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INCENTIVES FOR ECONOMIC DEVELOPMENT

A BIENNIAL REPORT

Legislative Joint Tax Committee Presentation
Mr. Bob Shriver, Executive Director
February 13, 2003

ASSEMBLY COMMITTEE ON TAXATION
DATE: 2/13/03 ROOM: 1214 EXHIBIT H
SUBMITTED BY: ROBERT SHRIVER

TABLE OF CONTENTS

Incentives: Overview 1

Chart: Incentives by Type 2

Economic Development Criteria and Terms 3

Mission Statement 5

Nevada’s Incentives 6

Sales & Use Tax Abatement 7

Sales & Use Tax Deferral 8

Business Tax Abatement 9

Personal Property Tax Abatement 10

Renewable Energy Abatements 11

Train Employees Now (TEN) 12

Matrix: Program Guidelines at a Glance 15

Biennial Report of Incentive Activity 16

Economic Impacts: Actual Case Studies 18

INCENTIVES: OVERVIEW

Incentives are broadly defined as any tax credit or abatement of corporate income, personal income, sales and use tax, property or other taxes to retain or lure businesses.

During the past two decades, states have expanded their economic development “arsenal” with programs to create, retain or expand jobs. Some states have targeted industries and used customized, company-specific incentives to engage in bidding wars with other states.

The result: Interstate competition for industries and businesses is becoming increasingly intense.

Why do we have incentives?

Incentives are cost-effective. They induce the injection of “new money” into Nevada’s economy and provide for multiplier when you factor in the wages from indirect or induced jobs.

Incentives allow us to be competitive. More than 75 percent of the states have automatic sales and use tax exemption on capital purchases. Nevada’s Sales & Use Tax Abatement enables qualifying companies to apply for sales tax relief.

Incentives provide for quality job creation. We look at the quality, not the number of jobs created, by mandating that applicant companies meet or exceed the average state wage and provide medical insurance plans.

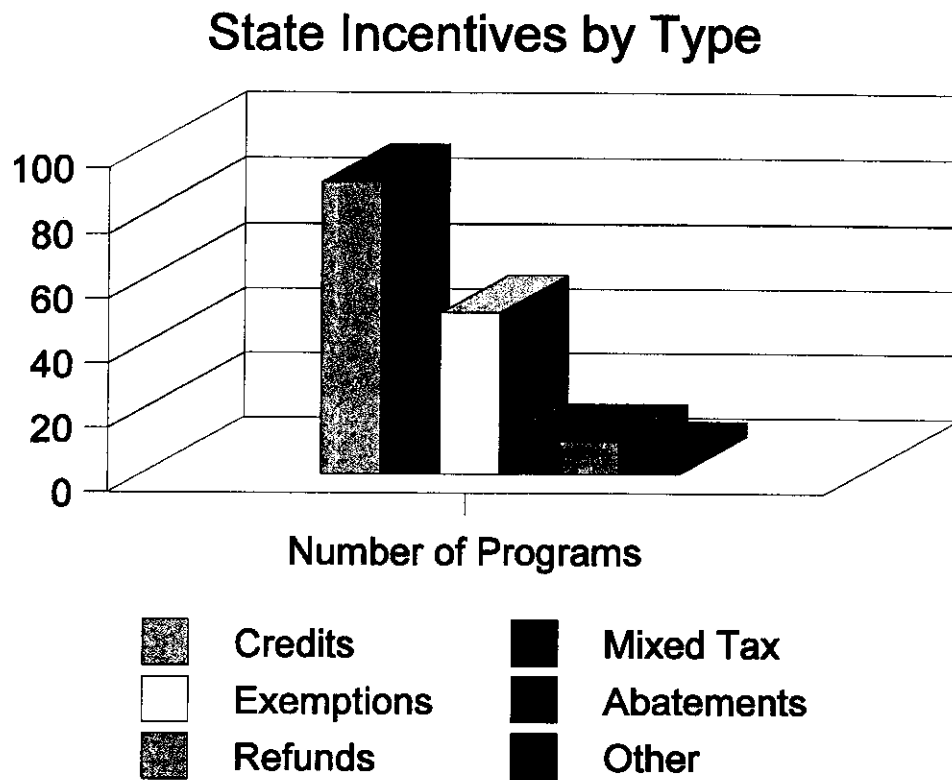
Incentives build commitment and long-term relationships. When a company receives an abatement, a contract must be signed that they will commit to doing business in Nevada for a minimum of 5 years. Companies that have received incentives typically turn to the state when they are ready to expand.

