

**EXECUTIVE AGENCY  
FISCAL NOTE**

**AGENCY'S ESTIMATES**

Date Prepared: March 24, 2017

Agency Submitting: Department of Taxation

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>	<b>Effect on Future Biennia</b>
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

Please see attached

Name Deonne Contine

Title Executive Director

**GOVERNOR'S OFFICE OF FINANCE COMMENTS**

Date Friday, March 24, 2017

The agency's response appears reasonable.

Name Laura Freed

Title Executive Budget Officer

**DESCRIPTION OF FISCAL EFFECT**BDR/Bill/Amendment Number: 32-647Name of Agency: Department of Taxation

Division/Department: \_\_\_\_\_

Date: March 22, 2017

BDR 32-647 provides for changes to the Local Government Tax Distribution Account, more commonly known as the CTAX Distribution. These changes reduce the requirements for a local government or special district to request an allocation from the Account. Current law requires a local government or special district to provide for police services plus two of the following services: fire protection; construction maintenance and repair of roads; and parks and recreation. This BDR changes the requirement so that a local government or special district need only provide for two of the following services: police protection; fire protection; construction maintenance and repair of roads; and parks and recreation.

Should a local government or special district qualify to request an allocation from the Account, the Executive Director of the Department of Taxation shall establish an amount to be allocated for the first fiscal year and make a recommendation to the Committee on Local Government Finance. This recommendation will include the amount allocated to the now qualified entity, as well as a reduction in any amounts allocated to entities that had previously provided the services that this entity now provides.

Should local governments and special districts request an allocation, the Department would need to re-program distribution processes. The Department can absorb these costs.

Additionally, should a new allocation be approved by the Nevada Tax Commission, a fiscal impact may occur to the other entities that receive a distribution from the Account, however, the Department does not have the information necessary to forecast the impact.

**Revenue:**

The impact on revenue cannot be determined

**Expense:**

The Department can absorb the costs