



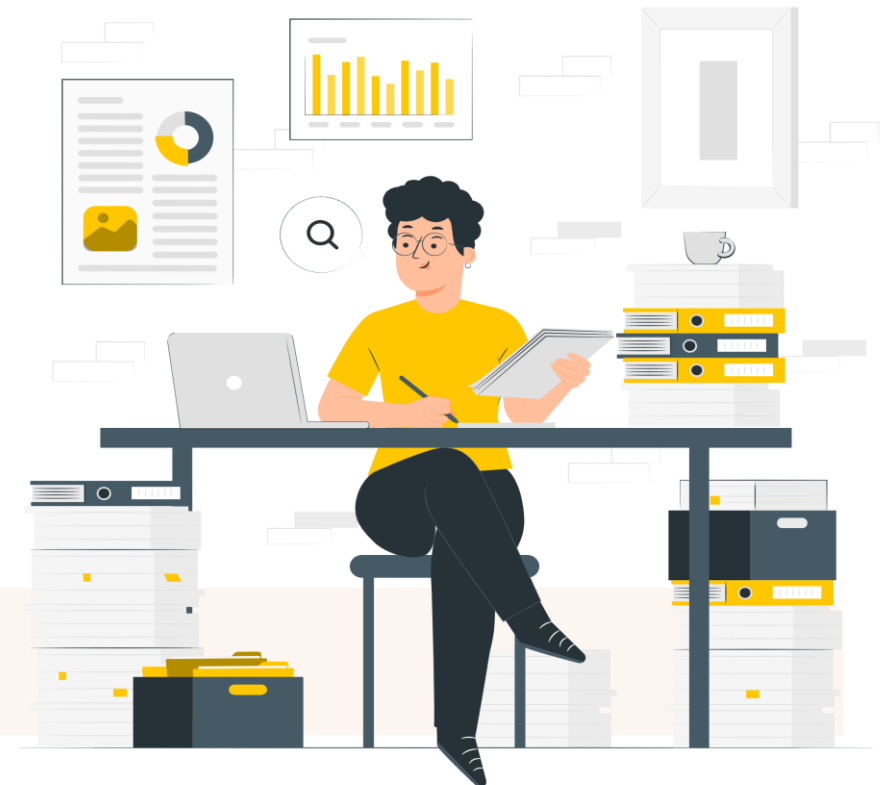
TAXATION IN NEVADA

Commerce Tax

There are, **no state corporate income tax, franchise tax, personal income tax, or taxes on corporate shares** in Nevada. However, a commerce tax is imposed on business at the rates ranging from 0.051 up to 0.331% based on the business category.

- Commerce Tax is a tax on a privilege of ***engaging in business***¹ in Nevada.
- It is imposed on businesses with a Nevada gross revenue **exceeding USD 4,000,000** in the taxable year, unless specifically exempted by Commerce Tax law.
- Businesses, whose Nevada gross revenue during the taxable year is USD 4,000,000 or less, **are not required to file a Commerce Tax Return.**
- There are **no estimated tax payment** requirements in Nevada.

¹***“Engaging in business”*** means commencing, conducting or continuing a business, the exercise of corporate or franchise powers regarding a business, and the liquidation of a business which is or was engaging in a business when the liquidator holds itself out to the public as conducting that business.



Modified Business Tax

Modified Business Tax is a gross receipt tax, meaning it applies to a business's total income each year and applies to all companies regardless of the type of business they operate or their size.

Every employer who is subject to Nevada Unemployment Compensation Law (NRS 612) is also **subject to the Modified Business Tax**. Exceptions to this are employers of exempt organizations and employers with household employees only.

The Modified Business tax has two classifications, each of which has a different tax rate and form.

- **General Business** - Taxed at the rate of 1.17%
- **Financial Institutions** - Taxed at the rate of 1.554%



The applicable tax rate is due on total gross wages² **after deduction** of health benefits paid by the employer and certain wages paid to qualified veterans. However, the first \$50,000 of gross wages is **not taxable**. However, a tax rate needs to be filed even if the taxable wages are less than USD 50,000 and tax due is USD 0.

²**Total gross wages** are the total amount of all gross wages and reported tips paid for a calendar quarter.

Tax Filing Requirements



Commerce Tax

Corporations in Nevada are required to file the returns using **Form TXR - 030**

All forms & tax payments are due on **August 14th**.

Modified Business Tax

Employers are required to file form **TID NO: 020-TX** for general business & **TID NO: 021-TX** for financial institution

All forms & tax payments are due on the **last day of the month** following the end of **the quarter**.

Late filing / payments

If the Commerce Tax is **not submitted or postmarked** and **taxes are not paid** on or before the due date, the amount of penalty due is **based on the number of days the payment is late**. The maximum penalty amount is **10%**.