Why do companies look for incentives?

Incentives are cost-effective. When a company looks to relocate, they want to avoid up front costs and to get the best return on what will be a long-term investment.

Incentives make Nevada-based companies more competitive. By providing a lower cost of doing business, companies in Nevada are more competitive to their counterparts in other states.

INCENTIVES: OVERVIEW



Source: National Association of State Development

Authorities (a survey of all 50 states)

ECONOMIC DEVELOPMENT CRITERIA AND TERMS

Primary Job

A job where the revenue used to compensate the employee is generated from outside the economic region.

Wages (Private-Coverage Statewide Average Wage)

The total wages paid by all non-government employers, divided by the total number of non-government (or private) employees reported in the state. A factor of 2080 is then applied to determine the hourly rate.

Value of Jobs to Economy

For years, the benchmark in economic development has been the “number” of jobs created. The Commission uses the “amount” of wages generated as its benchmark because wages are more critical in successful economic development. This is the basis for the Commission’s emphasis on “above average wage primary jobs.”

Nevada’s Investment

Abating, deferring, or exempting a tax that may be due for the purpose of inducing a company to relocate or expand, therefore creating economic development.

Capital Investment

The capital expenditure required by NRS to apply for incentives.

Capital Equipment

Equipment classified as personal property and depreciable according to IRS regulations. By NRS it does not include buildings or their structural components, equipment used by a public utility, in mining, in gaming, in retail or for medical treatment.

Abatement

The relief of a portion of a particular tax that may be due.

Deferral

The delay of payment of a particular tax that may be due.

Exemption

The relief of all of a particular tax that may be due usually by statute.

Direct Impact

The impact which comes from the employment of primary jobs.

Indirect Impact

The economic effect of the jobs created because of a new primary employer.

The companies and the jobs providing goods and services to the company would be indirect jobs.

Induced Impact

The economic impact from jobs created because of the spending from earnings of the direct and indirect jobs. These “induced” jobs would provide goods and services to the direct and indirect job-holders.

Total Impact

The total of all direct, indirect and induced impacts.

MISSION STATEMENT

The Nevada Commission on Economic Development promotes a more diversified and prosperous economy enriching the quality of life for Nevada residents by stimulating business expansion and retention, encouraging entrepreneurial enterprises, and attracting businesses to create economic growth in Nevada, and assisting with community development.

NEVADA'S INCENTIVES

To provide economic diversification from gaming, hospitality and mining industries by attracting basic industries, the Nevada Legislature has approved and defined 6-tax related incentive programs and one training program to make Nevada's business climate attractive.

Programs

- Sales & Use Tax Abatement
- Sales & Use Tax Deferral
- Business Tax Abatement
- Personal Property Tax Abatement
- Recycling Property Tax Abatement
- Renewable Energy Abatements
- Train Employees Now (TEN)

Applicant Criteria/Corporate Responsibility

- Provide medical insurance plan for all employees including an option for dependent health insurance coverage.
- Register and obtain all licenses and permits required by the state, city and county in which the business operates.
- Meet or exceed the statewide average hourly wage—currently \$15.48.
- Create the proposed number of full-time jobs, and continue the employment of Nevada residents.
- Make the capital investment required for the type of business or expansion based on county/city population.
- Commit to maintaining a business in Nevada for at least 5 years.

SALES & USE TAX ABATEMENT

NRS 374.357 (1995), 360.750 (1999)

In Nevada, sales and use tax abatements are available for purchases of capital equipment.

- Capital equipment purchases are automatically exempt from sales and use taxes in **38** states. **5** states don't charge any sales tax.
- This is Nevada's most commonly used abatement.
- It injects "fresh money" into Nevada's economy in the form of added wages.
- The companies receiving this incentive in the past 2 calendar years injected **\$113 million** into the economy.
- Pay it forward: **\$113 million** subsequently created **\$274 million** impact in direct, indirect and induced economic activity.

