

**ADOPTED REGULATION OF THE  
NEVADA TAX COMMISSION**

**LCB File No. R154-10**

Effective May 5, 2011

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

AUTHORITY: §1, NRS 360.090.

A REGULATION relating to taxation; revises provisions relating to the sale of bullion; and providing other matters properly relating thereto.

**Section 1.** NAC 372.170 is hereby amended to read as follows:

372.170 1. The tax applies to sales of coins or uncanceled stamps at a premium price for purposes other than use as a medium of exchange or postage. The tax does not apply to sales of coins or uncanceled stamps, even though sold at a premium price, if the purpose of the use of the coins or stamps is as a medium of exchange or postage.

2. If the sales price exceeds the face value of the coins or stamps by 50 percent, they will be deemed to have value as collectors' items and will be taxable. If the sales price does not exceed the face value of the coins or stamps by 50 percent, they will be deemed to have value solely as a medium of exchange or postage and will not be taxable. Sales of any coins not currently accepted as money and sales of cancelled stamps or stamps not currently accepted for postage are taxable.

3. Sales of coins to gaming establishments at any price for use in gaming operations are not taxable, except that, sales of coins at a premium price to gaming establishments for purposes other than use as a medium of exchange are governed by subsection 2.

*4. The tax applies to sales of bullion at a premium price for purposes other than use as a medium of exchange. The tax does not apply to sales of bullion, even though sold at a premium price, if the purpose of the use of the bullion is as a medium of exchange.*

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY  
ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066**

**LCB FILE R154-10**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) 372.170:

- 1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.**

Copies of the proposed regulations, notice(s) of workshop and notices of intent to act upon the regulation were sent by U.S. mail and email to persons who were known to have an interest in the subject of leasing tangible personal property as well as any persons who had specifically requested such notice. These documents were also made available at the website of the Nevada Department of Taxation (“Department”), <http://tax.state.nv.us/>, and mailed to all county libraries in Nevada and posted at the following locations:

Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706

Department of Taxation  
4600 Kietzke Lane, Suite 235  
Reno, Nevada 89502

Department of Taxation  
555 E. Washington Avenue, Suite 1300  
Las Vegas, Nevada 89101

Department of Taxation  
2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada 89074

Department of Taxation  
1010 Ruby Vista Drive, Suite 102  
Elko, Nevada 89801

Legislative Building  
401 S. Carson Street  
Carson City, Nevada 89701

Nevada State Library  
100 Stewart Street  
Carson City, Nevada 89701

The Department of Taxation, as staff to the Nevada Tax Commission (“Commission”), solicited comment from the public by posting a Notice of a Workshop, dated November 18, 2010 to the locations listed above. One workshop was held on December 6, 2010. The minutes of that meeting may be obtained by writing to the Department of Taxation at 1550 College Parkway, Suite 115, Carson City, Nevada 89706. On December 23, 2010, the Executive Director of the Department of Taxation (“Executive Director”) issued a Notice of Intent to Act Upon a Regulation, with the intent to adopt R154-10 as a permanent regulation. The Commission, on January 24, 2011, adopted said regulation.

A copy of the summary of the public response, if any, to the proposed regulation may be obtained from the Nevada Department of Taxation, 1500 College Parkway, Suite 115, Carson City, Nevada 89706, 775-684-2096, or email to [efierro@tax.state.nv.us](mailto:efierro@tax.state.nv.us).

**2. The number persons who:**

(a) Attended each hearing/workshop: December 6, 2010: 16 persons; January 24, 2011: numerous individuals.

(b) Testified at each hearing/workshop: One individual from the public testified at the workshop and one individual from the public testified at the adoption hearing on January 24, 2011.

(c) Submitted to the agency written comments: One (1) written comment was submitted.

**3. A description of how comment was solicited from affected businesses, 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 notices posted at the Nevada State Library; various Department locations throughout the State; and at the Main Public Libraries in counties where an office of the Department is not located.

The Department and the general public commented on all of the proposed language changes during the workshop process. In summary, one comment fully supported the adoption of said regulation and emphasized that it would promote economic development. Moreover, members of the Nevada Tax Commission and staff to the Department commented during the Adoption Hearing.

A copy of the audio/video taped comments or the record of proceedings may be obtained by calling the Department at (775) 684-2063 or by writing to the Department of Taxation, 1550 East College Parkway, Carson City, Nevada 89706, or by e-mailing the Department at [efierro@tax.state.nv.us](mailto:efierro@tax.state.nv.us).

**4. 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 permanent regulation was adopted on January 24, 2011, which did not include any changes to the draft dated November 17, 2010 that was provided to the Department by LCB Legal.

**5. The estimated economic effect of the adopted regulation 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**

The proposed regulations present no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public.

It is anticipated that the regulation will have a positive economic impact in that out-of-state companies may relocate to Nevada to sell bullion, which would likely create jobs.

**(b) Both immediate and long-term effects.**

The proposed regulations present no reasonably foreseeable or anticipated immediate or long-term economic effects to businesses or to the general public.

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

The Department anticipates little, if any, additional cost to administer the regulations.

**7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

There are no known state or government agency regulations that the proposed regulation duplicates.

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

There are no known federal regulations regarding the request for a closed hearing.

**9. 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 Nevada Tax Commission is not aware of any provision in this regulation that provides for a new fee, or increases an existing fee.