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1999 State Motor Vehicle License Tax					
State	Motor Vehicle License Tax Collections (in 1000s)	Per Capita	Rank	Per \$100 Income	Rank
Alabama	\$184,383	\$42.19	35	\$0.18	27
Alaska	33,914	54.70	17	0.19	24
Arizona	143,723	30.08	46	0.12	43
Arkansas	106,722	41.84	36	0.19	26
California	1,662,753	50.17	26	0.17	33
Colorado	165,363	40.77	38	0.13	41
Connecticut	224,864	68.51	9	0.17	31
Delaware	30,285	40.17	39	0.13	40
Florida	873,346	57.80	14	0.21	14
Georgia	217,606	27.94	47	0.10	48
Hawaii	64,164	54.15	18	0.20	21
Idaho	103,110	82.36	6	0.36	6
Illinois	780,471	64.35	10	0.21	15
Indiana	139,874	23.54	50	0.09	50
Iowa	314,536	109.63	3	0.43	2
Kansas	143,440	54.05	19	0.20	17
Kentucky	183,227	46.26	29	0.20	19
Louisiana	103,613	23.70	49	0.10	47
Maine	62,920	50.22	25	0.20	16
Maryland	177,557	34.33	44	0.11	46

Massachusetts	234,115	37.91	42	0.11	45
Michigan	771,003	78.16	7	0.28	8
Minnesota	591,777	123.91	2	0.40	3
Mississippi	109,473	39.54	40	0.19	25
Missouri	251,376	45.97	30	0.17	32
Montana	50,819	57.55	15	0.26	10
Nebraska	79,211	47.55	27	0.18	30
Nevada	111,190	61.46	12	0.20	20
New Hampshire	61,378	51.11	24	0.16	34
New Jersey	363,167	44.60	32	0.13	42
New Mexico	132,605	76.21	8	0.35	7
New York	576,800	31.70	45	0.09	49
North Carolina	400,422	52.34	22	0.20	18
North Dakota	39,831	62.82	11	0.27	9
Ohio	586,501	52.10	23	0.19	23
Oklahoma	577,425	171.96	1	0.75	1
Oregon	332,309	100.21	4	0.37	5
Pennsylvania	735,840	61.35	13	0.21	12
Rhode Island	52,576	53.05	20	0.18	28
South Carolina	99,528	25.61	48	0.11	44
South Dakota	32,486	44.32	33	0.18	29
Tennessee	215,321	39.26	41	0.15	37
Texas	882,192	44.01	34	0.16	35
Utah	73,249	34.39	43	0.15	38

Vermont	33,640	56.63	16	0.22	11
Virginia	286,701	41.71	37	0.14	39
Washington	273,290	47.48	28	0.16	36
West Virginia	81,190	44.93	31	0.21	13
Wisconsin	276,103	52.59	21	0.19	22
Wyoming	47,136	98.20	5	0.37	4
United States	\$14,074,525	\$51.71		\$0.18	

## **Revenue Alternatives Considered by A.C.R.1 Task Force**

- 1. Admissions & amusement tax**
- 2. Business license tax**
- 3. Casino entertainment tax**
- 4. Cigarette tax**
- 5. Commercial lease tax**
- 6. Corporate income tax**
- 7. Estate tax**
- 8. Franchise fees**
- 9. Government services tax**
- 10. Gaming taxes**
- 11. Gross receipt taxes**
- 12. Inheritance tax**
- 13. Inventory tax**
- 14. Liquor tax**
- 15. Mining tax**
- 16. Margin tax**
- 17. Payroll tax**
- 18. Property tax**
- 19. Personal income tax**
- 20. Real property transfer tax**
- 21. Rental tax**
- 22. Retail sales and use tax**
- 23. Short-term car rental fees**

**Revenue Alternatives Considered by A.C.R. 1 Task Force (cont.)**

- 24. State lottery**
- 25. Slot route operators taxes and fees**
- 26. Value-added tax**

# REVENUE GENERATED FROM INCREASE IN RATES OF SELECTED TAXES

Estimated Amounts are Based on Current Statutory Definition of Taxable Activity  
Using FY 2001-02 Actual Collections and Taxable Activity