Sales & Use Tax Abatement Activity

Fiscal Year	Number of Companies	Number of Jobs Created	\$\$ in Direct Wages
1999	21	1,345	\$ 40,778,234.00
2000	17	1,509	\$ 48,062,809.00
2001	22	1,454	\$ 81,462,285.00
2002	12	827	\$ 35,512,277.00

SALES & USE TAX DEFERRAL

NRS 372.397 (1985), 360.750

In addition to the Sales & Use Tax Abatement, companies may also apply for a Sales & Use Tax Deferral on purchases of capital equipment.

- **Deferrals only require 80 percent of the statewide average wage since the tax is guaranteed to be paid over time.**
- **Deferrals can apply to total sales or use tax, but is usually only applied to the 2 percent constitutional sales tax.**

BUSINESS TAX ABATEMENT

NRS 364A.170 (1991), 360.750

A quarterly business tax in the amount of \$25 per full-time equivalent employee (FTE) is imposed for the privilege of conducting business in Nevada. A new or expanding business may qualify for a tax abatement if it meets both the statutory and regulatory requirements established by the Nevada Commission on Economic Development.

- This is the state's second most commonly used abatement.
- Companies may receive an abatement on a sliding scale equal to 50 percent for a period of four years.
- The Commission has used this program to effectively leverage a few dollars of abatement to tens of millions of dollars worth of new wages and new property tax revenue annually.

Business Tax Abatement Activity

Fiscal Year	Number of Companies	Number of Jobs Created	\$\$ in Direct Wages
1999	6	895	\$ 27,431,456.00
2000	15	1,423	\$ 45,237,378.00
2001	21	1,318	\$ 71,779,303.00
2002	12	827	\$ 35,512,277.00

PERSONAL PROPERTY TAX ABATEMENT

NRS 361.0687 (1993), 360.750

Partial abatement from personal property taxes is available to companies who locate or expand their business in Nevada. The applicant must apply for abatement not more than 18 months before the business begins to develop for expansion or operation in Nevada.

- **Companies may receive up to 50 percent abatement of taxes due on personal property for up to 10 years.**
- **This means the local communities will receive new additional revenue, plus the fact they were receiving revenue before, in the case of expansion companies.**

RENEWABLE ENERGY ABATEMENTS

NRS 374.357 (1995), 360.750, 361.0687

For those companies involved in the production of energy from renewable sources such as wind, solar, and others, there is a package of abatements available including sales/use tax and property tax.

Partial abatement of real and personal property taxes for businesses that produce electricity from renewable energy, who locate or expand their business in Nevada. The applicant must apply for the abatement not more than 18 months before the business begins to develop for expansion or operation in Nevada.

- **Company may receive a 50 percent abatement of real and personal property tax for 10 years.**
- **Partial sales/use tax abatement on capital equipment purchases.**
- **Although highly beneficial to the state, few companies qualify for the abatement because it is narrow in scope.**

TRAIN EMPLOYEES NOW (TEN)

NRS 231.068 (1985)

The Nevada Train Employees Now program provides short-term, skills-based, intensive job training to assist new and expanding firms reach productivity quickly. Each training program is designed jointly by the firm, the state and the university and college system.

- **TEN is not a tax-related incentive, but rather a direct subsidy to our community colleges to provide training.**

NEVADA'S SELECTED BUSINESS ASSISTANCE PROGRAMS – STATEWIDE

* A minimum two of the three parameters are required by statute.

