

**LOCAL GOVERNMENT  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 27, 2015

Agency Submitting: Local Government

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2014-15</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2016-17</b>	<b>Effect on Future Biennia</b>
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses  
**S.B. 334 / BDR 32 - 262**

City/County: <b>Carson City</b> Approved by: Nickolas A. Providenti, Finance Director Comment: This would have a fiscal impact - I am estimating that we sell \$500,000 in this type of equipment that is subject to sales tax. This would cost Carson City a total of \$15,000 per year in lost revenue. I don't know the exact amount of actual sales - so obviously the amount would double to \$30,000 if sales were actually \$1 million.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	(\$15,000)	(\$15,000)	(\$30,000)

City/County: <b>Churchill County</b> Approved by: Eleanor Lockwood, County Manager Comment: The fiscal impact of BDR 32-262 would be the loss of sales and use tax revenues from the sales of exempt equipment provided for in the legislation. The estimated impact is unknown. As an example, if \$100,000 in taxable sales becomes exempt from the local 7.6% sales tax, the purchaser would not be required to pay \$7,600 in the various tax rate elements and therefore, that revenue would not be apportioned to the various governmental entities. Any exemption of sales and use tax would create a fiscal impact.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: <b>Clark County</b> Approved by: David Dobrzynski, Assistant Director of Finance Comment: Fiscal impact unknown. Data needed to determine how much tax revenue is currently derived from the sale of these devices.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: <b>Washoe County</b> Approved by: Liane Lee, Government Affairs Manager Comment: There is not enough information to quantify.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **White Pine County**

Approved by: Elizabeth Frances, Finance Director

Comment: This will have an adverse financial impact on the County in the form of lost revenues. Every time items are exempted from taxes revenues are lost. Because the total sales of hearing aids, durable medical equipment and ocular devices are unknown, the exact amount of revenues that will be lost cannot be estimated.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: The impact of this legislation cannot be determined at this time. There would need to be data on the use of the abatement program before a calculation could be completed.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Las Vegas**

Approved by: Michelle Thackston, Administrative Secretary

Comment: This bill would impact the City's CTAX distribution by exempting the sales of these items from Sales Tax (durable medical equipment, mobility enhancing equipment, hearing aids and accessories, and ophthalmic or ocular devices).

We don't have the data to analyze what this will cost the City over the next three years or bienna. The proposal won't take effect until 1/1/17 so there would be no impact in FY16 or in the first half of FY17. The City does not think there would be a material impact that would be felt since we are experiencing growth currently and this category does not represent a significant portion of our Taxable Sales

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **City of Reno**

Approved by: Ryan High, Budget/Strat. Initiatives Mgr.

Comment: After initial review, the City of Reno cannot determine an accurate fiscal impact as a result of this legislation. The City would expect a negative impact to sales tax revenue as a result of tax exemptions, but relatively speaking this impact is anticipated to be nominal.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: Any exemption of sales tax will result in reduced revenues, and although there is not enough detail to make a determination, it is expected that the fiscal impact resulting from the provisions of this bill would be relatively small.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: School Districts would definitely lose some of their LSST revenue, but there is no way to determine the magnitude of effect.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Clark County School District**

Approved by: Nikki Thorn, Deputy CFO

Comment: CCSD expects impact as it relates to LSST revenues but can not accurately determine the impact.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

School District: **Douglas County School District**

Approved by: HOLLY LUNA, CFO, BUSINESS SERVICES

Comment: Douglas County School district is a recipient of a portion of receipts from sales taxes. Such receipts would be influenced by this BDR. However, there is not sufficient information to determine or calculate the effects or to provide a meaningful or substantial submittal on behalf of the school district.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Esmeralda County School District**

Approved by: Monie L. Byers, Superintendent

Comment: Fiscal impact cannot be determined because it is unknown how much medical equipment is sold and taxed, and how much goes to Esmeralda County.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Lincoln County School District</b> Approved by: Steve Hansen, Superintendent Comment: Limited fiscal impact. Lincoln County has a very small population purchaing those devices. The tax revenue reduction would be very small.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Lyon County School District</b> Approved by: Philip Cowee, Director of Finance Comment: BDR 32-262 would have impact from the loss of local school support tax from the sales of the exempt items. The loss of revenue cannot be determined without the total amount of sales for those items. The loss of revenue could be immaterial to the overall district budget based on the volume of these sales.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

School District: <b>Nye County School District</b> Approved by: Kerry Paniagua, Executive Secretary Comment: Has an impact but can't determine how much because we don't know how much medical equipment is sold each year.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Pershing County School District</b> Approved by: Dan Fox, Superintendent Comment: The district does not have the necessary set of data to calculate an estimate of fiscal impact, if any.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Storey County School District</b> Approved by: Robert Slaby, Superintendent Comment: Possible effect on monies for DSA.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Washoe County School District</b> Approved by: Lindsay E. Anderson, Director of Government Affairs Comment: Washoe County School District receives Local School Support Tax to fund its operations and any decrease in collections of the fund will negatively impact our district; however, the impact cannot be determined at this time.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>White Pine County School District</b> Approved by: Paul Johnson, CFO Comment: The District does not possess sufficient information to determine how the exemptions of certain durable medical equipment, mobility enhancing equipment, hearing aid accessories, and ophthalmic or ocular devices will have on sales and use tax. Any legislation that broadens sales tax exemptions will reduce sales tax revenue.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

**The following cities, counties and school districts did not provide a response:** Douglas County, Elko County, Esmeralda County, Eureka County, Humboldt County, Lander County, Lincoln County, Lyon County, Mineral County, Nye County, Pershing County, Storey County, Boulder City, City of Elko, City of Mesquite, City of North Las Vegas, Churchill County School District, Elko County School District, Eureka County School District, Humboldt County School District, Lander County School District, and Mineral County School District.