

NEVADA DEPARTMENT OF TAXATION



NEVADA TAX NOTES

Official Newsletter of the Department of Taxation

OCTOBER 2010

<http://tax.state.nv.us>

ISSUE NO. 172

DEPARTMENT OF TAXATION OFFICES

CALL CENTER NUMBER 1-866-962-3707

MAIN OFFICE

1550 College Parkway
Carson City, Nevada 89706

Phone: (775) 684-2000

Fax: (775) 684-2020

LAS VEGAS DISTRICT OFFICE

Grant Sawyer Office Building
555 E. Washington Avenue, Suite 1300
Las Vegas, Nevada 89101

Phone: (702) 486-2300

Fax: (702) 486-2373

HENDERSON FIELD OFFICE

2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074

Phone: (702) 486-2300

Fax: (702) 486-3377

RENO DISTRICT OFFICE

Kietzke Plaza
4600 Kietzke Lane Building L, Suite 235
Reno, Nevada 89502

Phone: (775) 687-9999

Fax: (775) 688-1303

ARTICLES INCLUDED IN THIS ISSUE

- Convenience Stores, Supermarkets, Grocery Stores, Doctors & Gyms – Be Aware of Taxability of Dietary Supplements & Energy Drinks
- Christmas Tree Vendors
- Wood, Charcoal, Briquettes and Propane
- Claiming a Credit
- Attending or Promoting a One-Time Event, Tradeshow or Convention
- Important – Submit Accurate Tax Returns
- Confidentiality of Department Records
- Advisory for Filing Tax Returns
- Communicating By Mail With the Department
- Unlawful Advertising: Payment of Sales Tax by Retailer
- Sales Tax Permits Must be Displayed
- Register to File Online with Nevada Tax
- “Ask the Advisors” Training Workshops
- Holiday Closures

* * *

CONVENIENCE STORES, SUPERMARKETS, GROCERY STORES, DOCTORS AND GYMS:
BE AWARE of the TAXABILITY of DIETARY SUPPLEMENTS AND ENERGY DRINKS

Nevada Revised Statute (NRS) 372.284 defines what is considered a non taxable food item and specifically excludes prepared food intended for immediate consumption, tonics and vitamins. NRS 360B.495 construes vitamins and tonics to be dietary supplements and NRS 360B.430 defines dietary supplements to mean any product, other than tobacco, intended to supplement the diet that:

1. Contains one or more of the following dietary ingredients:

(a) A vitamin;

(b) A mineral;

(c) An herb or other botanical;

(d) An amino acid;

(e) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or

(f) A concentrate, metabolite, constituent, extract or combination of any ingredient described in paragraphs (a) to (e), inclusive;

2. Is intended for ingestion in the form of a tablet, capsule, powder, softgel, gelcap or liquid or, if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

3. Is required to be labeled as a dietary supplement in accordance with 21 C.F.R. § 101.36.

Dietary supplements are not tax exempt and retailers of dietary supplements must charge sales tax on the item. FDA regulates dietary supplements under a different set of regulations than those covering "conventional" foods and drug products. Dietary supplements may be packaged to look like a soda, a bottle of water, or an energy drink; however, FDA regulations require that certain information appear on dietary supplement labels. Using this "supplemental" label is the easiest way of identifying a dietary supplement versus a conventional food product. Information that must be on a dietary supplement label includes: a descriptive name of the product stating that it is a "**supplement**;" the name and place of business of the manufacturer, packer, or distributor; a complete list of ingredients; and the net contents of the product. In addition, each dietary supplement must have nutrition labeling in the form of a "Supplement Facts" panel. This label must identify each dietary ingredient contained in the product.

CHRISTMAS TREE VENDORS

Christmas tree vendors are required to register with the Department and can register as a "seasonal filer." New vendors to our State are required to complete the Nevada Business Registration form and pay a \$2.00 deposit for every tree they anticipate selling. Existing Christmas tree vendors, already registered with the department are also required to make a deposit of \$2.00 for every tree they anticipate selling. Deposits received are applied to their 4th Quarter return. Accounts with remaining balances due must pay the additional tax owed when filing the 4th quarter return. If there is an overpayment/ over assessment resulting in a credit, the taxpayer must request to have their credit refunded after filing the 4th qtr tax return.

