



State of Nevada  
DEPARTMENT OF TAXATION  
**ANNUAL REPORT**  
Fiscal 2008 - 2009



STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.state.nv.us>

1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, Nevada 89502  
Phone: (775) 688-1295  
Fax: (775) 688-1303

JIM GIBBONS  
Governor

ROBERT R BARENGO  
Chair, Nevada Tax Commission  
DINO DICIANNO  
Executive Director

LAS VEGAS OFFICE

Grant Sawyer Office Building, Suite1300  
555 E. Washington Avenue  
Las Vegas, Nevada 89101  
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE

2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada 89074  
Phone: (702) 486-2300  
Fax: (702) 486-3377

January 15, 2010

The Honorable Jim Gibbons  
Governor of Nevada  
Executive Chambers  
Carson City, Nevada 89710

Dear Governor Gibbons:

Pursuant to the provisions of NRS 360.100, the Department of Taxation submits herewith the Annual Report for the fiscal year ending June 30, 2009. During 2008-09, gross revenues and distributions changed in the following amounts.

Revenues	2007 - 2008	2008 - 2009	Increase/ (Decrease)	Percent Change
Sales and Use Taxes	\$ 966,670,636	\$ 844,083,850	\$ (122,586,786)	-12.68%
Local School Support Tax	1,055,899,921	919,621,260	(136,278,662)	-12.91%
City/County Relief Tax	1,055,789,715	919,301,745	(136,487,970)	-12.93%
Local Option Taxes	507,457,607	439,722,982	(67,734,625)	-13.35%
Intoxicating Beverage Taxes	43,620,581	40,822,205	(2,798,376)	-6.42%
Cigarette Tax and Fees	126,533,647	111,144,773	(15,388,874)	-12.16%
Other Tobacco Products	8,840,605	9,140,387	299,782	3.39%
Estate Tax	227,497	466,994	239,497	105.27%
Lodging Tax	19,076,477	18,163,309	(913,168)	-4.79%
Net Proceeds of Minerals Tax	74,129,804	145,449,950	71,320,146	96.21%
Centrally Assessed Property Tax	70,923,899	75,926,025	5,002,126	7.05%
Business Tax	13,983	3,228	(10,755)	-76.92%
Insurance Premium Tax	256,693,189	238,524,098	(18,169,091)	-7.08%
Tire Tax	1,776,653	1,631,537	(145,116)	-8.17%
Government Services Fee	41,204,834	39,927,181	(1,277,653)	-3.10%
Bank Excise Tax	3,142,650	3,131,495	(11,155)	-0.35%
Business License Fee	19,566,390	22,516,702	2,950,312	15.08%
Live Entertainment Tax	10,181,962	9,162,269	(1,019,693)	-10.01%
Modified Business Tax	284,600,418	277,516,292	(7,084,126)	-2.49%
Real Property Transfer Tax	85,882,799	65,922,452	(19,960,347)	-23.24%
Total	\$ 4,632,233,269	\$ 4,182,178,734	\$ (450,054,535)	-9.72%

Distributions	2007 - 2008	2008 - 2009	Increase/ (Decrease)	Percent Change
State General Fund	\$ 1,870,007,422	\$ 1,719,229,856	\$ (150,777,566)	-8.06%
State Distributive School Fund	102,284,308	93,575,531	(8,708,777)	-8.51%
Local Governments	2,627,638,391	2,334,678,537	(292,959,854)	-11.15%
Other Distributions	25,450,308	24,837,720	(612,588)	-2.41%
Estate Tax Reserve, Endowment and Trust Funds	227,497	466,994	239,497	105.27%
State Debt Service Fund	6,625,343	9,390,096	2,764,753	41.73%
Total	<u>\$ 4,632,233,269</u>	<u>\$ 4,182,178,734</u>	<u>\$ (450,054,535)</u>	<u>-9.72%</u>

Sincerely,

Dino DiCianno  
Executive Director

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Department of Taxation  
*Tax Commission*  
Robert R. Barengo - Chairman  
Dino DiCianno – Executive Director



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## ***Mission***

Provide fair, efficient and effective administration of tax programs for the State of Nevada in accordance with applicable statutes, regulations and policies. Serve the taxpayers, State and local government entities, and enable and recognize Department employees.

## ***Philosophy***

Dedicated to the highest standards of professionalism and ethical conduct; committed to consistent, impartial and courteous service and treatment. Providing resources, training and support to the men and women of the Department, and fostering initiative, creativity and effective performance.

## ***Goals***

1. Ensure the stable administration of tax statutes.
2. Improve compliance through education, information and enforcement.
3. Cooperate with other agencies and entities to better serve taxpayers.
4. Provide improved and more efficient service.
5. Assure the fair and equitable treatment of taxpayers.
6. Enhance workforce proficiency through training and communication.
7. Improve tax administration through new technology.

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**Please visit our Web Site at <http://tax.state.nv.us>  
or one of our offices at the following locations**

Main Office:

1550 College Parkway, Suite 100  
Carson City, NV 89706

Mailing:

1550 College Parkway, Suite 115  
Carson City, NV 89706

Phone: (775) 684-2000  
Fax: (775) 684-2020  
In-State Toll Free: (800) 992-0900

Las Vegas District Office:

Grant Sawyer Office Building  
555 E. Washington Ave, Suite 1300  
Las Vegas, NV 89101  
Phone: (702) 486-2300  
Fax: (702) 486-2373

Henderson Field Office:

2550 Paseo Verde Pkwy, Suite 180  
Henderson, NV 89074  
Phone: (702) 486-2300  
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Reno District Office:

Kietzke Plaza  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, NV 89502  
Phone: (775) 688-1295  
Fax: (775) 688-1303

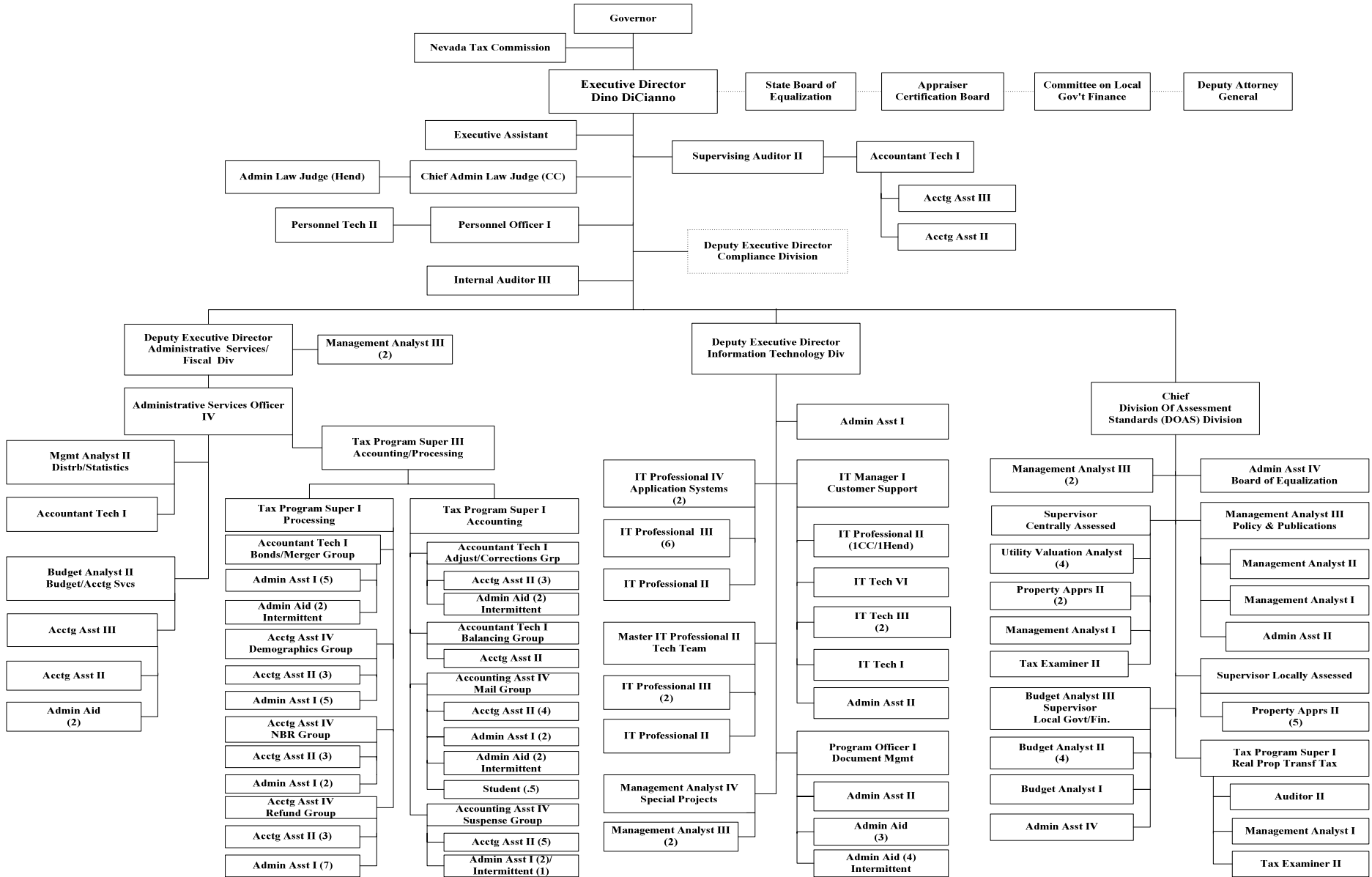
Elko Field Office:

1010 Ruby Vista Dr, Suite 102  
Elko, NV 89801  
Phone: (775) 753-1115  
Fax: (775) 778-6814

# DEPARTMENT OF TAXATION

## Admin Svcs / Info Tech / DOAS Divisions

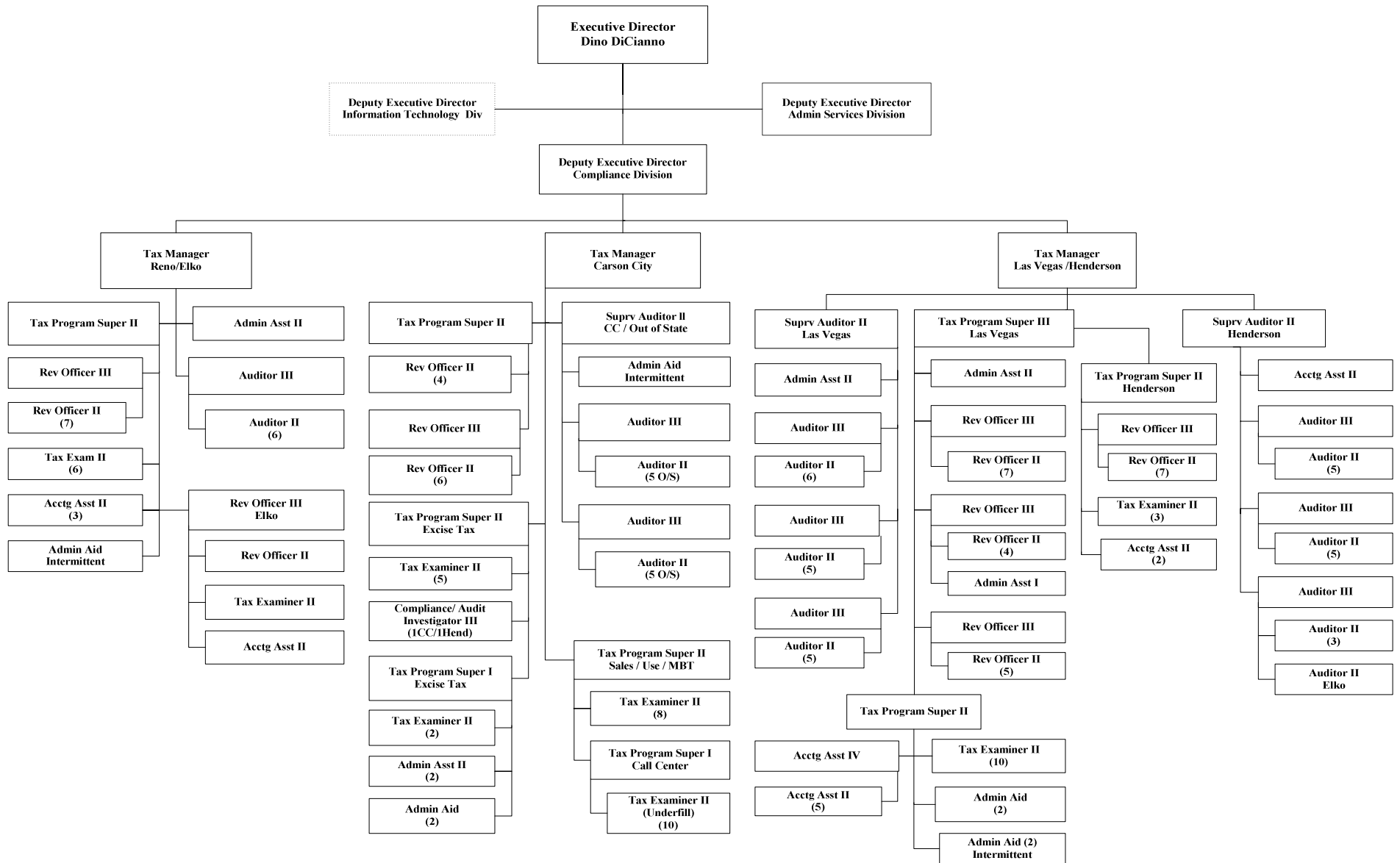
June 30, 2009



# DEPARTMENT OF TAXATION

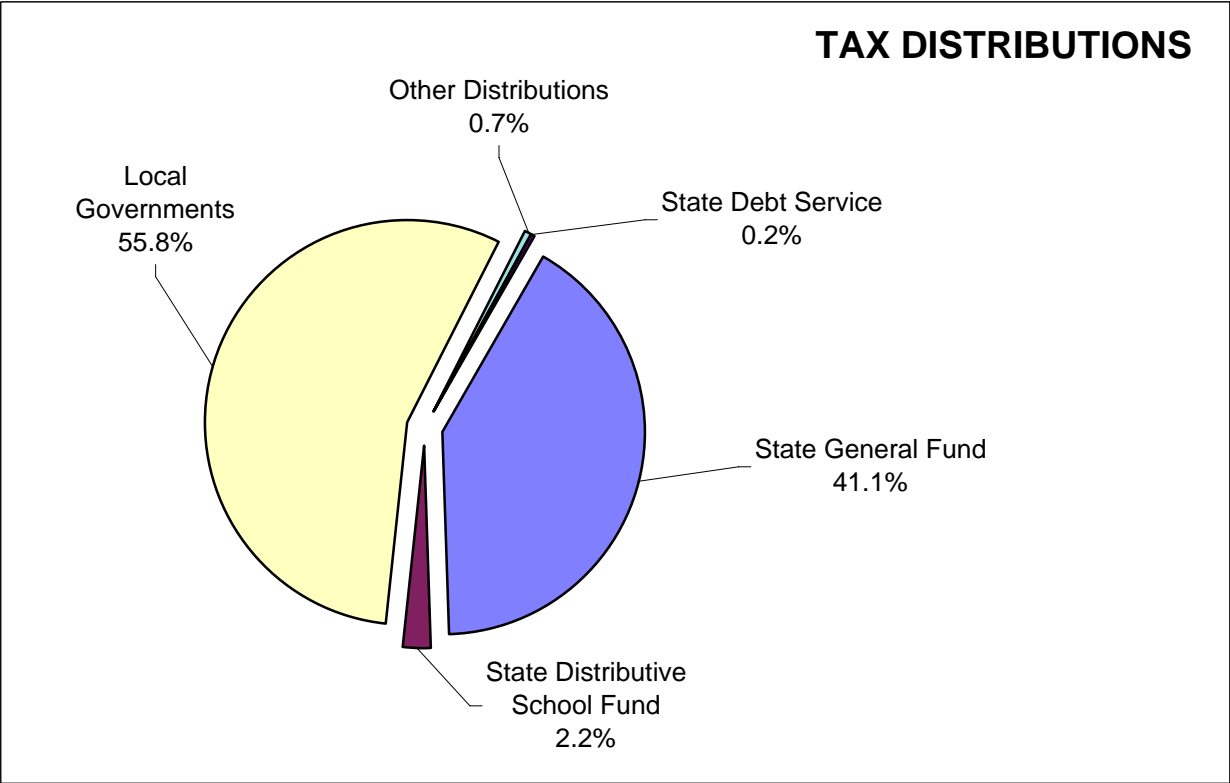
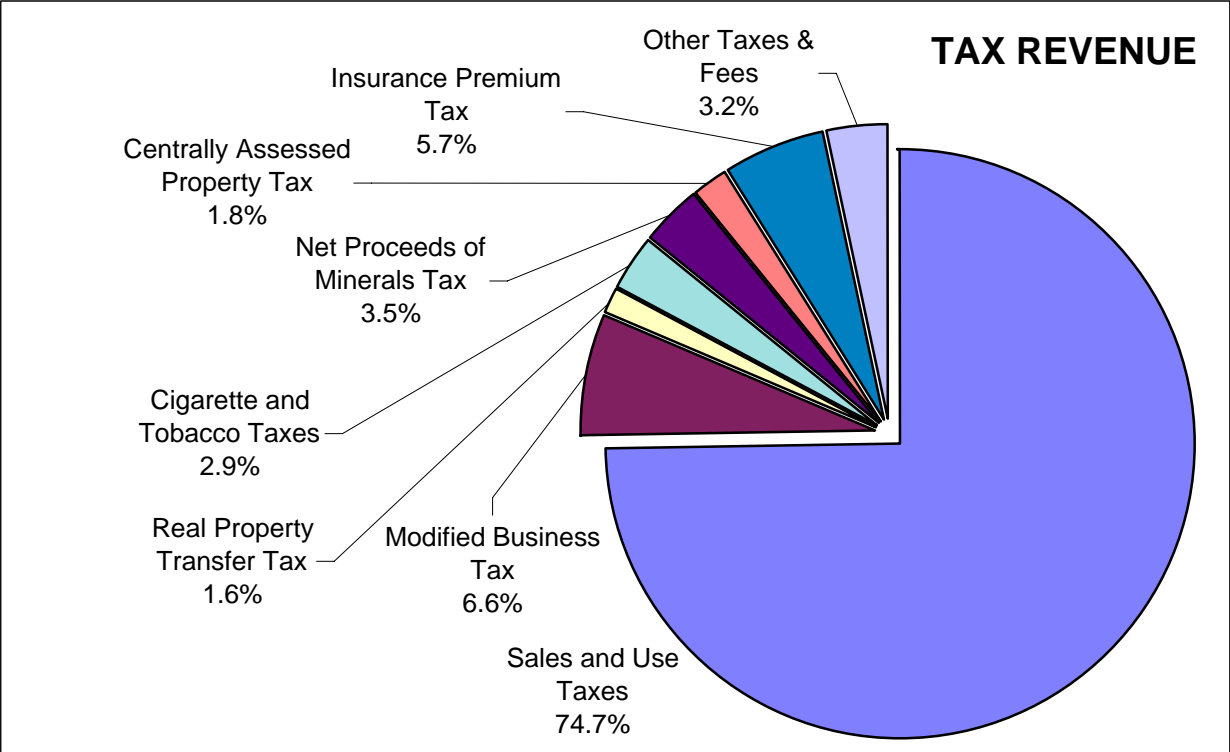
## Compliance Division

June 30, 2009





# TOTAL DEPARTMENT TAX REVENUE AND DISTRIBUTION



# DEPARTMENT OF TAXATION

Established April 1913 as the Nevada Tax Commission.

Statutory authority: Chapter 748 of the 1975 Statutes established the Department of Taxation and provided for its organization, powers, duties and functions. The Department is responsible for administering the following laws:

<u>NAME OF LAW</u>	<u>NRS CHAPTER</u>
Tourism Improvement District Law	271A
Local Government Budget Act	354
General Provisions (includes Consolidated Tax)	360
Business License Fee	360.760-360.795
Simplified Sales and Use Tax Administration Act	360B
Property Tax, Taxes on Agricultural Property and Open Space	361, 361A
Taxes on Patented Mines and Proceeds of Minerals	362
Excise Tax on Banks	363A.120
Taxes on Financial Institutions, Business Tax	363A, 363B
Tax on Rental of Transient Lodging	364.125
Business Tax (repealed)	364A
Live Entertainment Tax	368A
Intoxicating Liquor Licenses and Taxes	369
Tobacco Licenses and Taxes	370
State Sales and Use Taxes	372
Local School Support Taxes	374
Real Property Transfer Tax	375
Tax on Estates	375A
Generation Skipping Transfer Tax	375B
Taxes for Development of Open-Space Land	376A
City-County Relief Tax	377
Taxes for Miscellaneous Special Purposes	377A
Tax for Infrastructure	377B
Residential School Construction Tax	387.329 -387.332
Programs for Recycling (Tire Tax)	444A.090
Short Term Auto Lease Fee	482.313
Control of Floods - Taxation	543.600
Insurance Premium Tax	680B

## BOARDS AND COMMISSIONS

**Nevada Tax Commission** members are appointed by the Governor. The Commission is the head of the Department and exercises general supervision and control over its activities. The Chief Administrative Officer of the Department is the Executive Director, who is also appointed by the Governor. Actions by the Department may be appealed to the Commission as provided by law. The Commission may review all decisions of the Department and may reverse, affirm or modify them.

### **Governor Jim Gibbons, Ex Officio Member**

Robert Barengo, Chairman  
Robert Johnson, Member  
Ann Bersi, Ph.D., Member

George Kelesis, Member  
Joan Lambert, Member  
John Marvel, Member

David Turner, Member  
Hank Vogler, Member

**Boards and Commissions (continued)**

**The State Board of Equalization** members are appointed by the Governor. The Board hears and acts on appeals from the actions of the various county boards of equalization or from valuations set by the Nevada Tax Commission. The Board of Equalization convenes on the 4th Monday in March and shall conclude the business of equalization in cases having a substantial effect on tax revenues on or before April 10. Additional cases not having substantial effect on tax revenues may be heard at meetings prior to October 1.

Anthony (Tony) Wren, Chairman Aileen Martin, Member	Dennis K. Meservy, Member James Russell Hofland, Member	Anthony Marnell III, Member
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**The Committee on Local Government Finance** is composed of 11 members appointed as follows: three persons appointed by the Nevada League of Cities; three persons appointed by the Nevada Association of Counties; three persons appointed by the Nevada School Trustees Association; and two persons appointed by the Nevada State Board of Accountancy. The purpose of this Committee is to advise the Department regarding regulations, procedures and forms for compliance with NRS 354.570 through 354.626 (Local Government Budget Act).

Marvin Leavitt, Chairman Michael R. Alastuey, Vice-Chairman Bob Anderson, Member Beth Kohn-Cole, Member	Steve Hanson, Member Marty Johnson, Member Alan Kalt, Member Vacant	John Sherman, Member Mary Walker, Member James Wells, Member
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The **Property Appraiser Certification Board** is composed of six members, three of whom are qualified appraisers chosen by the majority vote of the Association of County Assessors and three are appointed by the Nevada Tax Commission. The Board advises the Department on matters pertaining to certification and continuing education of appraisers.

Bruce Bartolowits, Chairman Jeff Payson, Vice-Chairman	Norma Green, Member Jeff Johnson, Member	Shannon Silva, Member Janet Kelley, Member
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## DEPARTMENT OF TAXATION ADMINISTRATION

**Dino DiCianno**  
**Executive Director**

Vincent Cherpeski  
Deputy Executive Director  
Information Technology

Brody Leiser  
Deputy Executive Director  
Administration

Christopher Nielsen  
Deputy Executive Director  
Compliance

## DEPARTMENT ORGANIZATION AND FUNCTION

The Department of Taxation has five major divisions/sections: the Executive Division; the Administrative Services/Fiscal Division; Information Technology Division; the Compliance Division which consists of both the Revenue/Collection and Audit Sections; and the Division of Assessment Standards. The Department acts as staff to the Nevada Tax Commission, State Board of Equalization and Committee on Local Government Finance. In addition, the Department is also responsible for annually developing the official estimates of population of the State and the various counties, cities, towns and townships. These estimates, after certification by the Governor, are used for the purpose of distributing certain revenues to counties, cities and towns and to determine the appropriate number of justices of the peace.

**Executive** is comprised of the Director, who also acts as the secretary to the Nevada Tax Commission and the State Board of Equalization; Deputy Directors; Administrative Law Judges; Executive Review section; Personnel and Internal Audit. Staff administers taxpayer petitions, taxpayer hearings, personnel services and internal audit functions.

**Administrative Services/Fiscal** is responsible for providing centralized support for all administrative, financial and fiscal activities of the Department. Sections include: Budget, Tax Distributions and Statistics, Revenue Accounting/ Processing/ Cancellations, and Support Services/Mailroom. Over \$4 billion in revenue passes through this Division annually for distribution to the State General Fund, other State agencies, cities, counties and school districts

**Information Technology** is responsible for the operation, maintenance and on-going enhancements to the Unified Taxation System (UTS) which includes the taxpayer facing web portal, Nevada Tax and the Discover Tax data warehouse utilized by audit and compliance. In addition to the UTS, support is also provided for the official website for Taxation, the Department's Intranet, statewide LAN/WAN and desktop applications.

**Compliance – Revenue/Collection** section collects taxes from delinquent accounts; provides oversight and collection of Sales and Use Taxes, the Modified Business Tax, the Business License Fee, Insurance Premium Tax, Cigarette Tax, Other Tobacco Tax, Liquor Tax, Lodging Tax, Live Entertainment Tax, Bank Excise Tax, Estate Tax, Short-term Auto Lease Fee, etc. Other programs administered include collecting taxes on vehicles, vessels and aircraft based and licensed in Nevada; and performing discovery work in the field for unregistered businesses, and liquor and cigarette contraband. In addition, staff in this section actively collect accounts receivable; answer questions on taxability; conduct hearings; monitor accounts for compliance with statutes and reporting requirements; and provide general taxpayer education.

Compliance staff also conducts investigations to ensure businesses are registered, anonymous tips regarding tax evasion are followed-up, individuals are located through skip tracing, etc. As the need arises, this section may issue tax deficiency notices, approve payment plans, file liens and withholds; and may close a business as a measure of last resort which includes seizure of assets and subsequent sales of these assets to meet tax obligations. This section also holds Taxpayer educational workshops for the public and oversees the Voluntary Disclosure program.

**Audit** administers a comprehensive audit program to ensure taxpayer compliance. This section is responsible for ensuring financial compliance with laws relating to all of the above named taxes. This section verifies the accuracy of taxpayer credit or refund requests and also administers discovery programs based on a comparison of information from other taxing authorities. Audit staff also assist with taxpayer information and education including proper reporting and record keeping requirements, and conduct taxpayer workshops.

**Department Organization and Function (continued)**

**Division of Assessment Standards** is responsible for appraising all centrally assessed property, establishing guidelines for the county assessors, conducting the ratio study, ensuring statewide compliance with assessment standards established by the Tax Commission and administering the Net Proceeds of Minerals tax and the Real Property Transfer tax. The Local Government Finance Section reviews local government budgets and audits, prepares the ad valorem tax rates for certification, advises local governments on budget act compliance and financial management matters, and reviews entities' annual audits and plans to prevent the re-occurrence of violations as reported.

The Department maintains five office locations. The headquarters is located in Carson City, with district offices in Henderson, Las Vegas and Reno, and a taxpayer assistance office in Elko. For fiscal year 2008-09, the Department's staff consisted of 340.86 positions statewide, with a budget of \$33,298,580.

The audit staff conducted 1,397 sales and use tax audits during Fiscal Year 2008-09. The total net collections from audit billings during this period was \$16,180,051. Audits billed may be collected in succeeding fiscal years, set up on payment plans, or may ultimately be reduced through negotiated settlement agreements approved by the Nevada Tax Commission. Net audit collections decreased in FY06 compared to previous years due primarily to legislative changes to the audit selection criteria. It called for random selection instead of risk based selection.

The following is a comparison of statistics describing Revenue and Audit sales and use tax activity for the last six fiscal years.

