

LCB File No. R032-04

**PROPOSED REGULATION OF THE
NEVADA TAX COMMISSION**

EXPLANATION – Matter in *italics* is new;

AUTHORITY: NRS 372.290; NRS 360.090; NRS 233B.040.

Sec. 1. Chapter 372 of NAC is hereby amended by adding thereto a new section to consist of sections 2 through 4, inclusive, of this Proposed Regulation.

Sec. 2. *If a retailer does not collect the taxes imposed by chapter 372 of NRS on a sale of baling wire or twine, the retailer shall obtain from the purchaser of the 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 the retailer from the purchaser may apply to all purchases of baling wire or twine:*

(a) By the purchaser from the retailer; and

(b) Occurring not later than one year after the date of the sworn statement.

Sec. 3. *The retailer shall file the sworn statement required to be obtained pursuant to subsection 1 with his records and make the sworn statement available to the department for inspection upon request.*

Sec. 4. *If the retailer has knowledge of facts which give rise to a reasonable inference that a purchase of baling wire or twine is not for the purpose of resale as a non-returnable container with contents, the retailer must collect the tax imposed pursuant to chapter 372 of NRS on the sale of that baling wire or twine.*

AUTHORITY: NRS 374.295; NRS 360.090; NRS 233B.040.

Sec. 1. Chapter 374 of NAC is hereby amended by adding thereto a new section to consist of sections 2 through 4, inclusive, of this Proposed Regulation.

Sec. 2. *If a retailer does not collect the taxes imposed by chapter 374 of NRS on a sale of baling wire or twine, the retailer shall obtain from the purchaser of the 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 the retailer from the purchaser may apply to all purchases of baling wire or twine:*

(a) By the purchaser from the retailer; and

(b) Occurring not later than one year after the date of the sworn statement.

Sec. 3. *The retailer shall file the sworn statement required to be obtained pursuant to subsection 1 with his records and make the sworn statement available to the department for inspection upon request.*

Sec. 4. *If the retailer has knowledge of facts which give rise to a reasonable inference that a purchase of baling wire or twine is not for the purpose of resale as a non-returnable container with contents, the retailer must collect the tax imposed pursuant to chapter 374 of NRS on the sale of that baling wire or twine.*

NEVADA DEPARTMENT OF TAXATION

STATEMENT OF PURCHASER OF BALING WIRE OR TWINE

I, _____, swear and affirm, under penalty of perjury, that the following is true and correct:

1. I make this statement for the purpose of avoiding the tax imposed by Chapters 372 and 374 of the NRS upon the sale or use of baling wire or twine.
2. I am purchasing the baling wire or twine for the purpose of reselling it as a non-returnable container with contents. In other words, I am purchasing the baling wire or twine in order to bind hay, feed or other contents that I will later sell together with the baling wire or twine.
3. I understand and acknowledge that if I purchase or use the baling wire or twine for a purpose other than as described in this sworn statement, I may be held responsible for sales or use tax that was not collected by virtue of my having made this sworn statement.

Signature of Purchaser

Name of Purchaser

Address

Telephone Number

Date

NOTE: Retailer must retain the original copy of this statement.