WOOD, CHARCOAL, BRIQUETTES AND PROPANE

Wood, charcoal, briquettes and propane purchased to cook food are subject to Sales and/or Use Tax. Wood or Propane purchased to produce domestic heat or for use in an internal combustion engine is exempt from Sales and/or Use Tax. (NRS 372.275 & NRS 372.300)

CLAIMING A CREDIT

If you made an error on a Sales Tax, Use Tax or Modified Business Tax return and have a credit coming to you, **do not** take the credit until you have received **written notification** from the Department, and verified the credit. The credit can be verified through your online account or through a review of your own records. If you need instructions on how to amend a return, please go to the FAQ's Tab on our website.

**ATTENDING OR PROMOTING A ONE-TIME EVENT,
TRADESHOW OR CONVENTION**

If you are a **VENDOR** attending a one-time event, tradeshow or convention in Nevada, please contact your event promoter to obtain your "**One-Time Permit**" to make sales in Nevada. You will be required to remit whatever sales tax is collected, to the promoter at the end of the event. All checks should be made payable to the Nevada Department of Taxation.

PROMOTERS/ORGANIZERS of one-time events, tradeshows and conventions should contact the appropriate Department of Taxation office at least two weeks prior to the scheduled event to obtain [promoter instructions](#), [related tax statutes](#), and the necessary number of “**One-Time Permits**”. ([NAC 372.180](#))

Please note that [liquor](#), [cigarettes and other tobacco products](#) are subject to special laws and regulations in addition to sales and use tax. If there will be liquor, cigarettes or other tobacco products sold or given away at the tradeshow or convention, please contact the Carson City Taxation office for events that are to be held in the Northern Nevada area and the Henderson office for events to be held in the Southern Nevada region.

Items of tangible personal property are sometimes given away at one-time events, tradeshows, and conventions. Most attendees know that *sales tax* is due on the *sale* of tangible personal property. However, some vendors may not be aware that [use tax](#) may be due on tangible personal property that is given without charge ([NRS 372.7275](#)). Tangible personal property, as defined in statute by [NRS 372.085](#), means personal property which may be seen, weighed, measured, felt or touched, or which is in any other manner perceptible to the senses.

IMPORTANT — SUBMIT ACCURATE TAX RETURNS

As a courtesy, the Department of Taxation mails out pre-printed tax returns on a monthly/quarterly basis according to the type of business registration you have. These returns have all the necessary information to ensure proper posting to your account. If you believe the tax return mailed to you is incorrect, please contact the Department to ensure we have your business properly registered.

Tax returns are also available online at the Department’s website - <http://tax.state.nv.us>. If you have downloaded a return, it is **very important** that you complete all requested information on it including listing the correct Taxpayer Identification Number (TID) and Federal Tax ID number. If you are unsure of your correct Taxpayer ID number, you will find it on the top right hand corner of the return that is mailed to you or you may contact the Department’s Call Center for verification at 1-866-962-3707.

When using our online website, it is recommended that you compare the return you are downloading with the return that is mailed to your business to ensure you are filing the correct tax return. If a copy of the return has been saved to your computer, please verify it is the same as the one mailed to you, as the Department often revises and updates returns as necessary due to tax rate changes, etc.

Submitting an incorrect return or a return that does not have the correct Taxpayer ID number will prevent your return and payment from being processed automatically. These delays could result in penalties and interest being assessed to your account, delinquent filing notices, billing notices, etc.

CONFIDENTIALITY OF DEPARTMENT RECORDS

The Department of Taxation is bound by statute to keep information regarding taxpayers’ accounts confidential. Regarding Sales/Use Tax accounts, the only information that is public record is that which is printed on the actual permit. Printed on the *Sales/Use Tax Permit* and/or the *Consumer Use Tax Certificate* are: the Permit/Certificate Number, the Business Name, the Business Location and the Date of Issue of the Sales/Use Tax Permit/Consumer Use Tax Certificate.

All other information (with very limited exceptions) contained in Department of Taxation records is strictly confidential. Disclosure of that information to anyone other than the taxpayer is prohibited without a Governor’s approval, pursuant to NRS 372.750(3), or, pursuant to an agreement between the Department and a governmental body for the reciprocal exchange of information when the Nevada Tax Commission has approved such an agreement.