<u>FISCAL YEAR</u>	<u>NUMBER OF AUDITS</u>	<u>NET COLLECTIONS FROM AUDIT BILLINGS</u>	
2003-04	1,377	18,014,504	
2004-05	1,643	19,173,515	
2005-06	1,668	12,450,287	
2006-07	1,994	19,303,760	
2007-08	1,346	13,422,434	
2008-09	1,397	16,180,051	

<u>FISCAL YEAR</u>	<u>GROSS SALES AND USE TAXES</u>	<u>COLLECTIONS AS % OF GROSS TAX</u>	<u>AUDIT COVERAGE</u>
2003-04	2,821,593,024	0.64%	1.40%
2004-05	3,279,620,525	0.58%	2.50%
2005-06	3,662,957,039	0.34%	2.32%
2006-07	3,740,334,053	0.52%	2.08%
2007-08	3,585,817,879	0.37%	1.45%
2008-09	3,122,729,836	0.52%	1.41%

# Department Financial Statement

REVENUES AND EXPENDITURES  
JULY 1, 2008 - JUNE 30, 2009 - REVERSIONS AS OF JUNE 30, 2009

REVENUES	WORK PROGRAM FUNDS	REVENUES / EXPENDITURES	WORK PROGRAM LESS ACTUAL
General Fund Appropriations	\$ 30,270,197	\$ 30,270,197	\$ -
Balance Forward from FY08 - SB 463 (one-shot)	1,401,573	1,401,573	
Audit Fees	39,241	47,252	(8,011)
Cigarette Tax Administration	428,721	428,721	-
Short Term Auto Lease Fee	10,461	11,303	(842)
Environmental Protection Transfer	8,820	6,895	1,925
Justice Court/Township Fees	110,702	146,421	(35,719)
Returned Check Charge	28,158	45,173	(17,015)
Miscellaneous Revenue	1,986	2,920	(934)
General Fund Salary Adjustment	1,151,340	938,125	213,215
<b>Total Available Funds</b>	<b>\$ 33,451,199</b>	<b>\$ 33,298,580</b>	<b>152,619</b>

EXPENDITURES			
Salaries	\$ 20,748,117	\$ 20,702,400	\$ 45,717
Out-of-state Travel	5,861	4,569	1,292
In-state Travel	195,900	168,578	27,322
Operating	2,904,461	2,682,719	221,742
Equipment	2,585	2,317	268
Compliance Audit Investigation	6,763	6,214	549
Out-of-state Audit	60,861	52,440	8,421
SB8/UTS Project	2,920,027	2,897,099	22,928
E Payment Fees	35,770	12,179	23,591
One-Shot Appropriation SB 463	1,263,973	773,168	490,805
SB 403/SB 429 Implement LSST Change	95,000	76,583	18,417
Lockbox Program	1,435,154	1,419,463	15,691
Demographer	186,186	186,107	79
Cigarette Stamps	138,160	138,122	38
Information Services	311,232	301,319	9,913
Training	34,730	32,064	2,666
Purchasing Assessment	16,409	16,409	-
Reserve for Reversion	3,090,010	3,090,010	-
<b>Total Expenditures</b>	<b>\$ 33,451,199</b>	<b>\$ 32,561,760</b>	<b>\$ 889,439</b>
Reversion June 30, 2009		718,403	(718,403)
Balance Forward to Fiscal Year 2010		18,417	(18,417)
<b>Available Funds Accounted for</b>	<b>\$ 33,451,199</b>	<b>\$ 33,298,580</b>	<b>\$ 152,619</b>

REVERSIONS AND BALANCE FORWARD	
General Fund - Reserve for & FY End Reversion	\$ 3,808,413
Balance Forward to Fiscal Year 2010	18,417
<b>Total Reversion</b>	<b>\$ 3,826,830</b>

## COMPONENTS OF SALES AND USE TAX RATES

<u>NRS CHAPTER</u>	<u>TAX RATE</u>	<u>DESCRIPTION</u>	<u>DISTRIBUTION</u>	<u>COUNTY IMPOSED</u>
<b>Minimum Statewide Tax Rate:</b>				
372	2.00%	Sales Tax	To the State General Fund	ALL
374	2.25%	Local School Support Tax	<u>In-State Business Returns:</u> Tax is distributed to the school district in which the business is located. <u>Out-of-State Business Returns:</u> Tax is distributed to the State Distributive Schools Fund.	ALL
377	0.50%	Basic City-County Relief Tax	<u>In-State Business Returns:</u> Tax is distributed to the county where the sale was made. <u>Out-of-State Business Returns:</u> Tax is distributed to counties and cities based on a population formula.	ALL
	1.75%	Supplemental City-County Relief Tax	Tax is distributed to all qualifying local governments according to statutory formula.	ALL
	<hr/> 6.50%	MINIMUM STATEWIDE TAX RATE		
<b>Option Taxes:</b>				
374A	0.125%	Extraordinary maintenance, repair or improvement of schools.	Tax is distributed to the county where the sale was made.	White Pine
377A	0.25%	Promotion of Tourism - limited to counties with population of 400,000 or less. Operation & maintenance of a county swimming pool - limited to counties with population of less than 15,000. (voter approval)	Tax is distributed to the county where the sale was made.	Storey
377A	0.50% max	Public Mass Transportation; Construction of Roads; Improvements to Air Quality (voter approval)	Tax is distributed to the county where the sale was made.	Carson City, Churchill, Nye, and White Pine 0.25%; Washoe 0.375%, Clark 0.5%
543	0.25%	Control of Floods - limited to counties with population of 400,000 or more. (voter approval)	Tax is distributed to the county where the sale was made.	Clark
376A	0.25%	Open Space - limited to counties with population between 100,000 & 400,000. (voter approval)	Tax is distributed to the county where the sale was made.	
354	0.25%	Severe Financial Emergency - determined by Department of Taxation. (Nevada Tax Commission approval)	Tax is distributed to the county where the sale was made.	White Pine 7/1/06 - 6/30/08

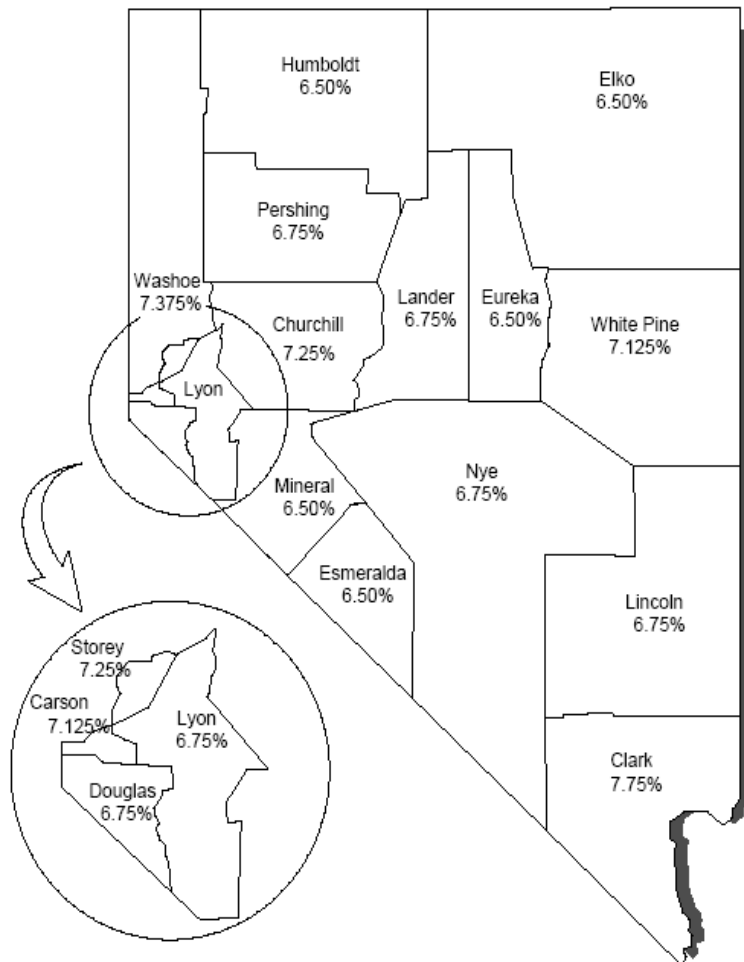
<u>NRS CHAPTER</u>	<u>TAX RATE</u>	<u>DESCRIPTION</u>	<u>DISTRIBUTION</u>	<u>COUNTY IMPOSED</u>
377B	0.25%	Infrastructure - limited to counties with population less than 100,000 or greater than 400,000. (county commission approval)	Tax is distributed to the county where the sale was made.	Churchill, Clark, Lander, Lincoln, Lyon, Pershing, Storey, White Pine
377B	0.125%	Infrastructure - limited to counties with population between 100,000 & 400,000. (county commission approval)	Tax is distributed to the county where the sale was made.	Carson, Washoe
<b>Special and Local Acts:</b>				
377.057 Reviser's Notes	0.25%	Local Government Tax Act - Washoe & Churchill counties. (county commission approval)	Tax is distributed to the county where the sale was made. Intracounty distributions to local governments are made according to a statutory formula.	Churchill, Washoe
477	0.25%	Tricounty Railway Commission - Carson City, Lyon & Storey counties. (voter approval) Effective 7/01 - name changed to NV Commission for Restoration of the V & T Railway - Douglas & Washoe counties' representatives added to board.	Tax is distributed to the county where the sale was made.	Storey
506	0.125%	Washoe Railroad Grade Project. (county commission approval)	Tax is distributed to the county where the sale was made.	Washoe
14	1.00%	Elko County Hospital Tax. (voter approval)	Tax is distributed to the county where the sale was made.	Elko vote failed 5/6/1997
16 CC ORD 21.07.020	0.25%	Carson City Open Space Tax - Amendment to Carson City Charter. (voter approval)	Tax is distributed to the county where the sale was made.	Carson City
AB174 DO ORD 99-877	0.25%	Douglas County Sales and Use Tax Act. (voter approval)	Tax is distributed to the county where the sale was made.	Douglas
SB208	0.25%	This bill amended the language in NRS 377A to provide for the voter approved override to fund the operations & maintenance of a swimming pool.	Tax is distributed to the county where the sale was made. Effective 10/01/06 collection is suspended until pool is built.	White Pine Collection is suspended effective 10/1/2006
SB273	0.25%	This bill amended the language of NRS 377A to provide for the voter approved override to fund improvements to air quality.	Tax is distributed to the county where the sale was made.	
AB418	0.25%	Clark County Sales & Use Tax Act of 2005	Tax is distributed to the county where the sale was made.	Clark
SB74	0.25%	This bill amended the language of NRS 377B to provide funds for judicial and/or public safety infrastructure projects.	Tax is distributed to the county where the sale was made.	Lyon, Pershing, White Pine



**LOCAL SALES AND USE TAX RATES AS OF 6/30/09**

COUNTY RATE	COUNTY	RATE	PROVISION	USE OF PROCEEDS	DATE IMPOSED
	Carson City	0.250	377A	Public Roads	1/1/1987
	Carson City	0.250	By Ordinance	Open Space	7/1/1997
7.125	Carson City	0.125	377B	V&T Railroad Bonds	4/1/2006
	Churchill	0.250	377A	Public Roads	11/1/1986
	Churchill	0.250	377.057	Local Government Tax Act	10/1/1991
7.250	Churchill	0.250	377B	Infrastructure	10/1/2005
	Clark	0.250	543	Flood Control	3/1/1987
	Clark	0.250	377A	Regional Transportation	7/1/1991
	Clark	0.250	377B	Southern NV Water Authority	4/1/1999
	Clark	0.250	377A	Regional Transportation ¼% increase	10/1/2003
7.750	Clark	0.250	AB418	Police Support	10/1/2005
6.750	Douglas	0.250	AB174	Miscellaneous Facilities & Services	7/1/1999
6.750	Lander	0.250	377B	Water Treatment	4/1/2004
6.750	Lincoln	0.250	377B	School / Public Utilities	1/1/2001
6.750	Lyon	0.250	377B	Infrastructure/Public Safety	10/1/2008
6.750	Nye	0.250	377A	Public Roads	5/1/1986
6.750	Pershing	0.250	377B	Infrastructure/Public Safety	10/1/2008
	Storey	0.250	377A	Tourism	8/1/1985
	Storey	0.250	477	V & T Railroad Commission	1/1/1996
7.250	Storey	0.250	377B	School / Public Utilities	1/1/2001
	Washoe	0.125	377A	Regional Transportation	11/1/1982
	Washoe	0.250	377.057	Local Government Tax Act	10/1/1991
	Washoe	0.125	377B	Flood/Public Safety	4/1/1999
	Washoe	0.125	506	Railroad Grade Project	4/1/1999
7.375	Washoe	0.250	377A	Regional Transportation ¼% increase	7/1/2003
	White Pine	0.250	377A	Public Roads	11/1/1986
	White Pine	0.125	374A	School Capital Improvement	4/1/2000
7.125	White Pine	0.250	377B	Infrastructure/Public Safety	10/1/2007

6.50 % Statewide rate applies to all other counties not listed.

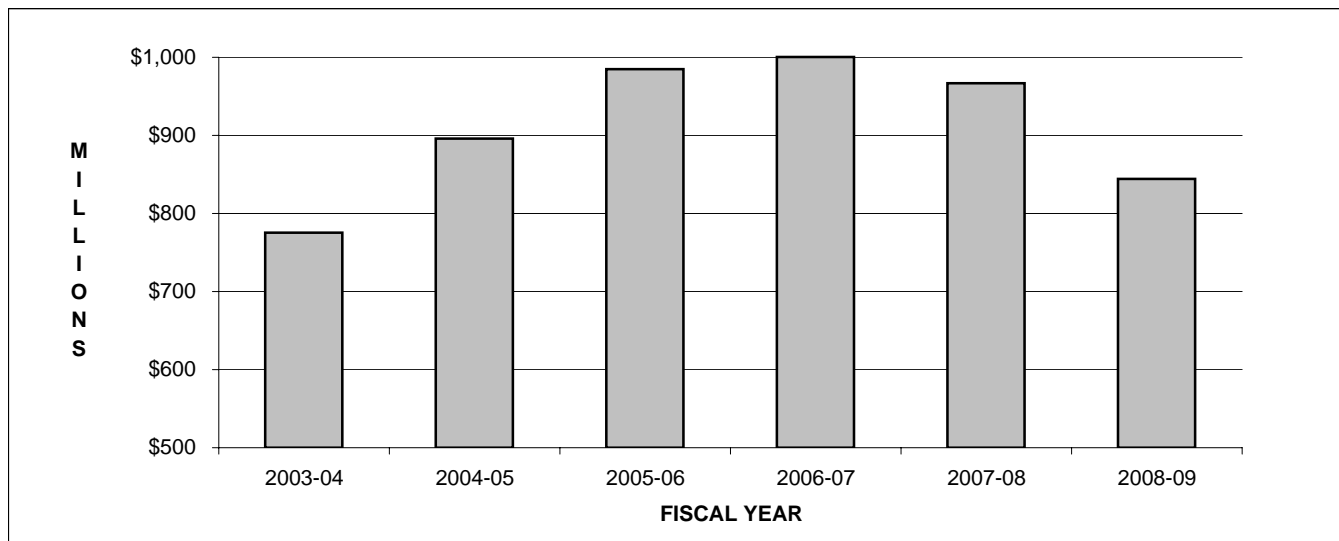


# CERTIFIED POPULATION

Census population pursuant to NRS 360.285. The following population figures were used, as directed by specific statute, for allocation of tax revenue in fiscal year 2008-09.

<b>CARSON CITY</b>	57,723	<b>HUMBOLDT COUNTY</b>	18,052
		Winnemucca	7,646
<b>CHURCHILL COUNTY</b>	27,190	<b>LANDER COUNTY</b>	5,747
Fallon	8,452	Austin	275
<b>CLARK COUNTY</b>	1,954,319	Battle Mountain	2,845
Boulder City	15,863	Kingston	309
Henderson	260,161	<b>LINCOLN COUNTY</b>	4,184
Las Vegas	590,321	Caliente	1,089
Mesquite	18,787	Alamo	427
North Las Vegas	210,472	Panaca	595
Bunkerville	1,255	Pioche	791
Enterprise	143,917	<b>LYON COUNTY</b>	55,903
Indian Springs	1,659	Yerington	19,585
Laughlin	8,807	Fernley	3,319
Moapa	1,201	<b>MINERAL COUNTY</b>	4,377
Moapa Valley	8,085	<b>NYE COUNTY</b>	46,308
Mt. Charleston	1,179	Amargosa	1,503
Paradise	185,935	Beatty	1,059
Searchlight	798	Gabbs	322
Spring Valley	176,815	Manhattan	140
Summerlin	26,415	Pahrump	37,928
Sunrise Manor	191,966	Round Mountain	831
Whitney	36,182	Tonopah	2,610
Winchester	37,561	<b>PERSHING COUNTY</b>	7,075
<b>DOUGLAS COUNTY</b>	52,386	Lovelock	2,465
Gardnerville	5,394	<b>STOREY COUNTY</b>	4,293
Genoa	252	<b>WASHOE COUNTY</b>	418,061
Minden	3,239	Reno	220,613
<b>ELKO COUNTY</b>	50,434	Sparks	89,449
Carlin	2,295	<b>WHITE PINE COUNTY</b>	9,590
Elko	18,427	Ely	4,294
Wells	1,508	Lund	153
West Wendover	4,958	McGill	1,051
Jackpot	1,217	Ruth	374
Montello	165	<b>TOTAL STATEWIDE POPULATION</b>	2,718,337
Mountain City	129		
<b>ESMERALDA COUNTY</b>	1,236		
Goldfield	448		
Silver Peak	125		
<b>EUREKA COUNTY</b>	1,458		
Crescent Valley	289		
Eureka	431		

## SALES AND USE TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 775,196,218	\$ 58,915	\$ 775,255,133	13.93%
2004-05	895,961,537	56,830	896,018,368	15.58%
2005-06	984,963,434	72,538	985,035,972	9.93%
2006-07	1,000,145,956	70,577	1,000,216,533	1.54%
2007-08	966,572,915	97,721	966,670,636	-3.35%
2008-09	844,003,992	79,858	844,083,850	-12.68%

### LEGAL CITATION

Chapter 372 Nevada Revised Statutes.

### RATE

2 percent on all taxable sales and taxable items of use.

### CURRENT DISTRIBUTION OF REVENUE

State General Fund.

### HISTORY

#### ORIGINALLY ENACTED

1955 session of State Legislature. Approved by referendum in 1956.

#### RATE

2 percent since inception. Referendum to raise to 3 percent defeated in 1963 by 2 to 1 margin.

#### REMOVAL OF SALES TAX FROM FOOD

On June 5, 1979, the voters, by special election, amended the Sales and Use Tax Act to provide for exemption of certain foods from taxation (effective July 1, 1979).

#### DISTRIBUTION

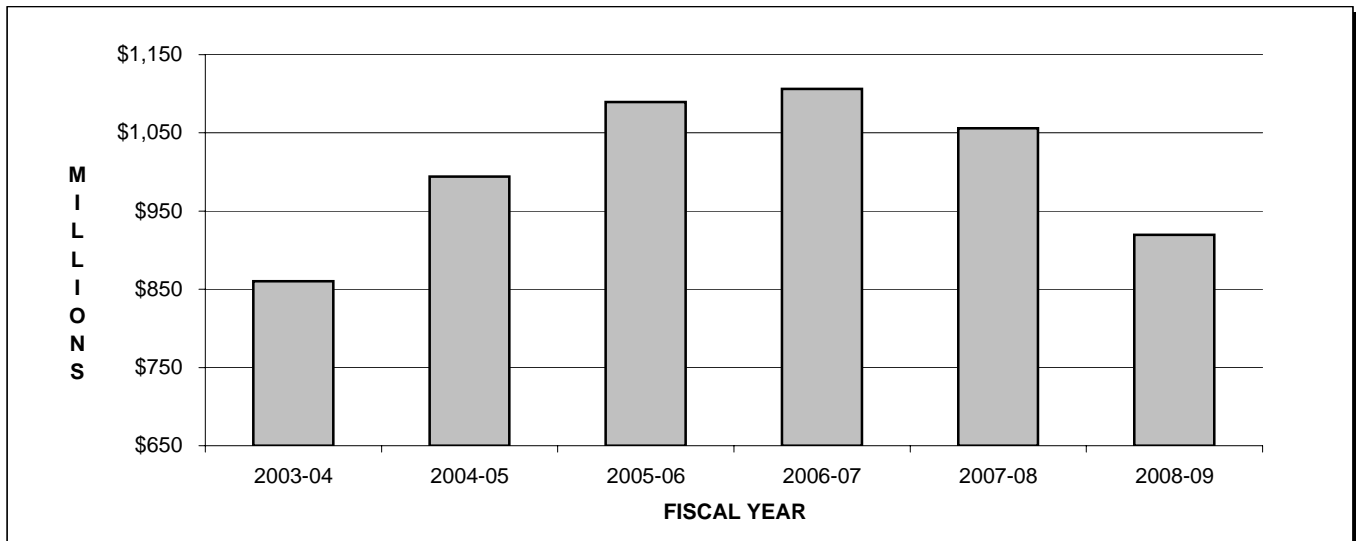
State General Fund since inception.

Sales and Use Tax Revenue (continued)

STATE 2% SALES AND USE TAX COLLECTION BY COUNTY  
FISCAL YEAR 2008-09

<b>COUNTY</b>	<b>TAXES AND FEES</b>	<b>% OF TOTAL</b>
Carson City	\$ 15,219,035	1.80%
Churchill	6,335,383	0.75%
Clark	630,773,776	74.73%
Douglas	11,713,097	1.39%
Elko	21,730,547	2.57%
Esmeralda	184,267	0.02%
Eureka	5,709,411	0.68%
Humboldt	10,178,154	1.21%
Lander	5,276,154	0.63%
Lincoln	505,434	0.06%
Lyon	6,802,468	0.81%
Mineral	747,052	0.09%
Nye	8,539,048	1.01%
Pershing	1,250,975	0.15%
Storey	1,175,982	0.14%
Washoe	111,833,191	13.25%
White Pine	4,399,672	0.52%
Out of State	7,285	0.00%
STAR Bonds Transfers	1,702,917	0.20%
<b>TOTAL</b>	<b>\$ 844,083,850</b>	<b>100.00%</b>

# LOCAL SCHOOL SUPPORT TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 860,367,538	\$ 58,915	\$ 860,426,453	13.82%
2004-05	994,084,828	58,109	994,142,937	15.54%
2005-06	1,089,312,186	72,537	1,089,384,723	9.58%
2006-07	1,106,289,125	70,622	1,106,359,747	1.56%
2007-08	1,055,801,660	98,261	1,055,899,921	-4.56%
2008-09	919,541,400	79,860	919,621,260	-12.91%

**LEGAL CITATION**

Chapter 374 Nevada Revised Statutes.

**RATE**

2.25 percent on all taxable sales and taxable items of use.

**CURRENT DISTRIBUTION OF REVENUE**

99.25 percent of in-state collections returned to county of origin for distribution to school districts; .75 percent to State General Fund. 99.25 percent of out-of-state collections and other fees to State Distributive School Fund; .75 percent to State General Fund.

**HISTORY**

**ORIGINALLY ENACTED**

1967 session of State Legislature. Held constitutional by Nevada Supreme Court, June 1967; effective July 1, 1967. Amended 1981 session of State Legislature, effective May 1, 1981. Amended 1991 session of State Legislature, effective October 1, 1991.

**RATE**

July 1, 1967 to April 30, 1981 - 1 percent on all taxable sales and taxable items of use.

May 1, 1981 - 1.50 percent on all taxable sales and taxable items of use.

October 1, 1991 - 2.25 percent on all taxable sales and taxable items of use.

Local School Support Tax Revenue (continued)

DISTRIBUTION

July 1, 1967 to April 30, 1981 - 99 percent of in-state collections returned to county of origin for distribution to school districts. 1 percent to State General Fund. All out-of-state collections and other fees to State Distributive School Fund.

May 1, 1981 - State General Fund Commission reduced to .50 percent.

October 1, 1991 - State General Fund Commission increased to include collections on out-of-state sales.

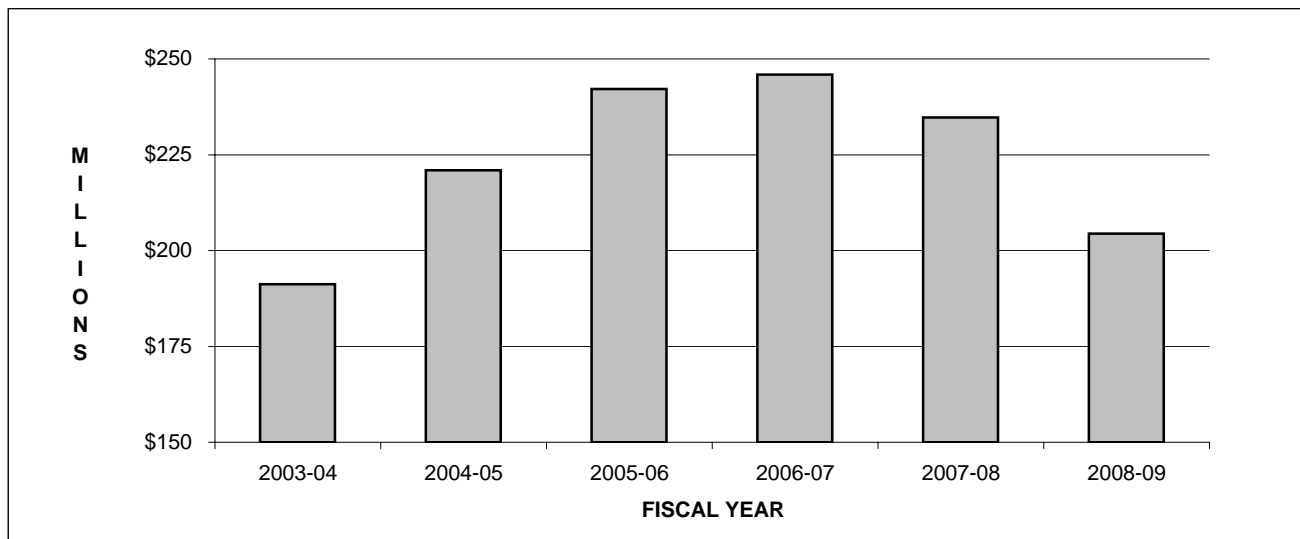
July 1, 1993 - State General Fund Commission increased from .50 percent to 1 percent on in-state and out-of-state collections.

July 1, 1999 - State General Fund Commission decreased from 1 percent to .75 percent on in-state and out-of-state collections.

LOCAL SCHOOL SUPPORT TAX DISTRIBUTION  
FISCAL YEAR 2008-09

COUNTY	TAX	% OF TOTAL
Carson City	\$ 15,039,779	1.64%
Churchill	5,655,646	0.61%
Clark	613,140,653	66.67%
Douglas	11,215,465	1.22%
Elko	24,001,146	2.61%
Esmeralda	99,417	0.01%
Eureka	1,747,546	0.19%
Humboldt	8,826,696	0.96%
Lander	2,483,227	0.27%
Lincoln	319,502	0.03%
Lyon	4,865,193	0.53%
Mineral	373,476	0.04%
Nye	5,899,659	0.64%
Pershing	485,266	0.05%
Storey	535,412	0.06%
Washoe	120,369,201	13.09%
White Pine	2,202,530	0.24%
<b>Total County School District Distribution</b>	<b>\$ 817,259,814</b>	<b>88.87%</b>
STAR Bonds Transfers	1,889,354	0.21%
State General Fund	6,896,561	0.75%
State Distributive School Fund	93,575,531	10.18%
<b>TOTAL</b>	<b>\$ 919,621,260</b>	<b>100.00%</b>

## BASIC CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 191,201,330	\$ 58,915	\$ 191,260,245	13.85%
2004-05	220,909,292	58,672	220,967,964	15.53%
2005-06	242,077,670	72,590	242,150,260	9.59%
2006-07	245,814,672	70,622	245,885,294	1.54%
2007-08	234,637,420	98,261	234,735,681	-4.53%
2008-09	204,317,649	79,860	204,397,509	-12.92%

**LEGAL CITATION**

Chapter 377 Nevada Revised Statutes.

**RATE**

1/2 of 1 percent of all taxable sales and taxable items of use.

**CURRENT DISTRIBUTION OF REVENUE**

99.25 percent of in-state collections returned to county of origin for distribution to eligible local governments through the Consolidated Tax Program; .75 percent to State General Fund; 99.25 percent out-of-state collections prorated amongst counties, on the basis of population ratio, for distribution to local governments through the Consolidated Tax Program; .75 percent to State General Fund.