Number of days delayed	Penalty Percentage
1-10	2%
11-15	4%
16-20	6%
21-30	8%
31+	10%

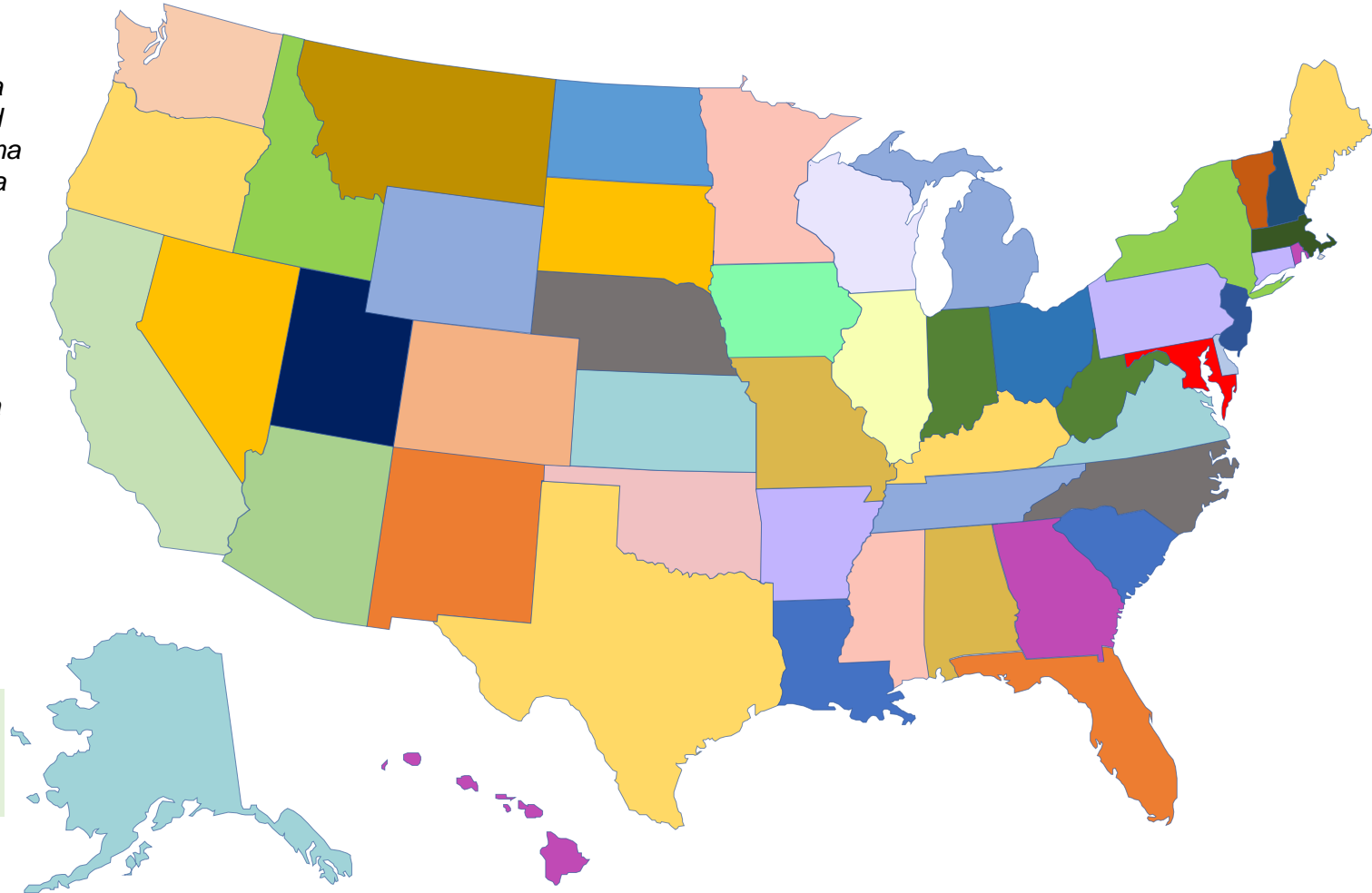
*If the commerce tax is paid during the period of extension, no penalty or late charge will be imposed for failure to pay the Commerce Tax / Sales & Use tax at the time required, but the interest will accrue at the **rate of 0.75 percent per month** from the date on which the amount of tax would have been due without extension until the date of payment.*

Upcoming Series

Please find below the list of completed alerts from the series. In case you have missed the previous alerts, click on the hyperlink for the completed alerts to refer the same.

- | | | |
|--------------------------------|-----------------------------------|--------------------|
| 1. Delaware | 19. Louisiana | 37. Oregon |
| 2. New Jersey | 20. Maine | 38. Pennsylvania |
| 3. California | 21. Maryland | 39. Rhode Island |
| 4. Alabama | 22. Massachusetts | 40. South Carolina |
| 5. Alaska | 23. Michigan | 41. South Dakota |
| 6. Arizona | 24. Minnesota | 42. Tennessee |
| 7. Arkansas | 25. Mississippi | 43. Texas |
| 8. Colorado | 26. Missouri | 44. Utah |
| 9. Connecticut | 27. Montana | 45. Vermont |
| 10. Columbia | 28. Nebraska | 46. Virginia |
| 11. Florida | 29. Nevada | 47. Washington |
| 12. Georgia | 30. New Hampshire | 48. West Virginia |
| 13. Hawaii | 31. New Mexico | 49. Wisconsin |
| 14. Idaho | 32. New York | 50. Wyoming |
| 15. Illinois | 33. North Carolina | 51. Kentucky |
| 16. Indiana | 34. North Dakota | |
| 17. Iowa | 35. Ohio | |
| 18. Kansas | 36. Oklahoma | |

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