Program → Description ↓	Sales & Use Tax Abatement NRS 374.357	Business Tax Abatement NRS 364A.170	Personal Property Tax Abatement NRS 361.0687	Recycling Property Tax Abatement NRS 361.0685	Sales & Use Tax Deferral NRS 372.397	Train Employees Now NRS 231.068	Renewable Energy Abatements NRS 361.0687 NRS 374.357
Type of Incentive	Partial sales/use tax abatements on capital equipment purchases	Abatement of: 80% for year one; 60% for year two; 40% for year three; 20% for year four	Not to exceed 50% abatements over a maximum of 10 years.	≤50% abatement for up to 10 yr on real and personal property for qualified recycling businesses.	Tax deferral on capital equipment purchases	Grant	50% abatement for 10 years on real and personal property for qualified energy producers. Partial sales/use tax abatement on capital equipment purchases.
* Wage Requirement	100% of Statewide average hourly wage (currently \$15.48)						100% of Statewide average hourly wage (currently \$15.48)
* Number of Jobs Required Must be <i>primary</i> <i>jobs</i> – jobs where “... the revenue used to compensate the employee is generated from outside the economic region.”	<i>County/City Population >100,000/60,000 respectively:</i> 75 full time employees <i>County/City Population < 100,000/60,000 respectively:</i> 25 full time employees <i>Expansions</i> – new employees on payroll increased by 10% or 6 employees, whichever is greater.						<i>County/City Population >100,000</i> /60,000 <i>respectively:</i> 75 full time employees <i>County/City Population < 100,000</i> /60,000 <i>respectively:</i> 25 full time employees <i>Expansions</i> – new employees on payroll increased by 10% or 6 employees, whichever is greater.
* Capital Investment Requirement	<i>County/City Population >100,000</i> New - \$1 million <i>County/City Population < 100,000</i> /60,000 <i>respectively:</i> New - \$250,000 <i>Expansions</i> – equal to at least 20% of the value of tangible property possessed by the business.						<i>County/City Population >50,000</i> New - \$5 million <i>County/City Population < 50,000</i> New - \$500,000 <i>Expansions</i> – equal to at least 20% of the value of tangible property possessed by the business.
Amount of Award	Determined on a case by case basis.						Determined on a case by case basis.
Comments	5 yr commitment Local government notification	5 yr commitment Local government notification	5 yr Commitment – Local government acknowledgement	50% of product components recycled on site. 5 yr Commitment Local government acknowledgement	Security bond in the amount of tax deferred; Amortize taxes interest-free over 5 years.	Training done through community college	Minimum 10kw production capacity; Not for residential. 5 yr Commitment – Local government acknowledgement

Updated 08/01/02

Biennial Report of Incentive Activity 1/1/2001 through 12/31/2002 per NRS 231.0685
Nevada Commission on Economic Development
January 15, 2003