HISTORY

**ORIGINALLY ENACTED**

1969 session of State Legislature as the City/County Relief Tax, effective July 1, 1969. Levy effected by county ordinance.

Collected in Clark and Washoe Counties as of July 1, 1969; Lyon County, January 1, 1971; Douglas, Elko, Humboldt, Lincoln, Mineral Counties, May 1, 1971; Nye County, June 1, 1972; Pershing County, July 1, 1972; Churchill County, July 1, 1973; Carson City, April 1, 1976; Storey County, July 1, 1976; Lander County, July 1, 1979; White Pine County, July 1, 1980; Esmeralda and Eureka Counties, May 1, 1981.

1969 levied for city/county support. 99 percent of in-state collections returned to county of origin; 1 percent to State General Fund; 100 percent out-of-state collections prorated amongst counties levying the tax; combined collections distributed as follows: if no cities within county, 100 percent to county; if one city within county, to county and city, on basis of population ratio; if two or more cities within county, to cities only on basis of population ratio.

Basic City/County Relief Tax Revenue (continued)

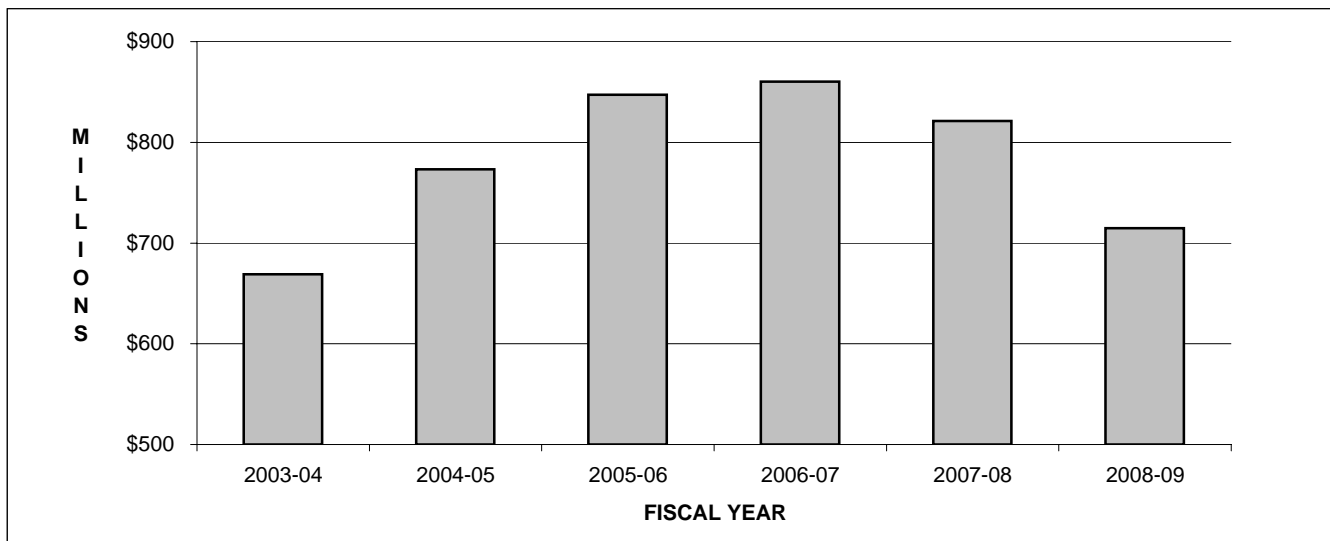
AMENDMENTS	1981	1981 session of State Legislature; name changed to Basic City/County Relief Tax effective May 1, 1981 and levy required by State Statute. May 1, 1981 General Fund Commission reduced to .50 percent.
	1991	Effective October 1, 1991, .50 percent General Fund Commission was imposed on out-of-state collections.
	1993	Effective July 1, 1993 General Fund Commission increased to 1 percent on in-state and out-of-state collections.
	1997	The 1997 Legislature created the Consolidated Tax Program. Beginning FY 98-99, the Department implemented the program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution. Total allocation by county is transferred to the Consolidated Tax Account for distribution to individual local governments within the county.
	1999	Effective July 1, 1999 General Fund Commission decreased to .75 percent on in-state and out-of-state collections.

BASIC CITY/COUNTY RELIEF TAX TRANSFER  
TO CONSOLIDATED TAX  
FISCAL YEAR 2008-09

COUNTY	TAX	% OF TOTAL
Carson City	\$ 3,938,259	1.93%
Churchill	1,503,470	0.74%
Clark	150,402,117	73.58%
Douglas	2,991,330	1.46%
Elko	5,077,828	2.48%
Esmeralda	49,683	0.02%
Eureka	1,170,911	0.57%
Humboldt	2,403,002	1.18%
Lander	1,158,645	0.57%
Lincoln	127,233	0.06%
Lyon	1,889,101	0.92%
Mineral	192,890	0.09%
Nye	2,247,758	1.10%
Pershing	291,704	0.14%
Storey	294,439	0.14%
Washoe	27,749,796	13.58%
White Pine	970,935	0.48%
Total County Transfers	\$ 202,459,100	99.05%
STAR Bonds Transfers	406,026	0.20%
State General Fund	1,532,383	0.75%
<b>Total</b>	<b>\$ 204,397,509</b>	<b>100.00%</b>



## SUPPLEMENTAL CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 669,173,311	13.82%
2004-05	773,176,301	15.54%
2005-06	847,240,463	9.58%
2006-07	860,350,985	1.55%
2007-08	821,054,034	-4.57%
2008-09	714,904,236	-12.93%

**LEGAL CITATION**

Chapter 377, Nevada Revised Statutes.  
Chapter 354, Nevada Revised Statutes.

**RATE**

1.75 percent of all taxable sales and taxable items of use.

**CURRENT DISTRIBUTION OF REVENUE**

99.25 percent of total collections returned to local governments through Consolidated Tax Program based on distribution formula; .75 percent to State General Fund.

HISTORY

**ORIGINALLY ENACTED**

1981 session of State Legislature; effective May 1, 1981.

**AMENDMENTS**

1983

Fire districts organized pursuant to Chapter 473 of Nevada Revised Statutes to be included in the distribution. Shifted authority to grant reserve fund distributions from the Interim Legislative Committee on Local Government Finance to the Nevada Tax Commission.

Supplemental City/County Relief Tax Revenue (continued)

AMENDMENTS (continued)	1985	Changed distribution of excess supplemental city/county relief tax receipts. When all entities within a county have received the maximum supplemental city/county relief tax allowable, excess is then deposited in the Reserve Fund. Shifted authority to grant Reserve Fund distributions from the Nevada Tax Commission to the Interim Finance Committee. Established the following maximum Reserve Fund amounts: 1.) \$10,000,000 for distribution to local governments in the event actual receipts in any one year are less than the estimated receipts for that year. 2.) \$2,500,000 for emergency distributions to local governments if unforeseen or uncontrollable conditions, existing or imminent, substantially impair the financial capacity of a local government to provide the basic services for which it was created. 3.) Any amount in excess of \$12,500,000 in the fund, at the beginning of the year, must be distributed to local governments in the following fiscal year.
	1987	Eliminated redevelopment districts from the distribution of supplemental city/county relief tax.
	1989	Removed the limitations on the amount of supplemental city/county relief tax a local government may receive in any one fiscal year. Eliminated the Reserve Fund and created the Emergency Fund of the supplemental city/county relief tax. The amount of the fund was set at \$2,500,000. Created the Redistribution Fund for the supplemental city/county relief tax and provided specific dollar allocations to the Town of Laughlin, Clark County, Churchill County and Elko County.
	1991	Changed distribution of supplemental city/county relief tax at the county level. First a group of selected counties receive a guaranteed distribution from the total collections. The remaining funds are allocated to a second group of counties based on the percentage of county collections to the total collections for the group. Adjustments to ease the impact of the legislation to certain counties are made to the distribution formula. Counties in the guaranteed group will be moved into the point-of-origin group if their collections outpace their distribution by 10 percent in a fiscal year. Intracounty distributions were not amended by the Legislature. The Local Government Tax Act of 1991 authorized certain counties that were negatively impacted by the rebasing of the distribution formula to impose certain taxes to make up the revenue loss.
	1993	<p>The Local Government Tax Act of 1993 authorized certain counties that were negatively impacted by additional rebasing of the distribution formula to impose certain taxes to make up the revenue loss. These additional taxes, if imposed, are to be levied from October 1, 1993 through September 30, 1994.</p> <p>Effective July 1, 1993 General Fund Commission increased to 1 percent on in-state and out-of-state collections.</p>
	1997	The 1997 Legislature created the Consolidated Tax Program. Beginning FY 98-99, the Department implemented the program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution. Total allocation by county is transferred to the Consolidated Tax Account for distribution to individual local governments within the county.
	1999	Effective July 1, 1999 General Fund Commission decreased to .75 percent on in-state and out-of-state collections.

SUPPLEMENTAL CITY/COUNTY RELIEF TAX TRANSFER  
TO CONSOLIDATED TAX  
FISCAL YEAR 2008-09

<b>COUNTY</b>	<b>TAX</b>	<b>% OF TOTAL</b>
Carson City	\$ 13,299,970	1.86%
Churchill	4,940,101	0.69%
Clark	514,635,034	71.99%
Douglas	16,735,115	2.34%
Elko	17,850,440	2.50%
Esmeralda	1,167,757	0.16%
Eureka	4,414,015	0.62%
Humboldt	8,618,260	1.21%
Lander	2,925,887	0.41%
Lincoln	1,410,622	0.20%
Lyon	12,438,260	1.74%
Mineral	1,871,204	0.26%
Nye	7,198,486	1.01%
Pershing	2,217,787	0.31%
Storey	1,844,674	0.26%
Washoe	93,264,088	13.05%
White Pine	3,220,701	0.45%
Total County Transfers	\$ 708,052,402	99.04%
STAR Bonds Transfers	1,490,052	0.21%
State General Fund	5,361,782	0.75%
<b>TOTAL</b>	<b>\$ 714,904,236</b>	<b>100.00%</b>

**SEVERE FINANCIAL EMERGENCY FUND**

Fund Balance June 30, 2008 \$ 706,834

Supplemental City/County Relief Tax (continued)

LOCAL GOVERNMENT TAX ACTS OF 1991 AND 1993  
SPECIAL FUND COLLECTIONS AND DISTRIBUTIONS  
FISCAL YEAR 2008-09

**COLLECTIONS**

**CHURCHILL COUNTY**

Sales and Use Tax	\$	718,824
Motor Vehicle Privilege Tax		551,380
Real Property Transfer Tax		14,779
Property Tax		150,878
Interest		2,463
<b>TOTAL</b>	<b>\$</b>	<b><u>1,438,324</u></b>

**WASHOE COUNTY**

Sales and Use Tax	\$	14,126,500
Motor Vehicle Privilege Tax		804
Gaming License Fee		385,377
Real Property Transfer Tax		661,428
Property Tax		4,120,875
Interest		28,278
<b>TOTAL</b>	<b>\$</b>	<b><u>19,323,262</u></b>

**DISTRIBUTIONS**

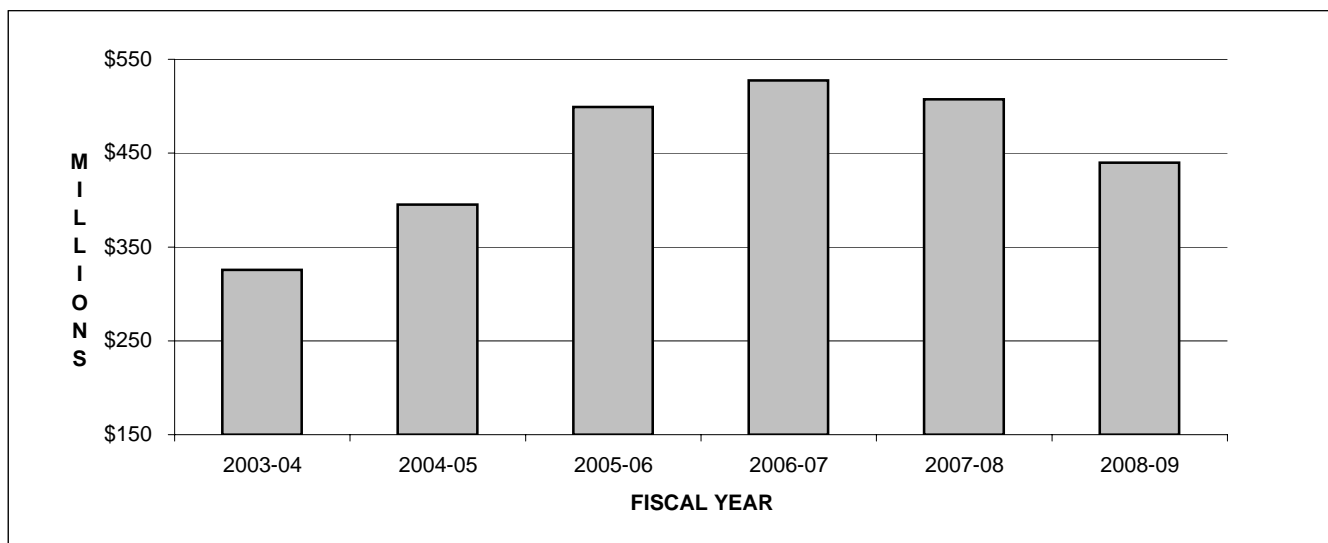
**CHURCHILL COUNTY**

	\$	1,059,969
Fallon		301,111
Other		77,244
<b>TOTAL</b>	<b>\$</b>	<b><u>1,438,324</u></b>

**WASHOE COUNTY**

	\$	12,863,563
Reno		2,871,495
Sparks		1,508,931
Other		2,079,274
<b>TOTAL</b>	<b>\$</b>	<b><u>19,323,263</u></b>

## LOCAL OPTION SALES AND USE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 325,477,883	40.08%
2004-05	395,314,926	21.46%
2005-06	499,145,620	26.27%
2006-07	527,523,494	5.69%
2007-08	507,457,607	-3.80%
2008-09	439,722,982	-13.35%

### LEGAL CITATION

Chapter 377A, Nevada Revised Statutes.  
Chapter 543, Nevada Revised Statutes.

### RATE

.125 or .25 percent of all taxable sales and taxable items of use in a county.

### CURRENT DISTRIBUTION OF REVENUE

Per NRS 377A.020: The board of county commissioners may impose a tax of .25 percent for mass transit or the construction of public roads; or counties with population of less than 400,000 may impose a .25 percent tax for the promotion of tourism. NRS 377B.100 provides that a county, under certain population requirements, may impose up to .25 percent tax for infrastructure; NRS 543.600 provides that a county whose population is 400,000 or more may impose a .25 percent tax for the purpose of flood control. 99.25 percent of collection returned to county of origin; .75 percent to State General Fund. Special Acts of the Legislature have provided for certain counties to impose additional option taxes for specific local purposes.

### HISTORY

### ORIGINALLY ENACTED

1981 session of State Legislature. Washoe County enacted ordinance effective November 1, 1982; Storey County effective August 1, 1985; Nye County effective May 1, 1986; Churchill and White Pine Counties effective November 1, 1986; Carson City effective January 1, 1988; and Clark County effective March 1, 1988.

Local Option Sales and Use Tax (continued)

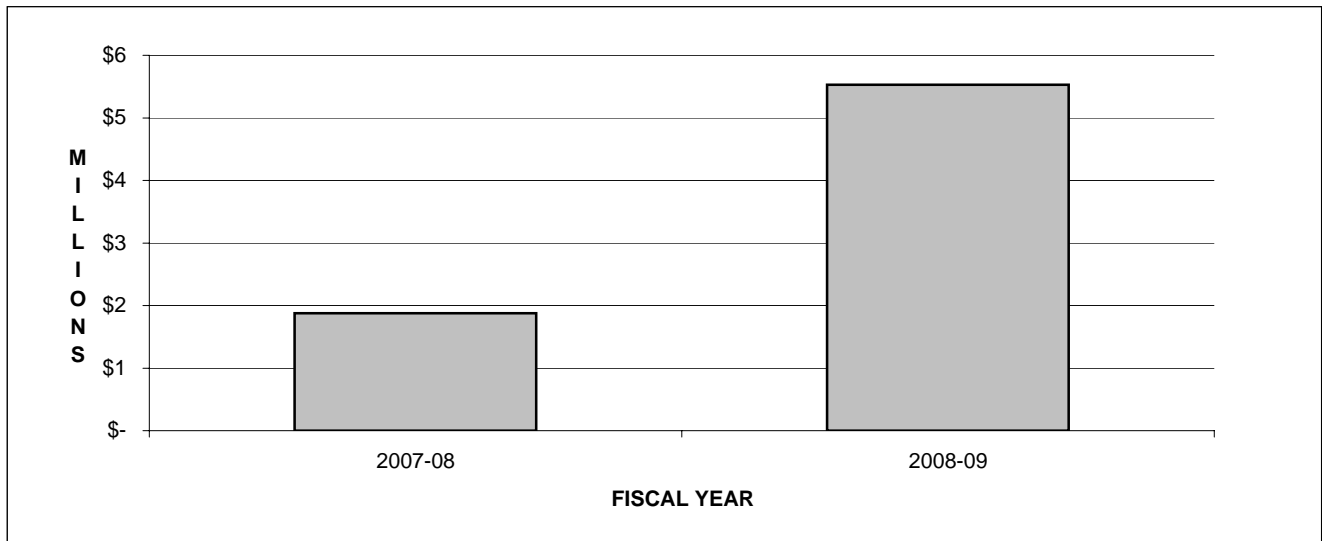
AMENDMENTS	1985	Amended NRS 377A.020 by adding that the tax may be used for the construction of public roads, and NRS 543.600 stipulates for the purpose of flood control.
	1989	Amended NRS 543.600 by increasing the population limitation from 250,000 to 400,000 or more in a county that may consider imposing a tax for flood control.
	1991	Implemented the Local Government Tax Act of 1991, AB 104 authorizing certain counties that were negatively impacted by the change to the Supplemental County/City Relief Tax distribution formula to impose by county ordinance an additional $\frac{1}{4}$ of 1 percent sales and use tax.
	1993	Implemented the Local Government Tax Act of 1993, SB 506 authorizing certain additional counties that were negatively impacted by additional changes to the Supplemental City/County Relief Tax distribution formula to impose by county ordinance $\frac{1}{4}$ of 1 percent sales and use tax from October 1, 1993 through September 30, 1994.  Effective July 1, 1993 General Fund Commission increased to 1 percent on in-state and out-of-state collections.
	1995	Allowed the Tri-County Railway Commission to impose $\frac{1}{4}$ of 1 percent sales and use tax in a county upon approval of the voters.
	1997	Ratified Carson City voter approval imposition of $\frac{1}{4}$ of 1 percent sales and use tax for open space. Added chapter 377B, tax for infrastructure to Nevada Revised Statutes.
	1999	Added Chapter 374A, $\frac{1}{8}$ of 1 percent tax for extraordinary maintenance, repair or improvement of school facilities.  Effective July 1, 1999 General Fund Commission decreased to .75 percent on in-state and out-of-state collections.
	2003	Added NRS 377A.062 that the tax for miscellaneous purposes may be used to support the operation and maintenance of a county swimming pool.
	2005	Passed the Clark County Sales and Use Tax Act of 2005. The revenues are to be used to employ and equip additional police officers.  Amended Chapter 377B to allow the tax for infrastructure to be used for the construction or renovation of facilities having cultural or historical value. Also allows the tax to be used for the maintenance and operation of wastewater treatment facilities.
	2007	Amended Chapter 377B to allow the tax for infrastructure to be used for judicial and/or public safety infrastructure projects.

Local Option Sales and Use Tax (continued)

LOCAL OPTION SALES AND USE TAX DISTRIBUTION  
FISCAL YEAR 2008-09

COUNTY	PROVISION	USE OF PROCEEDS	DATE IMPOSED	AMOUNT
<b><u>Option Taxes</u></b>				
Carson City	377A	Public Roads	1/1/1987	\$ 1,889,080
Carson City	377B	V&T Railroad Bonds	4/1/2006	943,209
Churchill	377A	Public Roads	11/1/1986	719,057
Churchill	377B	Infrastructure	10/1/2005	718,341
Clark	377A	Regional Transportation	7/1/1991	} 149,922,311
Clark	377A	Regional Transportation ¼% increase	10/1/2003	
Clark	377B	So NV Water Authority	4/1/1999	75,034,067
Clark	543	Flood Control	3/1/1987	75,034,138
Lander	377B	Water Treatment	4/1/2004	654,538
Lincoln	377B	School / Public Utilities	1/1/2001	62,457
Lyon	377B	Infrastructure	10/1/2008	561,543
Nye	377A	Public Roads	5/1/1986	1,058,133
Pershing	377B	Infrastructure	10/1/2008	109,476
Storey	377A	Tourism	8/1/1985	145,647
Storey	377B	School / Public Utilities	1/1/2001	145,399
Washoe	377A	Regional Transportation	11/1/1982	} 21,125,062
Washoe	377A	Regional Transportation ¼% increase	7/1/2003	
Washoe	377B	Flood/Public Safety	4/1/1999	7,041,028
White Pine	374A	School Cap Improvement	4/1/2000	271,811
White Pine	377A	Public Roads	11/1/1986	543,790
White Pine	377A	Swimming Pool	10/1/2003	1,449
White Pine	354	Operating/Severe Fin. Emergency	7/1/2006	3,963
White Pine	377B	Infrastructure/Public Safety	10/1/2007	540,385
<b><u>Special Acts</u></b>				
Churchill		Local Government Tax Act	10/1/1991	718,824
Clark		Police Support	10/1/2005	74,556,172
Storey		Tricounty Railway Commission	1/1/1996	145,399
Washoe		Railroad Grade Project	4/1/1999	7,080,474
Washoe		Local Government Tax Act	10/1/1991	14,076,500
<b><u>Miscellaneous Amendments</u></b>				
Carson City		Open Space	7/1/1997	1,889,028
Douglas		Misc Facilities & Services	7/1/1999	1,433,778
Total to Counties				\$ 436,425,060
State General Fund				3,297,922
<b>TOTAL</b>				<b>\$ 439,722,982</b>

# STAR BOND REVENUE



FISCAL YEAR	TOTAL REVENUE	% CHANGE FROM PRIOR YEAR
2007-08	\$ 1,875,095	N/A
2008-09	5,529,823	194.91%

**LEGAL CITATION**

Chapter 271A, Nevada Revised Statutes.

**CURRENT DISTRIBUTION OF REVENUE**

Up to 75 percent of the Sales and Use Tax generated in a Tourist Improvement District may be pledged toward the repayment of the bonds. The pledge does not include Local Option Sales and Use Taxes, or any amount above 2.25 percent of the Local School Support Tax rate; 0.75 percent to the State General Fund.

HISTORY

**ORIGINALLY ENACTED**

2005 session of State Legislature. Became effective July 1, 2005.

The statute provides the means for municipalities to create Tourism Improvement Districts. The taxable sales generated in these districts may be pledged toward the payment of bonds issued by the municipality to finance projects in the districts.



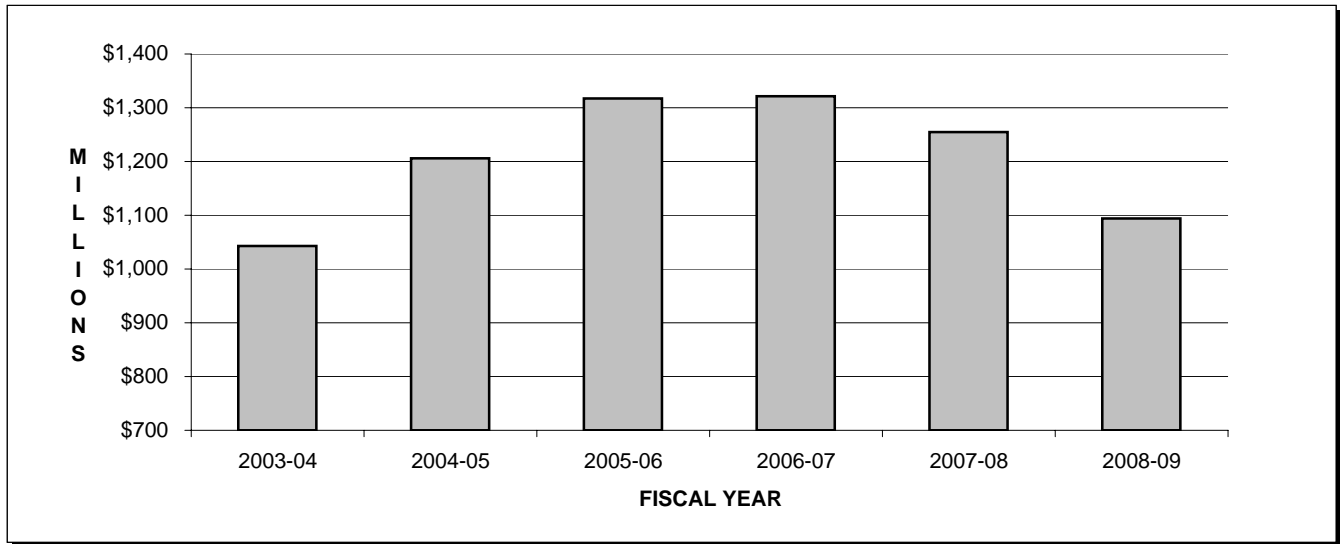
# TAXABLE SALES COMPARISON

## Taxable Sales Comparison by County

County	Fiscal Year 2007-08	Fiscal Year 2008-09	% Change
Carson City	\$ 919,266,455	\$ 761,379,338	-17.2%
Churchill	294,410,639	321,713,562	9.3%
Clark	35,930,373,796	31,378,241,926	-12.7%
Douglas	691,609,263	584,679,285	-15.5%
Elko	1,148,378,661	1,101,163,907	-4.1%
Esmeralda	12,644,732	9,225,856	-27.0%
Eureka	328,505,567	285,941,988	-13.0%
Humboldt	508,712,673	498,791,105	-2.0%
Lander	228,213,607	264,108,594	15.7%
Lincoln	26,967,548	25,257,010	-6.3%
Lyon	385,591,313	340,283,585	-11.8%
Mineral	38,842,978	37,246,728	-4.1%
Nye	473,290,729	427,505,513	-9.7%
Pershing	67,278,641	62,892,280	-6.5%
Storey	121,243,768	59,577,852	-50.9%
Washoe	6,823,700,706	5,707,791,051	-16.4%
White Pine	197,817,869	220,814,758	11.6%
STATE TOTAL	\$ 48,196,848,945	\$ 42,086,614,338	-12.7%

The above comparisons for Fiscal Year 2007-08 and Fiscal Year 2008-09 on Taxable Sales are based on figures provided on Sales and Use Tax returns by registered permit holders in and out of the State of Nevada. Large increases or decreases may be due to audits, deficiency determinations, etc., performed on taxpayers doing business in a county.

# CONSOLIDATED TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 1,042,616,446	14.78%
2004-05	1,205,661,429	15.64%
2005-06	1,317,411,455	9.27%
2006-07	1,321,356,387	0.30%
2007-08	1,254,856,253	-5.03%
2008-09	1,093,819,175	-12.83%

**LEGAL CITATION**

Chapter 360, Nevada Revised Statutes.

**CURRENT DISTRIBUTION OF REVENUE**

Per NRS 360.600 through NRS 360.740; Revenues from the Supplemental City-County Relief Tax (SCCRT), Basic City-County Relief Tax (BCCRT), Cigarette Tax, Liquor Tax, Motor Vehicle Privilege Tax (MVPT) and Real Property Transfer Tax (RPTT) are pooled at the county level for distribution to the local governments under a single formula.

For counties, cities, towns and special districts, the lesser of prior year total distribution or prior year base is increased by the change in CPI over the prior calendar year to create the ensuing year base allocation. To the extent that there is revenue (from the six sources) in excess of what is necessary to allocate the base amount to the various local governments, the excess revenue will be distributed using a formula that incorporates population and growth statistics. "Enterprise" districts (user-fee based entities) initial base distribution is the amount that will be distributed for all subsequent fiscal years.

HISTORY

**ORIGINALLY ENACTED**

1997 session of State Legislature created the Local Government Tax Distribution Fund.

