is additional tax due the state, the tax, plus penalty and interest on the additional tax must be remitted with the return.

(d) If Federal Form 706 is filed late after the approved extension due date and the estimated tax paid covers the tax liability, no penalty or interest shall be assessed.

(2) The Department shall waive penalty assessments pursuant to NRS 375A.170 if documentation is provided by the taxpayer substantiating the penalty was waived by the Internal Revenue Service. Otherwise, all penalty and interest waivers shall be administered pursuant to the requirements of NRS 360.419.