

Should you be collecting Nevada Sales Tax at a Desert Quilters of Nevada (DQN) event where you are a vendor?

In Nevada, hosted events are subject to Nevada sales tax. A hosted event includes any event where DQN is selling booth space and/or tables for the purpose of the sale of tangible goods. As the promoter, DQN must provide our vendors with one-time sales tax returns and DQN must ensure that vendors who sell taxable goods collect and remit the appropriate sales tax. Vendors attending one-time events must complete the one-time sales tax return and give it back to the promoter with the collected sales tax unless they have a valid Nevada sales tax permit. If the vendor has a valid Nevada sales tax permit, they still must return the one-time form to DQN with the appropriate box checked. IF THE VENDOR SELLS AT MORE THAN TWO EVENTS IN NEVADA WITHIN A 12-MONTH PERIOD THEY MUST REGISTER WITH THE NEVADA DEPARTMENT OF TAXATION AND OBTAIN THEIR OWN SALES AND USE TAX PERMIT.

Are you an individual (not associated with a business that collects sales tax)?

Individuals selling tangible personal property (including, but not limited to quilts, fabric, notions, craft supplies, craft items) may be required to collect Nevada Sales Tax on their sales. An individual can be exempt from collecting sales tax if they fall under the occasional sale rules. A seller is limited to two sales within a 12-month period for that vendor to qualify as exempt from sale tax under the occasional sale rules. Please note - that is a 12-month period which is not the same as a calendar year. The third sale within a 12-month period means that all sales during that 12-month period are subject to Nevada sales tax.

Are you a DQN Circle purchasing a table at a DQN hosted event?

Your circle will need to collect sales tax on sales made at the event. You will not need to obtain your own Nevada Sales Tax Permit as you are legally a division of DQN and DQN can collect and remit sales tax for you.

Are you a business in Nevada?

In Nevada, businesses selling tangible personal property are responsible for collecting sales tax from their customers and remitting it to the Nevada Department of Taxation. This obligation is determined by whether the business has nexus in Nevada.

What determines if my business has sales tax nexus in Nevada?

If you have a physical location in Nevada OR if you have employees, agents or contractors in Nevada for sales or deliveries you have nexus. If you are a business and a vendor at a DQN event located in the state of Nevada, you have sales tax nexus for Nevada.

What do I need to do if I have determined I should be collecting Nevada Sales Tax?

If you are an individual or business selling as a vendor at a DQN event, and you have determined you should be collecting Nevada Sales Tax, DQN requires you obtain a seller's permit and collect sales tax at the event (unless you are a DQN Circle - see previous explanation).

How do I obtain a Nevada Seller's Permit?

1 - Determine what type of Federal Identification Number you need

- If you are operating as a business entity - you will need an EIN from the IRS
- If you are operating as a sole proprietor - you can either obtain an EIN or use your Social Security Number
- If you are an individual - you can use your Social Security Number

2 - Obtain a Nevada Business License

- A Nevada Business License is obtained from the Secretary of State
- You can apply for this online through SilverFlume - Nevada's Business Portal

<https://www.nvsilverflume.gov/home>

Go to the "New Business Checklist"

3 - Apply for the Seller's Permit

- Visit the Nevada Tax Center Website

<https://nevadatax.nv.gov/#>

Click "Sign Up Today" to create an account and follow the prompts to register your business

Comments

The state of Nevada has a lot of information for you to read - both websites previously shown have great info available.

Questions?

You can email Treasurer, Alison Maier, or past Treasurer, Bonnie Tuttle, or as we always say - contact your own tax professional.