A base amount of revenue was initially established under the 1997 legislation. For counties, cities, towns and special districts, the total distribution is increased by the change in CPI over the prior calendar year to create the ensuing year base allocation.

Consolidated Tax (continued)

AMENDMENTS

- 2001 For counties, cities, towns and special districts, the lesser of prior year total distribution or prior year base is increased by the change in CPI over the prior calendar year to create the ensuing year base allocation.
- "One Plus" component of excess distribution to be phased out over the next 4 years.
- The City of Henderson received a one time base increase of \$4,000,000.
- 2005 SB 38 provides an additional method for calculating the excess amount of the base monthly amount to be allocated to local governments in which: (1) the average amount of the assessed valuation of taxable property attributable to the net proceeds of minerals over the preceding 5 fiscal years is at least \$50 million; (2) the average percentage of change in the population over the preceding 5 fiscal years is a negative figure; or (3) both. The bill applied retroactively to January 1, 2005, but did not affect money previously distributed to local governments.

CONSOLIDATED TAX  
SUMMARY OF THE REVENUE TRANSFERRED BY COUNTY  
FISCAL YEAR 2008-09

COUNTY	BCCRT	SCCRT	CIGARETTE	LIQUOR	RPTT	GST	TOTAL
CARSON CITY	\$ 3,938,259	\$ 13,299,970	\$ 284,956	\$ 62,640	\$ 221,591	\$ 2,449,057	\$ 20,256,473
CHURCHILL	1,503,470	4,940,101	134,114	29,478	81,286	1,302,715	7,991,164
CLARK	150,402,117	514,635,034	9,660,727	2,124,139	22,587,889	96,205,747	795,615,653
DOUGLAS	2,991,330	16,735,115	258,427	56,805	478,339	2,454,854	22,974,870
ELKO	5,077,828	17,850,440	249,147	54,775	214,233	3,694,862	27,141,285
ESMERALDA	49,683	1,167,757	6,107	1,343	3,353	148,104	1,376,347
EUREKA	1,170,911	4,414,015	7,270	1,601	4,469	239,578	5,837,844
HUMBOLDT	2,403,002	8,618,260	89,116	19,590	74,656	1,427,379	12,632,003
LANDER	1,158,645	2,925,887	28,487	6,266	17,013	621,458	4,757,756
LINCOLN	127,233	1,410,622	20,786	4,574	21,629	428,164	2,013,008
LYON	1,889,101	12,438,260	275,998	60,672	384,712	2,682,346	17,731,089
MINERAL	192,890	1,871,204	21,632	4,756	8,650	370,414	2,469,546
NYE	2,247,758	7,198,486	229,465	50,473	292,033	2,714,076	12,732,291
PERSHING	291,704	2,217,787	35,024	7,703	15,464	473,687	3,041,369
STOREY	294,439	1,844,674	21,267	4,678	97,048	316,014	2,578,120
WASHOE	27,749,796	93,264,088	2,068,745	454,939	3,637,856	22,385,472	149,560,896
WHITE PINE	970,935	3,220,701	47,434	10,431	21,000	838,960	5,109,461
<b>TOTAL</b>	<b>\$ 202,459,101</b>	<b>\$ 708,052,401</b>	<b>\$ 13,438,702</b>	<b>\$ 2,954,863</b>	<b>\$ 28,161,221</b>	<b>\$ 138,752,887</b>	<b>\$ 1,093,819,175</b>

BCCRT, SCCRT, Cigarette and Liquor taxes: Revenue for each county is transferred monthly to the Consolidated Tax Account by the Department of Taxation.

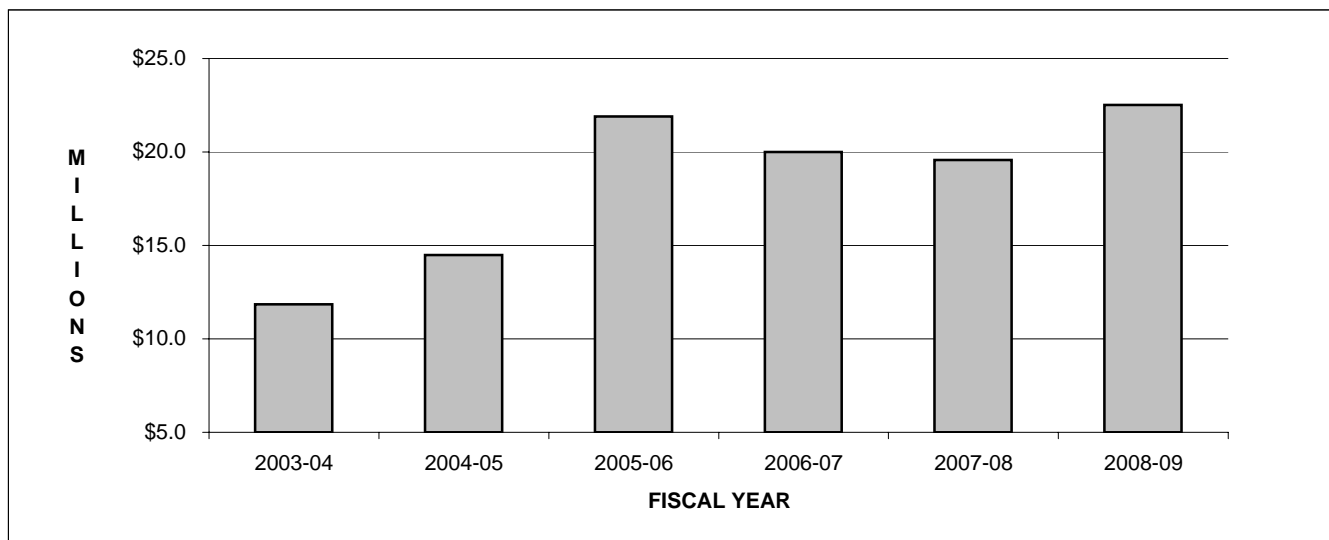
RPTT: Each county treasurer deposits to the Consolidated Tax Account, at least quarterly the revenue collected within the county.

GST: Revenue for each county is transferred monthly to the Consolidated Tax Account by the Department of Motor Vehicles.

CONSOLIDATED TAX DISTRIBUTION  
FISCAL YEAR 2008-09

<b>CARSON CITY</b>	\$ 19,969,587	<b>LANDER COUNTY</b>	\$ 3,754,750
Other	<u>286,887</u>	Other	<u>1,003,005</u>
TOTAL	\$ 20,256,474	TOTAL	\$ 4,757,755
<b>CHURCHILL COUNTY</b>	\$ 5,927,194	<b>LINCOLN COUNTY</b>	\$ 1,472,232
Fallon	1,762,099	Caliente	163,123
Other	<u>301,871</u>	Other	<u>377,653</u>
TOTAL	\$ 7,991,164	TOTAL	\$ 2,013,008
<b>CLARK COUNTY</b>	\$ 277,391,610	<b>LYON COUNTY</b>	\$ 15,858,014
Boulder City	8,045,535	Yerington	384,461
Henderson	77,752,314	Other	<u>1,488,614</u>
Las Vegas	219,964,997	TOTAL	\$ 17,731,089
Mesquite	7,253,708	<b>MINERAL COUNTY</b>	\$ 2,333,310
North Las Vegas	39,642,953	Other	<u>136,238</u>
Other	<u>165,564,536</u>	TOTAL	\$ 2,469,548
TOTAL	\$ 795,615,653	<b>NYE COUNTY</b>	\$ 10,781,646
<b>DOUGLAS COUNTY</b>	\$ 12,449,289	Gabbs	84,271
Other	<u>10,525,580</u>	Other	<u>1,866,375</u>
TOTAL	\$ 22,974,869	TOTAL	\$ 12,732,292
<b>ELKO COUNTY</b>	\$ 11,091,278	<b>PERSHING COUNTY</b>	\$ 2,303,036
Carlin	1,393,636	Lovelock	438,408
Elko	10,027,259	Other	<u>299,924</u>
Wells	896,683	TOTAL	\$ 3,041,368
West Wendover	2,088,625	<b>STOREY COUNTY</b>	\$ 2,577,269
Other	<u>1,643,803</u>	Other	851
TOTAL	\$ 27,141,284	TOTAL	\$ 2,578,120
<b>ESMERALDA COUNTY</b>	\$ 1,329,846	<b>WASHOE COUNTY</b>	\$ 76,787,162
Other	<u>46,501</u>	Reno	43,552,723
TOTAL	\$ 1,376,347	Sparks	18,521,203
<b>EUREKA COUNTY</b>	\$ 5,767,024	Other	<u>10,699,808</u>
Other	<u>70,820</u>	TOTAL	\$ 149,560,896
TOTAL	\$ 5,837,844	<b>WHITE PINE COUNTY</b>	\$ 3,476,815
<b>HUMBOLDT COUNTY</b>	\$ 8,086,841	Ely	1,128,600
Winnemucca	3,212,258	Other	<u>504,046</u>
Other	<u>1,332,904</u>	TOTAL	\$ 5,109,461
TOTAL	\$ 12,632,003		
<b>TOTAL DISTRIBUTION</b>			<u><u>\$ 1,093,819,175</u></u>

## BUSINESS LICENSE FEE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 11,851,752	N/A
2004-05	14,486,315	22.23%
2005-06	21,897,095	51.16%
2006-07	19,997,653	-8.67%
2007-08	19,566,390	-2.16%
2008-09	22,516,702	15.08%

### LEGAL CITATION

Chapter 360.760 - 360.795

### IMPOSITION AND RATE

Business License Fee is \$100 annually, effective July 1, 2003. This is a fee imposed on persons doing business in Nevada.

### CURRENT DISTRIBUTION OF REVENUE

State General Fund.

### HISTORY

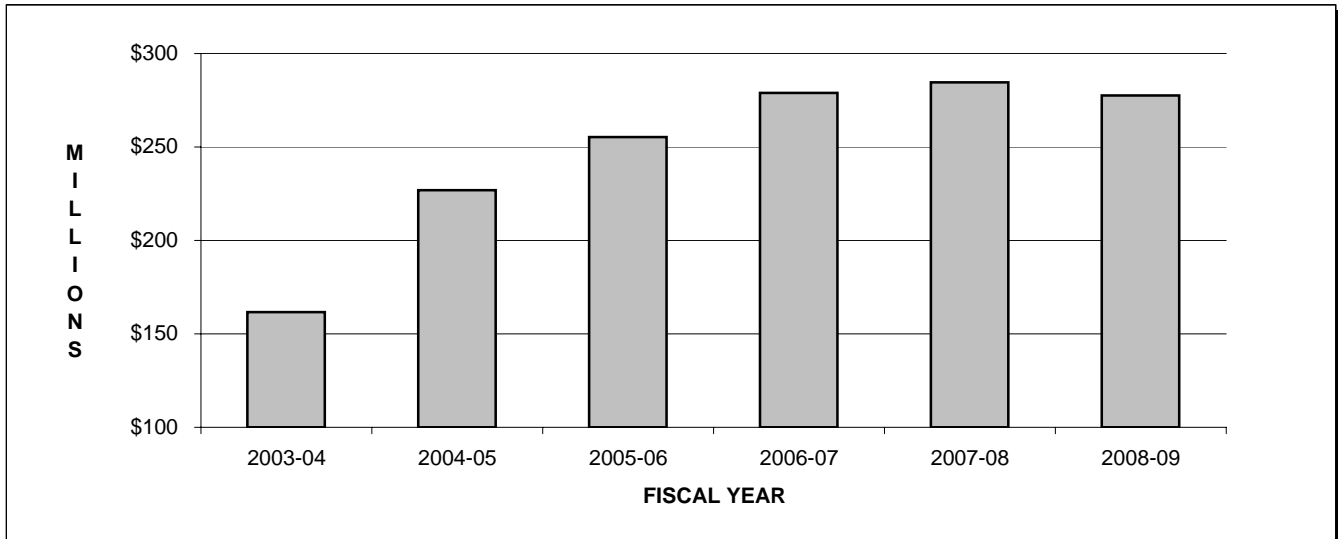
### ORIGINALLY ENACTED

2003 Legislative Session, effective October 1, 2003. This is a license fee imposed on a person for the privilege of conducting business in this state. This business license replaces the business license requirement in 364A, which was repealed September 30, 2003.

### AMENDMENTS

Amended effective July 1, 2005 by the 22nd Special Session of the Nevada Legislature to include a fee for Exhibition Facilities. If paid annually, the fee is \$5,000. If paid quarterly, the fee is equal to the total number of businesses taking part in each exhibition at the facility who do not have a state business license, multiplied by the number of days on which the exhibition is held, multiplied by \$1.25.

## MODIFIED BUSINESS TAX



FISCAL YEAR	GENERAL BUSINESS	FINANCIAL INSTITUTIONS	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 146,161,812	\$ 15,487,677	\$ 161,649,489	N/A
2004-05	205,348,170	21,575,335	226,923,505	40.38%
2005-06	232,760,812	22,491,110	255,251,922	12.48%
2006-07	257,432,283	21,520,319	278,952,602	9.29%
2007-08	263,902,120	20,698,298	284,600,418	2.02%
2008-09	253,118,727	24,397,566	277,516,293	-2.49%

### LEGAL CITATION

Chapter 363A, 363B

### IMPOSITION AND RATE

Tax is imposed on businesses and financial institutions. The tax rate is 0.65 percent, for businesses other than financial institutions, and 2 percent for financial institutions, of the employer's gross wages paid by the employer during the calendar quarter. There is an allowable deduction from the gross wages for amounts paid by the employer for qualified health insurance or a qualified health benefit plan. The tax is due on or before the last day of the month immediately following the calendar quarter.

### CURRENT DISTRIBUTION OF REVENUE

State General Fund.

### HISTORY

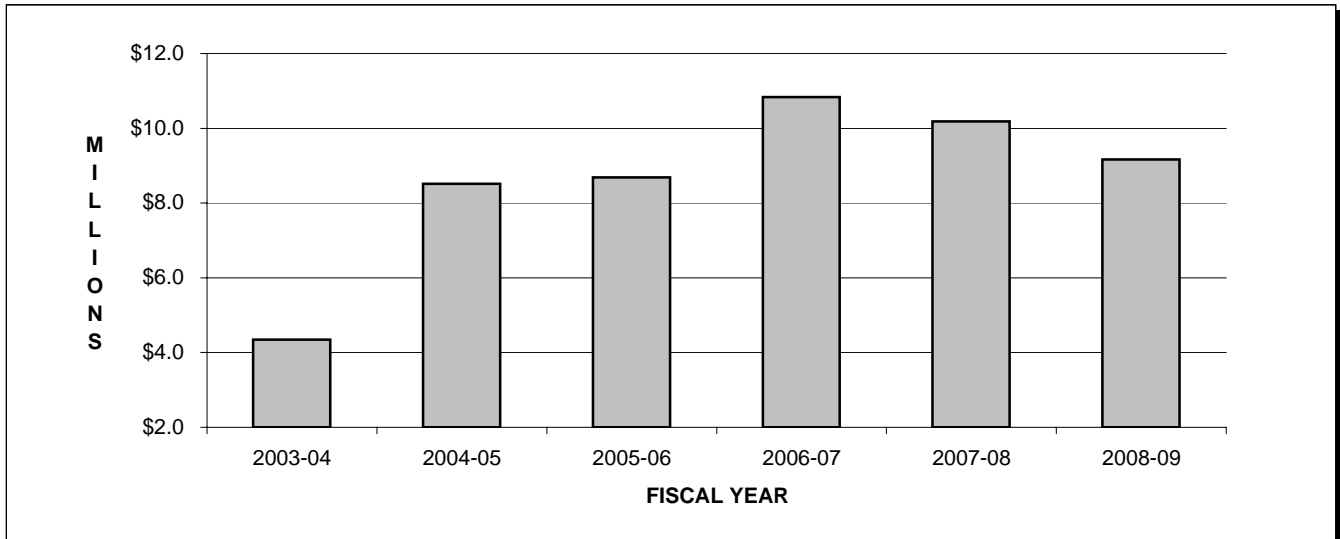
#### ORIGINALLY ENACTED

2003 Special Session of the State Legislature, effective July 1, 2003. This tax replaces the Business Tax under NRS 364A which was repealed September 30, 2003.

#### AMENDMENTS

The 2003 Special Session of the State Legislature set the initial tax rate of 0.7 percent for general businesses, effective July 1, 2003 through June 30, 2004. The rate decreased to 0.65 percent effective July 1, 2004 through June 30, 2005. The rate for general businesses decreased to 0.63 percent effective July 1, 2005.

## LIVE ENTERTAINMENT TAX



FISCAL YEAR	LESS THAN 7500 SEATS	7500 SEATS OR GREATER	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 3,228,404	\$ 1,117,464	\$ 4,345,868	N/A
2004-05	6,594,521	1,921,511	8,516,032	95.96%
2005-06	6,459,681	2,229,182	8,688,863	2.03%
2006-07	7,950,521	2,887,905	10,838,426	24.74%
2007-08	8,978,713	1,203,250	10,181,963	-6.06%
2008-09	8,226,115	936,154	9,162,269	-10.01%

### LEGAL CITATION

Chapter 368A

### IMPOSITION AND RATE

A tax imposed on any facility with 300 or more seats where live entertainment is provided and admission is charged. The Department of Taxation is only responsible for collecting this tax from non-gaming facilities. For facilities seating more than 300 and less than 7500, the rate is 10 percent of the admission charge plus 10 percent of any amount paid for food, refreshments and merchandise purchased at the facility. For facilities seating more than 7,500 the rate of tax is 5 percent of the admission charge.

CURRENT DISTRIBUTION OF REVENUE State General Fund.

### HISTORY

#### ORIGINALLY ENACTED

2003 Session of the State Legislature, effective January 1, 2004.

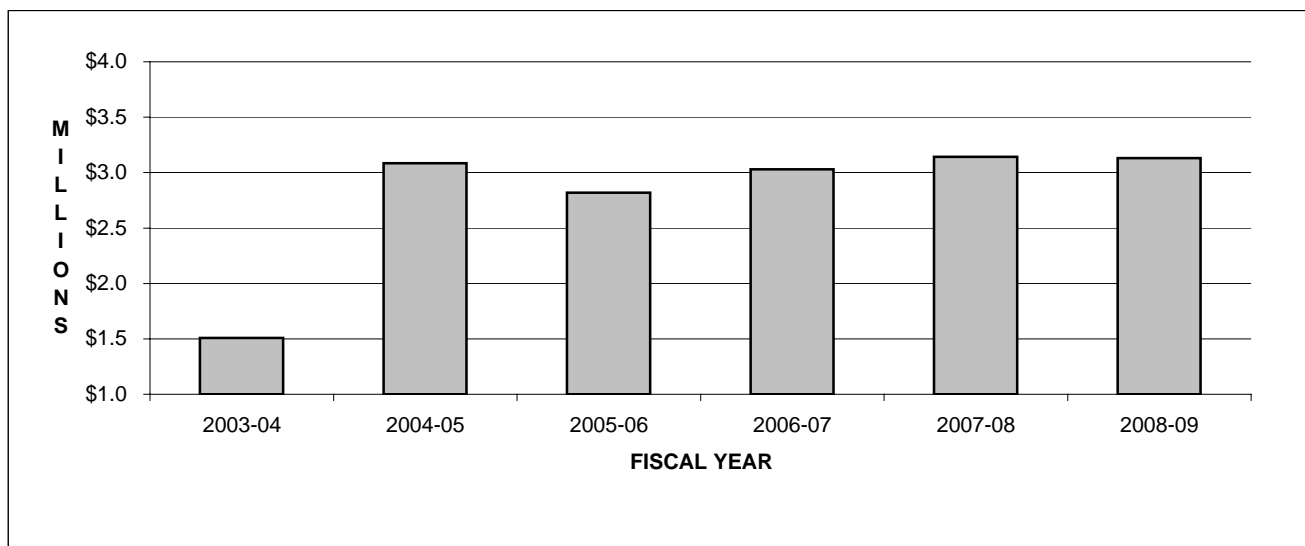
#### AMENDMENTS

Amended by the 2005 Session of the State Legislature to reduce the minimum occupancy to 200 seats, and to exempt NASCAR Nextel Cup races from the tax effective July 1, 2007.

Amended by the 2007 Session of the State Legislature to exempt minor league baseball games from the tax.



# BANK EXCISE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR FISCAL YEAR
2003-04	\$ 1,508,192	N/A
2004-05	3,084,456	104.51%
2005-06	2,819,210	-8.60%
2006-07	3,029,997	7.48%
2007-08	3,142,650	3.72%
2008-09	3,131,495	-0.35%

**LEGAL CITATION**

Chapter 363A.120 Nevada Revised Statutes.

**IMPOSITION AND RATE**

A tax imposed on each bank at the rate of \$1,750 for each branch office in excess of one maintained by the bank in this State on the first day of each calendar quarter. Each bank that maintains more than one branch office in this State on the first day of a calendar quarter shall make quarterly tax payments due on or before the last day of the first month of that calendar quarter.

**CURRENT DISTRIBUTION OF REVENUE** State General Fund.

HISTORY

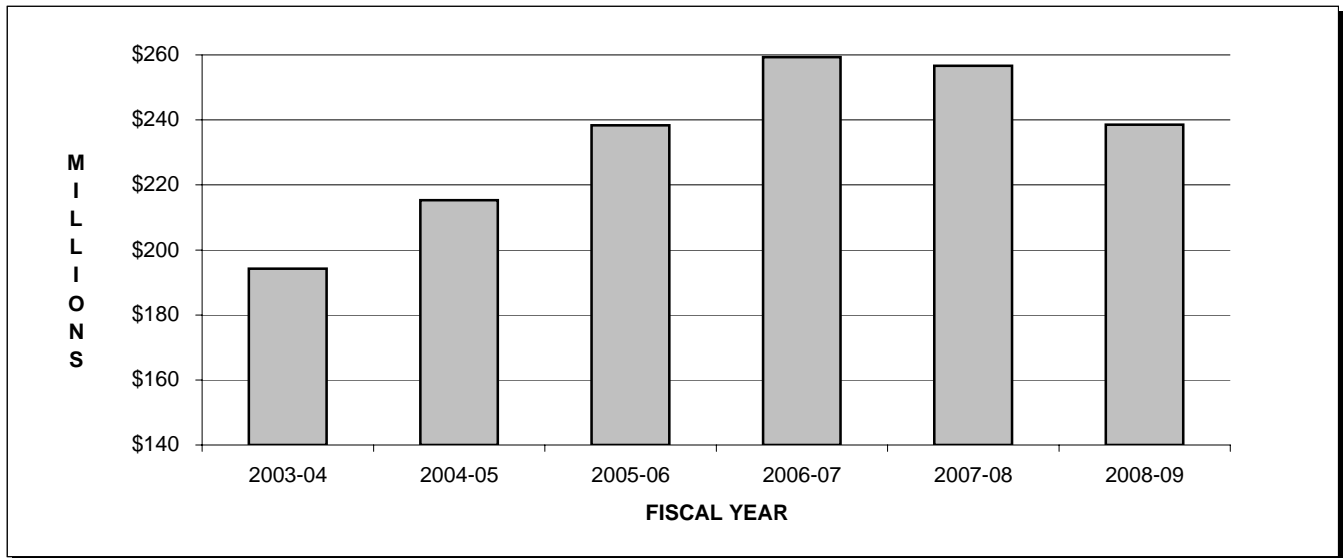
**ORIGINALLY ENACTED**

2003 Session of the State Legislature, effective January 1, 2004.

**AMENDMENTS**

2005 Special Session of the State Legislature amended the language to impose the tax on the number of branch offices in each county in excess of one branch per county.

# INSURANCE PREMIUM TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2004-05	\$ 215,356,492	10.88%
2005-06	238,333,715	10.67%
2006-07	259,274,818	8.79%
2007-08	256,693,189	-1.00%
2008-09	238,524,098	-7.08%

**LEGAL CITATION**

Chapter 680B Nevada Revised Statutes.

**IMPOSITION AND RATE**

A tax imposed for the privilege of transacting business in this State. Each insurer shall pay a tax upon his net direct premiums and net direct considerations written, at the rate of 3.5 percent. The premium tax is due on March 15 of each year on premiums written in the prior calendar year. Insurers required to pay a tax of at least \$2,000 the preceding calendar year must pay quarterly tax payments based on actual net direct premiums and net direct considerations written for the current reporting quarter. An insurer is entitled to a "Home Office Credit" of 50 percent of the aggregate amount of tax due and full credit for ad valorem taxes paid by the insurer during the preceding calendar year if the insurer maintains a home office or regional home office in Nevada. Other stipulations apply. These credits cannot exceed 80 percent of the tax otherwise due.

**CURRENT DISTRIBUTION OF REVENUE**

State General Fund.

HISTORY

**ORIGINALLY ENACTED**

1933 session of the State legislature.

1993 session of the State Legislature transferred the function of tax collection to the Department of Taxation from the Department of Insurance effective July 1, 1993 per AB 782.

Insurance Premium Tax (continued)

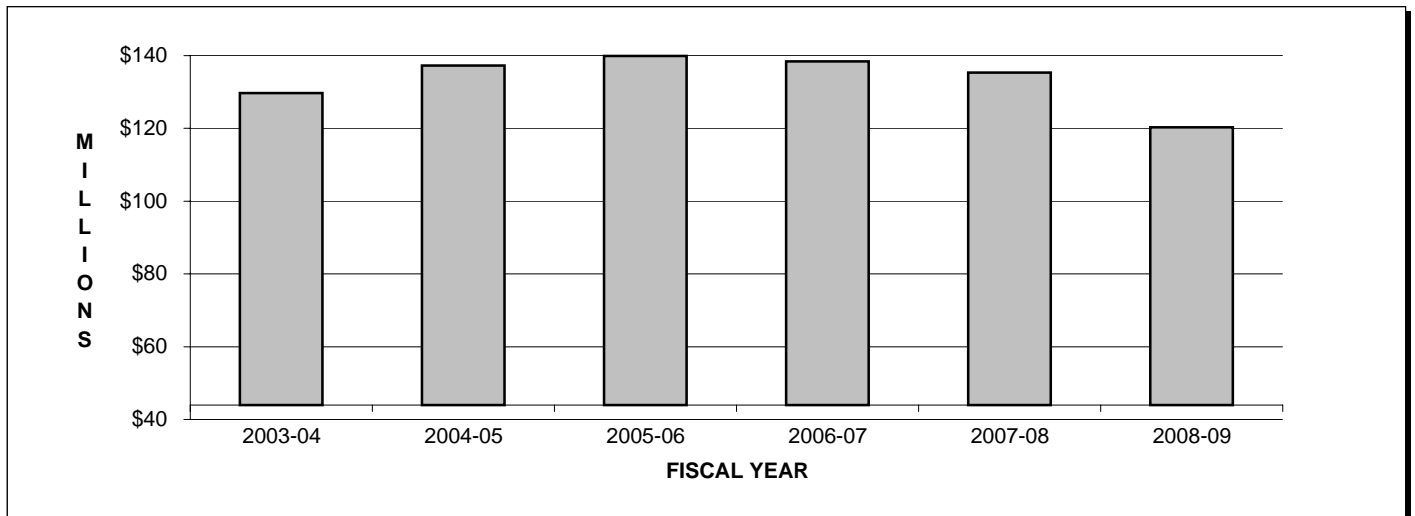
1995 Session of the State Legislature passed legislation requiring private insurers who are writing industrial insurance in this State to pay premium tax on those policies. The legislation also provided for a credit against premium taxes on industrial insurance policies in an amount equal to the assessment paid by the insurer to the Division of Industrial Relations, effective July 1, 1999.

1997 Session of the State Legislature changed the due date of the annual return from March 1<sup>st</sup> to March 15<sup>th</sup> and requires insurers to report premium taxes based on actual premiums written instead of estimated, effective January 1, 1998.

