

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 24, 2015

Agency Submitting: Secretary of State

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Business License Fee (General Fund) (Revenue)		(\$6,000,000)		
Total	0	(\$6,000,000)	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

Current law requires certain business entities to obtain a state business license before conducting business in Nevada. Assembly Bill 406 would eliminate this requirement and instead require businesses to obtain a state business license at the time of filing the business entity's first annual list, or within a year of commencing business if the business entity is not required to file an annual list. This provision would essentially push all current business license fee revenue from new filings to the subsequent fiscal year. Based on actual FY 2014 new filings, it is estimated that approximately \$6 million in business license fee revenue (which supports the General Fund) would not be realized in FY 2016 and would instead be realized in FY 2017. Beginning in FY 2017 and moving forward, the fiscal impact of AB 406 would net to approximately \$0 annually.

Name Wayne Thorley

Title Deputy Secretary of State

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Monday, March 23, 2015

The agency's response appears reasonable.

Name James R. Wells, CPA

Title Interim Director