Estimated Amount  
Generated per Year

## CURRENT GENERAL FUND TAXES IN STATUTE

1. GAMING PERCENTAGE FEES	\$21,800,000
Amount Generated from Additional 0.25% on Gross Gaming Revenue in the Top Tax Bracket	
2. CASINO ENTERTAINMENT TAX	\$6,500,000
Amount Generated from Additional 1% on CET Taxable Activities	
3. SALES AND USE TAX	\$315,000,000
Amount Generated from Additional 1% on Taxable Sales	
4. BUSINESS LICENSE TAX	\$3,100,000
Amount Generated from \$1 Increase in Tax per Quarter per Employee	
5. CIGARETTE TAX	\$1,700,000
Amount Generated from Additional 1 Cent per Pack	
6. OTHER TOBACCO PRODUCTS	\$185,000
Amount Generated from Additional 1% on Wholesaler's Price	
7. LIQUOR TAX	\$1,995,000
Amount Generated from 10% Increase in Tax per Gallon for Each Type of Alcoholic Product (Beer, Wine, Cordials, and Hard Liquor)	
8. RESTRICTED SLOT TAX	\$676,000
Amount Generated from 10% Increase in Quarterly Rate	

## CURRENT NON-GENERAL FUND TAXES IN STATUTE

9. PROPERTY TAX	\$5,800,000
Amount Generated from 1 cent per \$100 of Assessed Value	
10. REAL PROPERTY TRANSFER TAX	\$434,000
Amount Generated from 1 Cent per \$500 of Value	
11. ROOM TAX	\$30,000,000
Amount Generated by 1% Tax on Room Revenues	

## PROPOSED GENERAL FUND TAXES NOT IN STATUTE

12. SLOT ROUTE OPERATOR REVENUE TAX	\$3,100,000
Amount Generated by 1% Tax on Slot Route Operator's Gaming Revenue	

## SALES & USE TAX EXEMPTIONS

<u>NRS 372.260</u>	"Exempted from the taxes imposed by this chapter" defined.
<u>NRS 372.265</u>	Constitutional and statutory exemptions.
<u>NRS 372.270</u>	Proceeds of mines.
<u>NRS 372.275</u>	Fuel used to propel motor vehicle.
<u>NRS 372.280</u>	Animals and plants intended for human consumption; feed; fertilizer.
<u>NRS 372.283</u>	Prosthetic devices, orthotic appliances and certain supports and casts; appliances and supplies relating to ostomy; products for hemodialysis; medicine.
<u>NRS 372.284</u>	Food for human consumption.
<u>NRS 372.2841</u>	Basis for determining exemption of food for human consumption.
<u>NRS 372.285</u>	Meals and food products sold to students or teachers by school, organization of students or parent-teacher association.
<u>NRS 372.287</u>	Textbooks sold within University and Community College System of Nevada.
<u>NRS 372.290</u>	Containers.
<u>NRS 372.295</u>	Gas, electricity and water.
<u>NRS 372.300</u>	Domestic fuels.
<u>NRS 372.305</u>	Personal property used for performance of contract on public works executed before July 1, 1955.
<u>NRS 372.310</u>	Personal property used for performance of written contract executed before March 29, 1955.
<u>NRS 372.315</u>	Newspapers.
<u>NRS 372.316</u>	Manufactured homes and mobile homes.
<u>NRS 372.317</u>	Aircraft and major components of aircraft.
<u>NRS 372.320</u>	Occasional sales.
<u>NRS 372.325</u>	Sale to United States, state or political subdivision.
<u>NRS 372.326</u>	Personal property sold by or to nonprofit organization created for religious, charitable or educational purposes.
<u>NRS 372.3261</u>	Requirements for organization created for religious, charitable or educational purposes.
<u>NRS 372.327</u>	Loan or donation to United States, state, political subdivision or religious or eleemosynary organization.



# ESTIMATED REVENUE GENERATED FROM INCREASE IN RATES OF SELECTED TAXES (MILLIONS OF DOLLARS)

Dollar amount provided for each year represents estimate for complete fiscal year period. It should be noted that the collection of a full year of revenues in FY 2004 may not be possible for some of the taxes listed due to implementation issues.