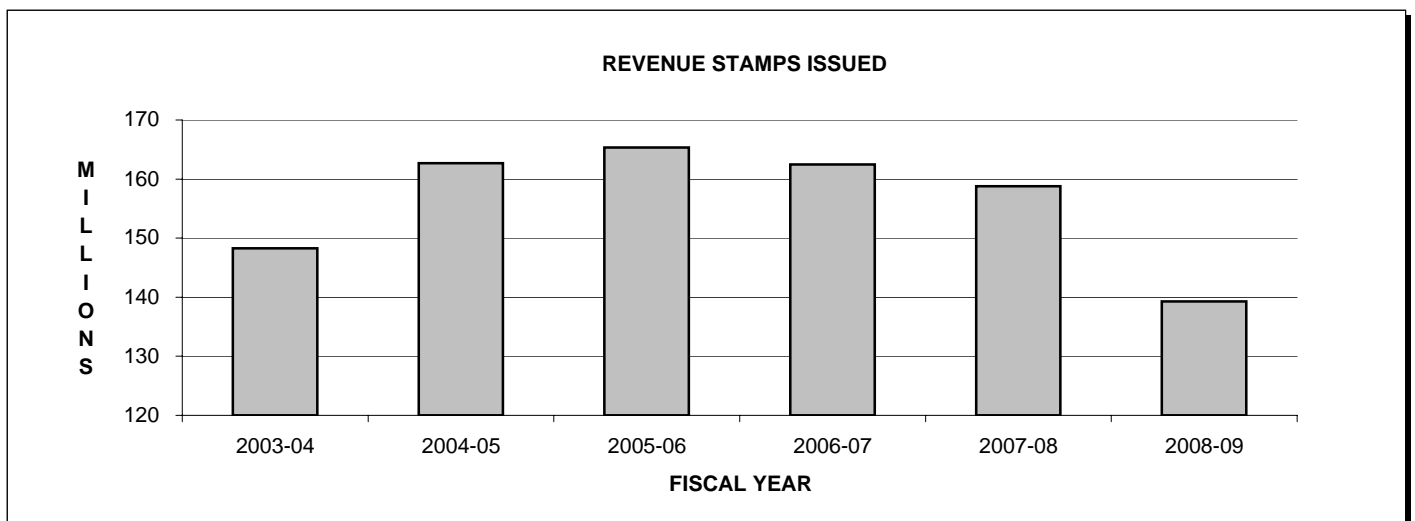
1999 Session of the State Legislature requires insurers to provide statements to insureds if the portion of premium is attributable to the general premium tax, fees or assessments, effective July 1, 2000.

2005 Session of the State Legislature lowered the tax rate for Risk Retention Groups from 3.5 percent to 2 percent, effective June 17, 2005.

# CIGARETTE AND OTHER TOBACCO PRODUCTS TAX REVENUE



FISCAL YEAR	STAMP REVENUE	OTHER TOBACCO PRODUCTS	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 122,732,268	\$ 6,927,276	\$ 14,940	\$ 129,674,484	90.86%
2004-05	129,668,815	7,557,607	14,225	137,240,647	5.83%
2005-06	131,761,988	8,178,593	13,358	139,953,939	1.98%
2006-07	129,532,491	8,841,781	11,588	138,385,860	-1.12%
2007-08	126,521,707	8,840,605	11,940	135,374,252	-2.18%
2008-09	111,132,623	9,140,387	12,150	120,285,160	-11.15%



FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR
2003-04	148,277,400	-18.71%	2006-07	162,454,182	-1.75%
2004-05	162,707,400	9.73%	2007-08	158,767,200	-2.27%
2005-06	165,343,500	1.62%	2008-09	139,306,800	-12.26%

NOTE: The tax represents stamps paid for, penalty and interest, and Use Tax paid by manufacturers on gift or sample cigarettes. Revenue stamps represent the number of paid stamps, issued by the Department.

Cigarette and Other Tobacco Products Tax Revenue (continued)

LEGAL CITATION	Chapter 370 Nevada Revised Statutes.
RATE	Cigarettes - 40 mills per cigarette. Other Tobacco Products - 30 percent of manufacturers wholesale price.
CURRENT DISTRIBUTION OF REVENUE	5 mills per cigarette for distribution to eligible local governments (less administrative fee determined by legislative appropriation) through the Consolidated Tax distribution.  35 mills per cigarette to the State General Fund. Other Tobacco Products revenue to the State General Fund.

HISTORY

ORIGINALLY ENACTED	1947 session of State Legislature.
RATE	1947 - 1949, 2 cents; 1949 - 1961, 3 cents; 1961 - 1969, 7 cents; 1969 to June 30, 1983, 10 cents; July 1, 1983 to June 30, 1985, 15 cents per package; July 1, 1985 to June 30, 1987, 7.5 mills per cigarette; July 1, 1987 to June 30, 1989, 10 mills per cigarette; July 1, 1989, 17.5 mills per cigarette; July 22, 2003, 40 mills per cigarette.
AMENDMENTS	1947 Wholesalers' discount 10 percent for stamping; 5 percent for administration; remainder to State General Fund.  1949 Wholesalers' discount reduced to 7 percent; revenue distribution, 87.5 percent to State General Fund; 12.5 percent to counties.  1953 Effective date of Use Tax on cigarettes.  1955 Wholesalers' discount for stamping reduced to 5 percent.  1960 Refunds allowed for tax paid on stale cigarettes.  1961 Wholesalers' stamping discount, 4 percent; revenue distribution, 66 percent to State General Fund; 28.5 percent to cities and counties based on population; 5.5 percent to counties based on sales.  1965 Revenue distribution changed - 30 percent to State General Fund; 64.5 percent to cities and counties based on population; 5.5 percent to counties based on county sales.  1967 Revenue distribution changed - 100 percent local.  No cities - 100 percent to county.  One city - based on population - county and city.  Two or more cities - to cities based on population.  1969 Administrative costs reimbursed in amount determined by legislative appropriation each biennium.

Cigarette and Other Tobacco Products Tax Revenue (continued)

AMENDMENTS (continued)

1980 June 10, 1980 - Supreme Court decision of Washington vs. Coleville Indian Reservation determined that State cigarette tax could not be applied to on-reservation transactions. Effective July 16, 1980 cigarettes sold to and by eligible Indian smoke shops required tribal cigarette stamps or metered impressions on packages sold. In 1980 the Department of Taxation furnished 13,091,470 tribal stamps. In more recent years the Department has furnished the following number of tribal stamps:

FY 2003-04	28,995,000	FY 2006-07	22,395,000
FY 2004-05	24,705,000	FY 2007-08	25,560,000
FY 2005-06	26,535,000	FY 2008-09	30,892,500

1983 The 1983 session of the State Legislature enacted an additional 5 cent per pack tax for distribution to the State General Fund. In addition, all products made from tobacco, other than cigarettes, are taxed at 30 percent of the manufacturers wholesale price for distribution to the State General Fund.

1985 The 1985 session of the State Legislature enacted a tax base change; to 7.5 mills per cigarette but not less than 15 cents per package.

1987 The 1987 session of the State Legislature enacted a tax rate change; to 10 mills per cigarette but not less than 20 cents per package.

1989 The 1989 session of the State Legislature enacted a tax rate change; to 17.5 mills per cigarette.

1991 Wholesalers' discount for stamping reduced from 4 percent to 3 percent.

1997 Monthly reports required from wholesale and retail dealers of other tobacco products.

Other tobacco products displayed or exhibited at trade show exempt from excise tax.

The 1997 Legislature created the Consolidated Tax Program. Beginning FY 1998-99, the Department implemented the program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution. Total allocation by county is transferred to the Consolidated Tax Account for distribution to individual local governments within the county.

1999 The 1999 Legislature enacted Assembly Bill 667, which is Nevada's model legislation for the Tobacco Master Settlement Agreement. Effective May 24, 1999, all manufacturers of tobacco products sold in Nevada are required to participate in the Tobacco Settlement Agreement or to place money in escrow.

2001 Senate Bill 381, effective July 1, 2001, revised the definition of wholesale dealer and wholesale price for Other Tobacco Products. SB 381 changed the payment of tax to after the sale or distribution of Other Tobacco Products.

Senate Bill 527, effective July 1, 2001, provides for an exemption for duty-free sales enterprises and persons importing cigarettes for personal use. SB 527 also requires cigarette revenue stamps designed to identify the dealer who affixes the stamp.

Cigarette and Other Tobacco Products Tax Revenue (continued)

2003 Senate Bill 8, effective July 22, 2003, enacted a tax rate change on cigarettes to 40 mills per cigarette.

Assembly Bill 4, effective August 1, 2003, changed the cigarette wholesalers' discount rate for stamping from 3 percent to 0.5 percent. AB4 also changed the other tobacco products wholesalers' collection allowance from 2 percent to 0.5 percent if the taxes are paid timely.

2005 Assembly Bill 436, effective October 1, 2005, requires the Department to maintain a listing of tobacco products that may be sold in the state of Nevada on the Department's internet website by January 1, 2006; prohibits a person from affixing a stamp to a package of cigarettes of a manufacturer of tobacco products or brand family which is not included in the directory; and prohibits the sale, offer or possession for sale, cigarettes of a manufacturer of tobacco products or brand family not included in the directory.

Assembly Bill 464, effective June 10, 2005, adds new licensing requirements for manufacturers and retailers of tobacco products; adds licensing and reporting requirements for anyone selling tobacco products into Nevada; prohibits a person, other than a wholesale dealer, from receiving unstamped cigarette packages; and provides various felony charges for certain violations of the tobacco tax laws.

2008 Senate Bill 2 of the 25th Special Session temporarily changed the cigarette wholesalers' discount rate for stamping from 0.5 percent to 0.25 percent. Senate Bill 2 also temporarily changed the other tobacco products wholesalers' collection allowance from 0.5 percent to 0.25 percent for the period beginning on January 1, 2009 and ending on June 30, 2009.

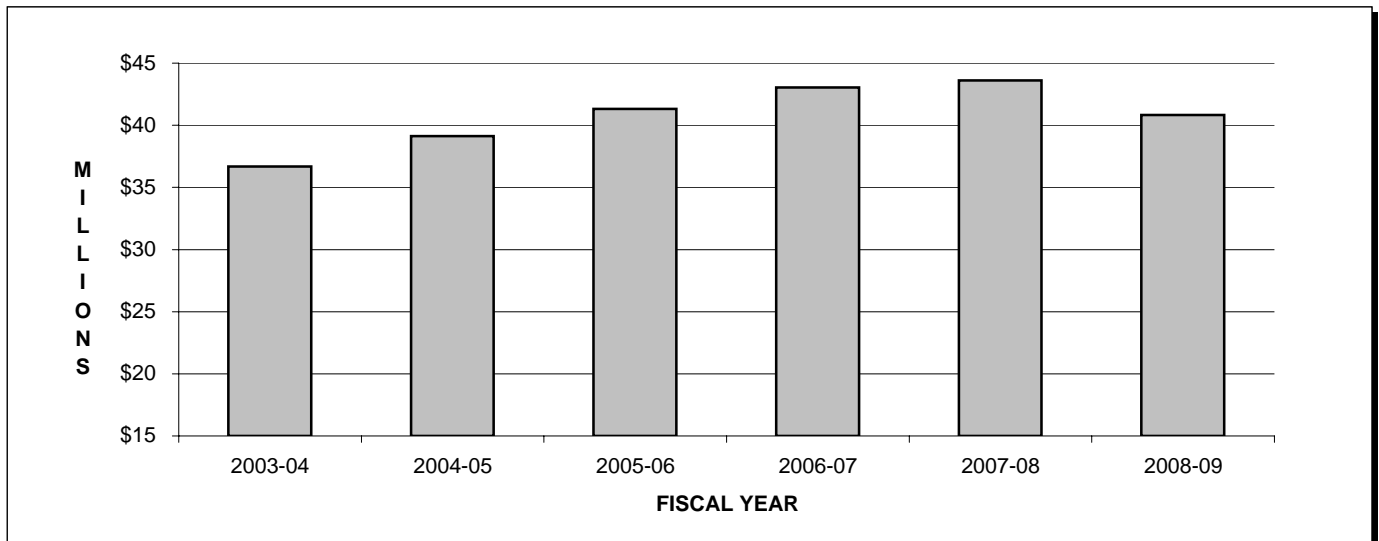
Cigarette and Other Tobacco Products Tax Revenue (continued)

TRANSFER OF CIGARETTE TAX REVENUE  
TO CONSOLIDATED TAX  
FISCAL YEAR 2008-09

<b>COUNTY</b>	<b>TAX</b>	<b>% OF TOTAL</b>
Carson City	\$ 284,956	0.24%
Churchill	134,114	0.11%
Clark	9,660,727	8.03%
Douglas	258,427	0.21%
Elko	249,147	0.21%
Esmeralda	6,107	0.01%
Eureka	7,270	0.01%
Humboldt	89,116	0.07%
Lander	28,487	0.02%
Lincoln	20,786	0.02%
Lyon	275,998	0.23%
Mineral	21,632	0.02%
Nye	229,465	0.19%
Pershing	35,024	0.03%
Storey	21,267	0.02%
Washoe	2,068,745	1.72%
White Pine	47,434	0.04%
<b>TOTAL COUNTY TRANSFER</b>	<b>\$ 13,438,702</b>	<b>11.17%</b>
Administrative Fees	428,721	0.36%
Refunds	290,444	0.24%
State General Fund	96,986,907	80.63%
Other Tobacco Products	9,140,387	7.60%
<b>TOTAL</b>	<b>\$ 120,285,160</b>	<b>100.00%</b>



# LIQUOR TAX REVENUE



FISCAL YEAR	TAX	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 36,625,382	\$ 44,781	\$ 36,670,163	85.26%
2004-05	39,020,194	114,513	39,134,707	6.72%
2005-06	41,190,145	120,305	41,310,450	5.56%
2006-07	42,904,833	139,636	43,044,469	4.20%
2007-08	43,469,550	151,031	43,620,581	1.34%
2008-09	40,670,524	151,681	40,822,205	-6.42%

## LEGAL CITATION

Chapters 369 and 597 Nevada Revised Statutes.

## RATES

Over 22 percent alcohol content by volume \$3.60 per gallon  
 Over 14 percent up to 22 percent by volume \$1.30 per gallon  
 0.5 up to 14 percent by volume \$0.75 per gallon  
 Beer \$0.16 per gallon

## LICENSE FEES

Importer of wine, beer, and liquor \$500  
 Importer of beer 150  
 Wholesaler of wine, beer and liquor 250  
 Wholesaler of beer 75  
 Brew Pub 75  
 Brewer 75  
 Winemaker 75  
 Certificate of Compliance 50

## CURRENT DISTRIBUTION OF REVENUE

50 cents per gallon of collections on over 22 percent alcohol content allocated for distribution to eligible local governments through the Consolidated Tax distribution. The portion of tax on liquor containing over 22 percent alcohol which exceeds \$3.45 per wine gallon is transferred to the tax on liquor program account in the State General Fund. All remaining revenues go to the State General Fund.

Liquor Tax Revenue (continued)

HISTORY

ORIGINALLY ENACTED

1935 as a Stamp Tax.

RATES

- 1935 Case beer, 24 bottles, 6 cents per case; 36 bottles, 9 cents per case; keg beer, 2 cents per gallon. Wines up to 14 percent alcohol content, 2 1/2 cents per quart; 14 percent up to 22 percent alcohol content, 5 cents per quart. All alcoholic beverages over 22 percent alcohol content, up to 4 ounces, 1 cent; up to 8 ounces, 2 cents; up to 16 ounces, 5 cents; up to 32 ounces, 10 cents.
- 1945 Beer, 3 cents per gallon; liquor, 8 percent up to 14 percent alcohol content, 15 cents per gallon; over 14 percent up to 22 percent alcohol content, 25 cents per gallon; over 22 percent alcohol content, 60 cents per gallon.
- 1947 Beer, 3 cents per gallon; liquor, up to 14 percent alcohol content, 15 cents per gallon; over 14 percent to 22 percent alcohol content, 30 cents per gallon; over 22 percent alcohol content, 80 cents per gallon.
- 1961 Beer, 6 cents per gallon; liquor, up to 14 percent alcohol content, 30 cents per gallon; over 14 percent up to 22 percent alcohol content, 50 cents per gallon; over 22 percent alcohol content, \$1.40 per gallon.
- 1969 Over 22 percent alcohol increased to \$1.90 per gallon.
- 1981 Over 22 percent alcohol increased to \$2.05 per gallon.
- 1983 Beer, 9 cents per gallon; liquor, up to 14 percent alcohol content, 40 cents per gallon; over 14 percent up to 22 percent alcohol content, 75 cents per gallon; over 22 percent alcohol content, \$2.05 per gallon.

DISTRIBUTION

- 1935 3 percent for administration, \$100,000 to School Fund; \$24,000 to University Contingent Fund; balance to State Emergency Employment Bond Interest and Redemption Fund.
- 1937 5 percent maximum for administration; balance as follows: 50 percent to School Fund; 15 percent to University Contingent Fund; 35 percent to State Emergency Employment Bond Interest and Redemption Fund.
- 1939 5 percent maximum for administration; balance as follows: 50 percent to School Fund; 40 percent to University Contingent Fund; 10 percent to Consolidated Bond Interest and Redemption Fund.
- 1943 5 percent maximum for administration; balance to General Fund.
- 1949 All revenue to General Fund, administration costs appropriated.
- 1969 All revenues to General Fund except 5/19 of that collected on liquor over 22 percent which is allocated accordingly:  
  - No cities - 100 percent to county.
  - One city - based on population ratio of county and city.
  - Two or more cities - to cities based on population.

Liquor Tax Revenue (continued)

DISTRIBUTION (continued)	1981	Additional 15 cent tax on over 22 percent alcohol allocated to the Account for Alcohol and Drug Abuse in the Department of Human Resources Gift Fund.
AMENDMENTS	1945	Changed from Stamp Tax to Excise Tax.
	1955	Allowed 2 percent tax discount to importer.
	1961	Allowed 3 percent tax discount to importer.
	1969	Raised rate for over 22 percent alcohol content from \$1.40 to \$1.90 and allocated 50 cents of that rate to counties and cities.
	1981	Raised rate for over 22 percent alcohol content from \$1.90 to \$2.05 allocating 50 cents of that rate to counties and cities and 15 cents to the Account for Alcohol and Drug Abuse in the Department of Human Resources Gift Fund.
	1983	Raised rates for beer to 9 cents per gallon; liquor up to 14 percent alcohol content, 40 cents per gallon; over 14 percent up to 22 percent alcohol content, 75 cents per gallon. Over 22 percent alcohol content remained at \$2.05 per gallon.
	1995	An applicant for a certificate of compliance must pay a \$50 fee. This fee is renewable on or before July 1st of each year.
	1997	The 1997 Legislature created the Consolidated Tax Program. Beginning FY 98-99, the Department implemented the program that combines BCCRT, SCCRT, Cigarette Tax, Liquor Tax, Real Property Transfer Tax and Motor Vehicle Privilege Tax into one monthly distribution. Total allocation by county is transferred to the Consolidated Tax Account for distribution to individual local governments within the county.
	1999	Senate Bill 428, effective June 7, 1999 increased the amount of wine a Nevada resident may import from one gallon per month to twelve cases per year for personal or household use. Other alcoholic beverages remain at one gallon per month.
	2001	Assembly Bill 12, effective June 15, 2001, authorized the transfer of liquor (not including beer), between affiliated retailers that hold non-restricted gaming licenses.
	2003	Assembly Bill 437, effective July 1, 2003, changed the definition of supplier and authorized the transfer of liquor including beer, between affiliated retailers that hold non-restricted gaming licenses.  Assembly Bill 4, effective August 1, 2003, changed the early payment discount rate from 3 percent to 0.5 percent.  Senate Bill 373, effective October 1, 2003, changed the reporting requirements for shipments of liquor into Nevada by a common or contract carrier.  Raised rates for beer to 16 cents per gallon; liquor up to 14 percent alcohol content, 75 cents per gallon; over 14 percent up to 22 percent alcohol content, \$1.30 per gallon and over 22 percent alcohol content to \$3.60 per gallon.

Liquor Tax Revenue (continued)

- 2005            Assembly Bill 221, effective June 10, 2005, adds rectifiers to the definition of a supplier.
- Senate Bill 233, effective June 10, 2005, creates licensing requirements for Instructional Wine Making Facilities; limits the amount of wine produced per person to 60 gallons in a 12 month period; wine produced on the premises can only be used for household or personal use; and exempts Instructional Wine Making Facilities from the liquor excise tax.
- Senate Bill 457, effective June 17, 2005, revised provisions governing the storage and transfer of liquor between certain retail liquor stores; authorizes a wholesale dealer, supplier, retailer or retail liquor dealer to bring a civil action for certain violations relating to intoxicating liquor; requires sellers, servers and security personnel employed at an establishment where alcoholic beverages are sold to complete alcohol awareness training; and requires the Department of Taxation to impose administrative fines upon the owners or operators of certain establishments for violations relating to alcohol awareness training cards.
- 2008            Senate Bill 2 of the 25th Special Session temporarily reduced the early payment discount rate from 0.5 percent to 0.25 percent for the period beginning on January 1, 2009 and ending on June 30, 2009.

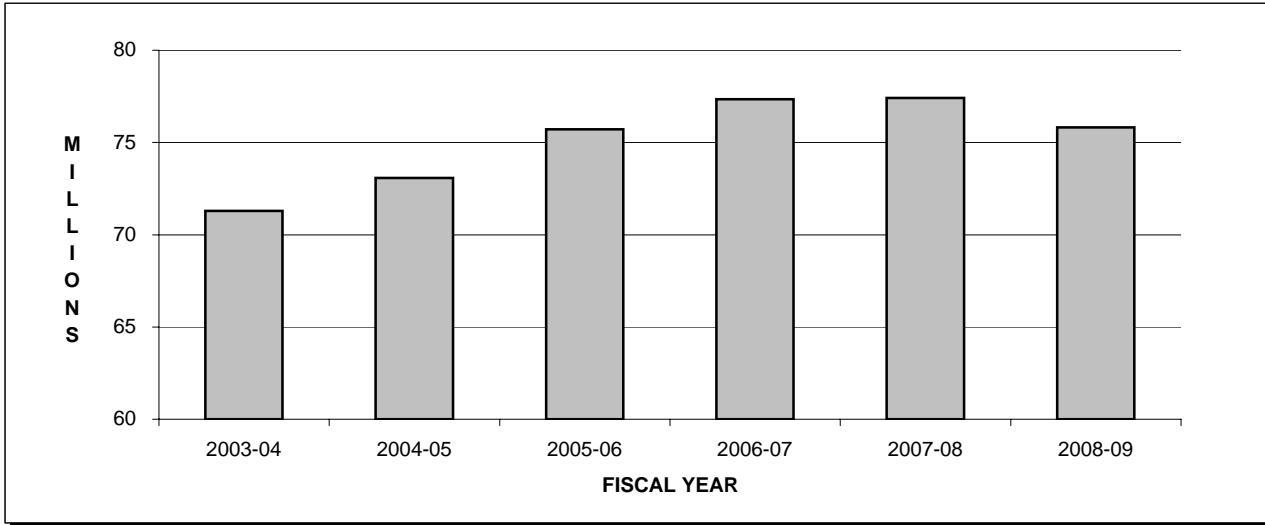
Liquor Tax Revenue (continued)

TRANSFER OF LIQUOR TAX REVENUE  
TO CONSOLIDATED TAX  
FISCAL YEAR 2008-09

<b>COUNTY</b>	<b>TAX</b>	<b>% OF TOTAL</b>
Carson City	\$ 62,640	0.15%
Churchill	29,478	0.07%
Clark	2,124,139	5.20%
Douglas	56,805	0.14%
Elko	54,775	0.13%
Esmeralda	1,343	0.00%
Eureka	1,601	0.00%
Humboldt	19,590	0.05%
Lander	6,266	0.02%
Lincoln	4,574	0.01%
Lyon	60,672	0.15%
Mineral	4,756	0.01%
Nye	50,473	0.12%
Pershing	7,703	0.02%
Storey	4,678	0.01%
Washoe	454,939	1.11%
White Pine	10,431	0.03%
<b>TOTAL COUNTY TRANSFER</b>	<b>\$ 2,954,863</b>	<b>7.24%</b>
Alcohol and Drug Abuse Account	886,459	2.17%
State General Fund	36,980,883	90.59%
<b>TOTAL</b>	<b>\$ 40,822,205</b>	<b>100.00%</b>

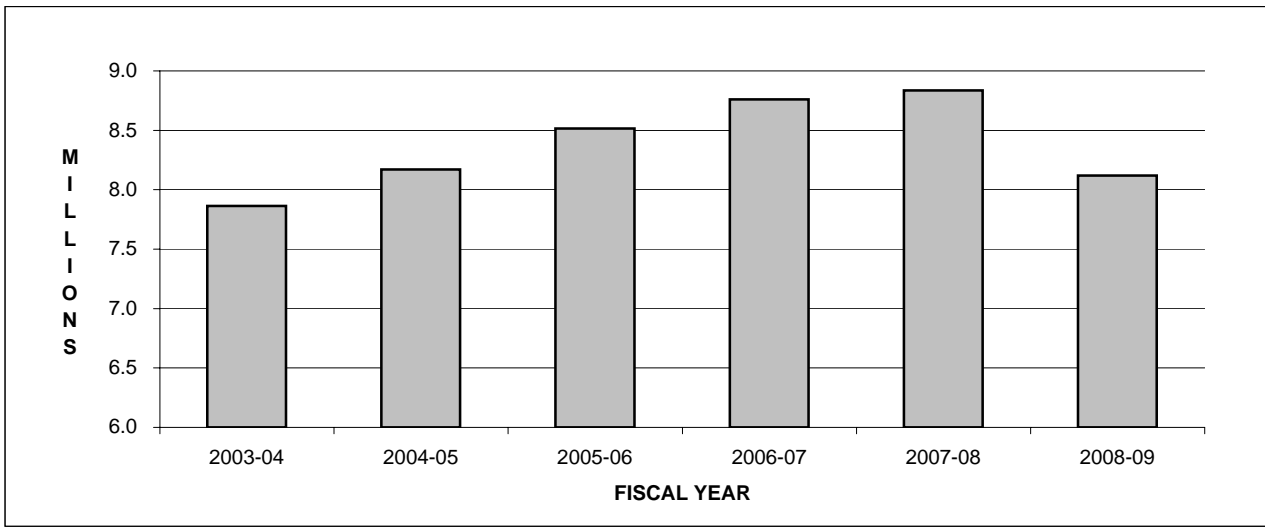
# ALCOHOLIC BEVERAGE GROWTH

## BEER - GALLONS



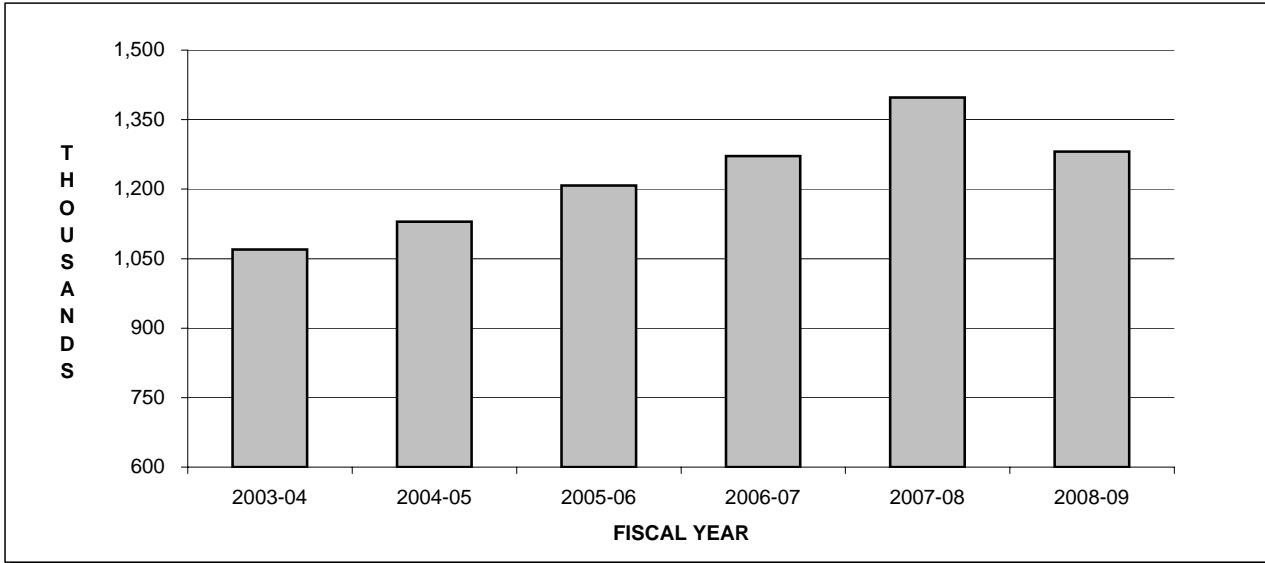
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2003-04	71,284,786	5.33%	2006-07	77,348,980	2.15%
2004-05	73,075,697	2.51%	2007-08	77,423,904	0.10%
2005-06	75,718,958	3.62%	2008-09	75,818,448	-2.07%