Date	Company	Type	New/ Exp	County	Purchase Amt.	# of New Jobs	Aver. Wage	Product	Amount of S&U Tax Abate	Amount of S&U Tax Def	Amount of Bus. Tax	Amount of PP Abate	Amt. of PP/Real Abate	Amt. of training
2/14/2001	21st Century Financial Sys.	S	N	CL	\$ 4,087,864	315	\$ 15.69	App. Service provider/Corp HQ/real estate	\$ 214,613	\$ 81,757	\$ 63,000	50%/10yrs	\$ 48,436	
2/14/2001	ITS Logistics	W/D	E	WA	\$ 488,000	12	\$ 15.55	Warehouse/Dist./Transport Mgt.	\$ 25,620	\$ 9,760	\$ 2,400			
2/14/2001	Travelcape.com	S	E	CL	\$ 1,776,757	103	\$ 15.03	Online travel & hotel reservations service	\$ 93,280		\$ 20,600		\$ 40,000	
3/14/2001	Poly-West, Inc.	M	N	CL	\$ 29,955,113	99	\$ 14.96	Mfg./Recycle Plastic bags & sheeting	\$ 1,572,643	\$ 599,102	\$ 19,800	75% for 20 yrs		
3/14/2001	Quebecor Printing, Inc., NV	P	E	LY	\$ 4,705,000	35	\$ 16.54	Printing Firm	\$ 211,725	\$ 94,100	\$ 7,000	50%/10yrs		
5/13/2001	Ford Motor Credit Company	S	N	CL		460		Call Center					\$ 112,984	
5/13/2001	Triniga, Inc. (Revised)	M/R&D	N	CL	\$ 15,419,846	136	\$ 34.23	Mfg./R&D Software	\$ 809,542					
5/13/2001	Varian Medical Systems	M	N	CL	\$ 8,485,500	86	\$ 26.77	Mfg/Logistics/train supplier of radiotherapy systems for treating cancer	\$ 445,489		\$ 17,200	50%/10yrs		
6/13/2001	Opticomp Corporation	M/R&D	E	DO	\$ 8,566,000	36	\$ 36.39	Mfg/R&D semiconductor optoelectronic integrated devices for fiber optic networks	\$ 385,470	\$ 171,320	\$ 7,200	50%/10yrs		
8/8/2001	Acrlight Systems, LLC	S	N	CL	\$ 8,502,411	47	\$ 32.88	Computer processing, data prep & processing service	\$ 446,377	\$ 170,048	\$ 9,400	50%/10yrs		
8/8/2001	Impac Medical Systems, Inc.	S	E	CL	\$ 892,476	59	\$ 22.04	Medical Billing & Transcription	\$ 46,855		\$ 11,800	50%/10yrs		
8/8/2001	Sierra Sciences, Inc.	M/R&D	E	WA	\$ 411,920	8	\$ 31.63	Biotechnology/drugs to treat variety of human diseases	\$ 21,626	\$ 8,238	\$ 1,600	50%/10yrs		
8/8/2001	Sunstone Plating, Inc.	M	N	CL	\$ 3,520,000	26	\$ 15.67	Ind. Plating of precision contacts/related connector components	\$ 184,800	\$ 70,400	\$ 5,200			
8/8/2001	Vanguard Integrity Professionals	M/S	E	CL	\$ 533,744	15	\$ 33.15	Software solutions for security administration	\$ 28,022	\$ 10,675	\$ 3,000			
10/10/2001	Barnes Distribution	W/D	E	WA	\$ 650,000	15		Dist. Of hardware, electrical supplies		\$ 45,500				
11/14/2001	Starbucks Manufacturing Corp.	M	N	DO	\$ 28,564,575	88	\$ 16.38	Coffee Beans/Roasting, Packaging & Dist.	\$ 1,356,817		\$ 17,600	50%/10yrs		
11/14/2001	Tsuda Surface Technologies, Inc.	M	N	CL	\$ 1,503,065	40	\$ 15.57	Plastic surface treatment & technology covers for cellular telephone industry, automotive industry & cosmetic industry	\$ 78,895	\$ 30,056	\$ 8,000	50%/10yrs		
12/12/2001	General Motors Service Parts	W/D	R	WA	\$ 12,517,000	152	\$ 27.00	Ship GM parts to GM dealers in the west	\$ 657,143	\$ 250,340	\$ 30,400	50%/10yrs		
12/12/2001	HSS Systems, LLC	S	N	CL	\$ 4,922,968	142	\$ 18.28	Patient billing for hospitals through HCA.	\$ 258,456		\$ 28,400	50%/10yrs		
12/12/2001	The Griffin Group, Inc.	S	E	CL	\$ 3,475,976	32	\$ 16.29	Shared services and financial processing ops for Cardinal Health, Inc.	\$ 182,489	\$ 69,520	\$ 6,400	50%/10yrs		
12/12/2001	VEKA West, Inc.	M/D	E	WA	\$ 2,859,288	18	\$ 13.08	PVC profiles for the window and door manufacturing industry		\$ 207,298				
2/13/2002	A.R.E. Inc.	M	N	LY	\$ 1,883,410	152	\$ 15.15	Pickup truck shells / toppers	\$ 84,753	\$ 37,668	\$ 30,400	50%/5yrs		
4/10/2002	Pollatch Corporation	M	E	CL	\$ 48,500,000	66	\$ 22.45	Paper products; tissue, towels, etc.	\$ 2,546,250		\$ 13,200	50%/10yrs		
7/10/2002	Gizmo Wireless, Inc.	HQ	N	WA	\$ 284,000	41	\$ 15.37	Wireless communication products	\$ 14,910	\$ 5,680	\$ 8,200	50%/10yrs		
7/10/2002	Infa-Aussie South Pacific	S	N	CL	\$ 504,490	33	\$ 18.15	Promoting and selling packaged tours	\$ 26,426		\$ 6,600	50%/10yrs	\$ 11,684	
7/10/2002	Ken's Foods, Inc.	M/D	N	CL	\$ 19,925,600	42	\$ 15.29	Specialty foods; salad dressings and sauces	\$ 1,046,094	\$ 398,512	\$ 8,400	50%/10yrs		
7/10/2002	Sunterra Corporation	HQ	E	CL	\$ 2,933,341	100	\$ 27.66	Timeshares	\$ 154,000		\$ 20,000	50%/10yrs		
8/14/2002	Equipment Management Technol	HQ	R	CL	\$ 1,550,000	10	\$ 26.06	Corporate Headquarters-Company provides technology products and services to aerospace and electronics industries.	\$ 15,750	\$ 6,000	\$ 2,000			
8/14/2002	PME Babbitt Bearings	S	R	DO	\$ 1,648,000	20	\$ 17.83	Machine Shop-Remanufacturing and repair of babblited bearings.	\$ 12,160		\$ 4,000			
9/12/2002	Aviation Services of Nevada	HQ	R	CL	\$ 310,000	51	\$ 15.53	Overhaul and repair of aircraft brake systems	\$ 15,750		\$ 10,200			
9/12/2002	Johns Manville	M/D	E	LY	\$ 6,929,000	56	\$ 15.17	Manufacturer, packager & distributor of polyisocyanurate rigid foam insulation panels.		\$ 32,968				
9/12/2002	Ocean Spray Cranberries, Inc.	M	E	CL	\$ 6,221,874	17	\$ 17.35	Packaging Nestle product line.	\$ 301,940		\$ 3,400	50%/10yrs		
10/9/2002	Milgard Manufacturing, Inc.	M/D	E	CL	\$ 10,735,000	32	\$ 15.91	Manufactures and distributes aluminum, vinyl, and woodclad windows.	\$ 141,330	\$ 53,840	\$ 6,400	50%/10yrs		

