

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066**  
**Informational Statement**  
**LCB File No. R143-18**

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

The Department of Taxation has drafted the Department Revised Draft of Proposed Regulation R143-18, to establish the standard to be used to determine whether an overpayment of certain taxes was made intentionally or by reason of carelessness such that the taxpayer is not entitled to be paid interest on a refund of the overpayment, and providing other matters properly relating thereto.

The regulation provides the Department some clarity and guidance as to if an overpayment would be deemed to be made intentionally or by reason of carelessness, and if neither is proven, then interest is to be paid for the over payment.

This regulation would apply to several tax types that have provisions in the NRS which give the Department authority to disallow interest on refunds if the overpayment of tax was made intentionally or by reason of carelessness. The Department has redlined Section 2 of the regulation that pertains to refunds of property tax because these refunds are provided by county treasurers and this language may not work in their assessments when interest should be paid on refunds.

**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 or regular mail as follows:

<b><u>Date of Notice</u></b>	<b><u>Workshop/ Hearing</u></b>	<b><u>Date of Meeting</u></b>	<b><u>Number Notified</u></b>
08/29/2018	Workshop	09/14/2018	229
10/29/2018	Adoption Hearing	12/03/2018	229

The mailing list included the Department's general interested parties list. 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. The Nevada Taxpayers Association also forwards the regulation to their members.

No testimony was provided during the workshop or 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 [scrowley@tax.state.nv.us](mailto:scrowley@tax.state.nv.us)

3. **The number of persons who:**
  - (a) **Attended the hearing:** 64 people attended the adoption hearing.
  - (b) **Testified at each hearing:** No one testified at the adoption hearing.
  - (c) **Submitted written comments:** None of the attendees at the adoption hearing submitted written comment.
  
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 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:**

No comments were received at the adoption hearing.

**Summary of workshop discussion**

No public comment was received at the workshop. The Department did receive one comment via email by a concerned taxpayer stating that interest should be paid at a maximum amount \$8,000.00 one time and for reoccurring incidents no interest should be paid.

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.**

The Department has redlined Section 2 of the regulation that pertains to refunds of property tax because these refunds are provided by county treasurers and this language may not work in their assessments when interest should be paid on refunds.

The regulation was adopted as, Department Revised Draft of Proposed Regulation R143-18, without additional changes.

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

**(a) Estimated economic effect on the businesses which they are to regulate.**

The proposed permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects. In fact this regulation could provide a positive economic effect because it makes businesses aware as to when they are entitled to receive interest on a refund of their overpayment. t.

**(b) Estimated economic effect on the public which they are to regulate.**

The proposed permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects to the public. In fact this regulation could provide a positive economic effect because it makes businesses aware as to when they are entitled to receive interest on a refund of their overpayment.

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

The proposed regulation presents no significant foreseeable or anticipated cost or decrease in costs to the Department.

**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 or duplicate 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 new or increases in existing fees.