

Chapter 360 of NAC

LCB File No. T024-04

**ADOPTED TEMPORARY REGULATION  
OF THE NEVADA TAX COMMISSION**

**Filed with the Secretary of State on December 13, 2004**

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

AUTHORITY: §1, NRS 360.090, 360.093 AND 360.419

**Section 1.** NAC 360.407 is hereby amended to read as follows:

360.407 1. Except as otherwise provided in this section and for the purposes of NRS 360.419:

(a) A person's failure to make a timely return or payment of a tax imposed pursuant to NRS 363A.130, 363B.110 or 368A.200 shall be deemed to be the result of circumstances beyond his control and occurring despite the exercise of ordinary care and without intent if the person files any required return and remits the tax on or before ~~December 31, 2004~~ *June 30, 2005*.

(b) A person's failure to make a timely return or payment of a tax imposed pursuant to NRS 372.185 shall be deemed to be the result of circumstances beyond his control and occurring despite the exercise of ordinary care and without intent if:

(1) Pursuant to subsection 2 of NRS 372.220, the person is required for the first time to register with the Department; and

(2) The person files any required return and remits the tax on or before ~~December 31, 2004~~ *June 30, 2005*.

2. Except as otherwise provided in this section and for the purposes of subsection 5 of NRS 360.780, a person shall be deemed to have submitted the annual fee required to be paid pursuant

to that section in a timely manner if the person files any required return and remits the fee on or before ~~December 31, 2004~~ *June 30, 2005*.

3. The provisions of this section:

(a) Apply only to taxes and fees that are due and payable before ~~January 1, 2005~~ *July 1, 2005*.

(b) Do not apply:

(1) If the Department determines that the failure to make a timely return or payment of a tax or fee imposed pursuant to the provisions of NRS 360.780, 363A.130, 363B.110, 368A.200 or 372.185 is due to negligence, an intentional disregard of any of those provisions, fraud or an intent to evade the payment of the tax or fee.

(2) To a taxpayer who has entered into a settlement agreement with the Department that has been approved by the Commission.

**NOTICE OF ADOPTION OF TEMPORARY REGULATION**  
**LCB File No. T024-04**

The Department of Taxation adopted temporary regulations assigned LCB File No. T024-04 which pertain to chapter 360 of the Nevada Administrative Code on December 13, 2004.

**INFORMATIONAL STATEMENT**

**1. A 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.**

Notices of hearing for the adoption and amendment of the proposed temporary regulations were posted at the following locations: Department of Taxation, 1550 East College Parkway, Carson City, Nevada; Nevada State Library, 100 Stewart Street, Carson City, Nevada; The Legislative Building, Capitol Complex, Carson City, Nevada; each County Main Public Library; Department of Taxation, 4600 Kietzke Lane, Building O, Suite 263, Reno, Nevada; Department of Taxation, 555 East Washington Avenue, Las Vegas, Nevada; and Department of Taxation, 2550 Paseo Verde Parkway, Suite 180, Henderson, Nevada.

A copy of the notice of hearing and the proposed temporary regulations were placed on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed temporary regulations were also made available and placed on file at the Department of Taxation, 1550 East College Parkway, Carson City, Nevada; Department of Taxation, 4600 Kietzke Lane, Building O, Suite 263, Reno, Nevada; Department of Taxation, 555 East Washington Avenue, Suite 1300, Las Vegas, Nevada; Department of Taxation, 2550 Paseo Verde Parkway, Suite 180, Henderson, Nevada; Department of Taxation, 850 Elm Street, No. 2, Elko, Nevada; and in all counties in which an office of the Department of Taxation is not maintained, at the main public library, for inspection and copying by members of the public during business hours.

The hearing was held on December 6, 2004 via video conference between the Nevada Department of Transportation at 310 Galletti Way, Reno, Nevada, and 123 East Washington Avenue, Building B, Training Room A, Las Vegas, Nevada. It appears that due to the primarily procedural nature of the proposed temporary regulations, only affected or interested persons and businesses as set forth in #3 below responded to the proposed temporary regulations and testified at the hearing. A copy of the transcript of the hearing, for which a reasonable fee may be charged, may be obtained by calling the Nevada Department of Taxation at (775) 684-2096 or by writing to the Nevada Department of Taxation at 1550 East College Parkway, Suite 115, Carson City, Nevada, 89706.

The proposed temporary regulations, for practical purposes, was discussed at one workshop and as been heard and considered at one public hearing of the Nevada Tax Commission.

**2. The number of persons who:**  
**(a) Attended the hearing: 51**

**(b) Testified at the hearing: 2**

**(c) Submitted to the Tax Commission written comments:** No written comments by the general public were submitted to, or received by, the Department of Taxation or the Nevada Tax Commission.

**3. A description of how comment was solicited from affected and interested persons, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

Comments were solicited from affected and interested businesses and persons by the notices set forth in #1 above, by direct mail to all county assessors, and by direct mail to the approximately 240 interested businesses and persons on the Department of Taxation's mailing list.

**4. If the temporary regulations were adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the temporary regulations without change.**

The proposed temporary regulations were not modified at public workshops prior to adoption. The proposed temporary regulations were not changed at the public hearing, and the Tax Commission believed no changes other than those proposed for adoption were necessary.

**5. The estimated economic effect of the adopted temporary regulations on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include: (a) Both adverse and beneficial effects; and (b) Both immediate and long-term effects.**

**(a) Adverse and beneficial effects.**

The proposed temporary regulations present no foreseeable or anticipated adverse economic effects to businesses or the public. However, the temporary regulations will have a beneficial impact on taxpayers for clarification and procedural purposes with regard to the reporting and payment of taxes and fees associated with Assembly Bill 4 and Senate Bill 8 of the 2003 Special Session of the Legislature. That effect cannot be quantified at this time.

**(b) Immediate and long-term effects.**

Same as #5(a) above.

**6. The estimated cost to the agency for enforcement of the adopted temporary regulations.**

The proposed temporary regulations present no significant foreseeable or anticipated cost or decrease in costs for enforcement. However, it appears that there may be some minor additional administrative costs for the Department of Taxation, which cannot be quantified at this time.

**7. A description of any regulations of other state or governmental agencies which the temporary regulations overlap or duplicate and a statement explaining why the duplication or overlap is necessary. If the temporary regulations overlap or duplicate a federal regulation, the name of the regulating federal agency.**

The proposed temporary regulations are particular to the Department of Taxation practices and procedures and do not appear to overlap or duplicate regulations of other state or local governmental agencies.

**8. If the temporary regulations include provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

There are no known federal regulations pertaining to the state associated with the waiver of penalty and interest, which are the subject of the proposed temporary regulations.

**9. If the temporary regulations provide 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 temporary regulations do not provide a new fee or increase an existing fee.