

NEVADA TAX COMMISSION MEETING
MINUTES

August 15, 2022
9:00 a.m.

Members Present:

Tony Wren, Chairman
Ann Bersi, Commissioner
Francine Lipman, Commissioner
Jeff Rodefer, Commissioner
Randy Brown, Commissioner
H. Stan Johnson, Commissioner
Sharon Byram, Commissioner
Craig Witt, Commissioner

Chairman Wren called the meeting to order at 9:00 a.m.

I. Public Comment.

There was no public comment.

Director Hughes administered an oath to all parties testifying.

II. Meeting Minutes:

A. Consideration for Approval of the June 27, 2022, Nevada Tax Commission Meeting Minutes.

Commissioner Byram made a motion to approve the June 27, 2022, Nevada Tax Commission meeting minutes. Commissioner Brown seconded the motion. All in favor. Motion carries.

B. Consideration for Approval of the July 26, 2022, Nevada Tax Commission Meeting Minutes.

Commissioner Witt asked that the original payment plan effective date on page two of the meeting minutes be checked. Ms. Padovano stated she will check the date and make the correction. Commissioner Witt made a motion to approve the July 26, 2022, Nevada Tax Commission meeting minutes. Commissioner Byram seconded the motion. All in favor. Motion carries.

III. CONSENT CALENDAR:

A. Matters of General Concern:

- 1) Bonds Administratively Waived (dates as indicated) (Sales/Use Tax):
 - a) Collecting Warehouse LLC
 - b) Holiday Inn Club Vacations Incorporated
 - c) HRO Inc.
 - d) Moinuddin Ahmed
 - e) S and W Feed & Supply LLC
 - f) Signature Equipovision LLC
 - g) Stephen Edward Janecka
 - h) Texture NV Inc.

B. Waiver of Penalty and Interest Pursuant to a Request on a Voluntary Disclosure:

- 1) Association of Certified Fraud Examiners Inc.
- 2) Barnes 4WD LLC

- 3) CHIRP
 - 4) Morrow Technologies Corporation
 - 5) Oltmans Companies & Subsidiaries
 - 6) Steelite International USA Inc.
 - 7) TSUSA
- C. Waiver of Penalty and/or Interest Pursuant to NRS 360.419 that exceeds \$10,000:
- 1) Bulldog Liquidators LLC
 - 2) McLane Suneast Inc., dba McLane Pacific
 - 3) Starbucks Corporation
 - 4) Beacon Sales Acquisition Inc.
 - 5) De Lage Landen Financial Services Inc.
 - 6) DWWNVJHF LLC
 - 7) Einstein and Noah Corporation
 - 8) Haute LLC
 - 9) Motional AD Inc.
- D. Consideration for Approval of the Recommended Settlement Agreements and Stipulations
- 1) Nets Enterprise, LLC
 - 2) Informa Exhibitions U.S. Construction & Real Estate, Inc. and Informa Exhibitions LLC
- E. Department's Recommendation to the Commission for Approval of an Offer-In-Compromise pursuant to NRS 360.263:
- 1) Jody A. Ghanem
 - 2) Warren G. Kirwin
 - 3) Michael V. Schula
 - 4) Michael R. Segura
 - 5) Christian A. Valle
 - 6) Danny L. and Shanyn L. Walker

Commissioner Lipman pulled Item III. E. 5) Christian A. Valle for further discussion.

Commissioner Byram pulled Item III. E. 6) Danny L. and Shanyn L. Walker for further discussion.

Commissioner Bersi made a motion to approve the consent calendar, excluding items III E. 5) and 6). Commissioner Brown seconded the motion. All in favor. Motion carries.

Item III. E. 5) Christian A. Valle: Chandler Keeton, Esq., was present on behalf of Christian A. Valle. Lizette Arceo, Tax Manager, was present on behalf of the Department of Taxation. Commissioner Lipman asked Ms. Arceo if Mr. Valle missed a payment, will the full liability come back? Ms. Arceo answered, yes, the Department does not remove any of the liability until the offer is paid because there are other individuals that the Department is pursuing. Commissioner Lipman made a motion to approve the offer in compromise of Christian A. Valle. Commissioner Bersi seconded the motion. All in favor. Motion carries.

Item III. E. 6) Danny L. and Shanyn L. Walker: Dan Walker was present. Lizette Arceo, Tax Manager, was present on behalf of the Department. Commissioner Byram made a motion to approve the offer in compromise of Danny L. and Shanyn L. Walker. Commissioner Lipman seconded the motion. All in favor. Motion carries.

IV. DIVISION LOCAL GOVERNMENT SERVICES:

A. Taxpayer's Appeal of the Treasurer's Denial of Waiver of Penalty and/or Interest per NRS 361.4835 (Nye County):

1) Isidoro T. Alcazar

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Isidoro T. Alcazar was present in Las Vegas. Christianne Yates, Realtor, was present on behalf of Mr. Alcazar. A representative from Nye County was not present. Commissioner Lipman made a motion to approve the Taxpayer's appeal. Commissioner Bersi seconded the motion. All in favor. Motion carries.

B. Taxpayer's Appeal of the Treasurer's Denial of Waiver of Penalty and/or Interest per NRS 361.4835 (Clark County):

1) Soon Holl

Jeffrey Mitchell, Deputy Executive Director, was present on behalf of the Nevada Department of Taxation. Soon Holl was present in Las Vegas. Ken Diaz, Clark County Assistant County Treasurer, was present. Commissioner Lipman made a motion to approve the Taxpayer's appeal. Commissioner Byram seconded the motion. All in favor. Motion carries.

