



Nevada Commerce Tax Forms

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Governor Brian Sandoval proposed, and the 2015 Nevada Legislature adopted, a new tax on businesses known as the Nevada Commerce Tax, which goes into effect July 1, 2016. A copy of the bill passed by the Legislature, and a copy of the regulations can be found here: <http://tax.nv.gov/Commerce/StatutesRegulations/>

This week, many REALTORS® received a form to complete their registration for the Commerce Tax.

The Department of Taxation recently sent out information to all businesses, and we have been getting questions from agents about the Commerce Tax Forms.

- Why am I receiving this form?
- Which form do I need to fill out?
- Why are some agents in my office receiving one form and I am receiving another?

Here are the 3 basic steps:

STEP 1: Complete your registration

You have already been pre-registered for the Nevada Commerce Tax based on your Nevada Business License information received from the Secretary of State. At the beginning of April, 2016, you should have received (or still will) receive a “Welcome to Commerce Tax” letter.

Do not throw this letter away! It is important because it has your Tax ID number that you will need for filing the Commerce Tax return. Included in this letter is another form which is the form you fill out to COMPLETE your registration. This form is called *Commerce Tax Additional Information Form*.

Once again you need to fill this out because this **COMPLETES YOUR REGISTRATION**. You can complete the form and return it by mail or submit online. Here is a link to what the form looks like:

http://tax.nv.gov/uploadedFiles/taxnvgov/Content/Commerce_Tax_Additional_Information.pdf

On the *Commerce Tax Additional Information Form* you will be asked for the **NAICS Code which is 53** for real estate, rental and leasing. You will also be **asked if your business is currently registered for the following tax types**: modified business tax, sales and use tax, consumer use tax, certificate of authority or excise taxes. If **YOU DO NOT KNOW** call your accountant or the department of taxation. Everyone will fill this out differently based on the taxes their registered business entity pays.



STEP 2: Set-up an online account

If you do not have an online tax account with the Department (and many don't), create one. The Welcome letter you receive will contain your unique access code and instructions on how to establish an online account.

Follow the instructions to complete registration using the pre-approved Nevada Tax Access Code found on the Welcome to Nevada Commerce Tax Letter.

STEP 3: Filing your commerce tax return

The first Commerce Tax return is due on August 15, 2016 for the period of July 1, 2015 through June 30, 2016. You can file your return electronically online beginning in August 2016.

Form 1:

You can find your Commerce Tax Return Form here:

http://tax.nv.gov/uploadedFiles/taxnvgov/Content/FAQs/COM_Return_Final_Draft.pdf

At the top there is a small box that says:

I declare that the Gross Revenue from engaging in business in Nevada of the above Business Entity did not exceed \$4,000,000 during the taxable year.

- A) If you ***did not*** gross more than \$4,000,000 a year, then you simply fill out the top, check the box and sign the bottom.
- B) If you ***did*** gross more than \$4,000,000 a year, then you need to discuss this form with your accountant and tax attorney on how to fill out your return.

Once again your **NAICS Code to use is 53** for Real Estate and Rental and Leasing.

Form 2:

The other form you may fill out if you want to claim that you are **EXEMPT** from the commerce tax, the form you fill out looks like this:

http://tax.nv.gov/uploadedFiles/taxnvgov/Content/FAQs/Exempt_Status_Entity_Form.pdf

If you have any questions if your entity qualifies as exempt or any other questions on these forms, please talk to your tax attorney or accountant. You can also call the Department of Taxation to discuss the specifics about what taxes your business entity pays.

(NVAR does not provide tax advice. Nothing contained in this article attached should be considered tax advice. Please consult your own attorney or accountant for the proper independent advice. Pursuant to IRS Circular 230, any tax information or written tax advice contained herein (including any attachments) is not intended to be and can neither be used by any person for the purpose of avoiding tax penalties nor used to promote, recommend or market any tax-related matter addressed herein.)



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