



**STATE OF NEVADA
DEPARTMENT OF TAXATION**

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POSTED: May 23, 2012

**NOTICE OF PUBLIC HEARING FOR THE ADOPTION AND
AMENDMENT OF PERMANENT REGULATIONS OF THE
NEVADA DEPARTMENT OF TAXATION**

The Nevada Tax Commission will hold a public hearing on June 25, 2012 commencing at 9:00 a.m. via video conference between the Legislative Building, 401 South Carson Street, Room 2134, Carson City, Nevada and the Grant Sawyer State Office Building, 555 East Washington Avenue, Room 4412. The Nevada Tax Commission will receive testimony from all interested persons and consider and take action on the following proposed adoption of amendments, additions and deletions to the Nevada Administrative Code pertaining to the Department of Taxation. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Tax Commission may proceed immediately to act upon any written submissions:

1. The Need for and Purpose of the Proposed Permanent Regulations.

The need and purpose of the proposed permanent regulation is to revise and to clarify the application of sales and use tax to the sale of complimentary food to patrons and employees.

2. Terms or Substance of the Proposed Permanent Regulations or Description of the Subjects and Issues Involved.

First: Adding to and amending Chapter 372 of the Administrative Code to revise provisions relating to the sale of complimentary food to patrons and employees; and providing other matters properly relating thereto. LCB File No. R057-12;

Second: The regulation provides additional criteria to be used to clarify whether certain complimentary meals are subject to sales tax;

Third: The regulation provides clarity with respect to the taxable measure for the sale of complimentary meals to patrons and employees; and

Fourth: This regulation deletes a portion of NAC 372.350 that relates to use tax on complimentary meals.

3. Estimated Economic Effect of the Proposed Permanent Regulations on the Business, which it is to Regulate and the Public.

A. Adverse and Beneficial Effects.

The proposed permanent regulation could have an adverse effect on business and to the public in that sellers will be required to collect and remit sales tax on certain complimentary meals provided to patrons and

employees. However, businesses currently making taxable sales are already required to collect and remit sales tax – so the administrative burden to collect and remit sales tax from patrons or employees is likely minimal. No reasonably foreseeable or anticipated general adverse economic effects to businesses or to the general public, although this regulation will clarify that sales tax must be collected and remitted on certain complimentary meals to patrons and employees. However, the permanent regulation could have a beneficial economic effect on businesses and the general public because the regulation will provide clarify with respect to the sale of complimentary meals to patrons and employees.

B. Immediate and Long-Term Effects.

Same as above.

4. Estimated Cost to Agency for Enforcement of Proposed Permanent Regulations.

The proposed permanent regulation presents no significant foreseeable or anticipated cost 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.

5. Regulations of Other State or Local Governmental Agencies which the Proposed Permanent Regulations Overlap or Duplicate and the Necessity Therefore.

The proposed permanent regulation does not appear to overlap or duplicate regulations of other state or local governmental agencies.

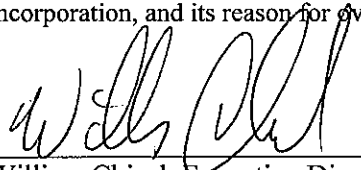
6. Establishment of New Fee or Existing Fee Increase.

None.

Persons wishing to comment on the proposed action of the Nevada Tax Commission may appear at the above scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Nevada Tax Commission, 1550 E. College Parkway, Suite 115, Carson City, Nevada 89706. Written submissions must be received at least two weeks prior to the above scheduled public hearing.

A copy of this notice and the proposed permanent regulations to be adopted and amended will be on file at the Nevada 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 permanent regulations to be adopted and amended will be available at the Department of Taxation, 1550 College Parkway, Carson City, Nevada; Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, 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, 1010 Ruby Vista Dr., Suite 102, 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 text of the proposed permanent regulations will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. Copies will be mailed to members of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

Under NRS 233B.064(2), when adopting any regulation, the Agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporation, and its reason for overruling the consideration urged against its adoption.



William Chisel, Executive Director
May 23, 2012

Members of the public who are disabled and require accommodations or assistance at the meeting are requested to notify the Department of Taxation in writing or by calling 775-684-2096 no later than five working days prior to the meeting.

Notice has been posted at the following locations: The Department of Taxation - 1550 College Parkway, Carson City, Nevada. Notice was mailed to each County Public Library for posting.

Notice has been EMAILED/FAXED for posting at the following locations: Department of Taxation - 4600 Kietzke Lane, Building I, Suite 235, Reno, Nevada; Department of Taxation - 555 E. Washington Avenue, Grant Sawyer Office Building, Suite 1300, Las Vegas, Nevada; Department of Taxation – 2550 Paseo Verde Parkway, Suite 180, Henderson, Nevada; Department of Taxation – 1010 Ruby Vista Dr., Suite 102, Elko, Nevada; The Legislative Building, Capitol Complex, Carson City, Nevada; and the Nevada State Library, 100 Stewart Street, Carson City, Nevada.