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Nevada Supreme Court Rules Email Constitutes a Written Agreement

Nevada law requires taxpayers to meet certain prerequisites before seeking judicial review of a Nevada Tax Commission decision. Taxpayers must either pay the amount at dispute or enter into a written agreement with the Nevada Department of Taxation establishing a later date for payment of the amount. Nev. Rev. Stat. § 360.395.

In *Hohl Motorsports, Inc. v. Nevada Dept. of Taxation*, 563 P.3d 306 (Nev. 2025) (unpublished), the taxpayer's attorney exchanged emails with the department's attorney to establish a timeline for the taxpayer to pay the deficiency at a later date. The taxpayer then filed a petition and less than a month later paid the entire deficiency within the agreed timeline.

Despite their email exchange, the department moved to dismiss the petition on the grounds the taxpayer failed to comply with the prerequisites. The department's argument was based on the taxpayer not following the forms and other requirements for a written agreement to pay a deficiency in installments. Disagreeing with the department's argument, the Nevada Supreme Court determined that the emails constituted a written agreement under the statute.

The Nevada Supreme Court noted that the regulations were limited to installment payments and did not extend to lump sum payments. In the absence of more specific regulations, strict compliance with the statutory requirements only requires that a written agreement to pay the full amount at a later date be entered before the petition is filed.

Additionally, the Supreme Court stated the most natural reading of the email indicates an agreement to file the petition, and the taxpayer would then have 90 days to pay the amount of the deficiency. The Supreme Court noted that taxpayers should be able to rely on advice they receive from the department,

especially where they have specifically discussed a particular issue, to ensure basic notions of justice and fair play are not violated.

What this means to you

Although this decision is unpublished and does not have mandatory precedent, it still has persuasive value. Taxpayers seeking an installment payment in Nevada should strongly consider following the plain language of the regulations, regardless of email correspondence with the department.

Additionally, this decision indicates that while emails may provide informal agreements, taxpayers should be deliberate in their use, especially when specific issues are being addressed.

Contact us

Please reach out to Smitha Chintamaneni, Bill Schenkelberg, or a member of Husch Blackwell's State & Local Taxation (SaLT) team for assistance in pursuing an appeal of a state tax determination.