

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 31, 2015

Agency Submitting: Business and Industry, Athletic Commission

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
(Revenue)	\$4,087,800	\$4,623,469	\$4,623,469	\$9,246,938
Total	\$4,087,800	\$4,623,469	\$4,623,469	\$9,246,938

Explanation

(Use Additional Sheets of Attachments, if required)

Fiscal Impact to General Fund Revenue

As written, this BDR maintains the "Boxing" exemption from the Live Entertainment Tax.

- Section 19.5(c) – Removes exemption
- Section 53.5(c) – Reintroduces exemption

The omission of NRS 467.107 (a), as identified in Section 75, will prohibit the Athletic Commission's collection of 6% of all admission fees, reducing the General Fund contribution by an estimated \$4,623,469, based on fiscal year 2014.

- NRS 467.107 pertains to Unarmed Combat (Inclusive of Boxing, Mixed Martial Arts, and Ultimate Fighter Competition & Kickboxing)
- Live Entertainment Tax exemption of "Boxing" and the removal of subsection (a)

As a result of both revisions NO fee will be collected by the state for any contest or exhibition governed by NRS 467.

This BDR will require the need to revise BDR 41-1172 (AB 476), to include 2% of the total gross receipts of admission fees to live contests or exhibition for unarmed combat, in support of transitioning Athletic Commission operations from General Fund to Fee Based self-funded.

With the collection of fees administered by another Departments, promoter non-compliance and penalty will be difficult to enforce based on designated time frames conflicting with upcoming events.

Name Lisa Figueroa

Title ASO IV

DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Thursday, March 26, 2015

The agency's response appears reasonable.

Name James R. Wells

Title Director