

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

LCB File No. R032-04

April 2, 2004

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

AUTHORITY: §1, NRS 360.090, 372.290, 372.725, 374.295 and 374.725.

A REGULATION relating to taxation; providing for the administration of certain exemptions from sales and use taxes for qualified sales of baling wire and twine; and providing other matters properly relating thereto.

Section 1. Chapter 372 of NAC is hereby amended by adding thereto a new section to read as follows:

1. If a retailer does not collect the taxes imposed by chapters 372 and 374 of NRS on a sale of baling wire or twine, the retailer shall obtain from the purchaser of that baling wire or twine a sworn statement, on a form prescribed by the Department, stating that the baling wire or twine will be resold as a non-returnable container with contents. One sworn statement obtained by a retailer from a purchaser pursuant to this subsection may apply to all purchases of baling wire and twine by the purchaser from the retailer during the calendar year in which the purchaser signs the sworn statement.

2. The Department shall make the form required by subsection 1 available at its office and on its Internet website.

3. A retailer who obtains from a purchaser the sworn statement described in subsection 1:

(a) Is not required to collect any taxes from the purchaser pursuant to chapters 372 and 374 of NRS on any sale of baling wire or twine to which the sworn statement applies, unless the retailer obtains the sworn statement with intent to defraud the Department or to evade the payment of those taxes.

(b) Shall file the sworn statement with his records and make the statement available to the Department for inspection upon request.