## ALCOHOLIC BEVERAGES 0.50% TO 14% ALCOHOL CONTENT BY VOLUME - GALLONS



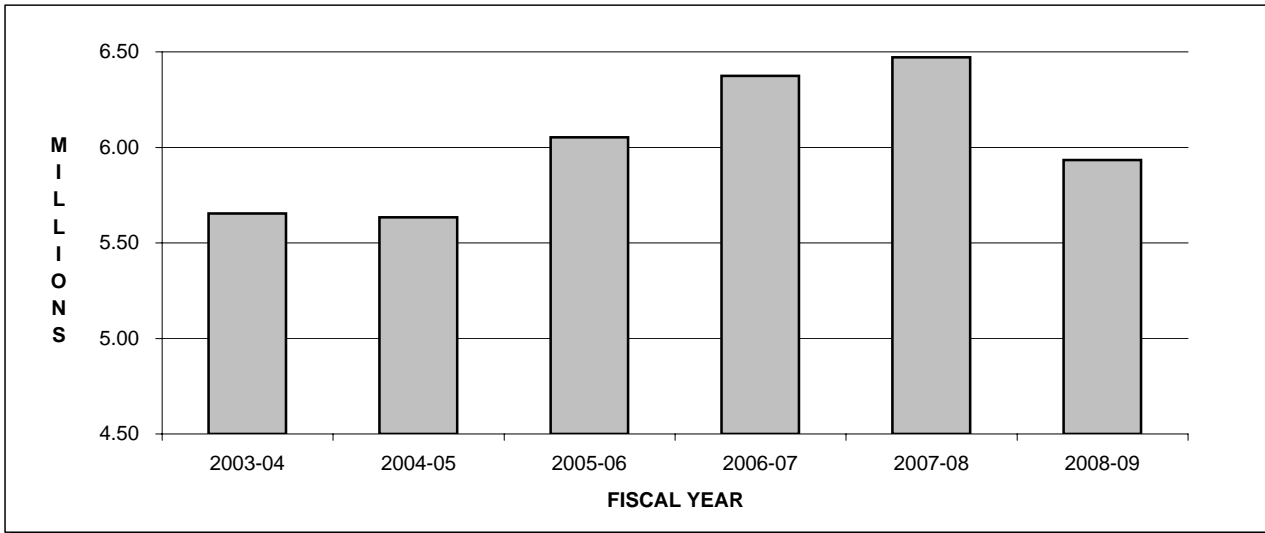
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2003-04	7,862,597	7.29%	2006-07	8,761,174	2.88%
2004-05	8,169,837	3.91%	2007-08	8,834,557	0.84%
2005-06	8,516,246	4.24%	2008-09	8,119,233	-8.10%

**ALCOHOLIC BEVERAGES OVER 14% UP TO 22% ALCOHOL CONTENT BY VOLUME - GALLONS**



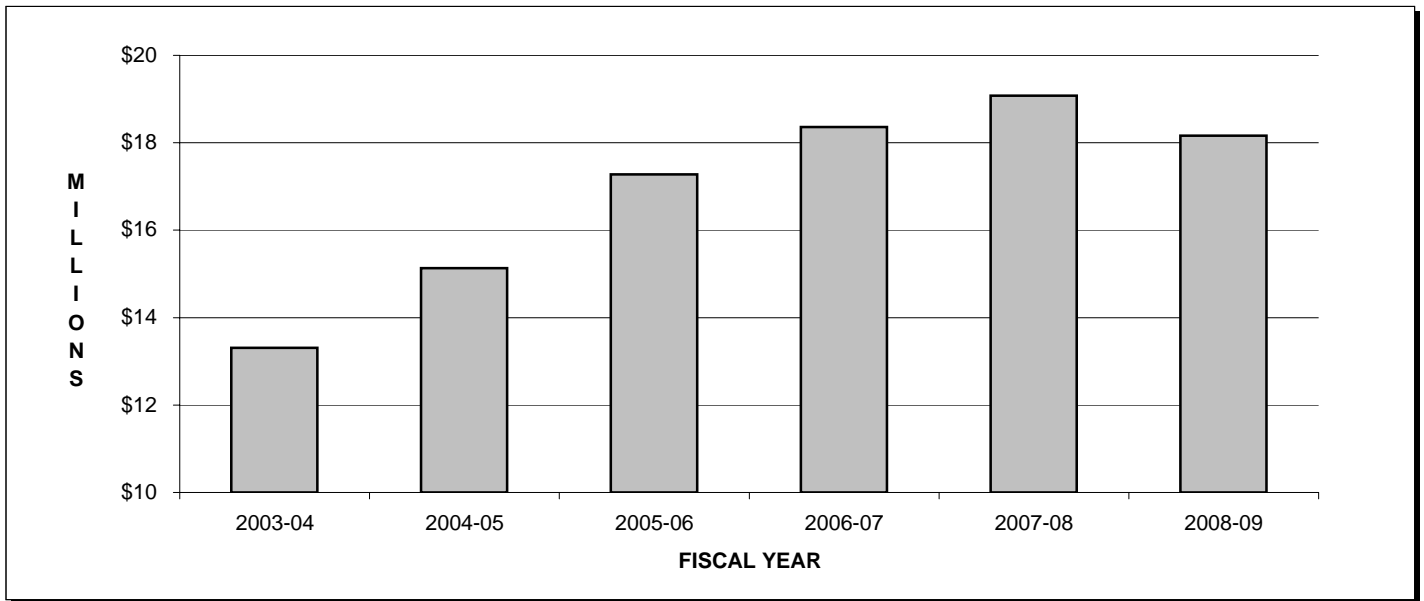
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2003-04	1,069,464	20.44%	2006-07	1,271,165	5.23%
2004-05	1,129,927	5.65%	2007-08	1,397,638	9.95%
2005-06	1,207,998	6.91%	2008-09	1,281,127	-8.34%

**ALCOHOLIC BEVERAGES OVER 22% ALCOHOL CONTENT BY VOLUME - GALLONS**



FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2003-04	5,653,811	9.27%	2006-07	6,373,631	5.29%
2004-05	5,633,972	-0.35%	2007-08	6,471,719	1.54%
2005-06	6,053,519	7.45%	2008-09	5,933,128	-8.32%

# LODGING TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 13,305,505	12.04%	2006-07	\$ 18,363,565	6.27%
2004-05	15,134,104	13.74%	2007-08	19,076,477	3.88%
2005-06	17,279,556	14.18%	2008-09	18,163,309	-4.79%

**LEGAL CITATION**

Chapter 244.3354 Nevada Revised Statutes.

**IMPOSITION AND RATE**

Tax on revenues from rental of transient lodging is imposed at the rate of at least 1 percent of the gross receipts. Of the first 1 percent of the gross receipts from the rental of transient lodging 3/8 is paid to the Department of Taxation by the county fair and recreation boards or by the board of county commissioners in each county imposing a room tax. The county retains 5/8 of the first 1 percent for local promotion of tourism.

**CURRENT DISTRIBUTION OF REVENUE**

Proceeds of the tax are deposited by the Department with the State Treasurer for credit to the fund for the promotion of tourism.

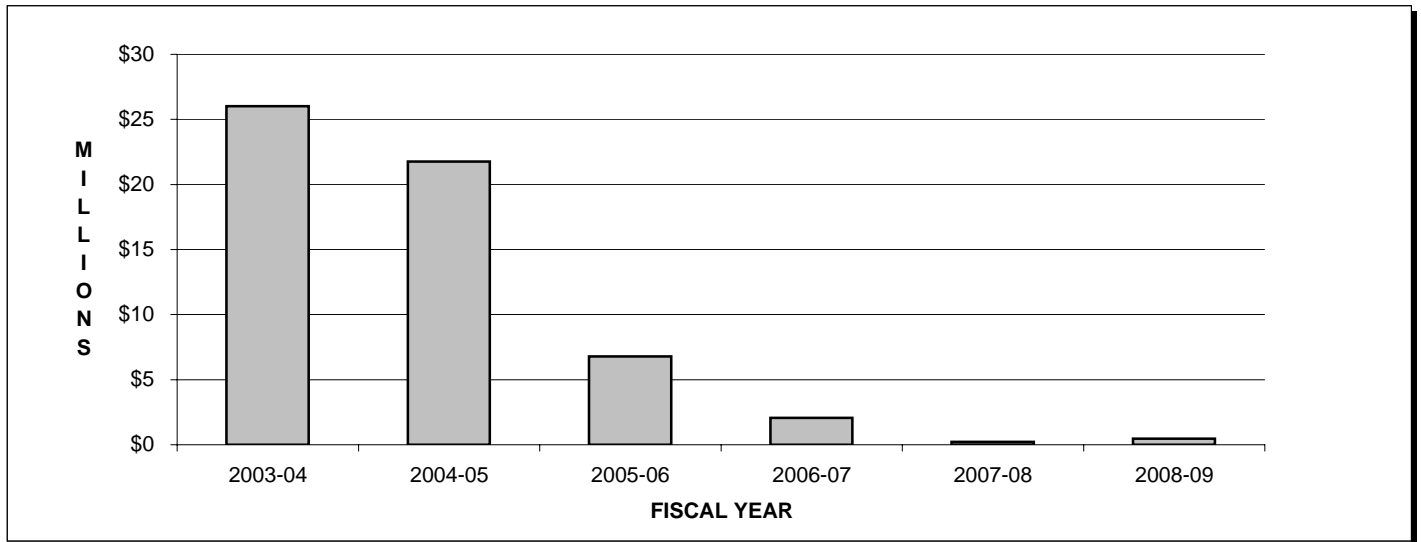
**HISTORY**

**ORIGINALLY ENACTED**

1983 session of State Legislature, effective May 9, 1983.



# ESTATE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 26,018,237	-33.63%	2006-07	\$ 2,063,308	-69.64%
2004-05	21,774,432	-16.31%	2007-08	227,497	-88.97%
2005-06	6,795,409	-68.79%	2008-09	466,994	105.27%

The credit allowable against the federal estate tax for the payment of State death taxes is being phased out by the Internal Revenue Service and will no longer apply on deaths occurring after December 31, 2004. Nevada estate tax is based solely on this credit.

## LEGAL CITATION

Chapter 375A Nevada Revised Statutes.

## HISTORY

### ORIGINALLY ENACTED

1987 session of State Legislature, effective March 13, 1987.

### IMPOSITION

A tax imposed on the transfer of the taxable estate of a decedent who has property located in Nevada at the time of death in the amount of the maximum credit allowable against the federal estate tax for the payment of State death taxes.

### CURRENT DISTRIBUTION OF REVENUE

The money in the estate tax account may only be disbursed as authorized by the Legislature. The legislatively approved distribution of estate tax receipts is as follows:

1. Transfer of an amount to the Department to reimburse the cost to administer the tax.
2. Five percent of the tax receipts held for reserve, to refund any overpayments of the tax.
3. Fifty percent of the remaining proceeds of the tax to the University and Community College System Endowment Fund.
4. Fifty percent of the remaining proceeds of the tax to the Department of Education to the fund for class-size reduction.

Estate Tax (continued)

DISTRIBUTION OF ESTATE TAX REVENUE  
FISCAL YEAR 2008-09

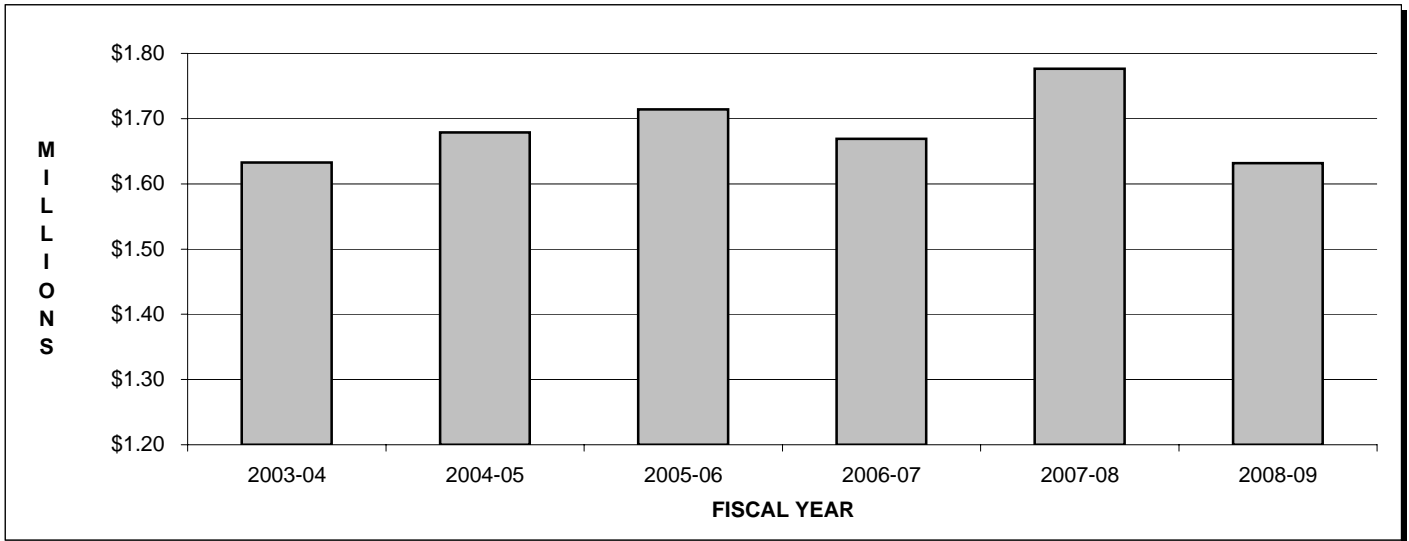
Department of Taxation administrative costs	\$	-
Reserve for refunds		466,994
Department of Education: Trust Fund for the Education of Pupils		-
University of Nevada System Endowment Fund		-
<b>TOTAL</b>	<b>\$</b>	<b><u>466,994</u></b>

**ESTATE TAX RESERVE FOR REFUNDS**

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Beginning balance brought forward July 1, 2008	\$	956,939
Estate tax receipts - Reserve for refunds Fiscal Year 2009		466,994
Balance available	\$	<u>1,423,933</u>
Less: Refunds issued Fiscal Year 2009		1,082,793
<b>Ending Balance at June 30, 2009</b>	<b>\$</b>	<b><u>341,140</u></b>

# TIRE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 1,632,492	10.01%
2004-05	1,678,740	2.83%
2005-06	1,714,345	2.12%
2006-07	1,669,148	-2.64%
2007-08	1,776,653	6.44%
2008-09	1,631,537	-8.17%

**LEGAL CITATION**

Chapter 444A Nevada Revised Statutes.

**IMPOSITION AND RATE**

A tax imposed on the retail sale of a new tire at the rate of \$1.00 per tire. The tax is collected from the purchaser by the seller at the time of sale in addition to applicable sales taxes; 95 percent of the tax is remitted to the Department; 5 percent is retained by the seller to cover their related administrative costs.

**CURRENT DISTRIBUTION OF REVENUE**

The revenue collected by the Department is deposited for credit to the solid waste management account in the State General Fund. The State Controller distributes quarterly as follows: 0.5 percent, Department of Taxation; 44.5 percent State Department of Conservation and Natural Resources; 30 percent Clark County District Board of Health; and 25 percent Washoe County District Board of Health.

HISTORY

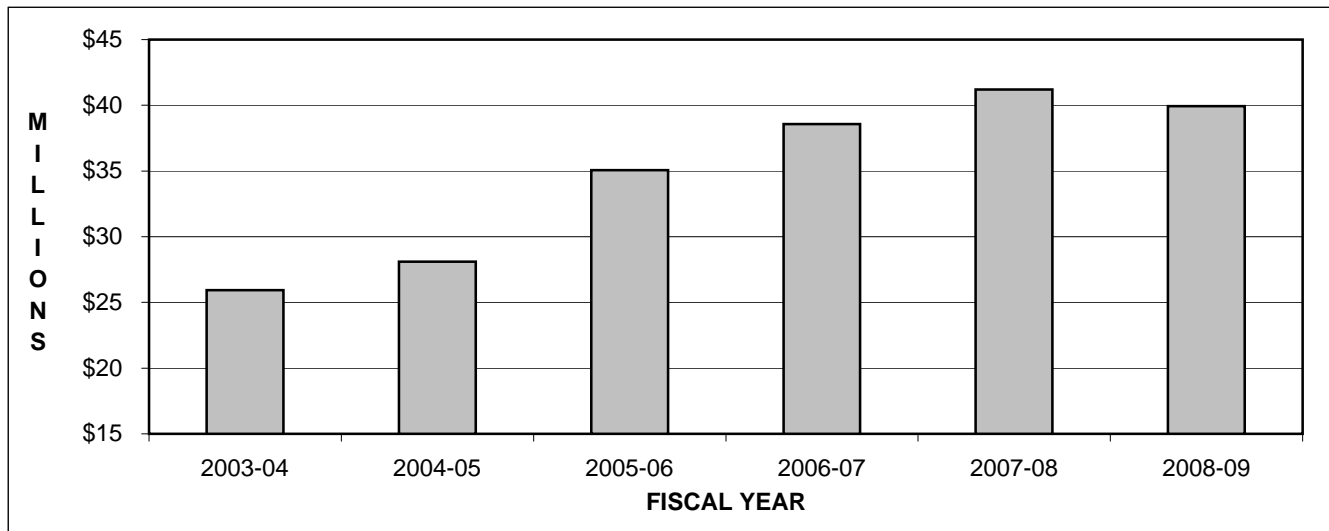
**ORIGINALLY ENACTED**

1991 Session of the State Legislature.

**AMENDMENT**

1993 Session of the State Legislature, per SB 97 and AB 386; transferred the function of tax collection to the Department of Taxation from the Department of Conservation and Natural Resources and provided for the change to the current distribution.

## GOVERNMENT SERVICES FEE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2003-04	\$ 25,925,323	16.74%
2004-05	28,091,131	8.35%
2005-06	35,059,703	24.81%
2006-07	38,563,347	9.99%
2007-08	41,204,834	6.85%
2008-09	39,927,181	-3.10%

### LEGAL CITATION

Chapter 482 Nevada Revised Statutes.  
Chapter 360 Nevada Revised Statutes.

### IMPOSITION AND RATE

A fee imposed on the short-term lease of passenger vehicles. The fee is 6 percent of lease charges. Fees are due on a quarterly basis.

Effective April 1, 2004 Washoe County imposed a fee at the rate of 2 percent of lease charges with 0.25 percent of that amount going to the Department of Taxation for Collection allowance.

Effective July 1, 2005 Clark County imposed a fee at the rate of 2 percent of lease charges with 0.10 percent of that amount going to the Department of Taxation for Collection allowance.

### CURRENT DISTRIBUTION OF REVENUE

State General Fund, Washoe County and Clark County.

### HISTORY

#### ORIGINALLY ENACTED

1993 Session of the State Legislature, effective July 9, 1993.

#### AMENDMENTS

1997 Session of the State Legislature passed Assembly Bill 388, effective July 1, 1997. AB 388 effectively transferred the responsibility for the collection of the short-term lease fees from the Department of Motor Vehicles and Public Safety to the Department of Taxation.

Government Services Fee (continued)

2001 Session of the State Legislature passed Assembly Bill 460, effective January 1, 2002. AB 460 changed Short Term Lessor Fee to Government Services Fee. The filing of returns was changed from annual to quarterly reporting. The credit previously allowed for vehicle licensing fees and tax was removed, and a Recovery Surcharge Fee of up to 3.5% of lease amount was added to allow lessors to recover the cost of fees and taxes.

2003 Session of the State Legislature passed Senate Bill 497 effective June 10, 2003, authorizing the county commissioners of a county whose population is 100,000 or more, but less than 400,000 (Washoe County only) to impose a fee of up to 2% of the lease of certain passenger cars by a short-term lessor. The bill also increased the recovery surcharge from 3.5% to an amount not to exceed 4% of the total amount for which the passenger car was leased.

Assembly Bill 16, effective July 1, 2003, authorizes the county commissioners of a county whose population is 400,000 or more (Clark County only) to impose a fee of up to 2% on the lease of certain passenger cars by a short-term lessor.

Assembly Bill 595 effective October 1, 2007, requires one-quarter of the Short-Term Lessor Recovery Surcharge to be allocated to the Highway Construction Fund.

Assembly Bill 2 of the 25th Special Session was effective from January 1, 2009 through June 30, 2009. It requires an additional one-quarter of the Short-Term Lessor Recovery Surcharge to be allocated to the General Fund.

**DISTRIBUTION OF GOVERNMENT SERVICES FEE**

<b><u>FISCAL YEAR</u></b>	<b><u>HIGHWAY FUND</u></b>	<b><u>GENERAL FUND</u></b>	<b><u>WASHOE COUNTY</u></b>	<b><u>CLARK COUNTY</u></b>	<b><u>COLLECTION ALLOWANCE</u></b>	<b><u>TOTAL COLLECTIONS</u></b>
2003-04	\$ -	\$ 25,638,556	\$ 286,050	\$ -	\$ 717	\$ 25,925,323
2004-05	-	26,793,014	1,294,872	-	3,245	28,091,131
2005-06	-	26,659,737	1,370,907	7,018,598	10,461	35,059,703
2006-07	-	29,806,850	1,367,665	7,378,019	10,813	38,563,347
2007-08	2,862,860	29,792,195	1,112,154	7,427,403	10,222	41,204,834
2008-09	3,425,965	27,519,622	1,535,546	7,434,745	11,303	39,927,181

## **DIVISION OF ASSESSMENT STANDARDS**

The Division of Assessment Standards (DOAS) is responsible for administering and overseeing various property tax programs and providing oversight to the financial administration of local governments. DOAS is located in Carson City, NV and consists of five (5) sections as follows:

### **Centrally Assessed Properties**

Under the authority of NRS 361.320, the Centrally Assessed Properties Section is responsible for the valuation, assessment, collection and distribution of ad valorem ("according to value") taxes related to property of an interstate or intercounty nature. Approximately 233 interstate or intercounty properties owned by airlines, railroads, telecommunications, electric power, gas pipeline, private carlines and water companies are valued by the Centrally Assessed Properties Section. The companies valued generate 277 assessments including secured, unsecured and property escaping taxation rolls.

In addition, the real and personal property associated with mines is valued by the Centrally Assessed Properties Section pursuant to NRS 362.100(1)(b). Approximately 42 secured mining property valuations and 124 unsecured mining property valuations are then transmitted to county assessors for property tax assessment and collection.

Centrally Assessed Properties is also responsible for the administration of the Net Proceeds of Minerals Tax under the authority granted in NRS 362.100. Every person extracting any mineral or receiving a royalty is required to file a statement showing the gross yield and claimed net proceeds from each geographically separate operation where a mineral is extracted. The Centrally Assessed Properties Section reviews the reported information and computes taxes due. There are approximately 68 net proceeds operators, 101 Operating Mines and 418 royalty recipients currently reporting to Taxation. The Centrally Assessed properties Section also collects and distributes the Net Proceeds of Mines Tax to the counties.

### **Local Government Finance**

The Local Government Finance Section provides oversight of the financial administration of approximately 265 Nevada local governments. Statutory authority for this function is found in NRS 354 - Local Financial Administration. The local government finance staff reviews and approves the budgets of all local governments within the state and monitors budgetary and financial information throughout the fiscal year. In addition to these duties, the section provides ad valorem (property) tax revenue rate regulation, provides oversight of local government debt management and evaluates financing proposals submitted by local governments.

When the Nevada Tax Commission (NTC) declares a local entity in severe financial difficulty, the Local Government Finance Section also provides management oversight and in extreme cases provides financial administration. White Pine County was declared to be in a severe financial emergency, and the Department took over the management of the county as of June 27, 2005. The management of White Pine County was returned to the County Commissioners on July 27, 2009.

### **Locally Assessed Properties**

The Locally Assessed Properties Section oversees and monitors the quality of assessments performed by county assessors. Staff appraisers conduct appraisal ratio studies to determine the ratio of the assessed value of property to the taxable value of the property in each county of the State every third year (NRS 361.333). In addition to reporting on the assessment level and uniformity within each county, the Locally Assessed Properties Section reviews assessment policies, procedures and methods used within each county to ensure proper methods and procedures are developed and maintained. The staff also verifies the land factors prepared and submitted by each county assessor to assure compliance with NRS 361.260 (5) and prepares special studies in accordance with the Nevada Tax Commission's instructions.

This section establishes, for assessment purposes, the valuation of: agricultural land (NRS 361a.140); mobile homes (NRS 361.325); and personal property (NRS 361.227). The Department provides guidance in the implementation of the property tax abatement program adopted by the Nevada State Legislature in 2005.

In addition, this section assists county assessors in valuing property upon request or upon the direction of the NTC (NRS 360.215 (8)). Additionally, if the NTC finds property in a county to be assessed outside the guidelines of the ratio studies, it may call upon the section to implement a reappraisal program (NRS 361.333 (5c)).

## **Real Property Transfer Tax (RPPT)**

Under the authority of NRS 375, the Real Property Transfer Tax is administered by the Real Property Transfer Tax Section, providing oversight, compliance, and audit services to the offices of county recorders.

The section monitors appeals of the real property transfer tax in local jurisdictions and reviews district attorney opinions for congruity and compliance with NRS 375 and NAC 375. In addition, the section discovers, researches, and distributes information to the county recorders with regard to applying exemptions and requirements for supporting documentation.

The section audits all counties to insure the tax is collected fairly and equitably with all claims for exemption in compliance with statute pursuant to NRS 375.090. The audit consists of on-site inspections, individual interviews with the recorder and treasurer of the subject county, and review of deeds, declarations of value, other corporate, estate planning, and legal, title documents, to determine whether the transfer of real property was a taxable event or not.

Based on the results of the on-site inspections, interviews, and questionnaire responses, the staff makes recommendations, if any, on issues relating to the collection and distribution of the tax. Any adjustments, with regard to the under or over payment of taxes, are brought to the Recorder's attention for correction. The Department follows up to ensure corrections are accomplished.

The Real Property Transfer Tax Section also monitors all statutory NRS 375.023 and NRS 375.070 remittances, and reconciles the remittances to the mandated NAC 375.400 reporting from the county recorder reports.

The Division of Assessment Standards also provides staffing for the following statutory boards:

**The State Board of Equalization** (SBE) hears and determines all appeals from action of county boards of equalization. The SBE also hears and determines direct appeals from valuations of Nevada Tax Commission.

**The Appraiser Certification Board** is an appointed board established to advise the Department of Taxation on matters pertaining to certification and continuing education of all appraisers certified for tax purposes.

**The Committee on Local Government Finance** is an eleven member appointed board set by NRS 354 to advise the Department of Taxation on matters affecting local governments and their finances.

## CERTIFICATION OF APPRAISERS

The Appraiser Certification Board is an appointed board established to advise the Department on matters pertaining to certification and continuing education of all appraisers certified to appraise for tax purposes.

All persons who are employees of or independent contractors for the State or any of its political subdivisions and who perform the duties of an appraiser for tax purposes must hold a valid appraiser certificate issued by the Department of Taxation.

The Department issues an appraiser certificate to any person who has successfully passed the appropriate certification exam. Persons holding a professional designation may be able to waive taking certain portions of the exam.

Each person who holds an appraiser certificate must complete 36 contact hours of appropriate training in each succeeding fiscal year following certification. The 36 hour training requirement is waived for persons who either have accumulated 180 contact hours or hold a professional designation. These persons must complete 36 contact hours during every five year period thereafter.

Newly employed appraisers are issued a temporary certificate which expires two years following the employee's date of hire or upon successful completion of the appraiser certification exam, whichever occurs first. The temporary certificate is not renewable.