	<u>FY 2003-04</u>	<u>FY 2004-05</u>
<b>GAMING PERCENTAGE FEE TAX</b>		
Governor's Proposal - Amount Generated from Increasing Each Rate in NRS 463.370 by 0.25%	\$24.405	\$25.381
<i>SEE ATTACHED TABLE FOR ADDITIONAL ALTERNATIVE SCENARIOS REGARDING CHANGES TO THE GAMING PERCENTAGE FEE TAX (NRS 463.370)</i>		
<b>CASINO ENTERTAINMENT TAX</b>		
Amount Generated from 0.25% Increase in Tax	\$1.812	\$1.921
<b>SALES TAX</b>		
Amount Generated from 0.25% Increase in Tax	\$88.829	\$93.804
<b>BUSINESS LICENSE TAX</b>		
<b>Current Statutory Definition</b>		
Amount Generated by 10% Increase in Tax per FTE	\$8.196	\$8.466
<b>Include Sole Proprietors and First Partner of Partnership</b>		
Amount Generated by Current Tax Rate	\$3.164	\$5.128
Amount Generated by 10% Increase in Tax per FTE	\$11.676	\$14.107
<b>BUSINESS LICENSE FEE</b>		
Change to Annual Fee of \$25 per Year	\$1.669	\$1.978
<b>SECRETARY OF STATE FEES</b>		
Increase All Fees Collected by SOS by 10%	\$5.600	\$5.778
<i>(Estimate based on Governor's projection of 50% increase in all fees.)</i>		
<b>CIGARETTE TAX</b>		
Amount Generated by 10% Increase in Tax per Pack	\$6.088	\$6.181
<i>(Estimate does not include an adjustment for potential reduction in demand due to price increase from tax.)</i>		
<b>OTHER TOBACCO TAX</b>		
Amount Generated by 10% Increase in Tax	\$0.589	\$0.595
<b>LIQUOR TAX</b>		
Amount Generated from 10% Increase in Tax per Gallon by Type	\$2.018	\$2.071
<b>QUARTERLY RESTRICTED SLOT TAX</b>		
Amount Generated from 10% Increase in Tax	\$0.699	\$0.722
<b>QUARTERLY NONRESTRICTED SLOT TAX</b>		
Amount Generated from 10% Increase in Tax	\$1.567	\$1.593
<b>STATE ROOM TAX</b>		
Amount Generated from 0.25% Tax	\$8.202	\$8.530
<i>(Estimate based on Commission on Tourism's projections from 3/8 of 1% of room tax collections.)</i>		

# ESTIMATED REVENUE GENERATED FROM INCREASE IN RATES OF SELECTED TAXES (MILLIONS OF DOLLARS)

Dollar amount provided for each year represents estimate for complete fiscal year period. It should be noted that the collection of a full year of revenues in FY 2004 may not be possible for some of the taxes listed due to implementation issues.

	<u>FY 2003-04</u>	<u>FY 2004-05</u>
<b>STATE PROPERTY TAX</b>		
Amount Generated from Tax of 1 Cent per \$100 of Assessed Value		\$6.948
<i>(No estimate provided for FY 2004 due to difficulty in implementing collection of property tax in FY 2004.)</i>		
<b>REAL PROPERTY TRANSFER TAX</b>		
Amount Generated from Tax of 1/4 of 1% (\$1.25 per \$500 of taxable value)	\$68.697	\$75.567
<b>SLOT ROUTE OPERATOR REVENUE TAX</b>		
Apply gaming percentage fee tax (NRS 463.370) to slot revenue from restricted slot machines operated by Slot Route Operators (SRO).		
NOTE: Amounts represent the revenues generated from gaming tax on SRO less net amount from requiring the payment of quarterly nonrestricted slot tax versus quarterly restricted slot tax (\$4.5 million) and the Gaming Control Board's estimate of costs to administer and collect the tax (\$5.1 million).		
Tax applied to aggregate revenue generated by SRO from all restricted locations	\$18.313	\$19.126
Tax applied to the revenue from each separate restricted location operated by SRO	\$5.232	\$5.664
<b>ADMISSIONS AND AMUSEMENT TAX - Amount Generated by 1% on Selected Taxable Bases</b>		
<i>(Estimates based on information provided by Jeremy Aguero from Applied Analysis.)</i>		
Base <u>includes</u> Participatory Activities and Video/Movie Rentals	\$14.125	\$14.683
Base <u>includes</u> Participatory Activities and <u>excludes</u> Video/Movie Rentals	\$13.687	\$14.233
Base <u>excludes</u> Participatory Activities and <u>includes</u> Video/Movie Rentals	\$11.300	\$11.747
Base <u>excludes</u> Participatory Activities and Video/Movie Rentals	\$10.862	\$11.297
<b>GROSS RECEIPTS TAX - On Revenues Exceeding \$450,000</b>		
<i>(Estimates based on information provided by Jeremy Aguero from Applied Analysis.)</i>		
Governor's Proposal - 0.25% with No Credit for Business License Tax		\$280.314
Tax Task Force Proposal - 0.25% Rate with \$100 FTE Credit for Business License Tax		\$214.892
PLEASE SEE ATTACHED TABLE WHICH PROVIDES ALTERNATIVE REVENUE SCENARIOS BASED ON ASSUMPTION REGARDING EXEMPTION LEVEL AND TAX RATE		