V. COMPLIANCE DIVISION:

A. Department's Recommendation to the Commission for Denial of an Offer-In-Compromise pursuant to NRS 360.263:

1) Karina Bechtold

Sebastian Bechtold was present in Las Vegas. Lizette Arceo, Tax Manager, was present on behalf of the Nevada Department of Taxation. Commissioner Lipman moved to uphold the Department's denial. Commissioner Brown seconded the motion and made a comment that he personally has difficulty with taxpayers who collect sales tax but do not remit it in trust to the State. Commissioner Witt stated he fully supports the Department. All in favor. Motion carries.

B. Approval of Refund/Credit Request in Excess of \$250,000:

1) Metropolitan Life Insurance Company

Rachel Peterson, Tax Program Supervisor I, was present on behalf of the Nevada Department of Taxation. Ms. Peterson presented the matter to the Commission. Commissioner Rodefer asked if there is a process in place so this does not become a recurring problem. Ms. Peterson stated, currently there is not a process in place. Commissioner Byram made a motion to approve the refund/credit for Metropolitan Life Insurance Company. Commissioner Bersi seconded the motion. All in favor. Motion carries.

Chairman Wren asked that Director Hughes and staff look into the refund/credit process and asked that a report be provided to the Commission.

2) Pacific Life Insurance Company

Rachel Peterson, Tax Program Supervisor I, was present on behalf of the Nevada Department of Taxation. Commissioner Byram made a motion to approve the refund/credit for Pacific Life Insurance Company. Commissioner Witt seconded the motion. All in favor. Motion carries.

3) Rocky Mountain Hospital and Medical Service Inc.

No action was taken on the matter of Rocky Mountain Hospital and Medical Service Inc.

4) Siemens Industry Inc.

Guy Childers, Audit Tax Manager, was present on behalf of the Nevada Department of Taxation. Commissioner Byram made a motion to approve the refund/credit for Siemens Industry Inc. Commissioner Rodefer seconded the motion. All in favor. Motion carries.

C. Petition for Reconsideration of Department's Denial of Exemption Status for Organization Created for Religious, Charitable or Educational Purposes pursuant to NRS 372.3261 (Sales/Use Tax):

1) American Society of Histocompatibility and Immunogenetics

Andrea Nichols, Senior Deputy Attorney General, was present on behalf of the Nevada Department of Taxation. A representative for the Taxpayer was not present. Commissioner Brown made a motion to uphold the Department's denial. Commissioner Lipman seconded the motion. All in favor. Motion carries.

D. Taxpayer's Appeal of Administrative Law Judge's Decision pursuant to NRS 360.245 and NAC 360.175:

1) Adventure Photo Tours, Inc.

Derek Hatch and Burke Williamson were present on behalf of Adventure Photo Tours, Inc. Natasha Gebrael, Deputy Attorney General, was present on behalf of the Nevada Department of Taxation. A PowerPoint presentation was provided by the Taxpayer's representatives. Commissioner Brown asked if the Department has the capability to file for judicial review, or does a taxpayer only have this capability. Andrea Nichols, Deputy Attorney General, stated NRS 360.245(5) confirms that the Department may not appeal a decision of the Nevada Tax Commission. Rosalie Bordelove, Chief Deputy Attorney General, confirmed. Commissioner Byram stated that if we rule against the Taxpayer, this could be a first step to District Court. Commissioner Brown and Commissioner Bersi both stated they concur with Commissioner Byram's comments. Commissioner Byram made a motion to uphold the Administrative Law Judge's decision. Commissioner Witt seconded the motion. Commissioner Brown stated that he is supporting the motion, but believes judicial review is appropriate, and he does not necessarily agree with the decision of the Department. Commissioner Rodefer stated this is a case of statutory construction and federal constitution, and it really needs to rest in a court of law for those decisions. Commissioner Lipman recused herself because the Taxpayer's representatives are her former students. Motion carries.

2) Todd Campbell for the debts of Conejo Eats Concept Group dba Stir Krazy Todd Campbell was present. Lizette Arceo, Tax Manager, was present on behalf of the Nevada Department of Taxation. Commissioner Byram made a motion to uphold the Administrative Law Judge's decision and requested the amount owed be adjusted. Ms. Arceo stated she doesn't have the exact amount owed due to penalties and interest accruing, but it is approximately \$6,500.00 plus interest. Commissioner Bersi seconded the motion. All in favor. Motion carries.

VI. INFORMATIONAL ITEMS:

- A. Penalty and Interest Waivers granted by the Department for Sales/Use Tax, Modified Business Tax and Excise Tax (dates as indicated).
- B. Approval and Denial Status Report Log for Organizations Created for Religious, Charitable or Educational Purposes (dates as indicated) (Sales/Use Tax Exemption).

VII. BRIEFING:

A. Briefing to/from the Commission and the Executive Director. (for discussion only)
There was not a briefing to/from the Commission and the Executive Director.

VIII. Next Meeting Date: October 3, 2022

IX. Public Comment.

There was no public comment.

X. Items for Future Agendas. (for discussion only)

No items were discussed.

XI. Meeting adjourned at 11:24 a.m.