<b>NUMBER OF CERTIFIED APPRAISERS - JUNE 2009</b>				
<b>JURISDICTIONS</b>	<b>REAL PROPERTY</b>	<b>PERSONAL PROPERTY</b>	<b>REAL AND PERSONAL PROPERTY</b>	<b>TEMPORARY CERTIFICATIONS</b>
Department of Taxation	1	1	12	2
Carson City	0	0	4	2
Churchill	3	2	1	1
Clark	5	3	52	1
Douglas	0	1	5	0
Elko	3	2	4	2
Esmeralda	0	0	1	1
Eureka	2	2	0	0
Humboldt	4	1	0	0
Lander	0	0	2	1
Lincoln	0	1	3	0
Lyon	6	1	3	0
Mineral	1	0	0	2
Nye	2	0	4	1
Pershing	0	0	1	1
Storey	0	1	2	0
Washoe	4	0	28	0
White Pine	2	0	1	0
Independent Contractors	0	1	0	0
<b>TOTAL</b>	<b>33</b>	<b>16</b>	<b>123</b>	<b>14</b>



**STATE BOARD OF EQUALIZATION  
2008-09 SUMMARY OF TRANSACTIONS\* - SECURED PROPERTY VALUATIONS**

The State Board of Equalization hears and determines appeals from action of county boards of equalization. The State Board also hears and determines direct appeals from valuations of the Nevada Tax Commission. The Division of Assessment Standards is responsible for coordinating meetings of the State Board of Equalization.

Other responsibilities of the State Board of Equalization include equalizing property valuations in the State. Additionally, the Board reviews the tax rolls of the various counties as equalized by the county boards of equalization and, if necessary, adjusts the valuations thereon in order to equalize values with respect to taxable value.

SECURED 2008-09											
COUNTY	TOTAL	Taxpayer Petition Granted	Taxpayer Petition Denied	Assessor Petition Granted	Assessor Petition Denied	Remanded back to County	Heard No Jurisdiction	No Changes		Changes	
								Not Heard Withdrawn	Decisions by State Board of Equalization	Net Increase	Net Decrease
CC	-	-	-	-	-	-	-	-	-	-	-
CH	4	-	1	-	-	-	3	-	4	-	-
CL	79	6	15	3	5	3	13	34	45	-	(21,952,549)
DO	2	1	1	-	-	-	-	-	2	-	(61,005)
EL	-	-	-	-	-	-	-	-	-	-	-
ES	1	-	-	-	-	-	-	1	-	-	-
EU	-	-	-	-	-	-	-	-	-	-	-
HU	-	-	-	-	-	-	-	-	-	-	-
LA	-	-	-	-	-	-	-	-	-	-	-
LI	-	-	-	-	-	-	-	-	-	-	-
LY	3	-	2	-	-	-	-	1	2	-	-
MI	-	-	-	-	-	-	-	-	-	-	-
NY	4	-	-	-	-	-	1	3	1	-	-
PE	-	-	-	-	-	-	-	-	-	-	-
ST	1	-	-	-	-	-	1	-	1	-	-
WA	1,160	11	913	1	-	-	214	21	1,139	-	(2,887,775)
WP	-	-	-	-	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>1,254</b>	<b>18</b>	<b>932</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>232</b>	<b>60</b>	<b>1,194</b>	<b>-</b>	<b>(24,901,329)</b>
<i>Centrally Assessed Unitary</i>	8	-	-	3	-	-	-	5	3	384,400	(967,000)
<b>GRAND TOTAL</b>	<b>1,262</b>	<b>18</b>	<b>932</b>	<b>7</b>	<b>5</b>	<b>3</b>	<b>232</b>	<b>65</b>	<b>1,197</b>	<b>384,400</b>	<b>(25,868,329)</b>

**NET IMPACT  
w/o Unitary**   **(25,483,929)  
(24,901,329)**

\* Note: The principal difference between Secured and Unsecured tax rolls is related to the levy of the tax. Pursuant to NRS 361.450, every tax levied is a perpetual lien against the property assessed until the tax and any penalty charges and interest which may accrue are paid. The lien attaches on July 1 each year, upon all [real] property within the county.

**STATE BOARD OF EQUALIZATION  
2008-09 SUMMARY OF TRANSACTIONS\* - UNSECURED PROPERTY VALUATIONS**

UNSECURED 2007-08										
COUNTY	TOTAL	Taxpayer Petition Granted	Taxpayer Petition Denied	Assessor Petition Granted	Assessor Petition Denied	Heard No Jurisdiction	No Changes		Changes	
							Not Heard Withdrawn	Decisions by State Board of Equalization	Net Increase	Net Decrease
CC	-	-	-	-	-	-	-	-	-	-
CH	-	-	-	-	-	-	-	-	-	-
CL	10	2	3	-	-	1	4	6	-	(1,490,076)
DO	-	-	-	-	-	-	-	-	-	-
EL	-	-	-	-	-	-	-	-	-	-
ES	-	-	-	-	-	-	-	-	-	-
EU	-	-	-	-	-	-	-	-	-	-
HU	-	-	-	-	-	-	-	-	-	-
LA	-	-	-	-	-	-	-	-	-	-
LI	-	-	-	-	-	-	-	-	-	-
LY	-	-	-	-	-	-	-	-	-	-
MI	1	1	-	-	-	-	-	1	-	(4,017,340)
NY	2	-	-	-	-	-	2	-	-	-
PE	-	-	-	-	-	-	-	-	-	-
ST	-	-	-	-	-	-	-	-	-	-
WA	15	4	3	4	-	-	4	11	418,308	(95,204)
WP	-	-	-	-	-	-	-	-	-	-
<b>TOTALS</b>	<b>28</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>-</b>	<b>1</b>	<b>10</b>	<b>18</b>	<b>418,308</b>	<b>(5,602,620)</b>
<i>Centrally Assessed Unitary</i>	8	-	-	3	-	-	5	3	457,500	-
<i>Net Proceeds</i>	2	1	1	-	-	-	-	2	-	(17,413,584)
<b>GRAND TOTAL</b>	<b>38</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>1</b>	<b>15</b>	<b>23</b>	<b>875,808</b>	<b>(23,016,204)</b>

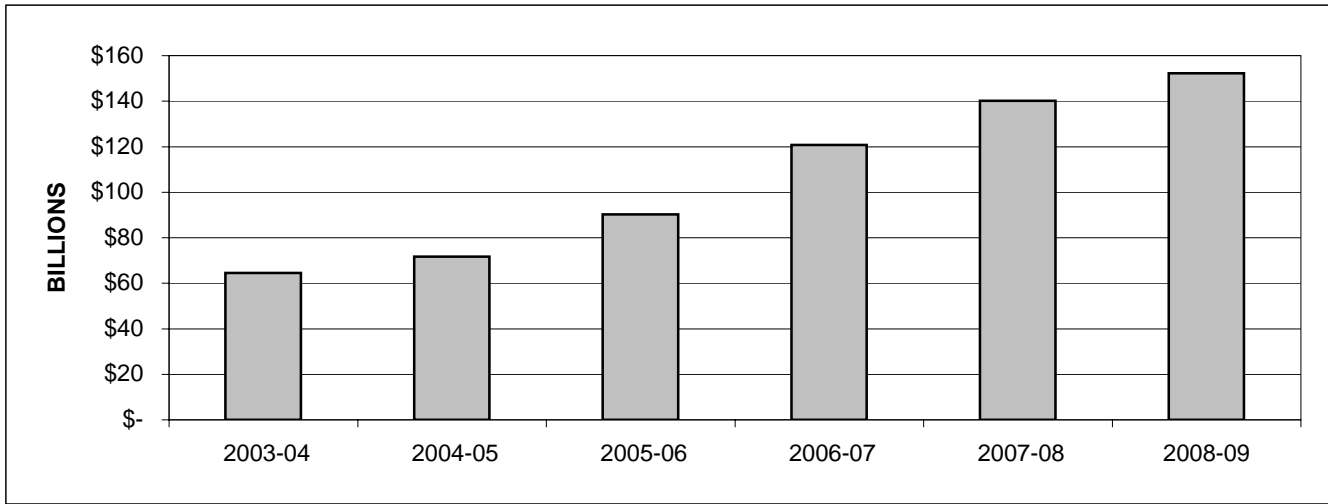
**NET IMPACT  
w/o Unitary & NPM**

**(22,140,396)  
(5,184,312)**

\* Note: The principal difference between Secured and Unsecured tax rolls is related to the levy of the tax. Pursuant to NRS 361.450, every tax levied is a perpetual lien against the property assessed until the tax and any penalty charges and interest which may accrue are paid. The lien attaches on July 1 each year, upon all [real] property within the county.

# ASSESSED VALUATIONS

## TOTAL NET ASSESSED VALUATION STATEWIDE



FISCAL YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	VALUATION	FROM PRIOR YEAR
2003-04	\$ 64,490,999,135	9.2%	2006-07	\$ 120,714,693,368	33.7%
2004-05	71,640,949,103	11.1%	2007-08	140,146,163,395	16.1%
2005-06	90,286,734,385	26.0%	2008-09	152,301,103,962	8.7%

### RATIO STUDY

Under NRS 361.333, the Nevada Tax Commission is obligated to equalize property under its jurisdiction. Equalization is the process by which the Commission ensures "that all property subject to taxation within the county has been assessed as required by law." There are two types of information which the Commission considers to determine whether property has been assessed equitably. The first type of information comes from a ratio study, which is a statistical analysis designed to study the level and uniformity of the assessments. The second type of information comes from a procedural audit which is designed to fulfill the requirements of NRS 361.333(1)(b)(2). The procedural audit examines the work practices of the assessor to determine whether all property is being assessed in a correct and timely manner.

**ASSESSED VALUATION BY PROPERTY CLASSES BEFORE EXEMPTIONS**

	<b>2007-08 VALUATION</b>	<b>PERCENT OF TOTAL VALUATION</b>	<b>2008-09 VALUATION</b>	<b>PERCENT OF TOTAL VALUATION</b>
* RURAL LANDS	\$ 119,759,667	0.071%	\$ 121,904,653	0.066%
RURAL LANDS - IMPROVEMENTS	126,109,672	0.074%	135,318,685	0.074%
FARM EQUIPMENT & MACHINERY	28,020,118	0.017%	28,511,060	0.016%
URBAN PROPERTY - LAND	101,241,388,193	59.680%	105,368,981,417	57.296%
URBAN PROPERTY-IMPROVEMENTS	60,191,911,849	35.482%	69,066,840,375	37.556%
OTHER PERSONAL PROPERTY	1,197,368,724	0.706%	1,218,047,754	0.662%
PUBLIC UTILITIES	3,150,538,944	1.857%	3,716,807,142	2.021%
AIRPLANES	417,636,400	0.246%	454,134,081	0.247%
BILLBOARDS	27,323,526	0.016%	33,400,312	0.018%
OPEN SPACE	11,730,241	0.007%	12,469,350	0.007%
MILL & MINE IMPROVEMENTS	889,285,920	0.524%	901,365,020	0.490%
MINING EQUIPMENT & MACHINERY	452,092,960	0.266%	652,152,750	0.355%
MOBILE HOMES	257,544,483	0.152%	247,203,313	0.134%
NET PROCEEDS OF MINES	1,459,623,581	0.860%	1,879,450,695	1.022%
PATENTED MINE CLAIMS	65,900,687	0.039%	62,648,690	0.034%
OIL & GAS LEASES	5,565,190	0.003%	5,175,607	0.003%
<b>TOTAL</b>	<b>\$ 169,641,800,155</b>	<b>100.000%</b>	<b>\$ 183,904,410,904</b>	<b>100.000%</b>

\*Based upon agricultural use assessment according to NRS 361A.

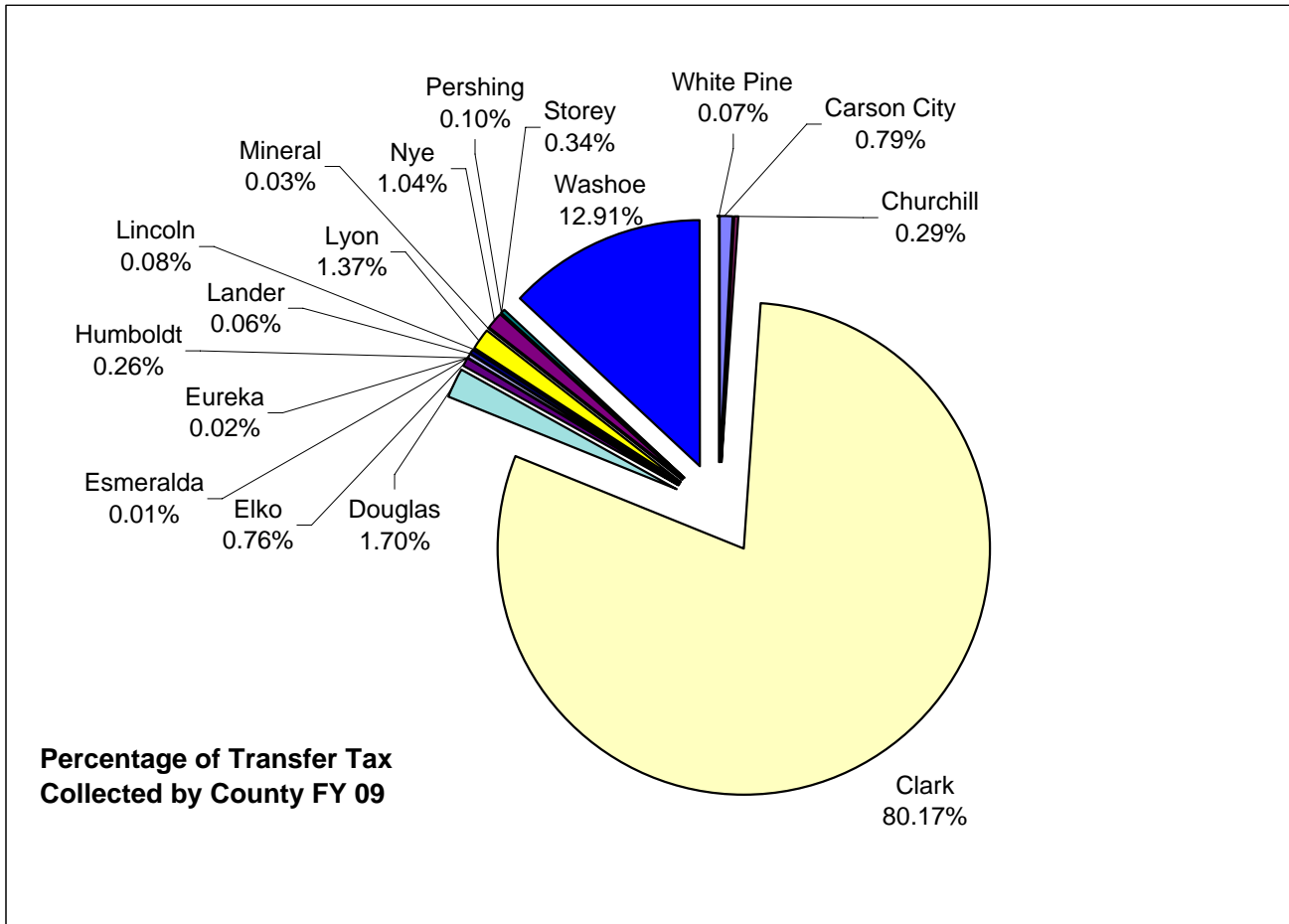
**ASSESSED VALUATION BY COUNTIES AFTER EXEMPTIONS**

<b>COUNTY</b>	<b>FISCAL YEAR 2007-08</b>	<b>FISCAL YEAR 2008-09</b>	<b>CHANGE</b>	<b>PERCENT CHANGE</b>
CARSON CITY	\$ 1,655,460,275	\$ 1,930,469,667	\$ 275,009,392	16.61%
CHURCHILL	682,624,781	735,552,007	52,927,226	7.75%
CLARK	110,310,246,032	118,805,235,415	8,494,989,383	7.70%
DOUGLAS	3,464,790,858	3,562,952,984	98,162,126	2.83%
ELKO	1,139,867,744	1,268,547,086	128,679,342	11.29%
ESMERALDA	52,234,999	55,771,036	3,536,037	6.77%
EUREKA	1,009,956,590	1,475,287,156	465,330,566	46.07%
HUMBOLDT	796,897,517	788,883,348	(8,014,168)	-1.01%
LANDER (1)	193,627,045	312,924,253	119,297,208	61.61%
LINCOLN	181,285,830	189,959,746	8,673,916	4.78%
LYON	1,660,718,615	1,845,755,677	185,037,062	11.14%
MINERAL	91,426,274	99,378,171	7,951,897	8.70%
NYE	1,855,722,171	2,172,119,611	316,397,440	17.05%
PERSHING	189,722,632	211,888,529	22,165,897	11.68%
STOREY	462,887,023	565,060,009	102,172,986	22.07%
WASHOE	16,007,125,677	17,910,503,677	1,903,378,000	11.89%
WHITE PINE	404,889,624	370,815,592	(34,074,032)	-8.42%
<b>TOTAL</b>	<b>\$ 140,159,483,687</b>	<b>\$ 152,301,103,964</b>	<b>\$ 12,141,620,277</b>	<b>8.66%</b>

The above totals may not reflect final State Board of Equalization changes for either fiscal year.  
Data adjusted to reflect updated information.

(1) Lower assessed values for net proceeds of minerals.

## REAL PROPERTY TRANSFER TAX



### LEGAL CITATION

Chapter 375.023 - 375.026 Nevada Revised Statutes.

### IMPOSITION AND RATE

\$1.95 on each \$500 of value, or fraction thereof, on transfer of real property.

### CURRENT DISTRIBUTION OF REVENUE

\$1.30 to the State General Fund, \$0.55 to Consolidated Tax, and \$0.10 to the Account for Low Income Housing.

### HISTORY

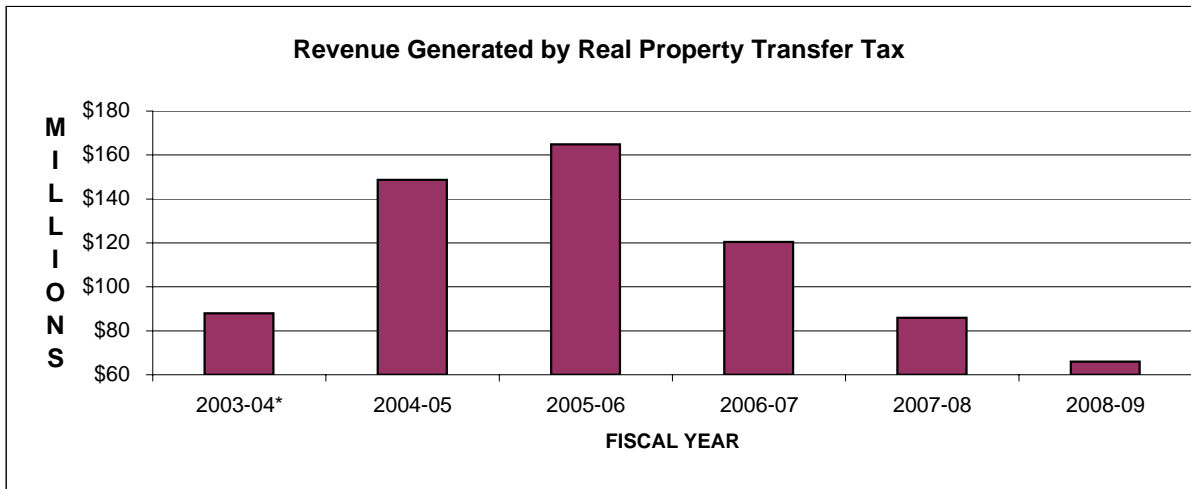
#### ORIGINALLY ENACTED

Added to NRS in 1967.

#### REVISED TO INCLUDE STATE GENERAL FUND

2003 Special Session of State Legislature, effective October 1, 2003.

**Real Property Transfer Tax (continued)**



Fiscal Year	Collections	% Change from Prior Year
2003-04*	\$ 88,027,661	N/A
2004-05	148,730,974	68.96%
2005-06	164,841,506	10.83%
2006-07	120,374,961	-26.98%
2007-08	85,882,799	-28.65%
2008-09	65,922,452	-23.24%

\* 3 quarters of data only

**General Fund Collected for Each Quarter  
FISCAL YEAR 2009**

	July - Sept 08 <u>1st Quarter</u> General Fund	Oct - Dec 08 <u>2nd Quarter</u> General Fund	Jan - Mar 09 <u>3rd Quarter</u> General Fund	April - June 09 <u>4th Quarter</u> General Fund
Carson City	\$ 143,381	\$ 128,768	\$ 88,354	\$ 158,020
Churchill	52,656	57,326	44,171	36,055
Clark	18,991,546	12,575,384	10,472,600	10,812,361
Douglas	368,969	267,359	218,947	264,038
Elko	223,826	76,983	82,030	118,466
Esmeralda	4,414	1,143	1,129	2,595
Eureka	1,181	3,650	2,815	2,804
Humboldt	54,508	52,664	25,171	42,353
Lander	9,937	11,259	9,192	9,422
Lincoln	27,257	10,940	9,390	3,024
Lyon	265,831	208,951	192,558	232,885
Mineral	5,784	5,377	3,461	5,620
Nye	209,507	160,223	160,561	153,073
Pershing	37,165	10,689	7,537	8,449
Storey	154,260	40,417	11,298	20,999
Washoe	2,460,962	2,793,786	1,412,165	1,845,668
White Pine	16,911	13,368	7,979	10,882
<b>TOTAL FOR QUARTER</b>	<b>\$ 23,028,096</b>	<b>\$ 16,418,284</b>	<b>\$ 12,749,357</b>	<b>\$ 13,726,715</b>
<b>TOTAL FOR YEAR</b>	<b>\$ 23,028,096</b>	<b>\$ 39,446,380</b>	<b>\$ 52,195,737</b>	<b>\$ 65,922,452</b>

# NET PROCEEDS OF MINERALS

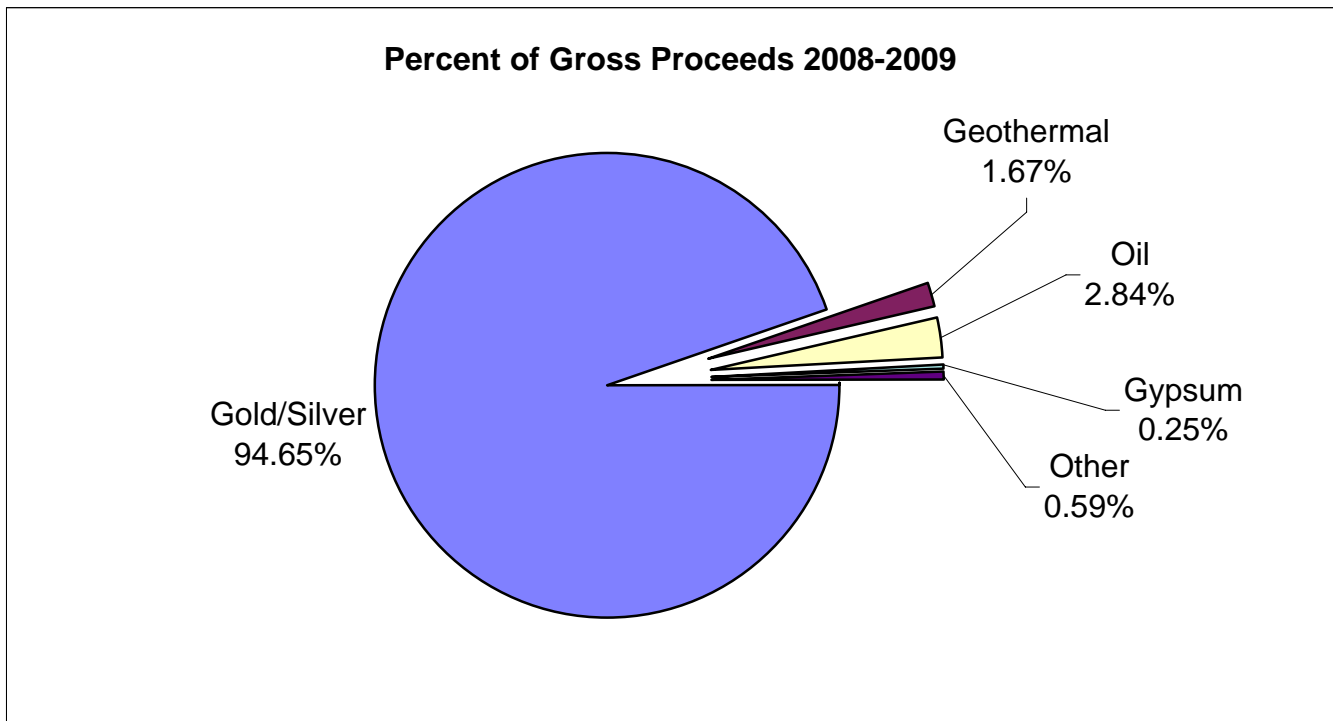
The Nevada Department of Taxation determines the tax on the net proceeds of minerals pursuant to NRS Chapter 362. Producers annually report the gross yield of each separate extractive operation as well as expenses related to the extraction, processing, transportation, and marketing of the mineral. Royalty recipients report only the amount of royalties received. The Department calculates the net proceeds by deducting allowable expenses from the gross yield.

The tax rate on the net proceeds of each operation depends on the ratio of the net proceeds to the gross proceeds as provided in NRS 362.140. The maximum tax rate is five percent, applied to net proceeds in excess of \$4,000,000 annually and to all royalties. The Department certifies and bills the net proceeds tax due each year on April 20th, with payment due by May 10th.

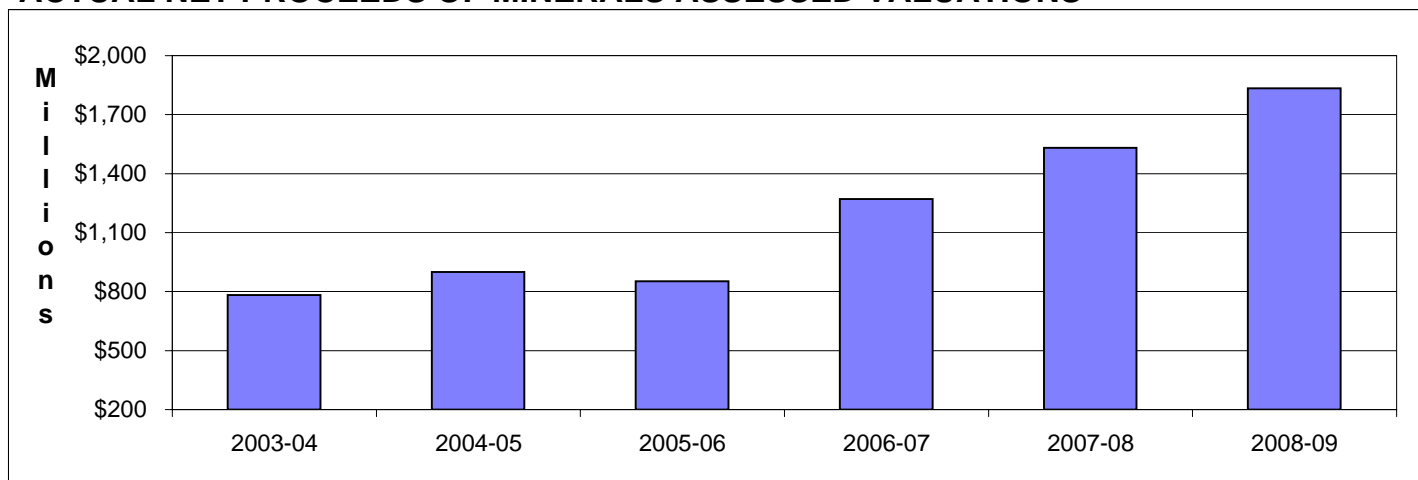
## Percent of Total Gross Proceeds by Mineral Type

Mineral Type	Percent of Total Gross Proceeds 2005-2006	Percent of Total Gross Proceeds 2006-2007	Percent of Total Gross Proceeds 2007-2008	Percent of Total Gross Proceeds 2008-2009
Gold/Silver	93.81%	93.57%	94.12%	94.65%
Geothermal	1.27%	1.91%	1.61%	1.67%
Oil	0.53%	0.47%	0.46%	0.59%
Gypsum	0.35%	0.34%	0.29%	0.25%
Other	4.04%	3.71%	3.53%	2.84%
	100.00%	100.00%	100.00%	100.00%

Other includes: Building Stone, Clay, Dolomite, Feldspar, Gemstones, Salt, and other miscellaneous minerals.



## ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS



FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR
2003-04	\$ 783,208,831	49.31%	2006-07	\$ 1,270,839,999	48.98%
2004-05	899,946,917	14.91%	2007-08	1,531,548,125	20.51%
2005-06	853,038,767	-5.21%	2008-09	1,833,998,864	19.75%

\* Based on actual calendar year reports to the Department.

