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MEMORANDUM

DATE: February 15, 2003
TO: Senator Joseph M. Neal, Jr.
FROM: Russell Guindon, Deputy Fiscal Analyst *RG*
Fiscal Analysis Division
SUBJECT: Request for Information on Fiscal Impact of Senate Bill 21

This memorandum is in regard to your request for the potential amount of additional General Fund revenue generated from the proposed change to NRS 463.370 included in Senate Bill 21 (SB 21). SB 21 adds a fourth tier (taxing monthly gaming revenue over \$1,000,000 at 10.25%) to the current three-tiered gaming percentage fee tax.

Based on actual taxable gaming revenue for FY 2001-02, the Gaming Control Board estimates taxing monthly gaming revenue over \$1,000,000 at 10.25% would have generated approximately \$284.1 million additional General Fund revenues in FY 2001-02.

Using the information provided by the Gaming Control Board for FY 2001-02 and the Economic Forum's December 2, 2002 estimate of percentage fee tax collections, staff estimates the provisions of SB 21 would generate approximately an additional \$304.1 million in FY 2003-04 and \$316.2 million in FY 2004-05. The following table displays the Economic Forum's December 2, 2002 gaming percentage fee forecasts and the additional amount estimated under SB 21 for FY 2003-04 and FY 2004-05:

	Economic Forum December 2 Forecast	Estimate of the Additional Amount Generated by SB 21	Total
FY 2003-04	\$593.7	\$304.1	\$897.8
FY 2004-05	\$617.4	\$316.2	\$933.6
Amounts represent millions of dollars			

I trust you find this information helpful. If you have any questions regarding the information provided or require additional information, please contact me at 775-684-6464 or via email at rguindon@lcb.state.nv.us.

cc: Gary Ghiggeri, Senate Fiscal Analyst
Ted Zuend, Deputy Fiscal Analyst
Rick Combs, Deputy Fiscal Analyst

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