Date	Company	Type	New/ Exp	County	Purchase Amt.	# of New Jobs	Aver. Wage	Product	Amount of S&U Tax Abate	Amount of S&U Tax Def	Amount of Bus. Tax	Amount of PP Abate	Amt. of PP/Real Abate	Amt. of training
11/13/2002	Pictographics	S	E	CL	\$ 3,689,825	20	\$ 18.00	Manufacturer of large-format digital images. Pictographics has developed proprietary processes and products with national/international market appeal.	\$ 86,716	\$ 33,797	\$ 4,000	50%/10yrs		\$ 20,000
11/13/2002	Pottlatch Corporation	M/D	E	CL	\$ 48,500,000	66	\$ 22.45	Manufacturer of sanitary tissue and converting it into toilet tissue, facial tissue, kitchen roll, towels and napkins.						\$ 64,000
11/13/2002	Starbucks Manufacturing Corp.	M/D	E	DO	\$ 54,364,750	88	\$ 16.38	Roasting, packaging and distribution of Starbucks coffee beans.						\$ 88,000

Key: **M** = Manufacturing; **M/D** = Manufacturing/Distribution; **S** = Service; **R/D** = Research and Development; **P** = Printing; **W/D** = Warehouse/Distribution; **HQ** = Corporate Headquarters; **N** = New; **E** = Expansion

New Primary Jobs: 2,243
Current state-wide average wage: \$14.61-15.48
Average wage of NEW jobs: \$20.19

Additional Payroll	Additional Employment	Increase in Population	Increase in number of households
61,401,346	320	550	206

\$61,401,346 of additional construction payroll is over and above all of the recruited/expanded company impacts.

\$45,059,302 of total new tax revenue from the FIRST YEAR. These companies continue to pay millions of new tax dollars to government.

\$61,401,346

Estimate of Impacts for Starbucks Manufacturing Corporation Year 1

Sales & Use Tax Abatement \$ 1,347,326
 Business Tax Abatement \$ 17,600
 Personal Prop Tax Abatement \$ 590,340

November 14, 2001
 Primary Jobs: 88
 Current state-wide average wage: \$15.09
 Average wage of jobs: \$16.38

LOCAL				STATE			
Payroll	Real Property Tax	Personal Property Tax	Sales Tax	Real Property Tax	Personal Property Tax	Sales Tax	Total
Direct Impact	\$2,998,195	\$187,462	\$109,729	\$802,750	\$1,099,941	\$12,810	\$7,498
Total Impact	\$6,821,940	\$478,372	\$124,274	\$1,505,890	\$2,108,526	\$30,993	\$8,407
						\$909,292	\$1,760
						\$1,201,047	\$16,560
							\$931,360
							\$1,257,007

Time-Line Analysis:

Local

Sales and Use Tax Abatement; Direct 1.2 years

Total 0.6 years

Personal Property Abatement; Direct 0.5 years
 Total 0.3 years

State

Business Tax Abatement; Direct 1.0 weeks
 Total 0.73 weeks

New Payroll Impact:

Abatement \$ per Job Ratios:

Sales and Use Tax Abatement \$15,311
 Business Tax Abatement \$200
 Personal Property Tax Abatement \$6,708
 Total Abatements per Total Jobs \$22,219

