BDR 32-758
SB 432

EXECUTIVE AGENCY

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 9, 2023

Agency Submitting: Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Personnel (Expense)		$60,291	$70,383	$140,766
Operating Expenses (Expense)		$2,174	$2,271	$4,542
Equipment (Expense)		$4,608		
Information Services (Expense)		$65,838	$1,915	$3,830
Total	0	$132,911	$74,569	$149,138

Explanation (Use Additional Sheets of Attachments, if required)

Economic Development: This bill revises provisions governing the disposition of certain taxes; requires the establishment of a regional powers authority following the expiration of certain partial tax abatements approved in relation to a qualified project; establishes the powers and duties of a regional powers authority; creates the Account to Mitigate the Regional Impacts of Economic Development; imposes reporting requirements related to the use of certain money; and creates the Account to Promote Statewide Economic Development (Sections 2-14). This bill will have a negative fiscal impact on revenue for the State General Fund in an amount that cannot be determined. Tax revenue from sales/use, modified business, and property taxes that is currently abated for certain qualified projects would otherwise be distributed to various entities and accounts, including the State General Fund, local governments and other various other funds. Under current law, with certain abatement set to expire, the resulting tax revenue would be distributed to these various entities and accounts, including a part to the State General Fund. This bill would instead divert this otherwise expired abatement revenue to the new Account to Mitigate the Regional Impacts of Economic Development. However, the amount of revenue to be realized from what was previously subject to an abatement, and would redistribute under this bill, is either not determinative at this time, or would be deemed confidential taxpayer information under NRS 360.255(2)(c), which prohibits the Department from disclosing statistical information that could otherwise identify a particular business or document. This request is for additional personnel and associated operating costs, beginning in October 2023. Includes one-time funding in FY 24 for overtime for IT staff and MSA Programmer expenses. Recurring expenses for each biennium: Personnel of $140,766; Operating of $4,542; and Information Services of $3,830.

Name Adriane Roberts-Larson

Title Deputy Executive Director - Administrative Services

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, April 07, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director