

**LOCAL GOVERNMENT  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 29, 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  
**A.B. 326 / BDR 43 - 1052**

City/County: <b>Carson City</b> Approved by: Nickolas A. Providenti, Finance Director Comment: It appears this bill would reduce our GST by 10% - which would cost Carson City about \$200,000 per year in lost revenues.				
<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	(\$200,000)	(\$200,000)	(\$400,000)

City/County: <b>Churchill County</b> Approved by: Eleanor Lockwood, County Manager Comment: If BDR 43-1052 passes, Churchill County would lose the revenue associated with the registration of Classic Vehicles. Based on the restrictions associated with the classic vehicle plates, the loss of revenue is anticipated to be less than \$10,000 annually.				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
Has Impact	\$10,000	\$10,000	\$10,000	\$10,000

City/County: <b>Clark County</b> Approved by: David Dobrzynski, Assistant Director of Finance Comment: Section 2 Fiscal impact not determined. The bill reduces the amount of governmental services tax by increasing depreciation allowed and lowering the minimum. Will decrease amount of revenue to Clark 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

City/County: <b>Esmeralda County</b> Approved by: Ruth P. Lee, Assessor Comment: no impact				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: <b>Humboldt County</b> Approved by: Sondra Schmidt, Comptroller Comment: No Impact				
<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Liane Lee, Government Affair Manager

Comment: Reduces Government Services Tax (GST) revenues by increasing the depreciation rate for used vehicles and reducing the minimum tax to \$6. The County receives its share of GST via the Consolidated Tax.

Without data from DMV, the dollar-weighted average age of vehicles registered in Washoe County was assumed to be 3 years old. Based on the proposed depreciation schedule versus the current GST depreciation schedule, that equates to a 13.33% reduction of GST revenues. For FY16, this equates to an estimated reduction in revenue of \$1.485 million. Future years' impacts are based on an assumed annual increase in GST revenues of 5%.

<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	\$1,485,195	\$1,559,456	\$3,356,727

City/County: **White Pine County**

Approved by: Elizabeth Frances, Finance Director

Comment: Increasing the depreciation rate on vehicles by 10% per year will result in an approximate 10% reduction in revenues. The County works extremely hard every year to balance its already tight budget and every cent of lost revenue requires a reduction in services to the public. This will have adverse impact on the County.

<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	(\$10,300)	(\$10,300)	(\$20,600)

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: This legislation would have a fiscal impact to the City of Henderson. The Governmental Services Tax is approximately 10% of the Consolidated Tax Collections in Clark County. This would equate to the City of Henderson losing approximately \$1.3 million in revenue from personal vehicles and approximately \$173K in commercial vehicles per year in Consolidated Tax revenue.

<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	(\$1,458,321)	(\$1,458,621)	(\$2,916,642)

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

Approved by: Michelle Thackston, Administrative Secretary

Comment: Part of this Bill reverts the depreciation schedules back prior to the 2009 Legislature. This change may or may not have a fiscal impact to the City. We don't see any language that states the recipient of the decline in 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

City/County: **City of Reno**

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

Comment: Reductions in this government services tax (GST) in Section 2 will have an impact on the City of Reno's consolidated tax (CTAX) revenue. Although a more thorough analysis of the GST, including detailed information on local government distributions is needed to measure overall impact on our revenue, the City of Reno approximates that the reduction in revenues will be \$300,000 annually.

<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	(\$300,000)	(\$300,000)	(\$600,000)

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: Reducing the GST would reduce the amount of revenue distributed to cities that receive the CTAX. It is unknown the extent of the fiscal impact however.

<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: The Government Services Tax is one of the few local revenues a district receives that is outside of the Nevada Plan calculation and is therefore a dollar-for-dollar boost or hit to our budgets. It is also the largest of those kind by dollar amount. Anything done to reduce the amount is not made up by any help, anywhere else in our budget. Really quantifying this is not possible given the information, but with each percentage level of depreciation being reduced by 10%, I will assume that our total GST revenues would decrease by 10% annually. We are expecting close to \$1.8 million in FY16 for GST, thus the revenue reduction of \$180,000 and greater lost revenue opportunity going forward.

<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	(\$180,000)	(\$200,000)	(\$220,000)

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 governmental services 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. And although the impact would negatively affect the receipts, the impact would be relatively insignificant.

<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: The proposed bill has impact but cannot accurately be determined. The minimum amount of GST tax on any vehicle other than a trailer is reduced from the current minimum amount of \$16 to \$6. The impact would be \$10 per vehicle at the minimum. Additionally, there will be impact for the accelerated depreciation schedule of all vehicles; however, CCSD cannot accurately determine 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: **Lincoln County School District**

Approved by: Steve Hansen, Superintendent

Comment: No fiscal impact because of limited "classic vehicle" registrations in Lincoln County.

<b>Impact</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: **Lyon County School District**

Approved by: Philip Cowee, Director of Finance

Comment: BDR 43-1052 would have fiscal impacts that cannot be fully determined. A reduction in the minimum property tax and accelerating depreciation would both have negative impacts to the governmental services tax revenue to the 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: **Nye County School District**

Approved by: Kerry Paniagua, Executive Secretary

Comment: Unable to determine how much impact because we don't know how many of those plates are issued 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 maintain records to calculate any possible fiscal impact.				
<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: May effect funds 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: WCSD relies on Government Services Tax for both operating and capital funds and if the depreciation schedule is impacted, it will impact our funding streams.				
<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: Any BDR that increases exemptions, abatements, etc. will reduce local government operating revenue. The District does not possess details with respect to vehicle registration to 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>
Cannot Be Determined	\$0	\$0	\$0	\$0

**The following cities, counties and school districts did not provide a response:** Douglas County, Elko County, Eureka 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, Esmeralda County School District, Eureka County School District, Humboldt County School District, Lander County School District, and Mineral County School District.