ADVISORY FOR FILING TAX RETURNS

Due to the monthly and quarterly tax filing requirements, our offices are extremely busy the last few days of the month with people filing their tax returns. It is recommended, whenever possible, that you time your visits to the office for other than the last few days of the month to avoid a long wait.

COMMUNICATING BY MAIL WITH THE DEPARTMENT

If you are writing or sending information to one of the Department’s Revenue Officers, Tax Examiners or other staff, please use the **mailing address** of the appropriate District Office. If you are filing a tax return, please use the envelope the Department provided because it is addressed directly to the bank.

UNLAWFUL ADVERTISING: PAYMENT OF SALES TAX BY RETAILER

In accordance with NRS 372.205, it is unlawful for any retailer to advertise, hold out or state to the public or customer, that the tax or any portion of the tax will be assumed or absorbed by the retailer or that it will not be added to the selling price of the property sold or that if added, it or any part will be refunded.

Retailers need to use caution when developing advertising for sales or promotions. Should you have questions about the text or intent of potential advertisements, contact the Department's Call Center for guidance.

SALES TAX PERMITS MUST BE DISPLAYED

Pursuant to the Nevada Revised Statutes, (NRS), 372.135(2), a Nevada Sales Tax Permit "**must at all times be conspicuously displayed at the place for which it is issued.**" (emphasis added).

REGISTER TO FILE ONLINE WITH "NEVADA TAX"

The Nevada Department of Taxation has an online website where you can safely and securely register, file a return or pay an outstanding liability. Registering to file online is simple; you will need to have your current 10 digit Taxpayer's Identification Number (TID), a recent payment amount, and general knowledge of your business. Go to the NevadaTax website at <https://www.nevadatax.nv.gov/> or click on the quick link on this Website and select "Enroll Nevada Tax". Follow the steps to enter your user and business information; verify the business TID and a recent payment amount. Once the information is verified, you will be sent two e-mails. One email confirming your user name and the second with a temporary password. You will then return to <https://www.nevadatax.nv.gov/> and click on "Returning User", type in your chosen user name and the temporary password you received in the e-mail. The system will prompt you to retype the temporary password for verification and ask you to choose a new password. Once you do this, you will be registered to use the Department's online filing system 24/7. Please be sure to save your username and password information for future use, which will help save time and effort.

"ASK THE ADVISORS" TRAINING WORKSHOPS

The Department will be presenting Basic Tax Training and Industry-Specific Training throughout the year. These **free** workshops include training on Sales and Use Tax, Modified Business Tax, Live Entertainment Tax, collection of taxes, resale certificates, exemptions, how to prepare amended tax returns, how to prepare for an audit, your petition rights, etc.

SOUTHERN REGION – The following workshops will be held in the **Henderson Department of Taxation Office** located at 2550 Paseo Verde Parkway, Suite 180, and will begin at 9:00 a.m. and conclude at 11:30 a.m.:

[Tuesday, October 19, 2010 — Basic Tax Training](#)

NORTHERN REGION – The following workshop will be held in the **Reno Department of Taxation Office** located at 4600 Kietzke Lane, Bldg. B, Suite 111, and will begin at 9:00 a.m. and conclude at 12 noon:

[Wednesday, November 17, 2010 — Basic Tax Training, and Medical](#)

Reservations are required as classes fill up quickly. Please call (702) 486-2354 for Henderson classes and (775) 687-9961 for Reno classes to reserve seating.

For those not able to attend "Ask the Advisors" training, you may access the Workshop Power Point presentations on this website by clicking on "Ask the Advisors." At this site you may also view the workshops scheduled for the year.

HOLIDAY CLOSURES

The Department of Taxation District Offices will be closed the following days in the fourth Quarter of 2010:

- Friday • October 29, 2010 • Nevada Day
- Thursday • November 11, 2010 • Veteran's Day
- Thursday • November 25, 2010 • Thanksgiving Day
- Friday • November 26, 2010 • Family Day
- Friday • December 24, 2010 • Christmas Eve Day

Friday • December 31, 2010 • New Year's Eve Day

* * *