Annual Payroll \$ per Abatement \$ Ratios:

Sales and Use Tax Abatement \$2.23
 Business Tax Abatement \$170.35
 Personal Property Tax Abatement \$5.08
 Total Payroll \$ per Total Abatement \$ \$1.53

Estimate of Impacts for General Motors Service Parts Organization Year 1

Sales & Use Tax Abatement	\$ 657,143	December 12, 2001	<u>Retained</u> Primary Jobs:	152
Business Tax Abatement	\$ 30,400		Current state-wide average wage:	\$15.09
Personal Prop Tax Abatement at 50% for a ten year period.	\$ 468,022		Average wage of RETAINED jobs	\$27.00

LOCAL				STATE			
Payroll	Real Property Tax	Personal Property Tax	Sales Tax	Real Property Tax	Personal Property Tax	Sales Tax	Business Tax
Direct Impact	\$8,536,320	\$222,436	\$76,997	\$634,725	\$934,158	\$9,492	\$3,040
Total Impact	\$11,894,937	\$540,196	\$92,885	\$1,082,135	\$1,715,216	\$24,033	\$13,840
							\$507,958
							\$704,468

Time-Line Analysis:

Local

Sales and Use Tax Abatement; Direct 0.7 years

Total 0.4 years

Personal Property Abatement; Direct 0.5 years

Total 0.3 years

State

Business Tax Abatement; Direct 3.1 weeks

Total 2.24 weeks

New Payroll Impact:

Abatement \$ per Job Ratios:

Sales and Use Tax Abatement	\$4,323
Business Tax Abatement	\$200
Personal Property Tax Abatement	\$3,079
Total Abatements per Total Jobs	\$7,602

Annual Payroll \$ per Abatement \$ Ratios:

Sales and Use Tax Abatement	\$12.99
Business Tax Abatement	\$280.80
Personal Property Tax Abatement	\$18.24
Total Payroll \$ per Total Abatement \$	\$7.39

Estimate of Impacts for Pollatch Corporation Year 1

Sales & Use Tax Abatement \$ 2,546,250
 Business Tax Abatement \$ 13,200
 Pers Prop Tax Abatement \$ 1,982,009

New Primary Jobs: 66
 Current state-wide average wage: \$15.09
 Average wage of NEW jobs: \$22.45

April 10, 2002

	LOCAL				STATE			
	Payroll	Real Property Tax	Personal Property Tax	Sales Tax	Total	Real Property Tax	Personal Property Tax	Sales Tax
Expansion Only								
Direct Impact	\$3,081,936	\$80,115	\$287,395	\$266,175	\$633,685	\$3,549	\$12,731	\$1,071,400
Total Impact	\$6,543,627	\$225,126	\$294,646	\$1,110,319	\$1,630,091	\$11,133	\$13,110	\$1,392,979
After Expansion								
Direct Impact	\$9,270,392	\$279,672	\$351,039	\$266,175	\$896,886	\$12,389	\$15,551	\$970,000
Total Impact	\$19,683,080	\$737,531	\$373,932	\$2,538,185	\$3,650,628	\$36,335	\$16,748	\$1,937,301

Time-Line Analysis:

Local

Expansion Only

After Expansion

Sales and Use Tax Abatement; Direct 4.0 years
 Total 1.6 years
 Personal Property Abatement; Direct 3.1 years
 Total 1.2 years
 Business Tax Abatement; Direct 0.6 weeks
 Total 0.48 weeks

Sales and Use Tax Abatement; Direct 2.8 years
 Total 0.7 years
 Personal Property Abatement; Direct 2.2 years
 Total 6.5 months
 Business Tax Abatement; Direct 0.7 weeks
 Total 0.3 weeks

State

New Payroll Impact:

Abatement \$ per Job Ratios:

Sales and Use Tax Abatement \$38,580
 Business Tax Abatement \$200
 Personal Property Tax Abatement \$30,030
 Total Abatements per Total Jobs \$68,810

Annual Payroll \$ per Abatement \$ Ratios:

Sales and Use Tax Abatement \$1.21
 Business Tax Abatement \$233.48
 Personal Property Tax Abatement \$1.55
 Total Payroll \$ per Total Abatement \$ \$0.68

**Incentives for Economic Development
A Biennial Report**

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