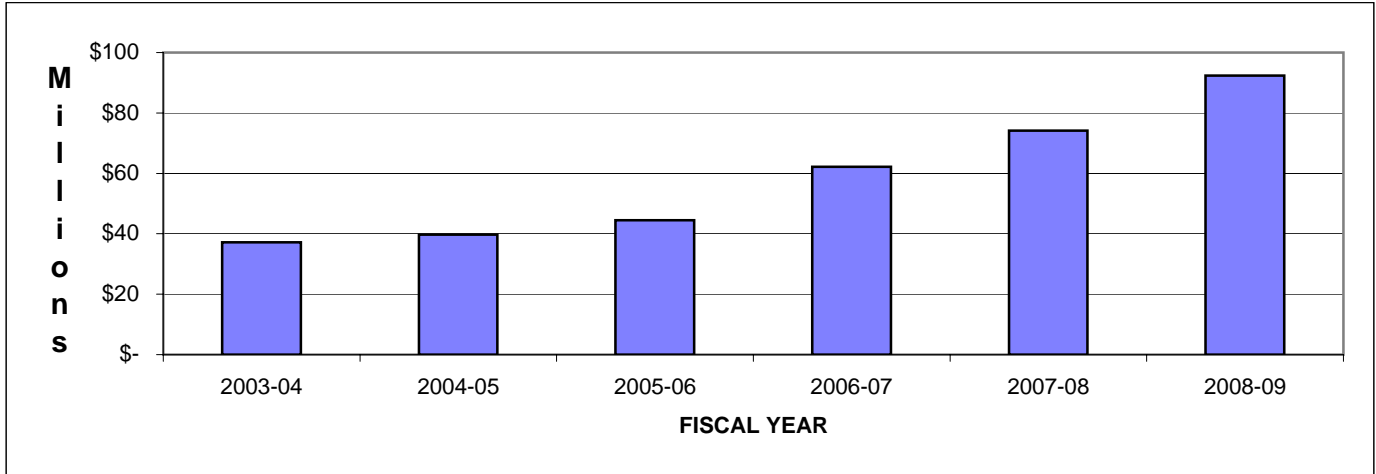
### ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS BY COUNTY

COUNTY	2004-05	2005-06	2006-07	2007-08	2008-09
Carson City	\$ -	\$ -	\$ -	\$ -	\$ -
Churchill	31,139,107	22,707,635	27,768,929	30,155,943	19,075,744
Clark	3,485,211	3,665,792	3,108,788	1,795,865	2,489,979
Douglas	29,374	18,350	24,414	7,264	19,648
Elko	104,523,070	73,710,852	104,779,095	68,097,906	143,840,923
Esmeralda	594,393	126,885	3,234,450	6,495,277	8,602,664
Eureka	248,186,052	270,408,434	458,613,325	568,268,997	898,248,335
Humboldt	70,036,472	52,450,411	122,533,907	268,529,167	247,962,200
Lander	265,538,030	206,044,239	34,374,761	96,274,458	55,436,162
Lincoln	20,813	35,799	51,313	47,720	159,986
Lyon	192,788	96,422	101,012	242,093	125,980
Mineral	8,221,458	7,424,840	5,379,236	3,429,199	5,024,457
Nye	147,725,274	154,270,419	195,164,744	193,586,148	198,471,385
Pershing	15,876,466	19,206,532	51,073,593	51,250,211	60,178,361
Storey	1,025,199	2,015,975	5,771,580	36,640	81,098
Washoe	2,637,610	2,322,364	4,368,209	4,259,749	2,871,292
White Pine	715,600	38,533,818	254,492,643	239,071,488	191,410,650
<b>TOTAL</b>	<b>\$ 899,946,917</b>	<b>\$ 853,038,767</b>	<b>\$ 1,270,839,999</b>	<b>\$ 1,531,548,125</b>	<b>\$ 1,833,998,864</b>

Note: The above information may not include adjustments for County and State Board of Equalization pending decisions, and pending or unresolved audits. An adjustment of \$18,117,679 reflecting an SBE decision of 11/21/08 in favor of Graymont Western US, Inc. is included.



# TAX REVENUE COLLECTION AND DISTRIBUTION ON NET PROCEEDS OF MINERALS



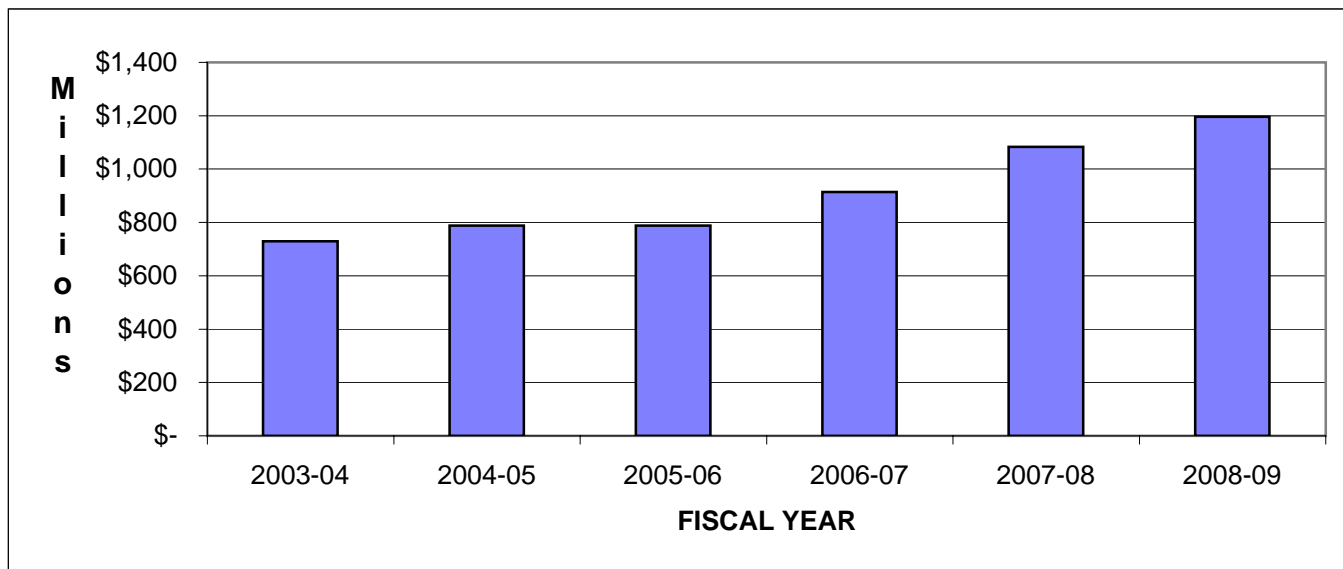
FISCAL YEAR	TAX REVENUE*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TAX REVENUE **	% CHANGE FROM PRIOR YEAR
2003-04	\$ 37,162,642	47.69%	2006-07	\$ 62,178,511	39.65%
2004-05	39,690,846	6.80%	2007-08	74,129,804	19.22%
2005-06	44,524,830	12.18%	2008-09	92,325,967	24.55%

\*\* Based on actual calendar year reports to the Department. Distribution of \$53,123,983 in projected Net Proceeds for Fiscal Year 2009-10 as a result of SB 2 are detailed below.

## NET PROCEEDS OF MINERALS TAX DISTRIBUTION FISCAL YEAR 2008-2009

COUNTY	Prior Year Billings	2008-2009 Billings	2009-2010 Projections	TOTAL DISTRIBUTION
Carson City	\$ -	\$ -	\$ -	\$ -
Churchill	353,526	496,220	831,297	1,681,043
Clark	-	58,345	42,674	101,020
Douglas	212	-	282	494
Elko	486,557	3,649,014	2,774,689	6,910,260
Esmeralda	-	245,133	5,129	250,262
Eureka	13,325	15,667,296	9,543,447	25,224,068
Humboldt	1,045,260	4,701,927	1,980,833	7,728,020
Lander	23,680	1,763,636	2,987,418	4,774,734
Lincoln	793	5,414	3,927	10,133
Lyon	11,216	-	228	11,444
Mineral	-	175,354	107,127	282,481
Nye	30,071	6,184,924	2,894,842	9,109,836
Pershing	34,464	1,316,058	354,683	1,705,206
Storey	34,207	2,669	-	36,875
Washoe	42,182	83,926	357,558	483,666
White Pine	-	6,664,952	3,126,362	9,791,314
<b>TOTAL COUNTY DISTRIBUTION</b>	<b>\$ 2,075,493</b>	<b>\$ 41,014,868</b>	<b>\$ 25,010,495</b>	<b>\$ 68,100,856</b>
State Debt Service Fund	142,443	3,050,331	1,850,045	5,042,820
State General Fund	2,087,280	43,949,662	26,263,443	72,300,385
State General Fund (Penalties & Interest)	5,889	-	-	5,889
<b>TOTAL</b>	<b>\$ 4,311,105</b>	<b>\$ 88,014,862</b>	<b>\$ 53,123,983</b>	<b>\$ 145,449,950</b>

## MINING PROPERTIES - ASSESSED VALUATIONS



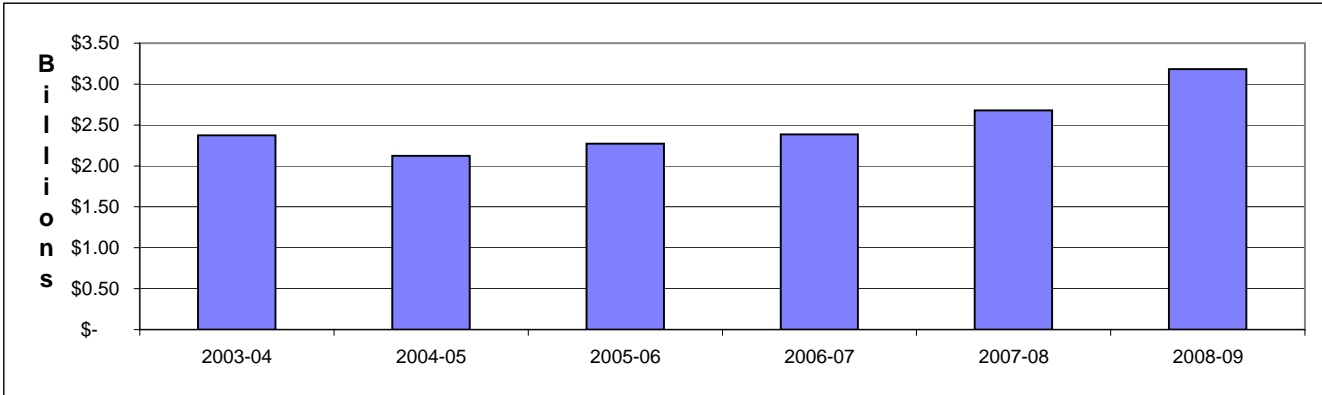
FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR
2003-04	\$ 729,725,160	-4.33%	2006-07	\$ 913,819,390	15.93%
2004-05	788,574,215	8.06%	2007-08	1,083,034,360	18.52%
2005-06	788,253,720	-0.04%	2008-09	1,196,060,430	10.44%

The secured, unsecured, and supplemental assessments form the values for the fiscal years above.

In accordance with NRS 362.100(1b), the Department of Taxation is required to, "Appraise and assess all reduction, smelting and milling works, plants and facilities, whether or not associated with a mine, and all supplies, machinery, equipment, apparatus, facilities, buildings, structures and other improvements used in connection with any mining, reduction, smelting or milling operation . . ."

COUNTY	FISCAL YEAR 2007-08		FISCAL YEAR 2008-09	
	NUMBER OF APPRAISALS	ASSESSED VALUATION	NUMBER OF APPRAISALS	ASSESSED VALUATION
Carson City	0	\$ -	0	\$ -
Churchill	9	43,893,100	8	62,377,250
Clark	6	13,277,110	7	16,168,170
Douglas	0	-	0	-
Elko	16	49,036,000	14	85,750,370
Esmeralda	10	4,960,550	8	5,064,460
Eureka	20	403,302,090	20	432,359,010
Humboldt	23	176,678,460	19	169,663,860
Lander	17	197,914,580	20	209,540,720
Lincoln	5	182,640	6	258,420
Lyon	8	12,841,990	8	10,593,590
Mineral	2	8,580,300	2	8,834,170
Nye	33	78,032,570	32	81,439,800
Pershing	11	32,083,010	10	33,855,770
Storey	3	3,318,170	2	3,871,970
Washoe	7	21,088,160	6	40,464,340
White Pine	5	37,845,630	4	35,818,530
<b>TOTAL</b>	<b>175</b>	<b>\$ 1,083,034,360</b>	<b>166</b>	<b>\$ 1,196,060,430</b>

**2008 - 2009 TAX YEAR  
INTERSTATE AND INTERCOUNTY VALUATIONS  
(ASSESSED VALUE)**



ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
2003-04	\$ 2,375,318,094	0.72%	2006-07	\$ 2,387,226,864	5.01%
2004-05	2,124,411,839	-10.56%	2007-08	2,677,866,123	12.17%
2005-06	2,273,383,448	7.01%	2008-09	3,184,699,325	18.93%

**CENTRALLY ASSESSED UNITARY AND CONSTRUCTION WORK IN PROGRESS  
TAX DISTRIBUTION  
FISCAL YEAR 2008-09**

COUNTY	SECURED UTILITIES & 6-Mo CWIP	PRIVATE CARLINES	UNSECURED 12-Mo CWIP and PET	TOTAL TAX
Carson City	\$ 925,847	\$ -	\$ 96,040	\$ 1,021,887
Churchill	1,277,190	6,785	73,509	1,357,484
Clark	34,552,389	12,748	6,022,339	40,587,476
Douglas	813,123	-	70,031	883,154
Elko	2,600,356	28,775	96,918	2,726,049
Esmeralda	492,582	-	31,075	523,657
Eureka	449,714	4,569	22,824	477,107
Humboldt	1,902,106	14,059	103,348	2,019,513
Lander	1,122,909	6,356	82,755	1,212,020
Lincoln	1,006,874	9,954	43,834	1,060,662
Lyon	1,904,809	4,420	153,258	2,062,487
Mineral	643,362	-	51,231	694,593
Nye	1,648,483	-	168,052	1,816,535
Pershing	1,323,228	12,065	103,039	1,438,332
Storey	2,528,231	1,388	1,263,273	3,792,892
Washoe	8,378,175	13,473	675,998	9,067,646
White Pine	759,711	-	27,897	787,608
<b>Total County Distribution</b>	<b>\$ 62,329,089</b>	<b>\$ 114,592</b>	<b>\$ 9,085,421</b>	<b>\$ 71,529,102</b>
State Debt Service Fund	3,806,544	7,724	533,009	4,347,277
State General Fund - P&I	15,140	5,007	29,502	49,649
<b>TOTAL</b>	<b>\$ 66,150,773</b>	<b>\$ 127,323</b>	<b>\$ 9,647,932</b>	<b>\$ 75,926,028</b>

\* 2007/2008 valuation has been adjusted or revised to reflect updated information.

**2008 - 2009 Tax Year  
Secured Tax Roll Summary  
Assessed Values - Centrally Assessed Properties**

	Airlines		Electrics		Gas/Pipelines		Railroads		Communications		Total By County
	Unitary	6 Mo. CWIP	Unitary	6 Mo. CWIP	Unitary	6 Mo. CWIP	Unitary	6 Mo. CWIP	Unitary	6 Mo. CWIP	
Carson City	\$ 551,706	\$ 18	\$ 13,072,471	\$ 1,060,554	\$ 16,018,462	\$ 640,339	\$ -	\$ -	\$ 7,551,906	\$ 529,627	\$ 39,425,083
Churchill	5,273,968	3,889	22,877,992	1,836,383	9,570,841	315,607	5,872,941	13,224	6,783,828	43,905	52,592,578
Clark	165,076,559	275,695	1,233,702,557	82,270,532	237,083,320	5,872,389	13,798,524	31,526	30,909,018	814,327	1,769,834,447
Douglas	178,125	59	24,749,158	2,007,871	3,388,977	135,474	-	-	11,617,886	43,682	42,121,232
Elko	4,933,546	5,242	45,293,886	2,693,657	5,374,404	214,842	26,679,922	59,535	21,850,891	169,264	107,275,189
Esmeralda	9,887,106	41,706	8,987,409	629,817	-	-	-	-	251,158	7,996	19,805,192
Eureka	2,622,668	6,342	14,258,823	944,598	729,611	29,166	5,154,038	11,466	4,062,157	63,663	27,882,532
Humboldt	1,261,696	6,182	60,288,637	3,608,312	8,897,377	355,673	14,504,876	32,332	7,509,009	350,690	96,814,785
Lander	3,506,305	4,981	24,421,100	1,979,853	1,388,403	55,501	4,217,620	9,397	5,321,580	124,286	41,029,027
Lincoln	1,948,216	8,234	8,452,168	545,021	18,354,987	3,349	10,036,069	22,930	4,121,815	140,421	43,633,211
Lyon	3,264,090	8,612	41,719,362	3,335,250	12,503,592	468,023	3,997,277	9,081	9,647,835	411,215	75,364,338
Mineral	6,030,232	18,069	14,024,942	1,104,456	540,397	21,602	-	-	428,430	31,235	22,199,362
Nye	16,875,960	53,644	37,578,000	1,651,872	452,340	18,082	-	-	7,226,090	482,622	64,338,611
Pershing	1,042,279	2,507	27,325,171	2,195,766	9,562,082	382,245	8,739,733	19,475	3,310,826	134,846	52,714,931
Storey	1,712,879	3,729	53,303,080	31,962,625	2,402,248	35,998	909,106	2,027	617,328	37,787	90,986,806
Washoe	27,538,785	16,023	110,237,809	8,815,471	70,303,961	1,722,708	13,328,894	30,007	57,599,051	3,673,929	293,266,638
White Pine	3,743,879	3,668	12,190,436	379,962	-	-	-	-	8,824,189	120,004	25,262,139
<b>Total</b>	<b>\$ 255,448,000</b>	<b>\$ 458,600</b>	<b>\$ 1,752,483,000</b>	<b>\$ 147,022,000</b>	<b>\$ 396,571,000</b>	<b>\$ 10,271,000</b>	<b>\$ 107,239,000</b>	<b>\$ 241,000</b>	<b>\$ 187,633,000</b>	<b>\$ 7,179,500</b>	<b>\$ 2,864,546,100</b>

NOTE: Airlines Unitary DOES include Secured Unscheduled Airlines of \$14,215,000 which wasn't included in the prior year.  
Totals may reflect slight discrepancies due to rounding.

**2008-2009 TAX YEAR  
UNSECURED TAX ROLL SUMMARY  
ASSESSED VALUES CENTRALLY ASSESSED PROPERTIES**

	Unsecured Airlines	Private Carlines	Property Escaping Taxation	Twelve Month CWIP*					Total 12 Mo CWIP
				Airlines	Electrics	Gas/Pipeline	Railroad	Communication	
Carson City	\$ 22,617	\$ -	\$0	\$ 193	\$ 1,172,744	\$ 1,182,860	\$ -	\$ 867,507	\$ 3,223,303
Churchill	43,955	257,905	-	17,519	2,040,426	583,001	17,175	69,627	2,727,748
Clark	13,467,634	493,304	-	1,247,908	188,693,518	9,963,800	40,944	1,844,828	201,790,998
Douglas	46,254	-	-	621	2,220,270	250,254	-	35,078	2,506,223
Elko	196,414	1,188,116	-	27,029	2,873,395	396,865	77,322	255,340	3,629,951
Esmeralda	41,894	-	-	159,278	892,229	-	-	13,102	1,064,609
Eureka	31,104	258,425	-	28,132	1,051,787	53,877	14,892	104,952	1,253,640
Humboldt	76,161	675,307	-	44,560	3,407,159	657,014	41,991	522,707	4,673,431
Lander	65,594	199,591	-	38,164	2,188,509	102,525	12,205	199,644	2,541,047
Lincoln	42,784	384,070	-	67,414	1,193,196	44,710	29,780	323,947	1,659,046
Lyon	36,356	158,239	-	35,065	3,712,600	864,552	11,794	665,147	5,289,157
Mineral	70,567	-	-	70,023	1,250,387	39,905	-	51,103	1,411,418
Nye	257,740	-	-	244,145	4,485,216	33,402	-	790,800	5,553,564
Pershing	78,756	411,918	-	20,565	2,438,531	706,098	25,294	213,465	3,403,952
Storey	33,006	42,135	-	15,928	38,203,387	68,484	2,632	67,375	38,357,806
Washoe	1,016,600	478,314	-	66,639	9,819,562	3,269,054	38,971	6,967,816	20,162,043
White Pine	176,466	-	-	27,818	432,984	-	-	193,263	654,065
<b>Total</b>	<b>\$15,703,902</b>	<b>\$4,547,323</b>	<b>\$0</b>	<b>\$2,111,000</b>	<b>\$266,075,900</b>	<b>\$18,216,400</b>	<b>\$313,000</b>	<b>\$13,185,700</b>	<b>\$299,902,000</b>

\*CWIP = Construction Work in Progress

Pursuant to NRS 361.321, construction work-in-progress (CWIP) must be included on the central assessment roll.

**2008-2009 TAX YEAR  
CENTRALLY ASSESSED UTILITIES TAX ROLL SUMMARY**

	Secured Unitary Assessments	Secured 6 Mo. CWIP * Assessments	Unsecured Airline Assessments	Unsecured Carline Assessments	Unsecured PET ** Assessments	Unsecured 12 Mo. CWIP Assessments	Combined Number of Assessments	Secured Total Value Assessments	Unsecured Total Value Assessments	Combined Total Value Assessments
Carson City	14	6	3	0	0	6	29	\$ 39,425,083	\$ 3,245,920	\$ 42,671,003
Churchill	30	14	3	168	0	13	228	52,592,578	3,029,607	55,622,185
Clark	73	26	16	112	0	30	257	1,769,834,447	215,751,936	1,985,586,383
Douglas	10	4	3	0	0	4	21	42,121,232	2,552,477	44,673,709
Elko	38	19	4	168	0	19	248	107,275,189	5,014,481	112,289,670
Esmeralda	11	5	3	0	0	5	24	19,805,192	1,106,503	20,911,695
Eureka	27	14	4	168	0	13	226	27,882,532	1,543,169	29,425,701
Humboldt	22	13	5	168	0	12	220	96,814,785	5,424,899	102,239,684
Lander	27	14	4	168	0	13	226	41,029,027	2,806,231	43,835,258
Lincoln	24	13	2	112	0	14	165	43,633,211	2,085,900	45,719,111
Lyon	30	14	3	168	0	13	228	75,364,338	5,483,752	80,848,090
Mineral	17	9	3	0	0	9	38	22,199,362	1,481,985	23,681,347
Nye	21	9	3	0	0	9	42	64,338,611	5,811,304	70,149,915
Pershing	26	13	5	168	0	12	224	52,714,931	3,894,626	56,609,557
Storey	23	12	3	168	0	11	217	90,986,806	38,432,947	129,419,753
Washoe	54	21	10	168	0	22	275	293,266,638	21,656,957	314,923,595
White Pine	20	7	4	0	0	8	39	25,262,139	830,531	26,092,670
<b>Total</b>	<b>467</b>	<b>213</b>	<b>78</b>	<b>1,736</b>	<b>0</b>	<b>213</b>	<b>2,707</b>	<b>\$2,864,546,101</b>	<b>\$320,153,225</b>	<b>\$3,184,699,326</b>

\* Construction Work in Progress

\*\* Property Escaping Taxation

## **LOCAL GOVERNMENT FINANCE SECTION**

The purpose of the Local Government Finance section is to oversee the financial administration of Nevada's counties, cities and districts. For the fiscal year ended June 30, 2009, this consisted of overseeing the financial activities of 17 counties, 18 incorporated cities, 48 unincorporated towns, 17 school districts, and 162 special districts, including 4 multi-county districts.

The major areas of responsibility of the section are contained within the provisions of the Local Government Budget and Finance Act (NRS 354.470 to 354.626, inclusive). The areas include overseeing the revenue limitations, indebtedness, budgets and audits of local governments. The section's functional responsibilities within each area include the following:

### REVENUE LIMITATIONS

#### Taxes

Establish and monitor the maximum allowed revenue a local government may receive from property taxes.

Compile, calculate and prepare proforma projections of revenue a local government may receive from property taxes.

Calculate and prepare property tax rates to be certified by the Nevada Tax Commission.

Prepare and publish the Property Tax Rate Report for Nevada Local Governments.

#### Fees for Licenses and Permits

Prescribe guidelines for calculating fee increases for business licenses and building permits.

Monitor for compliance the adoption or increase of fees for business licenses and building permits.

### INDEBTEDNESS

#### Medium Term Obligations

Review and approve or disapprove medium term financing requests including lease/purchase obligations. The approval or disapproval is based upon the probable ability of the local government to repay the debt.

#### Annual Indebtedness Report

Analyze, for reasonableness, the annual indebtedness information submitted by the local governments.

Compile, prepare and publish the Annual Indebtedness Report for Nevada Local Governments.

### BUDGETS

Examine, review, and approve local government budgets based on compliance or noncompliance with statutes and regulations. The examination procedures include but are not limited to the following:

1. Review in detail the form, classification and content of the local governments' estimated resources and expenditures/expenses;
2. Review and verify reported actual prior year resources and expenditures/expenses with the amounts contained in the local governments' audited financial statements.

Local Government Finance Section (con't)

The examination and approval process applies to tentative, final, amended and augmented budgets.

Prepare and provide local governments with a written certificate of compliance or a written notice of lack of compliance regarding their submitted budget documents.

AUDITS

Review annual independent audits of local governments to determine whether the audits comply with regulations adopted pursuant to NRS 354.594.

Refer to the State Board of Accountancy audits which do not adhere to regulations adopted pursuant to NRS 354.594.

Identify all statute and regulation violations reported within each audit.

Evaluate and monitor each local government's plan to correct the identified statute and regulation violations.

In addition, the Local Government Finance Division determines and advises local government officers of regulations, procedures and report forms for compliance with the Local Government Budget and Finance Act. The Division makes such determinations after hearing the advice and recommendations of the Committee on Local Government Finance.

**LOCAL GOVERNMENT  
BUDGETED (ESTIMATED) EXPENDITURES-EXPENSES\*  
FISCAL YEAR 2008-09**

	COUNTY	SCHOOLS	CITIES	TOWNS	DISTRICTS	TOTAL
Carson City	\$ 129,866,639	\$ 97,068,895	\$ -	\$ -	\$ 5,604,288	\$ 232,539,822
Churchill	55,953,088	45,976,892	27,014,580	-	1,337,750	130,282,310
Clark	6,263,804,987	5,115,456,000	2,982,849,394	15,780,702	2,359,543,836	16,737,434,919
Douglas	87,489,908	102,846,794	-	8,098,972	60,555,498	258,991,172
Elko	95,049,243	105,791,126	62,778,159	3,320,496	7,309,666	274,248,690
Esmeralda	6,508,007	2,135,643	-	480,037	-	9,123,687
Eureka	25,151,969	11,377,016	-	3,970,445	703,900	41,203,330
Humboldt	27,494,179	37,693,283	11,177,094	-	32,280,422	108,644,978
Lander	19,791,010	14,153,967	-	2,101,126	9,946,332	45,992,435
Lincoln	13,832,143	15,393,140	2,482,693	1,262,545	7,749,614	40,720,135
Lyon	63,589,129	106,417,142	17,952,510	-	16,598,936	204,557,717
Mineral	9,654,029	9,331,136	-	1,690,948	12,176,998	32,853,111
Nye	116,737,964	101,650,428	-	20,850,603	2,961,313	242,200,308
Pershing	11,863,756	13,540,957	2,186,000	72,917	2,040,652	29,704,282
Storey	22,033,179	10,729,067	-	106,500	2,292,226	35,160,972
Washoe	741,880,976	704,953,303	512,856,827	-	471,556,017	2,431,247,123
White Pine	14,828,235	19,698,717	6,137,440	163,539	25,976,116	66,804,047
Multi-county districts					13,335,120	13,335,120
<b>TOTALS</b>	<b>\$7,705,528,441</b>	<b>\$6,514,213,506</b>	<b>\$3,625,434,697</b>	<b>\$57,898,830</b>	<b>\$3,031,968,684</b>	<b>\$20,935,044,158</b>

\* Source: Final budgets filed June 1, 2008